Workshop on
International Environmental Governance

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Releasing the potential of emerging trends: For a Canadian initiative on Strengthening Convention Governance Systems

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Introduction

The current debate about reforming international environmental governance (IEG) is dominated by solutions in search of problems. In this debate, reinforcing secretariats is rarely put forward as a plausible and stand-alone alternative. This is both odd and short-sighted because secretariats, and the whole MEA governance structure with which they are associated (i) are precisely responses to governance problems, (ii) have yet to achieve their full potential, and (iii) have attributes that make them particularly attractive to all actors and give them significant advantages as effective vehicles of environmental cooperation.

Yet, instead of being seen as part of the solution, MEAs are considered part of the problem. UNEP and others point to the fragmentation of governance and argue that it makes communication more difficult, wastes resources, encourages paralysing competition, burdens the diplomatic agenda, fosters haphazard policy-making, and makes too many demands on resource-poor countries. These arguments are at best grossly exaggerated, and, when they have some merit, do not logically imply the sort of centralized solutions that are usually put forward, from a World environmental organization to sectoral or functional clusters.

Proposed models of governance tend to neglect the state. But the effectiveness of environmental regimes will be enhanced not by undermining but *by strengthening* states' ability to determine, in concert, their common environmental destinies. In this context, one should not try to transcend the state but include it at the centre of environmental governance (along with other actors). MEAs and the institutions they have spawned form Convention Governance Systems (CGS), all of which have States at their centre. With the networks of NGOs and IGOs which share its purpose and acts as both a shaper and a transmission belts of the norms, rules and procedures it represents, each CGS is at the heart of a larger regime governance system (ERGS).

Far from being the products of haphazard governance, Convention Governance Systems are adaptive and innovative responses to the complexity of environmental challenges and the evolution of international politics. They display a set of attributes, which are positively related to the effectiveness of regimes, and they are attractive instruments of national environmental diplomacy. Canada should seek to develop their full potential.

The nature of the units of governance

Two preliminary clarifications are necessary. First, there is often confusion between MEAs and secretariats. Secretariats are those institutions created to perform certain administrative tasks on behalf of the parties to an environmental agreement. Not all MEAs have led to the creation of a distinct secretariat, but secretariats have proliferated after Stockholm. These more recent secretariats, especially those created since the late 1980s, differ substantially from earlier ones. The list is well known and is found in UNEP/IGM documents.

Second, there is another confusion between secretariats and convention governance systems. What concerns us is not the mere creation of administrative secretariats but the development of new governance systems in specific issue-areas, which comprise all the institutions created in the wake of a regime. An ideal-type CGS would include (although, situations differ considerably in practice): a Conference or Meeting of the Parties (CoP/MOP), a scientific advisory body, a secretariat, a clearing-house mechanism, a financial mechanism, an implementation/compliance body, and a dispute settlement body.

What matters, then, is strengthening not only Secretariats but also the whole CGS. Indeed, one cannot be strengthened without the other.

The attributes of an effective governance system

These attributes essentially pertain to the process, not the results. The assumption is that for the environment to improve behaviour has to change; and for behaviour to change, institutions should be designed and made to support the determinants of such change. Thus, the purpose of a reformed IEG should be to reinforce the determinants of regime effectiveness, of which the most important are:

Effective Governance Needs…

⇒ *Identification*

⇒ *Inclusiveness*

⇒ *Integration*

⇒ *Consensus-building*

⇒ *Ingenuity*

⇒ *Legitimacy*

⇒ *Learning*

Identification: The capacity to identify emergent environmental problems;

Inclusiveness: The capacity to mobilize all relevant international and national actors and to embody the perspective and experience of different cultural and linguistic areas and integrate them into international discussions;

Integration, which includes vertical (reconciling regime expectations with local demands and needs, including a process through which to channel information and demands to decision-makers and local implementers,) and horizontal coordination (harmonize policies, norms and functions embodied in different regimes);

Consensus-building: The capacity to shape a consensual definition of the problem, of the direction to be pursued, and of a range of means to reach them;

Ingenuity: a way of fostering innovative solutions to problems of political cooperation and of recognizing and managing trade-offs among these solutions;

Legitimacy (Democracy): including (i) accountability (including transparency), (ii) enhancing the capacity of stake-holders to participate in all phases of policy-making, and (iii) enhancing the capacity of small and developing nations to take part in regime negotiations and implementation;

Learning: flexibility and adaptive capacities.

(1) Why are CGS better?

CGS and their secretariats should be central elements of this governance system regime because they have significant advantages that make them potentially better able to promote the effectiveness of MEAs and the environmental agenda. Indeed, they are:

(a) Mission-oriented

- ⇨ Limited focus (which minimizes contradictions among norms and priorities), light administrative structures, with six functions (variously spread across the elements of the CGS): service, conception, mobilization, coordination, implementation, integration;
- ⇨ Potential means to link all relevant actors into a single unit, allowing for the opening of administrative structures and the breakdown of feudalities (see Annex 1: recommendations);

(b) Information webmasters

- ⇨ At the Secretariat level: Convention Secretariats are the focal point for communications on regime-related matters; this is their core co-ordination function. They also help communicate information about compliance, best practices, etc.;
- ⇨ At the CGS-level: Clearing-House Mechanisms. See also the remarkable development of exhibits and side-events at CoPs and subsidiary body meetings of UNFCCC, CBD and CCD, no longer organized only by NGOs but also by the secretariats, governments and IGOs, and which provide information about initiatives and implementation issues and opportunities.
- ⇨ At the regime level, an example is the Global Biodiversity Forum convened by IUCN and a consortium of NGOs, with the participation of Governments, before main biodiversity-related meetings, which helps learning and consensus-building

(c) Network-builders

- ⇨ MEAs are the product of networks and best able to support and promote them. Networks are established and unavoidable pillars of governance centred around shared norms or the resolution of specific problems, or around interests; they involve all relevant actors in a mix of hierarchical (State), competitive (market) and cooperative (civil society) relationships;
- ⇨ Because CGS are issue-oriented and deal with complex issues and many actors, they must play a key role in developing and sustaining issue-networks which define the governance structure in a given issue-area; indeed, coordination is a new, explicit, and essential function of secretariats since Rio;
- ⇨ These networks (fostered by any CGS body) help build coherent knowledge and a community of ideas; They harmonise how various national and international agencies approach a given problem and the solutions they proffer, or point out their differences, assumptions, strengths and weaknesses so as to enable recipient countries to make informed choices;
- ⇨ The challenge is to avoid the formation of «complexes» and develop «open» networks comprising «critical communities».

