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PRESIDENT'S SUMMARY OF THE DISCUSSIONS BY MINISTERS AND HEADS OF DELEGATION AT THE TWENTY-FOURTH SESSION OF THE GOVERNING COUNCIL/GLOBAL MINISTERIAL ENVIRONMENT FORUM OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

The following communication is being circulated at the request of UNEP at the 1-2 March 2007 Meeting of the CTE in Special Session.

Summary

1. Ministers and heads of delegation from 140 United Nations Member States attending the twenty-fourth session of the United Nations Environment Programme (UNEP) Governing Council/Global Ministerial Environment Forum at UNEP headquarters in Nairobi from 5 to 9 February 2007 held ministerial consultations to discuss the themes of globalization and environment and United Nations reform. During those consultations, the ministers and heads of delegation put forward their views on how to maximize the opportunities arising from globalization and discussed how to be better prepared to face the challenges it posed. In addition, they took note of the United Nations reform activities currently under way and the emerging consensus in areas where forward movement appeared possible. The aim was to place on record their opinions on how progress should be made in those areas over the coming months and to set out options for achieving that goal.

2. The twenty-fourth session of the UNEP Governing Council/Global Ministerial Environment Forum was attended by a significant number of heads of United Nations bodies. They included: Mr. Kemal Dervis, Administrator of the United Nations Development Programme (UNDP); Mr. Francesco Frangialli, Secretary-General of the United Nations World Tourism Organization; Mr. Pascal Lamy, Director General of the World Trade Organization; Ms. Anna Tibaijuka, Director General of the United Nations Office at Nairobi and Executive Director of the United Nations Human Settlements Programme (UN-Habitat); and Mr. Kandeh Yumkella, Director General of the United Nations Industrial Development Organization (UNIDO).

3. The discussions were conducted under the leadership of the President of the Council/Forum, Mr. Roberto Dobles of Costa Rica, with the assistance of ministers and heads of delegation from Antigua and Barbuda, Argentina, Brazil, Burkina Faso, China, Congo, Cuba, Denmark, France, Germany, Hungary, India, Italy, Kenya, Latvia, Mexico, Norway, Panama, Philippines, Republic of Korea, Rwanda, Saudi Arabia, Sweden, Syrian Arab Republic, Thailand, Uganda, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania and United States of America.

4. In the panel and roundtable discussions which formed part of the ministerial consultations, the President of the Council/Forum was assisted by a number of distinguished scholars and leaders of civil society organizations. They included: Ms. E. Dano of the Third World Network; Mr. J. Gerber of the World Business Council for Sustainable Development; Mr. J. Leape of WWF International; Ms. J. Marton LeFevre of the World Conservation Union; Ms. J. McGlade of the European Environment

Agency; Mr. J. Rockstrom of the Stockholm Environment Institute; Mr. G. Ryder of the International Trade Union Confederation; Mr. D. Runnalls of the International Institute for Sustainable Development; Mr. R. Ortiz-Menendez of the International Centre for Trade and Sustainable Development; Ms. L. Tubiana of the Institute for Sustainable Development and International Relations (Institut du développement durable et des relations internationales (IDDRI)); and Mr. K. Otto-Zimmerman of the International Council for Local Environmental Initiatives – Local Governments for Sustainability.

5. The President of the Council/Forum also had the benefit of contributions by the co-chairs of the informal consultative process initiated by the President of the United Nations General Assembly on the institutional framework for United Nations environmental activities, Mr. Enrique Berruga and Mr. Peter Maurer. Also assisting the President in the plenary discussions were Mr. Y. de Boer, Executive Secretary of the United Nations Framework Convention on Climate Change; Mr. H. Diallo, Executive Secretary of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa; and Mr. A. Djoghla, Executive Secretary of the Convention on Biological Diversity.

