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**REFORM OF INTERNATIONAL ENVIRONMENTAL GOVERNANCE:
AN AGENDA FOR THE COMMONWEALTH***

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Executive Summary

1. **International environmental governance (IEG) has evolved into a complex web of organisations, treaties, funds, and, liaison mechanisms; however, the urgency and scale of today's environmental issues have outgrown the current system.** There is a divergence between the global environmental challenges we face and the ability of the institutions that exist to address them. Many problems have been recognised in the current system of IEG: it is too large and too complex; it is chronically under-funded and yet also uses resources it has inefficiently; it has expanded in an ad hoc fashion; it lacks coordination and policy coherence; it is often duplicative and ignores interlinkages; and sometimes different organisations within the system work at cross-purposes to each other.

2. **Reform of the international environmental governance (IEG) is imperative for adequate and effective responses to addressing global pollution and natural resource management challenges.** The problem is not just environmental. It is closely linked to development, particularly for poor countries that rely heavily on the natural resource base for their livelihoods. Though poor countries contribute the least to global environmental change, they are disproportionately affected by environmental degradation. **Small developing nations face the highest entry and transactions costs to operate within the system, but have the least resources - which place them at very high risk of becoming disempowered and disenfranchised.**

3. **Several issues are at the core of the current problem of IEG. The random development of more than 500 Multilateral Environmental Agreements (MEA) has created complexity and fragmentation** in the system that results in inefficient use of financial resources, inconsistency in the international legal system, and a failure to capture functional synergies and address critical issues that cut across the more narrow jurisdictions of these treaties. **In addition, the United Nations Environment Programme (UNEP), as the central agency on environment, is weak and ineffectual** as it: (1) lacks the authority or political power to serve as the anchor for international environmental efforts, (2) exerts little influence over the MEAs, (3) is deficient in providing coherent and authoritative scientific advice to decision-makers and conducting policy reviews, (4) is constrained by a narrow mandate that does not sufficiently address development issues that are affected by the environment, and (5) has a limited and unpredictable budget.

4. **Several options for IEG reform have been proposed in preparation for upcoming discussions in the 63rd Session of the General Assembly (UNGA).** These options generally fall into two main camps: upgrading the functions of UNEP into a United Nations Environment Organisation, or establishing a centralised, more authoritative and better-endowed international environmental organisation. In these negotiations, the uniqueness of the Commonwealth membership may provide it with the potential to address key reforms that could create a more effective system for its members and the global community at large.

5. **Seven key components form the basis of a reform agenda on IEG for the Commonwealth. (1) Based on UNEP, create a new UN organisation for environment and development.** The organisation would address the coherence of environmental-development policies and provide an effective means for responding to sustainable development concerns. **(2) At the heart of the new organisation would be finance mechanisms and funds** that would provide the power and means of implementation, operationalise the link between development and

environment and reduce procedural and administrative burdens for funding. **(3) The new organisation should be based on agreed-upon core principles** to ensure consistency of international environmental law between separate regimes and processes and greater compliance and enforcement of international law. **(4) A permanent science-policy interface would provide the substantive basis for decision making** and provide the cross-cutting science to address multiple MEAs and science for policy needs. **(5) The organisation could have a subsidiary body or ‘Coordination Council’** that would be organised according to cluster areas of the MEAs and on key environment-development issues to ensure that actions of the organisation remain development friendly. The Council could simultaneously be a subsidiary of the new organisation and linked to the GA thus giving it political authority, hierarchy, and legal clarity to coordinate MEAs and policy in other domains when required. **(6)** The operational principles of the organisation will cater particularly to the **developing states whose environments are most severely threatened**, with special provisions for the fragility of small and island states. **(7)** The organisation will be empowered to operate or oversee mechanisms for the transfer of **environmental technologies or systems to developing countries on acceptable terms** to ensure rapid capacity building. The global priority should be accelerated reduction in environmentally harmful practices through access to means to address them, rather than a debate on obligations divorced from the possibility of access to the instrumentalities for achieving them.

6. One of the main reasons why some MEAs have been so successful is because governments have been willing to endow their Conferences of the Parties with essential powers. **The question remains whether governments would be as willing to grant as much authority to a UNEO as they have to specific and specialised MEAs. The legitimacy of the suggested options will depend on how well the development concerns of developing countries are incorporated into any proposals for IEG reform.**

1. INTRODUCTION

1. The current calls for reform of international environmental governance (IEG) may at a first glance seem like a pedantic debate over hierarchies, assigning blame, and general misunderstandings. However, a closer look at the nature of global environmental problems, and the inherent shortcomings of the existing structure in responding to global pollution and natural resource management challenges, argue strongly for a restructuring of the international environmental regime. The problem is not just environmental. It is closely linked to development, particularly for poor countries that rely heavily on the natural resource base for their livelihoods. Though poor countries contribute the least to global environmental change, they are disproportionately affected by environmental degradation. Moreover, they face the highest entry and transactions costs to operate within the system, but have the least resources—which place them at very high risk of becoming disenfranchised or disempowered.¹ Without adequate environmental conditions any achievements of social and economic development would ultimately be undermined.