(d) Learners

- ⇨ CGS can be construed as learning devices, more open to the development of new consensual knowledge leading to the adoption of new values and new problem definitions;
- ⇨ Secretariats are light, participatory, and mission-oriented: more capable of error correction, that is of improving their performance in light of the purpose of the convention; can easily restructure and reallocate tasks, experiment and, therefore, innovate;
- ⇨ Fewer bureaucratic levels or intermediaries between experts and administrators;
- ⇨ The function of CGS is to interpret the legal requirements of Parties and the concepts to be used, and to adapt means and goals to the evolution of knowledge;

- ⇨ CGS can easily modify their internal structure (by creating committees, subsidiary bodies, etc.) in order to integrate new knowledge into their operations and respond more quickly to new demands and to new information;
- ⇨ CGS can easily modify obligations without renegotiating the agreement (ex. Ozone);
- ⇨ CGS can play with innovative forms of governance;
- ⇨ Multiple fora favour the dissemination of information and knowledge, the representation of multiple interests, and the emergence of various problem-definitions.

(e) Legitimate

The greater legitimacy of CGS makes them an attractive form of international environmental governance,

- ⇨ For states: help states maintain their influence. Indeed, CGS offer four characteristics that states value: focus, accountability, flexibility, and visibility;
- ⇨ For civil society: through the provision of access; participation, and network-building; post-Rio secretariats and CGS are also «advocacy structures» intended to advance the status of collective social movements in public policy and society;
- ⇨ CGS reflect the new features of the international system (involve new actors and new issues);
- ⇨ Through issue-networks, CGS can help co-ordinate collective action.

Two other attributes are also worth mentioning:

- CGS and secretariats have significant **mediating functions**: CGS are fora for coalition building, while Secretariats work directly with national agencies, which seek their assistance. Governments may induce Secretariat staff to float ideas through the network and test their acceptability. The potential of Secretariats also lies in their mediating function not only between governments but also between all major groups: especially NGOs and Industry, states and NGOs, local and international actors. They can develop non-legal incentives, such as voluntary agreements and market mechanisms, to influence changes in behaviour.

- They are also a **link between the local and the global** through the network of focal points that are part of the CGS, through NGOs, and through private actors. The desertification convention governance system is directly charged with this task. In some cases, states will seek to involve other stakeholders in the governance process (e.g., NAFTA).

CGS are flexible, dynamic, and mission-oriented; their administrative unit—the Secretariat—typically small. Through the extensive networks they represent and build, they may develop the required conditions for effective cooperation and implementation of environmental regimes. In particular, they can play a key role in enhancing transparency of implementation and compliance efforts, building policy capacity, developing issue-networks, establishing a set of coherent knowledge, reducing competitive pressures among UN organizations, fostering convergence between international expectations and local practices, facilitate reconciliation of governments priorities, and foster learning and regime change.

(2) Why is strengthening CGS and Secretariats an acceptable first step toward effective governance?

- ⇨ Secretariats (and CGS) are not the product of unplanned governance but deliberate attempts to overcome past implementation and effectiveness problems through the institutionalisation of CoPs;

- ⇨ CGS are evolving answers to a sense of a loss of control by states over the policy process which, at the same time, acknowledge the contribution of IGOs and NGOs to the definition and solution of common problems;
- ⇨ CGS are legitimate instruments of governance, accepted by States and non-State actors; notably, the creation of secretariats has been promoted by developing countries, particularly since 1992, as a means of institutionalising their concerns;
- ⇨ It corresponds to the desire of the international community (expressed at IGM meetings) to refrain from creating new institutions, and to adopt an incremental and evolutionary approach. Strengthening the current system means strengthening a trend;
- ⇨ It does not threaten existing institutions (only their ambitions); existing specialized agencies prefer a fragmented system to a more centralized one;
- ⇨ Strengthening CGS does not go against the functions that a revitalized UNEP could perform, as defined in UNGA resolutions and IGM documents (IGM/2/4) (assessment, early-warning; capacity-building);
- ⇨ A set of recommendations in Annex 1 presents ways to build a governance system that takes full advantage of CGSs' strengths.

(3) Why should Canada promote it?

- ⇨ Canada hosts four environmental secretariats, two of which are related to Global MEAs;
- ⇨ This initiative builds on Canadian policy and announced priorities (environment, indigenous populations, and innovation);
- ⇨ CGS provide multiple venues for gaining visibility, pursuing Canada's traditional role, and promoting its approach to environmental issues;
- ⇨ CGS provide a shorter link between outlays and observable results;
- ⇨ The presence of Secretariats on Canadian soil fosters the development of national expertise and research in the areas they cover, and provides economic benefits;
- ⇨ CGS <provide outlets for Canadian expertise in coordination, network-building and maintenance, multi-stake-holder governance, and technological innovation;
- ⇨ Secretariats are also potential instruments of public awareness-raising;
- ⇨ Fragmentation facilitates forum shopping and de-linking diplomatic strategies, which allows Canada to adopt various positions depending on the structure of the problem and the international and domestic context. A blocking role in one forum does not have to translate into unsuccessful leadership in another.

Conclusion

Secretariats and CGS are innovative adaptations to the complexity of the ecopolitical agenda. They are not unique in exhibiting some of the advantages listed above, but they are in displaying or having the potential to develop the set of attributes increasingly linked to the effectiveness of environmental conventions. They can be the heart of network-based governance systems, which, if fully operational, will make clustering moot.

Because of the role it has played in relation to the development of the international environmental agenda, its centrality on most environmental issues, its deep and long-standing interest in global issues, its current prominence in the preparation of the Rio + 10 Summit, Canada must be a leader in the debate about international environmental governance. It is in a strong position to influence the outcome of the current redefinition of authority at the international level in a way that strengthens the role it and CGS play on the international scene. Canada's influence is likely to be

greater in a decentralized system than within a WEO or a far away and reinforced UNEP. Such a system will multiply the possibilities of coalition formation, maintain the capacity to choose the forum most conducive to the promotion of the Canadian perspective, stimulate domestic capacities and awareness, and improve access to diverse forms of relevant knowledge.

- Annex 1 -

Recommendations

This set of specific steps and directions is designed to improve the capacity of CGS to play on their strengths and further the attributes of effective governance (problem identification, democracy/transparency, learning, ingenuity, integration, inclusiveness, consensus building, and legitimacy. All contribute to the promotion of the '4 Cs': coordination, coherence, compliance and capacity (used here in somewhat expanded fashion). A distinction is made between system-level (regime, CGS and secretariat) and national level actions.

System-level Actions

To increase capacities: build the secretariats:

1. Improve the Secretariats' legal, administrative, and technical capacities;
    i. end micro-management by UNEP of UNEP-hosted Secretariats;
    ii. stabilize staff contracts and tasks;
2. Work toward harmonizing Secretariats' mandates (ex. evaluation of implementation);
3. Diversify their personnel (e.g., seconded from major groups for five-year periods);
4. Help select strong and independent leaders (to improve coordination and motivate the organization);
5. Name a chief operating officer in charge of internal administration alongside an executive secretary with international stature, in charge of overall guidance, mobilization, etc.
6. Secure Secretariats' financial resources (especially for those dependent on UN secretariats).