6. A new format for the ministerial consultations, introduced at the current session, facilitated exchanges between ministers and heads of delegation and contributed to a rich, wide-ranging and interactive dialogue. The format consisted of panellists introducing the broad contours of topics in plenary to set the stage for smaller, simultaneous roundtable discussions. Participants in the roundtable discussions then reported their conclusions in plenary and received feedback from a final group of panellists. The discussions underscored the need to develop a range of clear and specific policy options based on the activities outlined in the present document, in close collaboration with trade and environment ministers and with relevant international agencies and stakeholders, and to prepare options on the matter to be presented to the Council/Forum at its tenth special session, in 2008, for consideration by ministers. The discussions also underscored the need for greater precision in future deliberations on the United Nations environment reform exercise.

7. The present document is a summary of the rich and interactive dialogue among the ministers and other heads of delegations attending the meeting; it reflects the ideas presented and discussed rather than a consensus view of all points.

8. The present document is issued without formal editing.

I. SUMMARY OF MINISTERIAL DISCUSSIONS ON GLOBALIZATION AND ENVIRONMENT

A. CONTEXT

9. Globalization in its many dimensions (economic, social, ecological, political, technological and cultural) has become one of the main defining trends of our times, with significant consequences for the environment. As globalization is unfolding alongside growing evidence of serious degradation of the world's ecosystems, it is increasingly urgent for policy-makers, business leaders and civil society to consider the implications of these converging trends and make sure that globalization works for the environment and human well-being for all.¹

10. The discussions on globalization and the environment were held both in plenary sessions through panel discussions and, for the first time in a session of the Governing Council/Global Ministerial Environment Forum, in smaller roundtable discussions. The objective of the panel

¹ Discussions were carried out in line with relevant UNEP legislative mandates that have a direct bearing on globalization and the environment (see UNEP/GC/24/11 for further details).

presentations in the plenary and roundtable discussions was to encourage an open and frank discussion on the main challenges and opportunities globalization presents for environmental protection and sustainable development. The aim was to identify tangible ways of making globalization more environmentally sustainable. The new format worked very well and the ministers and heads of delegations, as reported in the plenary sessions, made full use of it.

B. DISCUSSIONS IN PLENARY

11. The discussions in plenary began with a panel discussion entitled “Globalization and the environment in a reformed United Nations”. The panellists talked about the need to incorporate environmental dimensions into measures of growth and development so as to ensure that trade, industry, and tourism all contribute to sustainable human development. The panelists underlined that economic globalization is a reality and that no country is in a position to resist it. We must therefore proactively respond to the environmental challenges that globalization poses and equip ourselves to benefit from it.

12. A second panel discussion entitled “Overview” the ministers and heads of delegation debated the need to correct market failures to internalize environmental costs and the potential for using payments for ecosystem services to help ensure that the environment is taken into account. It was felt that UNEP could take on the challenge of developing methodologies and undertaking valuation of the environment to help support countries and inform trade and investment decisions at both the national and global levels. The next plenary panel, entitled “Response options”, focused on what the multilateral system can do to respond to the needs of countries. In a final plenary session entitled “Feedback” the urgency of international action involving all stakeholders and the critical role of UNEP in the current policy debates was highlighted.

13. These plenary discussions helped provide the context for the ministerial roundtables discussions, which looked in further detail at the challenges and opportunities presented by globalization and helped to identify some concrete opportunities, challenges and options for Governments, UNEP and the international community to consider.

14. Discussions centred on the twin notions that globalization poses both risks and opportunities for the achievement of sustainable development. The underlying assumption of the discussions was recognition of the value of minimizing the negative impacts while maximizing the positive effects of globalization.

C. OPPORTUNITIES

15. Ministers noted that globalization creates and enhances many opportunities for better promotion of sustainable development, provided that it is well managed to optimize the positive effects and minimize associated risks. Among the opportunities identified were:

