



SUMMARY OF THE THIRD OPEN-ENDED INTERGOVERNMENTAL GROUP OF MINISTERS OR THEIR REPRESENTATIVES ON INTERNATIONAL ENVIRONMENTAL GOVERNANCE: 9-10 SEPTEMBER 2001

The third meeting of the Open-ended Intergovernmental Group of Ministers or their Representatives on International Environmental Governance (IGM-3) was convened in Algiers, Algeria, on 9-10 September 2001. Over 250 participants from 92 countries, including over 20 ministers, were in attendance.

Participants were invited to consider a revised report on International Environmental Governance by the Executive Director of the United Nations Environment Programme and the Proposals of the President of the UNEP Governing Council, David Anderson, which delegates referred to as the "building blocks" document on IEG. The proposed "building blocks" are: improving coherence in policy making – the role and structure of the Global Ministerial Environment Forum; strengthening the role, authority, and financial situation of UNEP; improved coordination and coherence between multilateral environmental agreements (MEAs); and enhanced coordination across the UN system – the role of the Environmental Management Group. The G-77/China introduced new "building block" proposals for consideration, including a sustainable development framework, capacity building and technology transfer, and finance. Participants made substantive progress in identifying areas of convergence and disagreement, directed the UNEP Secretariat to provide further elaboration on a number of issues, and agreed on the next steps for the preparation of a framework text for negotiation at IGM-4 in Montreal, in December 2001.

Participants also addressed, *inter alia*, a possible role for the Global Ministerial Environment Forum (GMEF) as a cornerstone of International Environmental Governance (IEG), enhancing synergies and cooperation across MEAs while avoiding the creation of new institutions, the need for stable and predictable financing for UNEP, and the role of the Environment Management Group (EMG) in enhancing cooperation in the UN system.

Unresolved issues include the precise status of the UNEP Governing Council/GMEF and proposals for its enhanced role in providing guidance to MEA secretariats, approaches to the clustering of MEAs, including sectoral and functional clustering arrangements, options for enhanced funding arrangements for UNEP, and delineating the relationship between the IEG agenda and sustainable development.

Delighted at its outcome and achievements, participants reported that IGM-3 had charted a course that would steer negotiations to a speedy conclusion, possibly as early as IGM-4 in Montreal.

A BRIEF HISTORY OF THE INTERNATIONAL ENVIRONMENTAL GOVERNANCE PROCESS

The IEG process was initiated in decision 21/20 of the UNEP Governing Council that provides for the further strengthening of UNEP, and decision 21/21, on international environmental governance. Decision 21/21 calls for a comprehensive policy-oriented assessment of existing institutional weaknesses, as well as future needs and options for strengthened governance, including the financing of UNEP.

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The background to decision 21/21 includes a number of key events in UNEP's development. The 1997 Nairobi Declaration was adopted by the UNEP Governing Council and endorsed by the UN General Assembly, and established UNEP as the "principal UN body in the field of the environment." The 1998 Task Force on Environment and Human Settlements appointed by the UN Secretary-General within the overall reform effort of "Renewing the United Nations" recommended the establishment of an EMG to improve interagency coordination, including conventions in its mandate, and the creation of a GMEF.

MALMÖ MINISTERIAL DECLARATION: The first meeting of the GMEF, held in Sweden in May 2000, adopted the Malmö Ministerial Declaration, which focused on areas such as the major environmental challenges of the 21st century and agreed that the 2002 World Summit on Sustainable Development should review the requirements for a greatly strengthened institutional structure for international environmental governance. In this regard, it concluded that UNEP's role was to be strengthened and its financial base broadened.

FIRST MEETING OF THE OPEN-ENDED INTERGOVERNMENTAL GROUP OF MINISTERS (IGM-1): This meeting, convened on 18 April 2001, at UN Headquarters in New York and attended by 93 countries, was chaired by Canadian Environment Minister David Anderson, who is current President of the UNEP Governing Council and IGM Chair. Participants reached consensus on a number of issues, including the need to, *inter alia*: better define international environmental governance; review international environmental governance within the context of sustainable development; involve ministers outside environment ministries; strengthen UNEP and ensure more predictable funding; make better use of existing structures, including the coordination and clustering of multilateral environmental agreements; involve stakeholders; and ensure the effective participation of developing countries.