To increase capacities (and maintain legitimacy and encourage learning): build also the CGS, not just the Secretariat:

7. Elect strong bureaux and strong CoP Presidents;
8. Improve input/participation of industry;
9. Support attendance by delegates from least-developed countries on a *multi-year* basis;
10. Encourage the functional specialization of subsidiary bodies (ex. Ozone Technical panels);
11. Modify the modus operandi of permanent bodies so as to facilitate participation by non-state actors in working or technical groups;
12. Support GBF-type meetings;
13. Strengthen Clearing-House Mechanisms (ex. Financial and technical information);
14. Make the President of the CoP the spokesperson for the regime.

To facilitate coherence:

15. Explore ways of harmonizing the normative content and expectations of sectoral MEAs;
16. Clarify the juridical personality of MEA secretariats;
17. Promote the legal and political principle of environmental agreements being «mutually supportive» rather than «independent from one another»;

To facilitate coordination: explore non-hierarchical coordinating mechanisms

18. Include, within secretariats, personnel from those entities whose participation must be coordinated;
19. Rather than a central coordinator, encourage lead MEAs (as in Agenda 21);
20. Support and expand establishment of separate assessment bodies to serve several conventions (as does the WCMC, for example). Support expansion of IPCC's mandate.

To encourage compliance:

21. When appropriate, support secretariats' new central function of technical support to developing countries in meeting their obligations;
22. When appropriate, extend to secretariats procedures envisaged in Agenda 21 (receive and analyse information from major groups on the implementation of the convention) (as does the CSD);
23. Enhance the capacity of CGS in the area of monitoring and evaluation (in collaboration with scientific assessments institutions); when appropriate, consider extending secretariats the right to assess compliance and even initiate procedures of non-compliance (as do CITES and Ozone);
24. Consider extending, in limited cases, the right of petition (as is the NAFTA'S CCE and the Bern convention) to NGOs and other groups for state compliance failures;
25. Strengthen the role of independent experts through the creation of open networks of labs to convey information to implementation bodies;
26. Support the institution of sophisticated systems of implementation review in each major MEA tied to access to resources;
27. Encourage the development of compliance/implementation networks;
28. Strengthen each MEA's dispute settlement system (so that disputes don't end up in WTO's CTE)

National-level Actions

«Policy coordination begins at home»

29. Encourage mutual support of conventions and cooperation between subsidiary bodies;
30. Institute a formal national and permanent coordinating mechanism among national units active in international environmental issues, starting with the national focal points of international conventions;
31. Develop a strategy for regional and local integrated implementation of selected related conventions (e.g. Rio conventions);

To increase capacities:

32. Strengthen national focal points (starting with a clarification of their role);
33. Facilitate national appropriation of Clearing-House Mechanisms;
34. Devote a fixed percentage of national environmental expenditures to IEG, in order to:
    a. secure the financing of secretariats and CGS
    b. overcome low priority by Treasury because no assessed scale of contributions (so, comes after the other requirements);

- Annex 2 -
Putting Criticisms of the Current System in Perspective

What about these commonly mentioned MEA-related problems?	Comments
Too many meetings ⇨ loss of policy coherence ⇨ reduced impact of the limited resources available	Affects only a few MEAs Due to youth of MEAs The more complex the issues, the more meetings Participants are more diverse than it appears Meetings enable valuable network-building and have useful socialization functions How do we know about «reduced impacts»?
Calendar	Solution: coordination through EMG or CSD
Burden on poor countries	Distinguish between human resources (1) and financial issues (2) (1) A real issue for some; for others, often the product of choice: failure to invest more human resources into these activities; Reflects the youth of these organizations (2) Attendance is supported, but funding is too erratic Solution: encourage a division of labour within regions
Geographical dispersion	Only three basic locations for global conventions and related bodies: Geneva-Bonn; Mtl-NY; Nairobi; if there is a problem, it is Nairobi… Co-location does not ensure cooperation (see UNEP & Habitat); Co-location does not entail a single venue for meetings; Even UNEP has regional and dispersed bureaux; Different locations allow the mobilization of different countries and networks => better access for environmental issues; There is strong opposition to relocation of major MEAs; Select well-travelled routes and cheap cities for meeting venues
Weak human resources	Should be strengthened but kept within a «mission» orientation
Weak financial resources	Should be strengthened or, more importantly, made more predictable and hold fewer ties Compare evolution of financing for IGO vs. secretariats: more in the aggregate but less for each?
Overlap (concurrent mandates) and competition	Common to whole IGO system Promotes experimentation Organisations that want to cooperate find plenty of opportunities to do so (from international meetings to electronic communications)
poor design => lack of flexibility and equity	Ex. CITES; Solution: amendments; harmonise norms (e.g. CBD-CITES)
How to avoid super-bureaucracies? how to avoid an institutional «tragedy of the commons» where each serves its network at the expense of cooperation with other networks?	Avoid making UNEP a central coordinator; Support small mission-oriented bodies with specific recruitment policies; Support UNEP's and CSD cross-current (transversal) integrative functions; Support network-based government
What about UNEP?	Responsible for a minority of conventions Its financing pbs are symptoms rather than the causes of its poor standing; Role: coordinate cross-cutting functions; but not primus inter pares; Functions: facilitator of harmonization of procedures and norms (e.g. reports and WCMC); comparative analyses of national reports and obligations; assisting secretariats; scientific assessment and identification

Conflict Resolution/Dispute Resolution/Compliance

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Introduction

Conflict Resolution (or ADR) is typically seen as something new; initiatives in this area are often seen as "plots" or experiments. We should not lose sight of the fact that inspiration and insights can often be found by re-visiting wisdom and experience from the past. There is nothing new under the sun! (Sigurdson, 1995)

This paper presents four main arguments as to why and how Canada can make a substantial contribution to the global debate on the environment in the area of the resolution of conflict:
The arguments are:

a. we have a history of peace keeping and peace building in conflicts of different kinds;
b. we created a unique response to the Brundtland Commission which could be applied on a larger stage;
c. there are a series of tried and true principles that could be applied or modified and then applied on a global scale;
d. we have many cases of disputes that have been resolved using dispute resolution methodologies at home.

a. Peace building and peace keeping

Canada has had a long history of being the honest broker in disputes and this paper argues that our role argues for this role to be emphasized when dealing with global environmental issues.
From 1946 until 1957, no two men had a greater impact on Canadian foreign policy than St. Laurent and Pearson. Under St. Laurent and Pearson, the Department of External Affairs expanded steadily during the 1940s and 1950s to take into account Canada's global interests. In multilateral organizations such as the United Nations (UN), the Commonwealth and the North Atlantic Treaty Organization (NATO), experienced Canadian diplomats emerged as mediators par excellence as Canada's middle-power status equipped her to play a constructive role in building bridges between and creating coalitions among the nations of the world.