- (a) **Poverty alleviation:** By contributing to economic development and thus the alleviation of poverty, economic globalization provides many countries with greater means for environmental protection. There is an increasing awareness among Governments and business that the degradation of ecosystem services has real economic costs and is constraining future development. This awareness provides environment ministers with an opportunity to engage economic and trade policy makers in constructing new policies for sustainable development. Many speakers observed that poverty and environmental problems are interlinked;
- (b) **Harnessing market power:** Economic globalization allows individuals, Governments, companies and organizations to harness the power of companies and

markets in the service of sustainable development. Tools for such integration include voluntary initiatives with the private sector, such as the Tour Operators Initiative of UNEP, the United Nations Educational, Social and Cultural Organization the United Nations World Tourism Organization, mechanisms for drawing on the power of consumers, such as certification schemes and valuation of and payments for ecosystem services. It was pointed out, however, that payment for ecosystem services is but the obverse of “polluter pays” and that the question of who pays and who receives should be resolved in relation to legitimate entitlements to environmental resources. A globalized economy also provides a larger market for environmental goods and services, which provides greater incentives for their development and production and greater possibilities for their dissemination;

- (c) **Environmental technology transfer:** Another benefit of economic globalization lies in the possibility of easier and more widespread distribution of environmentally sound technologies. The need to promote research and development in clean technologies and a new compact on intellectual property rights to enhance dissemination of the same was stressed;
- (d) **Enhanced communication possibilities:** International communication has become a very efficient and rapid tool, creating many channels for the distribution of environmental information. Better communication tools allow stakeholders interested in protecting the environment to work together more efficiently and effectively, for example in public-private-civil society partnerships.

D. CHALLENGES

16. While acknowledging the myriad opportunities presented by globalization, ministers also agreed that globalization entails potential challenges to the achievement of sustainable development goals. Among the risks identified were:

- (a) **Uncontrolled growth in the context of inadequate governance:** Economic globalization can lead to rapid development in different industry sectors. Particularly for sectors that have strong environmental impacts, such growth can pose problems if it is not well managed, such as where environmental governance, including laws and regulations, has not kept pace with economic globalization. While the “polluter pays” principle needs to be emphasized, harmonization of standards may force unacceptable economic and social costs for developing countries. Common but differentiated responsibilities were recognized;
- (b) **Competitiveness problems:** Unfair competition in the market place owing to a lack of internalization of environmental costs and subsidies is exacerbated by economic globalization. If one community acts sustainably and another does not, the passive one may have an economic advantage. There is a need for a multilateral response to globalization to ensure a level playing field. In setting environmental standards and norms efforts should be made to ensure that competition is not impeded and that the public is informed of the scientific basis of the risks to be addressed and that due consultations are carried out with trade partners and relevant stakeholders;
- (c) **Rising energy demand and climate change:** The livelihoods of the poor are most at risk in the face of environmental impacts like climate change linked with growing transport and travel and rising energy use. This increased demand for energy, especially biofuels, may have negative consequences for biodiversity and ecosystems if not properly managed;

- (d) **Spread of invasive species:** The tremendous increase in the flow of goods and people has led to an accelerated introduction of invasive species throughout the world;
- (e) **Spread of consumerism and the loss of cultural diversity:** Economic globalization promotes standard patterns of consumption. The rapid dissemination of information made possible through globalization enables global actors to spread information, including marketing efforts, around the world. There is a concern that without an approach to maintaining traditional knowledge, globalization will lead to a decrease in cultural diversity. Increased consumption worldwide can lead to a proliferation of waste;
- (f) **Concentration of power, information and financial resources:** The benefits of globalization, and its attendant economic development, do not always reach local communities. Economic globalization and the globalization of knowledge can widen the gap between the rich and the dispossessed (within and between nations). Local communities and civil society must be linked to the ongoing globalization process. In this context the empowerment of women as key players in small scale economic activities should be further pursued.

E. OPTIONS FOR ACTION

17. Ministers presented and discussed various options for action for consideration by Governments, UNEP and the international community. The options enumerated below reflect views expressed during the discussions. Their inclusion does not mean that they are without controversy or that each option has been fully considered by each Government. They provide for Governments, UNEP and the international community a fertile source of ideas from which to undertake further exploration.