EXPERT CONSULTATIONS ON INTERNATIONAL ENVIRONMENTAL GOVERNANCE: Convened in accordance with UNEP decision 21/21, this expert consultation was held in Cambridge, UK, on 28-29 May 2001. Discussions were held on the future role of the UNEP in relation to sustainable development and on the financial constraints that hinder UNEP from meeting its goals. The meeting noted that any discussion on UNEP being converted into a specialized agency was premature, and identified three pressing issues concerning IEG: clustering of MEAs, the multi-layering of governance, and the need to look beyond environmental governance.

SECOND MEETING OF THE OPEN-ENDED INTERGOVERNMENTAL GROUP OF MINISTERS (IGM-2): This one-day meeting was held in Bonn, Germany, on 17 July 2001, and was chaired by Karen Redman (Canada) on behalf of IGM Chair David Anderson. The purpose of the meeting was to offer input to the Governing Council Bureau, which could be used to inform substantive deliberations at IGM-3. The meeting noted that: a proliferation of meetings had contributed to a loss of policy coherence and a reduced impact of the limited resources available; there is a need to support international sustainable development governance and a strong role for the EMG; civil society participation in the process is important; and there is a need to take into account the principle of common but differentiated responsibilities. Other issues included interest in some form of MEA clustering and the need for stable funding for UNEP, possibly through the use of the UN system of assessed contributions.

The IEG process has also benefited from two consultative civil society organization (CSO) meetings held in Nairobi, Kenya, in May and August 2001. It has also benefited from input by the Nairobi Committee of Permanent Representatives (CPR).

REPORT OF THE MEETING

IGM-3 was officially opened on Sunday, 9 September. Following a brief consideration of organizational matters and the presentation of the UNEP Executive Director's report, delegates dedicated the rest of the day to general debate on the issue of international environmental governance, based on the "building blocks" proposals prepared IGM Chair Anderson. On Monday, 10 September, a morning session was given over to an in-depth consideration of these proposals in two working groups. The working groups presented their reports at a reconvened Plenary in the afternoon. Following brief debate, delegates adopted the reports and considered next steps, following which IGM-3 was officially closed by Algeria's Prime Minister Ali Benflis.

OPENING PLENARY

Algerian Environment Minister Cherif Rahmani opened the Plenary, welcomed participants to IGM-3 and introduced the President of Algeria.

In his opening remarks, Governing Council President David Anderson thanked the government and people of Algeria for hosting the meeting. He said International Environmental Governance is emerging as one of the principal topics for consideration at the World Summit on Sustainable Development (WSSD) to be held in South Africa in September 2002. He noted that the presence of President Bouteflika augured well for the future of IEG.

In his opening address, Algerian President Bouteflika highlighted factors hindering effective implementation of the UNCED agreements including, *inter alia*, poverty, consumption and production patterns, and macro-economic constraints. He called for: efforts to make MEAs more democratic; integration of the environment into economic and social concerns; support for a Southern NGO meeting to be hosted by Algeria in October 2001; and a reconstitution of the UNEP Environment Fund.

After a brief adjournment, Plenary reconvened. Chair Anderson recalled progress to date in the IEG deliberations and said he results of the assessment are to be integrated into a report to the GMEF/Seventh Special Session of the Governing Council of UNEP, scheduled to take place in Cartagena, Colombia, in February 2002, and which is expected to adopt and possibly transmit the results from the IGM meetings to the third Preparatory Committee of the WSSD. Anderson said that proposals from other stakeholders would give additional clout to the deliberations.

Sharing his own perspective on the work of IGM-3, Anderson invited participants to reach a consensus on a framework for the preparation of an agreed text, identifying as many areas of convergence as possible. He indicated that fine-tuning could take place during the inter-sessional period leading up to IGM-4. Chair Anderson also drew attention to questions circulated before IGM-3 by the UNEP Executive Director.