Canada's role as peacekeeper – for example in the Suez crisis, showed that the country had an ability to play an important and constructive, as well as independent, role in the world. This was never better demonstrated than in 1960, when the Congo dissolved into chaos upon obtaining its independence from Belgium. United Nations Secretary-General Dag Hammarskjold sought a Canadian contribution to the UN force being sent there. More recent examples abound in our collective conscience.

b. A unique response to the Brundtland Commission which could be applied on a larger stage

From The Honourable Lloyd Axworthy's speech to the UN in September 2000: "Ten years ago, the Brundtland Commission's report, "Our Common Future", took two seemingly contradictory ideas -- economic development and the protection of the environment -- and out of this contradiction forged a synthesis: sustainable development. This new concept fundamentally changed the way the world thinks about these issues, and its work informs our thinking to this day."

Canada's response to the Brundtland report was to create forums for developing new ways of thinking, build knowledge and policy about sustainable development. By developing the National Roundtable on Economy and the Environment, Canada created a blue print for a forum of multi-sectoral interests in the debate about sustainable development. These guiding principles were negotiated over 2two and a half years, as a user-friendly practical description of the essential nature of the consensus-based process.

The model at the national level spawned Provincial Roundtables which operated under similar guiding principles.

It is my hope that in these discussions about resolving conflicts on environmental issues, we can diffuse the anxiety that surrounds them on a global scale by building a similar bridge between our current notions of these concepts.

"Ethical business is good business.
In the globalized economy, the world's people are the ultimate shareholders. If they don't profit, no one will. " (Axworthy, 2000).

c. A series of tried and true principles that could be applied or modified and then applied on a global scale.

Conflict resolution (ADR) is coming to embrace a much broader and richer portfolio of approaches, options and possibilities – far beyond the initial expectation of it as an alternative to litigation and tribunals. ADR is not a place it is an approach; it is not a set of techniques, it is a way of looking at problems; it is not about disputes, it is about anticipating differences and building processes to deal with them before they give rise to conflict.

It involves negotiation, is more than dialogue, it is not just about settlements, but also about decision-making structures. While it recognizes rights, its focus is on relationships between parties and people.

Conventional wisdom has us taking our problems to a process and then forcing the problem, its resolution to the values, procedures and mandate of that process. The time is now to turn that over and start by looking at the issue/problem/dispute, identifying those with a stake in the outcome and then attempt to reach agreement amongst the

parties on a design of a process that coincides with their needs, values and expectations.

The principles which guided Canada's Round Tables and which I believe could form a basis for similar forums in resolving global environmental issues follow:

GUIDING PRINCIPLES OF CONSENSUS PROCESSES
Consensus processes are participant-determined and driven - that is their very essence. No single approach will work for each situation - because of the issues involved, the respective interests and the surrounding circumstances. Experience points to certain characteristics which are fundamental to consensus - these are referred to as the guiding principles.

GUIDING PRINCIPLES FOR CONSENSUS PROCESSES

Principle #1 - Purpose Driven
People need a reason to participate in the process.

Principle #2 - Inclusive not exclusive
All parties with a significant interest in the issue should be involved in the consensus process.

Principle #3 - Voluntary Participation
The parties who are affected or interested participate voluntarily.

Principle #4 - Self Design
The parties design the consensus process.

Principle #5 - Flexibility
Flexibility should be designed into the process.

Principle #6 - Equal Opportunity
All parties must have equal access to relevant information and the opportunity to participate effectively throughout the process.

Principle #7 - Respect for Diverse Interests
Acceptance of the diverse values, interests, and knowledge of the parties involved in the consensus process is essential.

Principle #8 – Accountability
The parties are accountable both to their constituencies, and to the process that they have agreed to establish.

Principle #9 - Time Limits
Realistic deadlines are necessary throughout the process.

Principle #10 - Implementation
Commitment to implementation and effective monitoring are essential parts of any agreement

The debate about environment on the world stage now occurs in the streets of Seattle, Quebec City and anywhere else there is a G8 or WTO meeting. Proposals to reform the WTO agenda have included: (IISD, 2000)

a. The need for transparency and participation
it requires more than an open door – it requires the capacity to walk through it

b. Sustainable development
collaborate with those for whom you have disdain – ve the enemy is inside the tent
goal is a wider discussion growth for the GDP

c. Coherence
real compatibility is not possible until
there are means to adjudicate among different and conflicting policy objectives, and there is a set of principles to guide such adjudication. It is my contention that these and other perspectives could be developed if Canada took the initiative to play a strong role in conflict resolution in environmental issues.
.
d.. Cases in Canada
The growth of ADR in Canada has been advancing, but documentation is limited. Why is that so? One reason is that there may be that there is no agency with the responsibility for maintaining such material. Another may lie in the nature of authority structures in Canada. It is unlikely that a dispute between conservation and commercial interests over fisheries management would be documented before more formalised procedures are triggered. There is little incentive to document earlier efforts to negotiate or seek a resolution. This is beginning to change as tribunals and other institutions are starting to explore the potential interaction between authority-based and participant- driven processes.

Given the voluntary nature of many of these processes, the parties have no responsibility other than to themselves and so do not tend to keep records. (Sigurdson, 1995).

Major ADR initiatives (with little or no documentation) have taken place in policy development in resource allocation across the land base of Saskatchewan, in Alberta to define areas that need more protection, between several Federal agencies and First Nations in B.C to deal with the complex questions of fishing, habitat management and saving the communities affected by the retrenchment of the industry.

The problems with ADR in Canada are familiar ones:
danger that institutionalization will replace flexibility
existing power structures will lose control
personal and professional resistance

Strengths include:
powerful vehicle to more effectively capture the public interest
procedural justice – how does the process and the outcome affect me personally?
helps the capacity for governments to more effectively reconcile their own internal inconsistencies

Conclusion

Every crisis is an opportunity and if Seattle was a disaster for the cause of liberalized trade it was also a clarion call for change. The WTO had been on a collision course with social and environmental interests for some time. That they finally collided is not a surprise, although it is somewhat astonishing that the collision took place so soon and so violently.

For those who believe that the economic growth made possible by trade liberalization is a necessary ingredient of sustainable development, the debacle is the prelude to an era of exceptional opportunity. Canada can play a role to achieve resolution to these issues (and perhaps address the issues of transparency and participation, sustainable development and policy coherence). As a country we are not yet clear about how we are going to get there. We will need energy creativity and the ability to put aside old quarrels in the common search for a better outcome.

AN ENVIRONMENTAL SECURITY APPROACH TO THE INTERNATIONAL ENVIRONMENTAL GOVERNANCE DIALOGUE

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Introduction

It is time to advance a notion pertaining to the environment that could have the kind of impact that the notion of sustainable development had over a decade ago. This would address the lacuna left over from Rio in the field of governance.

Environmental security seeks to integrate the environment into security decisions, just as sustainable development was looped onto economic decision-making, is this notion.

The environmental security perspective engages actors from the areas of international and national security and raises the issues of environmental protection and equity to the forefront of policy considerations alongside security, foreign policy, and trade concerns.

Environmental security calls for institutional arrangements that ensure nations will protect their citizens from environmental degradation just like they currently protect their citizens from the aggression of other nations.

Indications of environmental insecurity

A lack of environmental security is observed when:

- Livelihoods are vulnerable to natural disaster (landslides, floods).
- Resource scarcity plays a role in perpetuating or generating conflict.
- Environmental change leads to significant changes in the productiveness/sustainability of a region or community.
- Environmental change leads to migration and displacement of communities.