2. Global governance is the only means by which we can respond to the scale and complexity of environmental challenges and the evolving context within which they have to be addressed. Though some issues can be solved at the national level, many environmental problems, like pollution and overexploitation of shared resources, have international implications and require collective action. No state is immune to the effects of global environmental change and all states require effective governance to mitigate and adapt to such change.

3. Many problems have been recognised in the current system of international environmental governance: it is too large and too complex; it is chronically under-funded and yet also uses resources it has inefficiently; it has expanded in an ad hoc fashion; it lacks coordination and policy coherence; it is often duplicative and ignores interlinkages; and sometimes different organisations within the system work at cross-purposes to each other. Options do exist, however, that could effectively address these problems but they will require major reforms. This paper presents some reform options for the Commonwealth member states to take up as a potential agenda for negotiations that will get underway at the 63rd Session of the General Assembly.

2. CHALLENGES IN INTERNATIONAL ENVIRONMENTAL GOVERNANCE

4. The current limitations of international environmental governance are centred on four main issues: (1) coordination of the Multilateral Environment Agreements (MEAs); (2) the weaknesses of the United Nations Environment Programme (UNEP), as the premier institution on the environment; and (3) lack of finance coordination for IEG and the (4) operational division between environment and development.

2.1 Complexity and fragmentation among MEAs

5. The MEAs provide the main policy guidance on global environmental issues. They have been integral to establishing standards, policies, and guidelines for the stewardship of the global environment. However, the increasing number of treaties (500-plus) has led to a proliferation of

¹ Summary Record of the Seventh Meeting of the Commonwealth Consultative Group on Environment 7 February 2001, United Nations, Nairobi, http://www.thecommonwealth.org/shared_asp_files/uploadedfiles/%7BFF741F64-7220-4EA2-AE17-5CA65C5AB659%7D_7%20summary%20record.pdf, 15.

MEA secretariats and related entities and institutions responsible for their administration and coordination. This has resulted in overlapping efforts and fragmentation, with different forums dealing with different pieces of the global environmental agenda.² The proliferation and incoherence between MEAs has certain advantages (e.g. division of labour and specialisation), but mostly the situation leads to inefficiencies in the system resulting in:

6. **Inefficient use of financial resources** – From a fundraising perspective, the decentralised system for MEAs may be effective for generating impressive levels of funding but from a cost priority point of view it makes less sense. For example, combined MEAs finance (secretariats and implementation funds) is roughly \$US 445 million—much higher than the centralised budget of the World Trade Organisation (\$US 180 million) or the ILO (\$US 255 million). The funding used for hosting multiple secretariats, meetings, procurements and administrations, could be better used for environmental activities on the ground, for implementing the agreements, capacity building or adapting to the challenges of ecosystem change.

7. **Inconsistency in the international legal system** – Multiple MEA processes and decision making bodies have increased the discrepancies between international rules and interpretations. Principles such as common but differentiated responsibility and the precautionary principle are referred to in multiple MEAs in variations that have decreased its consistent use and therefore left the principles open for multiple interpretations and ultimately weakened how they are applied under international and national law.

8. **Functional inefficiencies** – The burden of participation in the IEG process particularly the MEAs has become extraordinary. For many of the small developing countries a simpler integrated system would better serve their needs and allow them to participate and benefit from the system more fully.

9. **Failure to address interlinkages** – The most important factor of the proliferation is that the compartmentalisation of MEAs has left major grey zones between the conventions which are not addressed effectively. The ‘interlinkages’ problem is considered the no-man’s land that lies between the treaties, a place where there is less money and no legally binding obligations to create cooperation.

2.2 Weakness of UNEP as the premier environmental institution

10. The current IEG system is centred in UNEP, and it is generally agreed that the Programme is fragmented, weak, and ineffective in setting the agenda for global environmental governance. Moreover, the landscape and context of environmental governance has changed considerably since 1972, when UNEP was created. Some of UNEP’s shortcomings can be attributed to managerial issues and bureaucracy, but other aspects of the problem are deeper and more structural.

11. Political authority is perhaps the most significant of UNEP’s challenges. For a variety of reasons, member states lack the political will to endow UNEP with the legal authority, status and

² According the United Nations Joint Inspection Unit Report Management of the Environmental Governance within the United Nations System, Geneva 2007 JIU/REP/2007/XX, there are an excess of 500 international treaties and other environmental related agreements. It is estimated that 70 percent of these are regional in scope, and 60 percent have been agreed since the formation of UNEP in 1972.

political power necessary to coordinate, set policy and standards on international environmental issues.