ADOPTION OF THE AGENDA: Chair Anderson presented the provisional agenda (UNEP/IGM/3/1), which delegates adopted without comment.



ORGANIZATION OF WORK: Recalling that previous IGM meetings have followed UNEP Governing Council Rules of Procedure, Anderson proposed using the same procedure. He outlined his proposals for the conduct of a Plenary session moderated by Amb. Raúl Estrada (Argentina) followed, the next day, by a morning of working group sessions, and a closing Plenary in the afternoon. Delegates adopted the procedural proposals.

FURTHER CONSIDERATION OF ISSUES IN INTERNATIONAL ENVIRONMENTAL GOVERNANCE PROPOSALS OF THE PRESIDENT OF THE UNEP GOVERNING COUNCIL:

Chair Anderson introduced his “building blocks” proposals on IEG (UNEP/IGM/3/CRP.1), which he said capture the essence of converging opinions as expressed at the two previous IGM meetings and enjoys the full support of the Bureau of the UNEP Governing Council. He said the paper identifies key pressures and imperatives for improving IEG and the key challenges in the short-, medium- and long terms, while recognizing that there is no single “silver bullet” solution. One section identifies possible actions to address key weaknesses in the existing IEG architecture: improving coherence in environmental policy making through the GMEF; strengthening the role, authority and finances of UNEP; improving the coherence of MEAs; and enhancing coordination within and across the UN system.

REPORT OF THE EXECUTIVE DIRECTOR: UNEP Executive Director Klaus Töpfer presented his revised Report on IEG (UNEP/IGM/3/2). Töpfer said in addition to GMEF contributions, input into his “living document” has been received from the EMG, MEA secretariats, UNEP’s Committee of Permanent Representatives (CPR), NGOs and an expert meeting on IEG. Noting that this was the first time the IGM was convening specifically to discuss IEG, he urged delegates not only to exchange views, but also to find solutions.

GENERAL DEBATE: In the ensuing discussion, many delegates expressed appreciation for the Executive Director’s Report and supported Minister Anderson’s “building blocks” proposals, which some suggested was a good basis for negotiations.

Iran, on behalf of the G-77/China, noted that deliberations on IEG have entered a critical stage and drew attention to G-77/China-commissioned research papers from the Third World Network and the South Center. He highlighted a number of points, including the need to: maintain the linkage between environment and development; approach IEG through the lens of sustainable development; use a strengthened International Sustainable Development Governance context to improve interactions with the multilateral trade and finance institutions; maintain the Commission on Sustainable Development (CSD) as the main forum for high-level policy debate on sustainable development; and review the CSD in the context of the WSSD preparatory process (UNGA Resolution A/55/199). He said the reasons for current weaknesses in IEG are not necessarily institutional, but rather a lack of political will, particularly on the part of developed countries. The G-77/China proposed the creation, under UNEP, of an intergovernmental expert body on the transfer of environmentally sustainable technologies (ESTs) and an increase in UNEP financial resources without imposing a further burden on developing countries, but rejected arguments for the creation of a new institution. He supported further study of the feasibility of MEA clustering, called for a role for UNEP in the GEF and said a proposal to enhance the role and authority of the GMEF to act as an “umbrella environmental policy forum” is too ambitious.

Belgium, on behalf of the European Union (EU), said the European Council had identified IEG as a priority issue in the pursuit of sustainable development at the global level. She said: all countries should participate on an equal basis in the IEG system; the institutional architecture for IEG should have sufficient capacity, authority and credibility to address environmental threats in a globalizing world; EU member States would increase their ODA levels to 0.7% of GNP by the 2002 WSSD, and called on other partners to reciprocate; and added that the proposals contained in the “building blocks” document formed a good basis for dialogue. In response to comments at the close of the discussion, she urged delegates to respond to the proposals in the text, not to what they imagined could be behind the proposals.

Algeria called for a structure that can improve the state and future of the environment, with greater participation of all on a just and equitable basis.