Changing the definition of Security

Human security is characterized by freedom from pervasive threats to people's rights, their safety, or their lives.

Environmental security specifically refers to situations where the environment poses a threat to human security.

The security perspective provides an alternative way of viewing the international environmental governance debate by placing the dignity of human beings, and not institutions, as its point of reference and stressing that governments have the responsibility to protect citizens from environmental threats just as they currently do from military threats. In cases where governments fail to provide this duty, the international community has a responsibility to intervene.

The governance challenge

There are a multitude of international agencies, programs, treaties, and agreements. Some of these have been quite successful. Particularly where trans-border damage issues occur between nations in the industrialized world, there are a large number of well-enforced treaties in place.

For example,
1. The prevention of pollution of the sea by ships (1973);
2. The protection of the ozone layer (1985);
3. Long-range atmospheric pollution (1979);
4. The export of hazardous wastes (1989);
5. Prior informed consent regarding the export of chemicals (1998);
6. The export of persistent organic pollutants (2000).

Systemic failures of the global environmental governance institutions

- **Failed collective action.** Because a clean environment is in everyone's interests, it is no-one's direct responsibility to take action. If one nation addresses global problems, all nations benefit from their efforts (this is called the "free rider" problem). As a result, it is very difficult to mobilize collective action.
- **Fragmentation.** International environmental governance is shared among too many institutions that have overlapping mandates.
- **Deficient authority.** Existing international environmental governance institutions (such as the UNEP) have only vague mandates and inadequate budgets.
- **Insufficient legitimacy.** Problems affect countries differently whether it is in the developed or developing world. Consequently, environmental problems lack legitimacy in many poorer countries.

However, when problems are national in scope, but shared among many different countries, and cause global problems when aggregated together, the global governance system runs into serious problems (deforestation and the loss of biodiversity are examples of this sort of problem).

In these cases, where the problems are at root national problems, it is difficult for the international community to justify intervening in another country's domestic affairs. As a result, there must be a re-shaping of the debate, which is why a paradigm based on the idea of environmental security is valuable. It shifts the focus onto the "responsibility to protect" that is generally the mandate of governments.

When there is an egregious failure to protect, or environmental damage affects the well being of others outside the boundaries, then there is a threat to global security and the international community has a responsibility to respond.

The roles of an "environmental security" institution

An environmental governance institution based on environmental security must address three specific types of problem:

(1) Vulnerability and chronic problems

Governance institutions must focus on protecting human welfare against chronic environmental problems, or when a community is vulnerable to an environmental crisis.

Case study: Flooding in Northern Thailand

Floods in Northern Thailand and the victims of this natural disaster serve as an appropriate illustrative case study.

- During the 1970s and 1980s the Thai army built roads to facilitate troop movement to the Thai-Burmese and Thai-Laos borders.
- This opened virgin forest to companies who removed high value tree species (specifically teak).
- Capitalizing on this newly cleared land, and in response to population growth and limited economic opportunities in the south, the Thai government promoted the production of vegetables for export in Northern Thailand.
- This policy drew large numbers of migrants into this area that further contributed to deforestation.
- With the tree cover removed, the hydrological system of the area changed. Agricultural crops trap less water than native forests, and the soils began to erode. This further reduced the ecosystem's water-holding capacity.
- The result was massive flooding with an enormous cost to human life, property value and the destitution of entire communities.
- The catastrophic flooding of the late 1980s illustrate that short term resource development, deemed essential for economic growth and poverty reduction, ignored environmental realities and gave rise to a loss of human security.
- An institution based on an environmental security framework would have a strong mandate to intervene in this sort of situation and attempt to mitigate this problem before people are harmed.

UNEP needs a strong mandate to develop a "vulnerability" index in order to identify and monitor these communities so that chronic problems can be mitigated and crises averted.

(2) Acute crises

A specialized set of skills and expertise are required to adequately mitigate the effect of natural disasters. During a crisis, there is an immediate need for food, shelter, and medicine. These problems create huge logistical and financial demands on nations and may precipitate sudden surges of refugees that can threaten state stability.

With good monitoring and effective community development, many of these problems are preventable.

Throughout the 1990s, international development budgets have dropped while humanitarian relief budgets have grown. While it is necessary to respond to disasters effectively, it is equally necessary to engage in sustainable development that will prevent the disaster in the first place. An environmental security framework draws these two elements under the same umbrella.

An international environmental governance structure is needed to oversee relief operations. The structure should also monitor and address the unsustainable land use practices and thus reduce the chance (or at least the negative consequences) of catastrophes.

(2) Conflict resolution

In situations where countries or nationals contravene environmental treaties and create environmental security problems, it is necessary to have mechanisms that enforce environmental standards. In this case, there needs to be a dispute resolution mechanism to address these

problems. Thus far, however, it has been challenging to develop international environmental laws because it is difficult to demonstrate how one party has been harmed by another party.

John Battle, Minister of State for the Foreign and Commonwealth Office of the United Kingdom, on the Indonesian forest fires

In 1997, local fires in Indonesia set fire to peat and soft coals below the surface. A severe haze spread to Singapore, Brunei, Malaysia, Thailand and the Philippines. The Malaysian state of Sarawak declared a state of emergency. Over 50,000 people were seen by doctors or admitted to hospital for respiratory problems. This caused great tension between the affected nations.

Under an international governance system that provides UNEP the mandate to monitor vulnerability around the globe, UNEP would be in a position to help demonstrate situations where harm has occurred. Once a problem has been identified by UNEP, it would have to be arbitrated through a judicial institution. One possible suggestion is to establish a permanent court of arbitration at The Hague or a World Environmental Court. There is a recognized need for the establishment of adequate international environmental laws that are enforceable. Nation-states would have to agree on ways of assessing harm to the environment and on establishing the appropriate sanctions that can be imposed on countries that transgress international treaties.

Here one can take lessons from the arena of conflict resolution where various tools are used, such as preventative diplomacy, fact-finding, monitoring, observers, sanctions, etc. This also has a major bearing on aid programs, as it would set out how ODA could be designed to help in the amelioration of risk due to environmental degradation. There is also a major corporate aspect as it helps set out codes of conduct for overseas investment that centers on the security repercussions of bad environmental policies or practices. It is important to note, however, that one of the lessons learned through the Montreal Protocol on ozone depleting substances is that technical and financial assistance are more effective strategies than sanctions or punishment for countries that break treaties.

The Red Cross on the scope of natural disasters

In the 2000 *World Disaster Report,* the human toll of environmental problems is clearly documented. In 2000, 752 natural disasters occurred, compared to 609 in 1999 and 481 in 1998. This increase has been provoked by weather, mainly floods, windstorms, and droughts. The Red Cross points out that nature is not solely responsible for this. Global warming, unplanned

Conclusion

As we approach the Johannesburg conference we need to keep two facts in mind. First, despite the energy and enthusiasm that the Rio summit created, a huge amount of work has gone un-done. If we are to rectify this, and make meaningful steps to meet the challenges that face the globe, we are going to need the 2002 summit to energize the world community in new and creative ways. Second, the global environmental crisis illustrates that all nations in the world are vulnerable to environmental change.