12. This has also led to lack of authority over the MEAs. Since the inception of UNEP, several hundred MEAs have been negotiated and in effect the MEAs have become the policy leaders and implementers on the environment in their respective areas. This leaves very little policy and implementation space for UNEP as the autonomy of these MEAs has remained outside its domain in terms of coordination and control. UNEP has no legal or political authority over the MEAs and practically every reform considered for better coherence and improved coordination with MEAs has come attached with a caveat that ‘attention should be paid to the autonomy of MEAs and their respective treaty-based governing bodies such as the Conferences or Meetings of Parties.’³

13. Other major areas of UNEP deficiency include its lack of ability to provide coherent and authoritative scientific advice to decision-makers and conducting policy reviews. It is constrained by a narrow mandate, small budgets, and limited support.

2.3 Finance coordination, inadequacies and inefficiencies

14. The dispersion of the existing financial mechanisms—spread across the GEF, UNDP, World Bank, and separate funds such as the Montreal Protocol Finance Mechanism, is one of the major weaknesses of the current IEG system. Lack of financial coordination, geographic fragmentation, and duplication of activities result in higher operational costs and inefficient use of resources. As previously mentioned, the current IEG system is extremely costly as each MEA has its own secretariat and Conference of the Parties, which often leads to the establishment of sub working groups and imply high travel costs, increased reporting burdens and the financing of experts to draft them.

15. With greater coherence in the system of governance and financing, a great deal more could be achieved with the existing resources. For the IEG system as a whole to be effective, it needs to find ways to create better links to other areas on global policy and to mainstream environmental considerations into economic and security decisions.

2.4 Operational division between environment and development

16. Though UNEP includes the sustainable development principles of economic, social and political development in its programming, it does not coordinate its activities with other international organisations, like the World Bank, International Monetary Fund (IMF), and World Trade Organisation (WTO). Many of the important decisions affecting environmental governance now take place outside the complex system of international treaties and organisations that make up the IEG system and are occurring in areas such as trade, investment and international development. Institutions like the WTO, UNDP and the World Bank have begun to pay much more attention to environment and sustainable development than in the past. For example, in 2000,

³ See for example the *EU's first reaction on co-chair's Options Paper - United Nations Informal consultative process on the institutional framework for the UN's Environmental activities*, October 4 2007, New York, http://www.europa-eu-un.org/articles/en/article_7452_en.htm

the World Bank had an active portfolio of over US\$5 billion in environmental projects and UNDP's portfolio was over US\$1.2 billion.

17. These organisations play important roles in global environmental governance. The World Bank in particular has significant impact, through the implications of its development activities for the environment and through its own environmental strategy. The Bank has attempted to integrate or "mainstream" environmental concerns into all of their development activities. However, an analysis of its mainstreaming performance conducted by the Bank itself, states that the environment "is too often viewed as a luxury that can wait rather than a central part of the development objectives."⁴

18. The IMF has made even less progress toward opening its lending process to outside review and environmental considerations and the WTO is more or less closed. Decisions that govern production, trade, and investment often pay inadequate attention to protecting the environment and human needs. Most development is not yet sustainable and environment is seen as an add-on rather than the essential foundation of all human well-being and economic production.⁵

19. As stated in a recent speech by the Prime Minister of Great Britain, Gordon Brown, "[t]here is an urgent need for financing of environmentally sustainable development. So while we strengthen the World Bank's focus on poverty reduction, its capacity and global reach should make it also a bank for the environment." He also suggested that the IMF should focus on 'surveillance' of the global financial system in order to avert crises not just resolve them.⁶

3. CURRENT REFORM PROCESSES AND COUNTRY POSITIONS

20. Over the last decade, a number of calls have been made for reform of the international environmental governance system (See Annex). A heated debate has emerged on the possible need and potential directions of reform in the international environmental governance system so that it can keep pace with its own rapid evolution.⁷ The major divergence in views is whether effective reforms can take place within the present institutional framework and by upgrading the functions of UNEP, or whether the establishment of a more authoritative and better endowed international environmental organisation is needed. Within these two general camps, several options have emerged, including: 1) upgrading UNEP into a United Nations Environment Organisation; 2) creation of a new organisation equal to others like the World Health Organisation, International Labour Organisation, and World Trade Organisation; 3) creation of an "institutional roof" covering different environmental institutions, and having a "legal personality" covering all UN institutions and MEAs with environmental activities (this includes the proposal to cluster the

⁴ World Bank, 2001. OED Review of the Bank's Performance on the Environment. Sector and Thematic Evaluation Group Operations Evaluation Department. Washington D.C. July 5, 2001. p. 23. Available at [http://wbln0018.worldbank.org/oed/oedevent.nsf/0/77e5ad90ef06cf3c85256a7d006fb06f/\\$FILE/OED_environment_review.pdf](http://wbln0018.worldbank.org/oed/oedevent.nsf/0/77e5ad90ef06cf3c85256a7d006fb06f/$FILE/OED_environment_review.pdf). Last accessed on May 9 2008