Switzerland supported Chair Anderson’s “building blocks” paper, in particular his concern for coherence in IEG through a strengthened political leadership role for the GMEF and stable funding for UNEP. He said a strengthened EMG, operating within the UN system, could reflect the legitimate desire of the G-77/China to develop IEG within the context of sustainable development. The Republic of Korea said the “building blocks” proposals are in line with an evolutionary process and provide a good basis for dialogue, but he expressed reservations about the GMEF proposals.

The Russian Federation urged caution in addressing IEG and supported an evolutionary approach to change, with UNEP adopting a role as a world environmental agency. He said UNEP does not yet have sufficient financial reserves to pursue its role as a catalyst for international environmental action.

France expressed the hope that the WSSD will be a decisive step towards the creation of a single world environmental organization (WEO) and supported additional resource allocations for UNEP, possibly using the UN scale of assessments to support the current Environment Fund and voluntary contributions for other UNEP activities.

Germany said strengthening UNEP should be based on an assessment of the anticipated needs to address future environment threats. He said the WSSD would lead to the upgrading of UNEP in Nairobi into a WEO. Citing the goal of upgrading the environment issue in the UN, particularly in light of globalization, he called for stable and predictable financing for UNEP and said the GMEF should have greater weight in general environmental policy.

China underscored the importance of IEG implementation at the national level, discussed the differing environmental preoccupations of regions at different stages of development, and reiterated the G-77/China reluctance to create new IEG institutions.

Tunisia stressed the importance of regional environmental instruments in the context of IEG.

On institutional infrastructure, Bangladesh supported: an evolutionary and incremental approach; clustering of MEAs on the basis of issues and functions that offer prospects for cooperation and synergy; co-location of Secretariats; the need to strengthen the EMG; and the need to clarify the relationship between UNEP and the GEF, and between UNEP and other environmental financing mechanisms. He said IEG reform and revitalization can only benefit sustainable development by addressing emergency response concerns.



The Czech Republic said the GMEF had proven to be a useful high-level political forum to discuss environmental problems, and could be strengthened further by: concentrating more on inter-linkages between the environment, economy and social development; and inviting the highest placed representatives of specific sectoral areas to GMEF meetings. He proposed universal membership of the GMEF.

Indonesia called for careful consideration of the legal status of the GMEF and supported the strengthening of funding for UNEP, taking into account the principles of common but differentiated responsibilities and polluter pays.

South Africa said the outcomes of the IEG deliberations must be a key component of the WSSD in Johannesburg and announced that South Africa would use the WSSD to call for a global compact between governments, the private sector and civil society. He said a key area to be addressed in IEG is the strengthening of political leadership, specifically a strengthened GMEF. He also called for a stronger UNEP, with an improved funding base, a rationalized approach to MEAs, and a role for the GMEF in defining the criteria and rules for GEF funding.

With Guinea and South Africa, Uganda called for a focus on the eradication or reduction of poverty, and also called for the strengthening of UNEP. Guinea also proposed supporting investment and resource development in African countries.

Chile, Rwanda, and the Netherlands also supported combating poverty. Mauritius said the best method to combat poverty is to support trade.

Norway said the key challenge is to mainstream environment concerns into development so that market forces work in favor of poverty eradication proposals. She called for: capacity building, technology transfer and financial strategies; CSO participation; and a high-level scientific and technology body for UNEP. She added that the design of a system to share responsibilities would influence Norway's attitude to future contributions to UNEP, and supported the creation of a role for an environmental ombudsperson.

Palestine proposed the establishment of an international environmental court, outlined the efforts of the Palestinian Authority to protect the environment, and said Israel had bombed the Ministry of Environment building in Ramallah.

Iraq drew attention to the effects of depleted uranium used during the Gulf war.

While commending efforts to raise financial resources from private and civil society sectors, Senegal said that UNEP could help ensure the coherence and implementation of MEAs through clustering.

Mexico proposed a flexible, coordinated, decentralized IEG system, with clustering starting at the national level, and continuing at the regional and international levels; and an improved IEG setting with clear roles for the GMEF. He also supported a multi-annual contribution for UNEP based on the UN scale of assessed contributions.