1. Actions by Governments

18. Possible actions by Governments include:

- (a) **Policy coherence and integration:** Promote coherence between national environment, trade and sectoral (e.g., agriculture) ministries. Integrate environmental considerations into national development and poverty reduction strategies, trade negotiations and implementation and governmental and institutional bilateral assistance policies. Redirection of resources from the Millennium Development Goals agenda to the environment, a zero sum game between the environment and poverty alleviation, is not the way forward. Ensure decisions adopted in various international negotiating forums are consistent to avoid potential conflicts;
- (b) **National governance:** Identify national environmental policy-making priorities in order to ensure adequate resources for implementation. Developed countries should provide leadership to ensure globalization contributes to sustainable development;
- (c) **Environmentally friendly technologies:** Provide economic incentives and increased investment in research and development for environmentally friendly technologies. Promote the involvement of business and the financial sector in the development of these technologies;
- (d) **Economic instruments and valuation:** Promote valuation of ecosystem services, greater use of green accounting (satellite) techniques and life-cycle analysis. Consider

indicators such as quality of life, education, and health, not only gross domestic product, when measuring levels of development. Reduce or eliminate subsidies that distort prices of natural resources and adopt the polluter pays principle. Support the use of market-based mechanisms and consumer information;

- (e) **Impact assessment:** Develop and implement tools for impact assessments at the national level. Strengthen and ensure public participation in this process;
- (f) **Public and private sector:** Encourage public-private partnerships to promote sustainable development. Identify creative means for turning environmental protection into economic gain, such as businesses focused on environmentally-friendly consumption and production. Encourage industries to take voluntary measures to introduce more sustainable patterns of production. Understand, however, the limitations of private sector initiatives and ensure implementation of strong public sector rules and institutions;
- (g) **Others:** Ensure full implementation of multilateral environmental agreements in word and deed. Reform national energy policies. Involve civil society in efforts to promote environmental sustainability. Design an educational system that reflects the long-term objectives of sustainable development. Develop systems that preserve and stock information using traditional knowledge and experience to ensure it is not lost in a rapidly globalizing world.

2. Actions by UNEP

19. There was widespread agreement that UNEP has an important role to play in helping countries seize environmental opportunities and minimize risks of globalization. Many of the roundtables proposed that UNEP be strengthened, especially to enable it to deal with the environmental implications of globalization. Some expressed support for further exploring proposals to transform UNEP into a specialized agency, while others preferred that UNEP be strengthened as it retains its present structure. Yet others felt that strengthening UNEP would make it more effective in implementation of its mandate. All agreed that greater financial resources would be required for the various suggested initiatives listed above. Specific ideas to emerge from the roundtables for possible UNEP follow up and future considerations by the Governing Council include:

- (a) **Linkages:** Explore and develop a conceptual framework on the linkages between globalization, ecosystem services, human well-being, fairness and equity, possibly through an informal consultative process involving Governments, civil society, the private sector and relevant international organizations;
- (b) **Trade and environment:** Contribute substantively to the dialogue on global trade to help shape trade-related rules and institutions which affect the environment. Work with the World Trade Organization on the mutual supportiveness of trade and environment, i.e., the benefits of environment for trade and the benefits of trade for environment;
- (c) **Economic instruments:** Promote the use of incentive measures and market mechanisms to steer production and consumption patterns towards environmental sustainability. Strengthen work on promoting economic instruments (such as environmental accounting and fiscal policy) for environmental protection and sustainable investments. Develop criteria for internalizing environmental costs (pricing), identify barriers for internalization of costs and support developing countries (and others) in the application of such criteria;