⁵ UNDP, UNEP, World Bank, World Resources Institute, 2003. The World Resources Report 2002-2004: Decisions for the Earth: Balance, voice, and power. Available at <http://www.energyandenvironment.undp.org/undp/index.cfm?module=Library&page=Document&DocumentID=506>. Last accessed on 9 May 2008

⁶ See 10 Downing Street, "PM calls for world institutions shake-up." 21 January 2008. <http://www.number-10.gov.uk/output/Page14319.asp>

⁷ *Ibid.*

MEAs and 4) promotion of public policy networks and further development of a network of environmental actors.

3.1 Country Positions on IEG Reform⁸

21. In response to the UN Coherence Panel⁹ “Delivering as One” Report,¹⁰ the General Assembly presented an “Options Paper” in June 2007, based on informal contributions from Member States. It included an overview of the Assembly’s consultation process beginning with the September 2005 World Summit; a description of the current system of IEG as it is viewed by delegations, as well as their assessments of its current weaknesses, including the view—reportedly shared by all delegations—that the system’s capacities are not adequate to meet current challenges. It also included seven ‘building blocks’ for a strengthened UN framework of international environmental governance; and aims of some delegations for broader institutional transformation, such as the creation of a UN environment organisation.

22. A number of Member States responded to the “Options Paper” including: Pakistan on behalf of the Group of 77 (130 countries), USA, Australia, Japan, Russian Federation, New Zealand, Mexico, China, Republic of Korea, Iran, Portugal on behalf of the EU as well as a number of other countries, Indonesia, Egypt, Malaysia, India, and France. There are generally four positions, listed in decreasing order of support:

23. **Preserving the status quo:** countries that see no need for significant overhaul of the IEG system and do not support the creating of a new “supranational” environmental organisation or the restructuring of UNEP into such an agency. The US, in particular, appears to prefer an issue approach to environmental governance which is facilitated by the current system of MEAs, focusing on key issues such as ozone or biodiversity. Many MEAs do not set specific targets, timetables, nor do they contain strong measures with regards to implementation and compliance, according to this position.

24. **A “stepwise” approach:** countries that believe that some of the challenges can be met with small steps but also support formal negotiations on the broader transformation of IEG. This position is supported by Japan.

25. **Upgrading UNEP:** countries that would like to see broader transformation of UNEP. This position is generally supported by the G77 and China (though they are yet to reach a common consensus). They are still seeking clarifications on the form that the restructuring will take and how it relates to the seven ‘Building Blocks’ outlined in the Options Paper. China also favours strengthening the role of the Global Ministerial Empowerment Fellowship (GMEF) in

⁸ Compiled from the Centre for UN Reform Education website “Additional Views from Member States on Options Paper to Strengthen International Environmental Governance” (See <http://www.centerforunreform.org/node/289>); and Lydia Swart, 2007 “Consultations at UNGA on Environmental Activities Reach Critical Stage” January 30, 2007 (See <http://www.centerforunreform.org/node/236>).

⁹ The UN High-level Panel on United Nations System-wide Coherence in the Areas of Development, Humanitarian Assistance and the Environment which was co-chaired by Luisa Dias Diogo, Prime Minister of Mozambique; Jens Stoltenberg, Prime Minister of Norway; and Shaukat Aziz, Prime Minister of Pakistan; and reported in November 2006.

¹⁰ United Nations. 2006. Delivering as One Report of the High-level Panel on United Nations System-wide Coherence <http://www.un.org/events/panel/resources/pdfs/HLP-SWC-FinalReport.pdf>
Also available as document number A/61/583 at <http://documents.un.org/>

guiding policy development, and enhancing the role of the Global Environment Facility (GEF). China, India, and Nigeria also advocated integrating IEG into the broader sustainable development framework, and making capacity building in developing countries an IEG priority. Small island developing states are particularly concerned about the impacts of climate change and have expressed support for a wider and stronger mandate for UNEP in order to assist countries in fighting climate change and achieving sustainable development.

26. **A new organisation (UNEO):** countries that support more ambitious reform efforts, including upgrading UNEP into a UN Environment Organisation, which would be a UN specialised agency. This position is led by France supported by 27 EU countries and 23 other countries¹¹. The EU fully endorsed the IEG process, supporting negotiations on the Building Blocks, which describe specific and short-term possibilities to strengthen IEG as well as on the broader transformation of the IEG system. Brazil supports the creation of an ‘umbrella body’ on IEG but has not yet consolidated its position.