Environmental security is a novel and exciting approach to the global governance problem that puts the most marginalized at the centre of our concern by ensuring that governments are obliged to protect their citizens from environmental threats and when they fail to do so it is the international community's obligation to intervene.

International Environmental Governance: Scientific Assessment

Steve Lonergan

University of Victoria

Proposed: That Canada should both support and develop further capabilities in scientific assessment of Multi-lateral Environmental Agreements, sustainability, and environmental governance.

Further: That Scientific Assessment be used as a basis for to support improved environmental governance and environmental institutions;

That Scientific Assessment be able to link researchers, NGOs and policy makers in a way that is independent, dynamic (current, visible, long-term), responsive (to governments and the private sector), integrative (involving government, NGOs, research institutions private sector and civil society), and relevant (to present needs and future considerations).

Reasoning:

It is impossible to devise effective environmental policy without reliable scientific information and data collection. To date, such efforts have largely been ad hoc and ineffective (although this is beginning to change).

There is a considerable demand for scientific assessment from the perspective of multi-lateral environmental agreements; from national governments that are faced with both environmental commitments and new environmental policies; from the private sector (who are increasingly being monitored and regulated by the insurance industry); and from regional organizations.

There is a lack of reliable scientific information and assessment in a variety of areas, most notably in the human dimensions of environmental change. We may argue about the availability and reliability of data on soil type and quality, but there is little argument about the dearth of information on property rights/land tenure systems or what measures of sustainability are applicable in communities in Africa.

There is a crucial need to better understand the adverse (perverse) impacts of the new array of multi-lateral environmental agreements. Not only are governments and COPs unwilling to address this issue, but few assessment bodies think in the long-term.

Conclusion:

Improved international environmental governance must be supported by strong scientific understanding, and that this understanding be integrated into any future governance structures.

Background Information

With respect to scientific assessment in the context of recent multi-lateral environmental agreements, there seems to be three general models:

- Type I: Convention/Protocol develops a scientific assessment panel (in some cases, these are ad hoc panels);
- Type II: Scientific assessment is independent but linked to environmental agreements; and
- Type III: Scientific assessment is independent of agreements/institutions.

Examples (some of the information provided below on assessment panels was taken directly from the relevant websites for the Agreements):

Type I: Scientific Assessment Panels developed in the context of environmental agreements.

Convention on Biological Diversity – Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA).

The CBD established an open-ended intergovernmental scientific advisory body known as the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA). SBSTTA is a subsidiary body of the Conference of the Parties (COP) and reports regularly to the COP on all aspects of its work. Its functions include: providing assessments of the status of biological diversity; assessments of the types of measures taken in accordance with the provisions of the Convention; and responses to questions that the COP may put to the body.

SBSTTA has met six times to date and produced a total of 58 recommendations to the Conference of the Parties, ten of which have been endorsed in full by the latter. Such endorsement makes these recommendations *de facto* decisions of the Conference of the Parties. Parts of other recommendations have also been endorsed, and many others have been taken up in modified form.

The Convention to Combat Desertification - The Conference of the Parties may, as necessary, appoint ad hoc panels to provide it with information and advice on specific issues regarding the state of the art in fields of science and technology relevant to combat desertification and mitigating the effects of drought. These ad hoc panels are composed of experts whose names are taken from the roster of independent experts, taking into account the needs for a multi-disciplinary approval, an appropriate gender balance, and broad and equitable geographical representation. The Committee of Science and Technology (CST) was established as a subsidiary body of the Conference of the Parties to provide it with information and advice on scientific and technological matters relating to combating desertification and mitigating the effects of drought. The CST is composed of government representatives competent in the fields of expertise relevant to combat desertification and mitigating the effects of drought. It is multi-disciplinary and open to the participation of all Parties. It meets in conjunction with the ordinary sessions of the COP.

Montreal Protocol –The Ozone Secretariat in Nairobi has three standing assessment panels: a Scientific Assessment Panel; an Environmental Effects Assessment Panel; and a Technical and Economic Assessment Panel. Like the SBSTTA above, these panels respond to specific questions and issues posed by the Secretariat and Parties to the Agreement.

Type II:Independent but Linked Scientific Assessment

Intergovernmental Panel on Climate Change (IPCC) - Developed by the World Meteorological Organization (WMO) and UNEP (independently of the UNFCCC) in 1988. The role of the IPCC is to assess the scientific, technical and socio-economic information relevant for the understanding of the risk of human-induced climate change. It does not carry out new research nor does it monitor climate related data. It bases its assessment mainly on published and peer reviewed scientific technical literature.

The IPCC has three working groups and a Task Force

- Working Group I assesses the scientific aspects of the climate system and climate change.
- Working Group II addresses the vulnerability of socio-economic and natural systems to climate change, negative and positive consequences of climate change, and options for adapting to it.
- Working Group III assesses options for limiting greenhouse gas emissions and otherwise mitigating climate change.
- The Task Force on National Greenhouse Gas Inventories oversees the National Greenhouse Gas Inventories Programme.

It has published three comprehensive assessment reports (most recent in 2001).

Independent Scientific Assessment

Millenium Assessment (MA) - The Millenium Assessment is a four year study that "will examine the processes that support life on earth like the world's grasslands, forests, rivers and lakes, farmlands, and oceans." The study was launched to provide decision-makers with authoritative scientific knowledge concerning the impact of changes to the world's ecosystems on human livelihoods and the environment. It is expected provide governments, the private sector, and local organizations with better information about steps that can be taken to restore the productivity of the world's ecosystems.

The MA was designed over the past three years by the UN Development Programme, UN Environment Programme, the World Bank, the World Resources Institute, and other partners. The MA will include global, sub-global, and national assessments. Already, assessments are in the works for Southern Africa, Southeast Asia, Central America, Western China, and Norway. At the local level, studies are going on in India and Sweden. More sub-global assessments will be added in the next few months.

It is hoped that the MA will act as a mechanism to meet the assessment needs of three international environmental treaties – the UN Convention on Biological Diversity, the Ramsar Convention on Wetlands, and the UN Convention to Combat Desertification. It remains unclear, however, how the MA will respond directly to the needs of these Conventions (if at all).

Specific Examples of the Benefits of Scientific Assessment

The IPCC (see outline above)

Pros:

Comprehensive scientific assessment of climate change. Periodic (dynamic) and also responsive (to policy or academic needs/interests). Focuses on assessing relevant scientific information and synthesizing research.

Cons:

Still can be political (synthesis report). Not necessarily a strong link between scientific assessment and policy (opinions vary), even within Canada.

Middle East Water

Multi-lateral talks as part of the Peace Process. Key technical issues (water, environment, refugees, arms control, economic development). Scientific assessment facilitated by national and international institutions (IDRC; the World Bank).