- (d) **Ecosystem services:** Provide guidance and support to Governments on the payment for and valuation of ecosystem services. Consolidate valuation methodologies and techniques and undertake valuation of natural resources at the global and national levels. Improve integration of ecosystem services in national development processes and poverty reduction strategies;
- (e) **Capacity-building and technology transfer:** Strengthen the capacities of ministries of environment to help them in their dialogue with other ministries and sectors. Promote the transfer of environmentally sound technologies, including both clean and efficient technologies. Identify environmental friendly technologies at the global level and support their implementation at the national level, ensuring a balanced mix of modern and traditional knowledge and technology. These could be undertaken as part of the implementation of the Bali Strategic Plan for Technology Support and Capacity-building;
- (f) **Partnerships:** Facilitate the exchange of knowledge and experience between countries by creating a network of institutions. Establish new mechanisms for information exchange, advisory services and collaboration between UNEP and other relevant forums to assist in mainstreaming environmental considerations in intergovernmental deliberations;
- (g) **Policy guidance:** Provide guidance in outlining a set of principles for sustainable outsourcing, investing and trading in a globalized world (in collaboration with relevant agencies and other relevant stakeholders including the private sector) for industry and large corporations to guide their interventions and investments in developing countries. Monitor and evaluate existing global environmental objectives and actions;
- (h) **Multilateral environmental agreements:** Promote coordination and collaboration between multilateral environmental agreements to maximize the use of resources and achieve synergies. Support effective implementation of multilateral environmental agreements at the national level;
- (i) **Way forward:** A number of countries suggested that the UNEP Executive Director develop a range of clear and specific policy options based on the activities outlined above in close collaboration with ministers of environment and trade and with relevant international agencies and stakeholders and prepare options on this matter and present these to the special session of the Governing Council/Global Ministerial Environment Forum in 2008 for the consideration of ministers.

3. Actions by the international community

20. Possible actions by the international community include:

- (a) **International coordination among intergovernmental organizations:** Promote coherence and coordination between international organizations working on issues related to sustainable development (UNEP, UNDP, the World Trade Organization, the United Nations Conference on Trade and Development, UN-Habitat, the Food and Agriculture Organization of the United Nations, UNIDO). Establish new mechanisms for information exchange, advisory services and collaboration among international organizations to assist in mainstreaming environmental considerations in intergovernmental deliberations and implementation processes. Strengthen and revitalize international organizations in order to facilitate and promote inter-sectoral

dialogue in national Governments. Strengthen enforcement and compliance mechanisms of multilateral environmental agreements;

- (b) **Governance:** Strengthen international environmental governance to respond to globalization processes and to ensure greater parity among international organizations promoting sustainable development (e.g. multilateral environmental agreements and the World Trade Organization). Invite the United Nations Secretary-General to include globalization issues in the current international environmental governance discussions;
- (c) **Other issues:** Develop both technologies and technology transfer mechanisms relevant to least developed countries, as well as capacity-building activities to support such technology transfer.

II. SUMMARY OF MINISTERIAL CONSULTATIONS ON UNITED NATIONS REFORM

21. Ministers presented and discussed various options for action for consideration by Governments, UNEP and the international community. The options enumerated below reflect views expressed during the discussions. Their inclusion does not mean that they are without controversy or that each option has been fully considered by each Government. They provide for Governments, UNEP and the international community a fertile source of ideas from which to undertake further exploration.

A. CONTEXT

22. The current discussions on environmental governance take place in the framework of United Nations reform measures approved by heads of State and Government in the 2005 World Summit Outcome. Paragraph 169 of the Outcome document sets out areas for further reflection on the current institutional framework of United Nations environment work. These areas include: enhanced coordination; improved policy advice and guidance; strengthened scientific knowledge, assessment and cooperation; better treaty compliance, while respecting the legal autonomy of the treaties; and better integration of environmental activities in the broader sustainable development framework at the operational level, including through capacity-building.

23. The General Assembly established an informal consultative process to consider these areas, which commenced in March 2006. At the same time the Secretary General, as mandated by paragraph 169, convened a High-level Panel on System Wide Coherence in the areas of development, humanitarian assistance and the environment. The report of the Panel has been transmitted to the General Assembly, but has yet to be considered.

24. The informal consultative process in the General Assembly culminated in a co-chairs summary which has formed the basis for further consultations that commenced in January 2007. The backdrop to the discussions on improved environmental governance finds its genesis in the "Cartagena Outcome" contained in UNEP Governing Council decision SS.VII/1 on international environmental governance, adopted in February 2002.

25. The aim of the panel and roundtable discussions at the current session was to provide further impetus to implementation of the Bali Strategic Plan and UNEP partnerships with other United Nations system entities, as well as to provide input to the ongoing and forthcoming discussions in the General Assembly.