4. OPTIONS FOR A COMMONWEALTH MEMBERS AGENDA ON IEG REFORM

27. There have been enough reviews of IEG. We know the problems—it is the solutions that will take deep political commitment. Tinkering with the current international environmental governance model will only lead to more layers of bureaucracy and fragmentation, and with it diminishing returns on the effectiveness of the system to achieve the goals of protecting the environment and delivering on the development agenda. At the same time, embarking on reform in the system too quickly could cause irreparable damage to the innovation and progress that has been made over the last three and half decades. Amongst the positions that are on the table there is scope for brokering compromise while not racing to a “consensus product” meaning the weakest governance possible.

28. The Commonwealth is a good testing ground for working out these spaces for compromise as its members are also members of negotiating coalitions where positions have already been developed, or in which positions are currently under development in preparation for upcoming IEG negotiations. The Commonwealth has a key EU member (UK) while also developing nations and small island states that make up a large membership in the G77. There are also some large developing and influential countries in the G77 such as India, Nigeria and South Africa. Several emerging economies such as Malaysia and Singapore have, in other negotiations forums, such as the WTO, played very influential roles. Canada, New Zealand and Australia are often viewed as and act as brokers with OECD countries and the US. Many of the compromises lie between the scopes of interests of the Commonwealth membership and therefore the Commonwealth may be in a strategic position to forge a compromise between the developing countries and the EU. Bringing in the US is a factor that could be a “show-stopper” but a dialogue between the US Canada-Australia-UK might lead to the US agreement to either endorse the reforms that follow in the next sections or to at least not block them.

¹¹ As of April 2007.

4.1 **Compromise: UNEO with Development at its Core**

29. **Rationale:** *Need to establish an authoritative organisation with a strong political base, clear hierarchy vis-à-vis other organisations, bring salience and operationalisation of environmental-development imperatives.*

30. **Benefits:** *Coherence on environmental problems as they relate to development and an effective means for responding to them.*

31. **Proposal:** The starting point for the common ground is that there is broad general support for the creation of a new environmental organisation. As stated above, there are more than 30 countries supporting the creation of a UNEO and the G77 led by China, India, Nigeria and Brazil have either supported this idea or have not been directly opposed to it—as long as a development agenda is placed at the centre of the organisation. One of the major stumbling blocks to the UNEO proposal in the past has been the developing countries' suspicion that it was a hidden agenda to move UNEP from Nairobi to Paris, Bonn or Geneva. The EU has firmly squashed this concern and they have clearly stated that any UNEO would be built upon the existing secretariat of UNEP and the seat of the headquarters would remain in Nairobi.

32. The second concern that many developing countries have is that they would like to see the development and the environment agenda more closely linked. They expressed support and confidence in the Global Ministers Environment Forum (GMEF) as a body that undertakes such considerations. Their principal concern, however, is that the IEG debate does not detract from this issue.

33. The position of the G77 including China, seems to offer some avenues for opening up a compromise for upgrading UNEP to an organisation but not necessarily a UNEO. The indications rather point to an organisation built on environment and development (or sustainability) instead of just environmental protection. This could be the key point of compromise for the creation of a new organisation—one with sustainability at the centre and one with the GMEF as its principal governing body. Taking such a position would have certain implications for existing institutions such as the Commission on Sustainable Development (CSD) which in such an instance could be dissolved and the mandate for sustainable development finally given to the new organisation.

34. **Political Difficulty:** *High-Medium difficulty—the need to turn UNEP into an organisation is readily recognised by several developing and developed countries alike. The political difficulty is mainly dissolving the entrenched support for redundant institutions like CSD and developing a new structure that addresses the problems of environment and development without disturbing the innovations and mechanisms that have worked. If the establishment of the new organisation can be agreed, the reforms options that follow below will have lower levels of difficulty.*

4.2 **Finance Mechanism a key to New Organisation**

35. **Rationale:** *Unstable funding base, low levels of funding for development side of environment, fragmented and burdensome funding procedures.*

36. **Benefits:** *Provide the power and means of implementation, operationalise the link between development and environment, reduce procedural and administrative burdens for funding,*

mobilise private sector funding, create markets for reducing environment externalities, and improve valuation of ecosystem services.

37. **Proposal:** A key entry point to bring in the developing countries and reinforce the seriousness that the new organisation is based on environment and development would be to ensure that the organisation is armed with financial and market mechanisms for promoting development through capacity building and access to technologies. Such an organisation could be founded on lessons of the successes that have come from promoting technology and development through mechanisms such as carbon markets, and the Clean Development Mechanism (CDM). For the Climate Change Convention these instruments have become key implementation mechanisms and their success has far outweighed the more classic means of implementation of MEAs prior to the Kyoto Protocol.

38. A further move to integrate the GEF into the new organisation and create a firm partnership with the World Bank and UNDP, which right now outspends all the environment activities combined, would offer an added incentive. Developing countries have historically had much more confidence in organisations such as the UNEP and the GMEF than it has had with GEF which have had a long convoluted battle to access funding for their needs and the World Bank which has imposed high levels of conditionality.