Egypt said she was open to interim consideration of an agreed non-binding scale of assessments for UNEP financing, taking account of common but differentiated responsibilities. She cautioned against making an environmental ministers' forum the main coordinating body for MEAs.

Kenya said governments should be the main financiers of UNEP. Acknowledging UNEP's financial challenge, Pakistan said that no increased burden should be placed on developing countries.

Japan said the GMEF could play a leading role in deepening discussion on the major environmental issues of the 21st century. On funding for UNEP, he supported an improvement of the existing system of voluntary contributions. He also supported a case-by-case approach to clustering of MEAs and optimizing the use of existing resources.

Argentina said globalization was perhaps not sustainable. He said concerns about IEG may have been caused by a lack of integration of environmental considerations in national policy, and added that governments, not international bureaucracy, had the principle responsibility for governance. He stated that clustering of issues is gaining acceptance, particularly in relation to the MEA secretariats that are linked to UNEP, and could be tested on a pilot basis.

India said that IEG should be viewed in the broader context of governance, particularly the three pillars of sustainable development. On strengthening integration with existing financial, trade, development and technical organizations, he said the WTO had sufficient capacity to take up these issues, and expressed a strong reservation on the proposal to create a WEO. With Malawi, he was supportive of strengthening UNEP and maintaining its location in Nairobi. He said the GMEF had given UNEP some political authority and should remain a political forum for coordination of environment and development issues at the international level, but opposed a GMEF role in formulating policies on cross-sectoral issues, since this could interfere with other institutions. He proposed clustering MEAs along functional and sectoral lines, only on a case-by-case basis.

Expressing his appreciation for the paper on harmonization of national reporting (UNEP/IGM/3/CRP.2), the United States said the paper provided a rigorous assessment of environmental governance, and noted that the system itself is not so ill, but is self-correcting, since the MEAs have already begun to address inconsistencies.

Stating that effective political will must be accompanied by rigorous analyses, Australia said proper political analyses should precede solutions.

Morocco noted that the main gap in implementation relates to the commitments made and actions yet to be taken.

On behalf of the African Ministerial Conference on the Environment (AMCEN), Nigeria called for one policy forum, such as GMEF, with cross-cutting roles and a closer relationship with the GEF.

UNDP supported: a strengthened IEG system; a strengthened UNEP with sufficient resources; and an extension of the IEG debate to include other ministers, and stakeholders at the national and regional levels.

The World Meteorological Organization suggested that proposals to strengthen UNEP's capacity on early warning and monitoring systems will require elaboration because a number of agencies are already involved in such activities.

Chair Anderson thanked all the participants and invited Moderator Estrada to present a synthesis of the points raised during the Plenary. In his summary, Estrada noted, *inter alia*:

- Comments by the President of Algeria on linkages between the environment and poverty, specifically the need to promote an equitable distribution of income;
- The general welcome given to Chair Anderson's "building blocks" paper and the UNEP Executive Director's report;



- Acceptance of Chair Anderson's suggestion that deliberations continue on the basis of a framework text to be fine-tuned during the inter-sessional period;
- Concern that environmental matters be discussed in connection with sustainable development;
- Acknowledgement that IEG is related to the political will to fulfill commitments from UNCED;
- The emphasis placed on the WTO's rules;
- Agreement on strengthening UNEP and providing the organization with adequate, stable and predictable funding, and strengthening UNEP in GEF;
- The need to optimize the utilization of existing institutions;
- Comments on relations between the UNEP Governing Council, the CSD and GMEF;
- Comments on clustering, including proposals for a pilot project;
- Discussion on the EMG; and
- Discussion on the GEF, including suggestions that new areas be included under its dominion, with faster procedures to satisfy needs.

Chair Anderson proposed that the points in Estrada's summary be taken as a basis for working group discussions on specific options for strengthening international environmental governance. In response to a US request for clarification of the procedures, Chair Anderson expressed the hope that the discussions would inform preparations for IGM-4, when a more formal text could be considered. He invited participants to consider submitting a written version of their proposals and responses.