B. PLENARY SESSIONS

26. The discussion commenced in a plenary session entitled “Overview”, with an introduction by one of the co-chairs of the General Assembly informal consultative process, following which panellists from Germany, India and the United States of America intervened. It was emphasized that environmental challenges needed to be integrated into development planning and economic strategies. Implementation of the Bali Strategic Plan would assist in this regard, as would encouraging new partnerships between UNEP, UNDP, UNIDO and others in the United Nations system.

27. Support was expressed for a reformed United Nations institution for the environment as well as for an increase in its financial resources. Complex, growing and interlinked environmental challenges urgently require coordinated responses, including in policy sectors other than environment. A variety of measures were discussed, including better coordination among the institutions currently involved in the environment, more cooperation with multilateral agencies with economic and developmental mandates, strengthening UNEP or upgrading it into a specialized agency with the commensurate authority to foster better coordination, and the establishment of a new United Nations environment organization. The introductory plenary session set the stage for six ministerial round table discussions that explored the challenges, opportunities and possible improvements with respect to environmental governance.

28. At a concluding plenary session, entitled “Feedback”, ministers and heads of delegation heard from a number of panellists including ministers from Congo, Norway and the United Kingdom of Great Britain and Northern Ireland, as well as representatives from WWF International, IDDRI and the Third World Network. They pointed out that the urgency and magnitude of environmental problems had outgrown the capacity of existing institutions and that meant that a United Nations environment organization or a strengthened UNEP was necessary. It was underscored that the Secretary General of the United Nations should take urgent steps to advance this process in the United Nations General Assembly. It was mentioned that a reformed United Nations institution for the environment should have closer relations with the World Bank and the World Trade Organization. In reference to the report of the High-level Panel on System Wide Coherence in the areas of development, humanitarian assistance and the environment, it was suggested that UNEP should co-chair the proposed sustainable development board.

29. It was further stressed that United Nations reform should provide greater opportunities for developing countries and civil society to contribute more towards international governance. The United Nations must reflect the current reality that its vast membership is from the developing countries and therefore must ensure that its governance structures and decision making respond to this reality.

C. CHALLENGES

30. There was wide agreement that while the international community had created a variety of bodies to deal with environmental issues, deterioration of natural resources had not been successfully halted or reversed. Uncoordinated approaches at the global, regional and national levels, as well as duplication and fragmentation of mandates, had exacerbated this situation.

31. Lack of coordination was not limited to the United Nations system, but also involved Governments, the private sector and civil society. In the United Nations system the respective mandates of the various agencies, funds and programmes should be better coordinated.

32. There is increased recognition that environmental issues are interlinked not only with development and sustainable economic growth, but also with trade, agriculture, health, peace and security and that these interlinkages increased the need for global environmental leadership.

33. While UNEP, as the environmental pillar of the United Nations system, has achieved important results in discharging its mandate, a lack of sufficient and stable funding has hampered its ability to address emerging threats. The magnitude and severity of environmental challenges in relation to climate change, biodiversity loss and the degradation of ecosystem services threaten to overwhelm the United Nations response and are already constraining prospects for economic development in many countries and regions.

34. The need for predictable resources for UNEP to effectively fulfil its mandate and the expectations of the international community was, however, only one problem that needed to be addressed. With regard to the Global Environment Facility, the roles of the implementing agencies required more attention, as did the relationship between UNEP, UNDP and the World Bank on the one hand and the multilateral environmental agreements on the other.

35. Mainstreaming gender in addressing environmental deterioration continued to present a challenge, as did equity concerns relating to costs associated with the negative impacts of unsustainable management of the environment. These areas require further reflection.

36. With regard to changes to the institutional structures that deal with the environment, a number of countries said that there was a need to discuss the issue of the restructuring of UNEP based on a detailed proposal with the basic elements required to strengthen global environmental governance, including various options and with specific reference to the role of UNEP, and that such a detailed proposal should be formulated for consideration by Governments.

37. There is often a lack of coordination among relevant government ministries with responsibility for the environment at the national level. Implementation of multilateral environmental agreement obligations at the domestic level is often hampered by a lack of capacity. Many Governments feel burdened by a proliferation of reporting requirements, a drain on technical expertise and a multitude of international meetings.