39. **Level of Political Difficulty:** *Medium difficulty—the main challenge is defining the rules, standards and institutions for the market mechanisms and also ensuring there are reduced procedural barriers to entry for developing nations. The focus on market mechanisms may require specific targets (i.e. MDGs) that could require a second look at international goals and objectives. The funds will require a strong financial commitment from developed nations.*

4.3 Principles-Based Organisation

40. **Rationale:** *Need for codifications and strengthening of international environmental law.*

41. **Benefits:** *Consistency of international environmental law between separate regimes and processes, greater compliance and enforcement and effectiveness of law.*

42. **Proposal:** A feature of the new organisation that would be a selling point to influential developing countries outside the Commonwealth such as Brazil would be to base the new organisation upon a set of core principles. Much like the principles of non-discrimination, most-favoured-nation and national treatment guide the work of WTO; or how elimination of discrimination in the work place, freedom of association and abolishment of forced labour guide the work of International Labour Organisation (ILO). The core environmental principles that have been built up over the last three and half decades of environmental development such as common but differentiated responsibility, polluter pays and precautionary approach, sustainable development etc. could be the core constitution of the new organisation.

43. **Level of Political Difficulty:** *Medium-low difficulty—most of the main principles of international environmental law are well known and many are enshrined in customary law: providing an umbrella just reinforces them. This option could be a major concession to Brazil, which has proposed an umbrella organisation based on principles, into a deal with the other options presented here. The main barrier to this option will be agreeing on the principles and*

their hierarchy. For example, 'common but differentiated' has been a major source of disagreement between developing and developed countries.

4.4 Permanent Base Science-Policy Interface

44. **Rationale:** *Need for sound science for policy making, need for integration and holistic approach to scientific advice including development and environment interlinkages, need policy and MEA implementation review, need to address proliferation of multiple science assessments, identify emerging issues and threats.*

45. **Benefits:** *cross-cutting science to address multiple MEAs, science oriented to policy needs, independent science base with permanent authorizing environment, increase and influence and authority of new organisation for environment and development.*

46. **Proposal:** This proposal has not been reinforced enough in the formalisation of country positions so far and would offer new ground for the Commonwealth members to strengthen in the negotiations. Environmental policymaking has been likened to the art of making the right decisions based on an insufficient understanding of the underlying problems. Given the tremendous complexities of the environmental challenges, effective IEG must rely on scientific information on both the kind of problems that are faced and the options for decision-makers to cope with it. But for it to be credible and legitimate, the new organisation cannot control the science. Science must remain separate from political persuasion but linked to policy. So while the new organisation would not provide scientific assessment itself its governing body would be the 'authorising environment' that would ensure the science assessment is salient and linked to the policy questions provided to it by the members of the new organisation.

47. **Level of Political Difficulty:** *Medium-low difficulty--there has already been a lot of lessons learned from scientific mechanism such as the Intergovernmental Panel on Climate Change (IPCC) and integrated assessments such as the Millennium (Ecosystem) Assessment (MA) that main challenge is to set up the authorizing environment for multiple MEAs and ensure the independence of science while keeping it salient to policy. Processes such as Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES formerly the International Mechanism of Scientific Expertise on Biodiversity or IMOSEB) have already created fertile ground for furthering this reform. The key now is to link it with the current IEG reform agenda.*

4.5 Creation of a Coordination Council

48. **Rationale:** *Current hierarchy of IEG decision-making is incoherence leading to fragmentation inefficiencies and overlap; better coordination with MEAs and development organisations such as UNDP, WB, and UNDP.*

49. **Benefits:** *Clear foundation of coordination providing legal clarity, clear political authority and leadership, reduction of costs, addresses interlinkages between MEAs, improved implementation.*

50. **Proposal:** Piecemeal reform of the IEG system has resulted in compromises and band-aid solutions that were developed in the absence of the political consensus to undertake major IEG restructuring that have been part and parcel of institutional proliferation. There is the

Environmental Management Group, the Liaison Group for Biodiversity Related Conventions, and the Liaison Group for the Rio Conventions and others. These are toothless, information sharing mechanisms and their function could be better served by coordination at more strategic levels of decision making. Furthermore, they are only partially representative of the coordination areas that are required.

51. In place of these mechanisms a 'Coordination Council' under the new sustainability organisation could be created, its membership composed of a representative group of countries, not secretariats. The Council would be both a member-driven body of the new organisation and a subsidiary organ of the GA and would report directly to the GA. This would ensure that it has the legal authority, hierarchy and a solid power base from which to evoke cooperation amongst the MEAs. In order to address the diverse issues of the MEAs, the Council could have committees based on MEAs clusters such as Marine, Land, Biodiversity, Atmosphere, Chemicals. Other types of clusters have been proposed. The concept would be to create broad categories in which coordination committees could benefit the most from working together.