Pros:

Promote cooperation and dialogue. Provides a regional focus. Requires agreement on technical issues prior to policy development (agreement).

Cons:

Politics still an overriding issue. Response oriented (based on what the parties want)

The issue of water (quality and quantity) highlights another concern (problem?). There are an almost infinite number of institutions – many with scientific assessment at their base – concerned with global water issues. Examples include: the Global Water Forum; World Water Council; World Commission on Water; World Water Vision; and so on (for a complete list, see http://www.worldwater.org/links.htm).

International/National Research Organizations (that focus on scientific assessment)

Examples: International Geosphere-Biosphere Programme; International Human Dimensions Programme on Global Environmental Change; Canadian Global Change Programme.

Conclusion

There is little question that sound, independent scientific assessment is a necessary condition for improved international environmental governance. To this end, any consideration, support and/or development that Canada can provide in this area is extremely important. As noted above, the key is to either design or invest in an institution (or institutions) that is able to link researchers, NGOs and policy makers in a way that is independent, dynamic (current, visible, long-term), responsive (to governments and the private sector), integrative (involving government, NGOs, research institutions private sector and civil society), and relevant (to present needs and future considerations.

Notes of introductory comments on Financing The Environmental Agenda

Huguette Labelle

Strengthening international and national environmental governance is essential to achieve sustainable development. On its own, however, without major allocation of substantial additional resources, it will only be a fantasy giving a false sense of comfort that all is well in this regard.

Sustaining natural capital is essential to human development and welfare. It requires the development of culture of personal responsibility. It also requires the sustained actions and cooperation of key players nationally and internationally.

Costs and Benefits

The cost of correcting unsustainable development is immense. In Asia alone, it is estimated at US$175 billion per Year in 2004 reaching US$250 billion by 2025 (ADB 2000). In the summer of 1998 the Yantze floods in China killed 3,656 people, damaged 5.6 million houses (Winkler 1999), and costed that county more than US$36 billion, equivalent to reducing the country's economic growth by one per cent that year (World Bank 1999). China has no take decisive action to correct this situation.

On the other hand the payoffs to environmental action is huge. Controlling air pollution in China, for example, would cost an estimated US$50 billion but would yield estimated benefits of US$200 billion (World Bank). Similar examples can be identified around the world. With such payoffs why do we still have such environmental degradation and destructions?

There are several contributing factors but two stand out above all others: inadequate government funding for environmental protection and management, and disincentive for private investment. Because private returns on investment in environmental protection are frequently significantly smaller than private costs or are long term, and that many of the benefits are distributed to society at large, the private investors factor this lack of short-term gains into their decisions and invest accordingly. "This classic case of externalities and market failure provides strong justification for public policy actions to create market like conditions that align private incentives with the social costs and benefits of providing environmental services" (World Bank 2000)

Diversity and Extent of Required Actions

Stopping degradation, restoring current damages and preventing future loss requires concerted, substantial and sustained actions by the world community for global, national and local results. The following highlights some of the elements of that agenda.

- Bridging the Introduction of Non-polluting Technology.
  The direct cost of alternative technology may be higher for a period of time until the volume yields adequate return on investment. Introducing wind energy in North West china or biomass energy in China's Jilin Province, for example, is

demonstrating that early public investment with appropriate policies can introduce clean energy for millions of people living in dispersed conditions over a vas territory.

- Public Education for 'Clean Living' and People Market Surveillance.
  All sectors of society have a responsibility to ensure that the public is well informed. Information on impact of personal action, on products, devices and social indicators is an essential aspect of personal responsibility. Both availability and accessibility of information remains a major problem making it difficult for people to make judicious decisions. Customers, for example, cannot demand a product unless they are aware of its existence. The will not demand a 'flexi-fuel' ethanol/gas vehicle or high oxygen ethanol and low sulpher gas unless they are aware of their existence.

- Policies, Regulations, Institutional Building and Surveillance.

As manager of the public good the state becomes a catalyst for environmental management and protection. Through selective interventions it can have tremendous impact on the quality of life of its people. In many developing countries that environmental framework is absent, in other countries the framework exists but without capacity and systems for implementation. In the case of developed countries, a number have retrenched their surveillance capacity a the time budgetary cuts to deal with deficits. Past experience also indicates the importance of participatory approaches, experience sharing and adequate investment in order to achieve success.

- Industrial Greening

Much of the clean production gap could be filled by combining knowledge, regulations, market based incentives and public information disclosure as a means of encouraging industry management to live up to required environmental performance. Essential infrastructure, however, still requires significant investment by Governments if we are to avoid out of reach user prices or the development of a new type of developing country debt. Infrastructure requirements have been estimated at approximately US$300 billion per year for the foreseeable future. (World Bank)

Valuation of Environmental Costs

In the last decade there has been increasing work done on environmental costs and Benefits. (World Bank, UNDP, ADB, WHO, Panayotou, Harvard Institute for International Development, etc).

These have exposed the ravages of degradation and the promise of incorporating sustainability in growth policies. Recent measurement of air pollution in New Delhi indicate that the level of total suspended particulates is likely to five times the limit considered safe by WHO leaving a high death toll. Further, 93% of Mumbai's sewage is dumped untreated into the sea killing virtually all large marine life along the coast. (India Today 1999) On the other hand, Costa Rica has been most successful in protection its watershed and capturing carbon sequestration by designing one of the most innovative forest protection system in the world. These studies have also exposed the impact of the 'grow now clean up later' approach and demonstrated that the health costs of delayed

pollution control and natural disaster costs of environmental degradation can exceed the prevention cost.

The work that has been done reveals the importance of revaluing our development in order to estimate the human and economic costs of these damages and to compare them with the economic benefits of the activities that are linked to theses damages. China is a country that has already demonstrated progress in reversing some of it environmental degradation. Through the Environmental Working Group of the China council on Environment and Development, China has undertaken to develop a valuation framework which can serve to determine a set of value to use as guides and benchmarks for policy makers. (Theodore Panayotou and Zhang Zheng 2000)

Changing the Poverty and Environmental Degradation Cycle

"The livelihoods of more than 1 billion people are at risk because of desertification and dryland degradation. The loss of an estimated 65 million hectares of forests in developing countries in the last five years is also hurting rural people, a quarter of whom depend on forests for income, food and medicines" (World Bank, Annual Report 2000). Poor people are both the victims and contributors to the deterioration of the natural environment. Considering that 70% of the world's poor still live in rural areas, new efforts are required to support these people in attaining sustainable livelihoods in the field of agro forestry or alternative sectors. Population growth, rapid industrialization and dumping of dirty technology in countries eager to create jobs and wealth have the combined potential to sharply multiply future environmental costs unless early and significant support is provided. Yet ODA fell consistently over the last decade- this despite the robust economic growth of the last several years of the DAC countries. There is hope of reversing that trend as world leaders are increasingly becoming attentive to the issue.