D. OPPORTUNITIES

38. The current United Nations reform process presented an opportunity for strengthening United Nations environmental activities; options for reforming or upgrading UNEP should be seen in this context. A steady increase in the political attention being accorded to the environment has supported this process and there is growing recognition that environmental sustainability can not be de-linked from sustainable development and economic growth. Mainstreaming the environment across other sectors, and in the process enhancing the role of environment ministries, would allow such integration.

39. The view was expressed that there was a need for greater effectiveness in disseminating existing knowledge available in scientific institutions and for UNEP to improve its scientific base, as well as its monitoring, assessment and early warning capacity. UNEP should also expand its partnerships with the private sector and civil society and incorporate results-based management.

40. Full implementation of the Bali Strategic Plan was stressed as a vehicle to assist developing countries in building their capacities to address environmental challenges. This would require additional funding and an emphasis on partnerships between UNEP, the United Nations system and other relevant stakeholders.

41. Strong support was expressed for the increase in cooperation between UNEP and UNDP, as it would address requests for UNEP to have an operational capacity and enhance effectiveness in environmental capacity-building. The ongoing pilot programmes jointly undertaken by UNEP and UNDP could be expanded to tackle complex subregional environmental challenges.

42. Some suggestions focused on the need for UNEP to have a country presence on a temporary basis as required or through UNDP representation. It was also proposed that United Nations resident coordinators should ensure joint programming and full integration of environmental dimensions in project activities.

E. POSSIBLE OPTIONS/IMPROVEMENTS FOR ENVIRONMENTAL GOVERNANCE

43. Proposals were made for UNEP to receive greater political authority and for it to have the ability better to coordinate global responses to environmental threats and regional and national implementation. Some suggestions related to an enhanced role for UNEP as the United Nations authority on environment in increasing the coherence of the implementation of multilateral environmental agreements at the national level, while its regional offices could be strengthened better to take into account regional environmental needs. Some suggestions focused on UNEP establishing regional centres for capacity-building and technology transfer.

44. Various ideas were voiced on whether clustering of multilateral environmental agreements could bring about synergies and coherence. These ranged from sectoral clustering to administrative improvements. Some suggestions centred on the role that UNEP could play in ensuring programmatic interlinkages and synergies among multilateral environmental agreements, while proposals were also made that would require the governing bodies of multilateral environmental agreements to explore the frequency of meetings, rationalization of knowledge management and the development of a consistent and methodological approach to enforcement and compliance measures.

45. With regard to improving institutional structures it was widely agreed that any new or improved entity should be based in Nairobi and should build on the current strengths of UNEP. Some suggestions favoured the strengthening of UNEP within its current mandate, while there was significant support for upgrading UNEP to a specialized agency. With regard to the proposal to establish a United Nations environment organization, however, a divergence of opinions persists.

46. While some are of the view that such an organization could provide better political guidance, legitimacy and effective coordination, others remain unconvinced that it is necessary or desirable, that funding for a new institution would be at higher levels than UNEP has at present or that it would ensure efficiencies. Continued discussions on the possible establishment of a United Nations environment organization, which would also be part of the United Nations system, should not detract from the current need to strengthen UNEP. In that regard it was important to elucidate the functions required to be delivered before agreeing on the form that any such institution might take. Other views expressed took into account the various mandates that exist in the field of the environment and the possibility that an umbrella type arrangement could facilitate synergies, coordination and inter-linkages. A reformed or upgraded UNEP could fulfil this role.

47. Discussions have demonstrated the need for greater precision in the future deliberations on the United Nations environment reform exercise. In that regard ministers took note of the growing consensus in areas where forward movement is possible and options for such progress to be developed in the next several months. They also undertook, as stewards of environmental sustainability in their respective countries, to provide leadership and proposals for taking the United Nations reform process forward. A number of countries requested that the Executive Director assist them through regional and other mechanisms in obtaining relevant information to enable them to engage meaningfully in efforts to strengthen UNEP.