52. Clustering of MEA secretariats has been an issue that has gained some political traction in past rounds of discussions on IEG reforms and it continues to be, on face value, something that attracts support, but the 'devil is in the details'. There are many small MEAs and conventions that have not been implemented or that have been superseded by newer MEAs and integration makes a great deal of sense from a financial savings and coherence point of view. For example the chemical and hazardous wastes conventions as well as some of the biodiversity-related and conservation conventions are often cited. On the other hand there are large conventions such the United Nations Framework Convention on Climate Change (UNFCCC) that are already working well and would be very hard to cluster. However, instigating real coordination with the conventions such as the UNFCCC and others has been very difficult, and it currently has no legal responsibility to cooperate with UNEP and very much views itself as independent. The clarity of the role of coordination as described above would ensure that conventions such as the UNFCCC continue to work but critical issues where climate change interacts with major other MEAs and conventions are properly addressed.

53. *Level of Political Difficulty: High-Low difficulty, membership of the MEAs roughly overlap but there maybe instances where they are not totally congruent and this may cause technicalities and resistance. Arguments will surely arise that there already exists coordination mechanisms in the current IEG system and replacing them (such as the EMG and liaison groups) may become a source of difficulty. Meeting the argument that ECOSOC has never delivered effective coordination amongst the institutions of the current IEG will be a key to this reform and thus the proposal for creating the Coordination Council and its direct access to the GA.*

5. Conclusion

54. There are many places IEG reform could take us and this paper has laid out the principal challenges and offered some of the potential areas for agreement and for moving this debate forward. In the past, the Commonwealth countries have been major leaders of IEG initiatives. In 1992 on the eve of the Rio Summit, Sir Geoffrey Palmer, the former Prime Minister of New Zealand called for the establishment of a specialised UN agency for the environment and to name

it the International Environmental Organisation.¹² In 1997, on the eve of the Rio+5 Special Session of the GA, South Africa's then Deputy President, Thabo M. Mbeki, and Singapore's Prime Minister, Goh Chok Tong, collaborated on a "Declaration for a Global Initiative on Sustainable Development" that included the creation of an new umbrella organisation with UNEP as a major pillar.¹³ In 2000, Canada's Environment Minister, David Anderson, chaired the UNEP IEG discussions that led to the Cartagena Package. In 2006, in a speech at Georgetown University, Tony Blair announced the need for a UNEO "commensurate with the importance the issue [environment] now has on the international agenda."¹⁴ Commonwealth members are not strangers to this issue and there has in the past been the initiative to take leadership on IEG and drive reform, but reform takes political will and vision. A step-by-step process will work only if the steps are planned carefully without conditionality and they must be bold broad steps towards real change.

55. One of the main reasons why some MEAs have succeeded is because governments have wanted them to and have therefore been willing to endow their Conferences of the Parties with essential powers. However, the question remains as to whether governments would be as willing to grant as much authority to UNEP as they have to specific and specialised MEAs. The legitimacy of the suggested options will depend on how well the development concerns of developing countries are incorporated into any proposals for IEG reform. The Commonwealth is one of the most unique and oldest partnerships in the world and it could become a major catalyst for brokering or leading an agreement on IEG. Its biggest challenge is to avoid a political consensus of the lowest common denominator while looking for a way forward that serves the diversity of its membership.

56. The Commonwealth will also have to remain true to its time-honoured concern and commitment to small and vulnerable states (particularly small island states in the context of environment) in terms of the priorities it sets. This urgency of doing this is justifiable in terms of the data becoming available. More generally, the core pragmatic outcome will have to ensure mechanisms whereby environment related technologies and systems can be speedily and competitively accessed by developing countries, apart from the burden of responsibility the developed countries shoulder for themselves. Political commitment must go hand in hand with practical commitments to contain the threat projection. These improvements need not await the outcome of the organisational debate. The Commonwealth could take the lead in consulting on and in proposing initiatives for wider global consideration in this pivotal area of current deficit.

¹² Palmer, Geoffrey, "New Ways to Make International Environmental Law," *American Journal of International Law*, Vol. 96, 1992, 259.

¹³ Strong, Maurice interview with Geoffrey Lean, "Remaking Industrial Civilization," *Our Planet*, Vol. 9, No. 1, 1997, 9.

¹⁴ PM's foreign policy speech - third in a series of three <http://www.number10.gov.uk/output/Page9549.asp>, 26 May 2006.