Many additional concerted actions are required to reach a better level of sustainability in our development including research into new technology, protection of biodiversity, new treaties for regional management of natural resources in particular water and greening trade liberalization. The purpose of identifying the above measures is to illustrate the importance of additional investment in order to make environmental agenda real.

Environmental Global Financial Commitments

The current level of global funding commitments is minuscule when measured against the need, the cost of inaction and expenditures in non-productive sectors.

Current Global Funds

GEF as the main vehicle to meet global environmental obligations has a current replenishment level of US$2.7 billion over 4 years and will end in 2002. This is the second replenishment and will likely roll over 300 million. The first replenishment rolled over 600 million Negotiations for the third replenishment are currently taking place and are being reported to be in the range of US$2.5 to 3.5 billion. A decision is required by February 2002.

The multilateral fund for the Montreal Protocol supports interventions to eliminate a small group of chemicals depleting the ozone. It is currently in a three year replenishment of US$440 million.

The World Bank Prototype Carbon Fund currently stands as US$165 million with 13 companies having invested in this fund to date.

The Clean Development Mechanism and the Persistent Organic Pollutant Fund are mechanisms arising for the Kyoto Protocol and are at a lower level.

Bilateral ODA Support

Most Donors of the DAC list provide some assistance for the environment. This would, however, be a fraction of their total disbursements because of express need in other sectors like health, education, nutrition, sustainable livelihood. Given the reduction in ODA in the last decade this source remains problematic.

UNEP has a very different role but remains key as a convenor of the world community to set standards, develop collaborative networks on environmental research, foster regional collaboration on specific issues, and as a major source of knowledge. Its capacity for significant and timely action has been greatly reduced during the last ten years due to significant budgetary reductions.

Valuing life and quality of life and taking responsibility for our common heritage should be the cornerstone of human development. A broad range of interventions are required to correct the high risk trajectory that humanity is currently pursuing. Rio +10 is an ideal time to reassess our global and national commitments to sustainable development and take actions that will permit us to give life to our values and principles. The important task of fixing environmental governance should not become and excuse for inaction on appropriate financial support

World Environment Organisation

Konrad von Moltke, International Institute for Sustainable Development

Environmental policy has made dramatic strides since the founding of the United Nations Environment Programme (UNEP) in 1972 at the UN Conference on the Human Environment in Stockholm. It is time to update the UN organizational structure for environmental management to reflect these new realities. It is, however, important to note that such a decision within the UN will not directly affect the numerous international environmental regimes that exist outside the UN.

At the time of the Stockholm Conference hardly any country had a ministry devoted primarily to environmental issues. Environmental management at the national level was seen primarily as a cross-cutting issue that required a small secretariat capable of promoting and coordinating action by "regular" agencies. The ministers assembled in Stockholm had other governmental responsibilities that they viewed as taking priority over their environmental portfolio: public health, land use planning, police and judiciary affairs, housing, agriculture, or even economic development. The mandate for UNEP reflected this limit3eed perspective.

Since Stockholm, most countries have established ministries whose primary responsibilities concern the environment—with Russia and the United States the most important exceptions. It has become obvious that environmental policy is institutionally very demanding as it requires the continuous integration of science and policy and unprecedented levels of cooperation between agencies at the same hierarchical level as well as at different levels ("subsidiarity').

The report of the UN Commission on Environment and Development ("Brundtland Commission") and the UN Conference on Environment and Development (UNCED) both addressed the critical link between environment and economic development. Yet neither considered international environmental governance per se, and the result left UNEP in a difficult position.

The next step in this process is clearly the revamping of UNEP to turn it into a strong and effective international environmental organization. Such a measure needs to recognize a hierarchy that exists within the UN system: only the specialized organizations have the ability to project an active agenda, largely because this affords them some independence from ECOSOC and the 2nd Committee of the General Assembly as well as the cloying effects of "New York politics" within the UN system. Consequently the only approach that is likely to yield satisfactory results—given the nature and limitations of the UN system—is one that aims creating a World Environment Organization as a specialized agency within the UN system.

By far the thorniest question in this regard is what to do with UNEP. Since it is virtually axiomatic that UNEP cannot be moved from Nairobi, and since it is obvious that no UN

agency can compete effectively within the UN system if it is based in Nairobi, the options are quite clear:

- Transform UNEP into a specialized agency and move it from Nairobi
- Create a new specialized agency headquartered in a location where it can expect both financial and political support and transform UNEP into a technical agency within the new WEO.

Only the second option appears practicable at this time. It has the added advantage that it creates a range of possible arrangements between the new WEO and the numerous other agencies that deal with environmental affairs within the UN system: The Food and Agriculture Organisation (FAO), the World Health Organisation (WHO), the United Nations development Programme (UNDP, the United Nations Educational Scientific and Cultural Organisation (UNESCO), the World Meteorological Organisation (WMO), the International Maritime Organisation (IMO), and the Internnational Tropical Timber Organisation (ITTO), as well as the very large number of more or less independent secretariats of multilateral environmental agreements. Special arrangements will need to be made with the World Bank, the World Trade Organisation, and the International Monetary fund.

In light of the complex relationships that will exist between a newly created WEO and the numerous existing international organizations and secretariats that deal with the environment, the WEO will need to reflect the best current practice in terms of organization and the use of modern communications tools.

To succeed, a WEO will need a significant budget. The figures launched by UNCED have proven unfortunate in that they do not distinguish between capital and current expenses. To be effective, a new WEO will need a budget at least as large as the annual budget of UNDP, that is well in excess of $1 billion. With such a budget, which is after all modest in relation to the budgets of most national agencies, the WEO could acquire the national financial leverage to generate real cooperation. It is virtually axiomatic that only significant financial resources offer any prospect of generating a cooperative attitude from existing organs and organizations. The WEO must also offer assurances that a significant proportion of the available funding will benefit developing countries.

Among the most important benefits of a WEO will be the creation of a single location at which most important environmental negotiations take place. The current situation, in which there are several dozen major venues as well as several hundred lesser ones, all of which are subject to shifting locations, does not permit countries to participate effectively. This is particularly the case for small countries and developing countries. At the same time domestic constituencies in support of international environmental regimes are dispersed.

It can be argued that the resources currently devoted to international environmental governance are very large indeed, but they are spread so thinly as to be ineffective. Indeed, environmental affairs may represent the largest international governance activity if one includes all the non-state actors, national and subnational resources that are

typically devoted to it. This state of affairs needs to be changed so as to ensure that results are commensurate to the resources mobilized.

Another major beneficiary of the creation of a WEO would be the WTO and, to a lesser extent, the World Bank. Both of these agencies are currently under significant public pressure on account of their environmental record—or lack of it—and would benefit greatly from the existence of s single interlocutor for the environment at the broad international level.

There are several pragmatic steps that can be taken towards the creation of a WEO. Rather than beginning with a broad template, that will immediately attract criticism, it is possible to seek out a number of practical steps and to call the result a WEO, with the intention of strengthening it step by step. The test of such an approach is, however, the willingness to mobilize significant new resources on a growing scale as the WEO evolves.