Recent Processes in the International Environmental Governance Reform

Over the last decade, a number of calls have been made for reform of the international environmental governance system (Box 1¹⁵). The main processes are currently taking place the aim of strengthening the UN's environmental activities include:

1. Informal consultations are being held in the General Assembly, co-chaired by Mexican Ambassador Enrique Berruga and Swiss Ambassador Peter Maurer, to capture the Member States' views on the major questions of the UN's environmental governance infrastructure.
2. The *High-level Panel on System-wide Coherence*, established by the former Secretary General, Kofi Annan, has made a number of recommendations on environmental governance in its report "Delivering as one."
3. A third parallel process taking place outside the UN system is an effort by approximately 50 governments to build support for a UN environment organisation. Known as the "Group of Friends of UNEO."
4. UNEP's Governing Council Global Ministerial Environment Forum (GC/GMEF) has been discussing the issue of international environmental governance (IEG) and UN reform. A key issue on the table at UNEP's 10th Special Session of the GC/GMEF in Monaco 20-22 February included the approval of UNEP's new Medium-Term Strategy (MTS) for 2010-2013.¹⁶

Evolution of the IEG Reform Process

Year	Reform
1997	UN Secretary General, Kofi Annan, launches a UN-wide reform initiative. The Nairobi Declaration on the Role and Mandate of UNEP restates UNEP's role as the leading authority in the field of the environment. The Declaration is adopted by the UNEP GC and endorsed by the UNGA to revive UNEP and re-establish its authority. The UN Task Force on Environment and Human Settlements is appointed by Kofi Annan to focus on inter-agency linkages and the revitalisation of UNEP. The Task Force's recommendations are adopted by the GA, leading to the creation of two new coordinating bodies: the Environmental Management Group (EMG) and the Global Ministerial Environment Forum (GMEF).
1999	The Inter-agency Environment Management Group (IEG) is established as a mechanism to provide UNEP with an effective and strong coordinating role within the UN system on environmental matters.
2000	The Malmo Declaration is adopted by the GMEF. It requested that the WSSD review the requirements for an enhanced institutional structure for GEG, including how to strengthen UNEP and broaden its financial base and how to better incorporate non-state actors into the GEG system.

¹⁵ Najam, Adil, Mihaela Papa and Nadaa Taiyab (Lead Authors); International Institute for Sustainable Development (Content Partner); Cutler J. Cleveland (Topic Editor). 2007. "Global Environmental Governance: A Primer on the GEG Reform Debate." In: Encyclopedia of Earth. Eds. Cutler J. Cleveland (Washington, D.C.: Environmental Information Coalition, National Council for Science and the Environment). [First published in the Encyclopedia of Earth April 5, 2007; Last revised May 14, 2007; Retrieved April 25, 2008].

¹⁶ IISD Earth Negotiations Bulletin, 2008. Summary of the Tenth Special Session of the UNEP Governing Council/Global Ministerial Environment Forum, Volume 16 Number 66 - Monday, 25 February 2008. <http://www.iisd.ca/vol16/enb1666e.html>

- 2000-2002 The Cartagena Process is initiated to assess options for reforming global environmental governance. The 21st Session of the UNEP Governing CGC/GMEF convenes the Open-Ended Intergovernmental Group of Ministers or Their Representatives on International Environmental Governance (IGC/IEG) to assess the options for strengthening UNEP, improving the effectiveness of MEAs and improving international policymaking coherence. The report from the process was transmitted to the CSD and to the WSSD.
- 2002 The Johannesburg Plan of Implementation, adopted by the WSSD, calls for the full implementation of the Cartagena decision.
- The Eighth Special Session of the UNEP GC/GMEF meets in Jeju, Republic of Korea to discuss progress on the Cartagena decision.
- 2003 French President, Jacques Chirac, calls for creation of a United Nations Environmental Organisation (UNEO) at the UNGA. In response an informal working group is set up to facilitate dialogue among governments on UNEP reform.
- 2004 The Bali Strategic Plan for Technical Support and Capacity-building was adopted by the GC/GMEF, outlining proposals for improving the capacity of developing countries and economies in transition to implement MEAs.
- 2005 The UN Summit (2005) calls for strengthening coordination within the framework of international environmental governance and for the integration of environmental activities at the operational level into the broader sustainable development framework. Informal consultations begin in the General Assembly.
- 2006 A High Level Panel on UN-wide Coherence in the Areas of Humanitarian Assistance, the Environment, and Development is created after the World Summit in New York, 2005. The Panel delivers its report, "Delivering as One", in November 2006. Two Co-Chairs (Ambassadors Mexico and Switzerland) are appointed on Informal Consultative Process on Institutional Frameworks for Environmental Activities.
- 2007 Co-chairs deliver options paper based but requested by the UN Secretary General to continue their consultations
- 2008 UNEP G/GMEF meet in Monaco and frank and open discussion of IEG reform takes place between key country position. Chair of UNEP GC observes more convergence on the reform. Countries begin refining position in preparation of negotiations on the issue in GA 63rd Session of General Assembly. In May 2008 a closed-door IEG meeting was hosted by Costa Rica in New York and was attended by 30 countries many Ministers the issue of linking environment and development more strongly in an organization was discussed. A draft GA Resolution on IEG purposed by the Co-chairs is circulating informally among governments.
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