WORKING GROUP I

Mohammed Vali Moosa (South Africa) convened Working Group I on Monday morning, 10 September, for a discussion based on two of the themes in Chair Anderson's "building blocks" document, namely improving coherence in policy making – the role and structure of the GMEF, and strengthening the role, authority, and financial situation of UNEP. He explained that the intention of the working group was to inform the preparation of specific proposals to be tabled at IGM-4, in Montreal, in December 2001, and that the Executive Director of UNEP and the IGM Chair would prepare these proposals.

The G-77/China asked that both the "building blocks" document and the Executive Director's revised Report on IEG be used as the basis for discussion. Supported by Canada and Norway, he also proposed the addition and consideration of new "building blocks" on sustainable development and on technology cooperation, technology transfer, capacity building and finance. The EU agreed that IEG must be viewed within the context of sustainable development.

GENERAL DISCUSSION: The G-77/China called for an evolutionary process without eroding structures such as the Commission on Sustainable Development (CSD).

The EU also supported an evolutionary approach and said the IEG system must have participation on an equal basis, and must possess the capacity, authority and credibility to address a wide range of environmental issues.

South Africa recalled that the original impetus behind the IEG debate was the need to enhance developing country participation. He called for a mechanism to link Conferences of the Parties (COPs) and Meetings of the Parties (MOPs), with the GMEF serving as an overarching political vehicle.

GMEF: The G-77/China called for clarification of: the role(s) of the UNEP Governing Council and the GMEF; the implications of universal membership of the GMEF; and the GMEF's legal relationship with COPs. He suggested a three-fold role for the GMEF, serving as: a global forum for dialogue; a source of advice and guidance to COPs; and as an instrument for coordination. Egypt and Indonesia echoed the G-77/China's concerns about implications for the CSD.

South Africa called for a pilot phase in which a number of COPs/MOPs could be convened during an annual week-long meeting of the GMEF, with ministerial participation from, *inter alia*, agriculture and energy ministries. The EU said it was essential to have a discussion on the GMEF's role in providing political guidance on IEG, promoting synergies and addressing questions of implementation and prioritization of issues at international, regional and national levels.

Switzerland said the question facing participants was "How much authority are we willing to give the GMEF?" Canada proposed three possible areas of work for the GMEF: identification of policy priorities based on the UNEP GEO reports; scientific assessment; and guidance on implementation priorities based on a review of MEA activities. Norway said he would elaborate a proposal for the creation of an ombudsperson.

GMEF AND GOVERNING COUNCIL RELATIONSHIP:

The EU supported a separation of the GMEF and UNEP Governing Council, with the GMEF serving as the authoritative body providing guidance to various agencies, and with universal membership. He said he was also prepared to look at options for universal membership of the Governing Council. The Republic of Korea said that the G-77/China would resist the separation of the GMEF from the Governing Council and cautioned that Parties to MEAs could not be bound by GMEF decisions. Bangladesh said he could not envisage the GMEF as a separate body.

Colombia called for clarification of the legal status of the GMEF and for more work on the interpretation of its UNGA mandate in Resolution 53/242. Norway highlighted the need for a clearer distinction between the GMEF and Governing Council. He suggested that the GMEF should receive reports from the EMG, and these should also go to the CSD.

UNEP'S STATUS: The G-77/China supported deferral of the question of UNEP's transformation into a specialized agency. Canada argued that specialized agency status could break the logjams facing UNEP.

FINANCE: The G-77/China supported strengthening the links between the GEF and UNEP. The Czech Republic, noting UNEP's role as an implementing agency of the GEF, urged UNEP to adopt a more aggressive role in defining funding priorities. South Africa said the GMEF must be able to take the political lead in the relationship with the GEF. The EU also said the GMEF could provide guidance to the GEF on priorities.

On financing UNEP, the G-77/China underlined the importance of common but differentiated responsibilities as a guiding principle and suggested that the UN address UNEP's requirement for additional administrative costs, with operational finances supplied by developed countries. With support from Canada and Switzerland, the G-77/China called on the UNEP Secretariat to outline the implications of various options for financing UNEP. With the United States and the Republic of Korea, he ruled out mandatory financing. Canada proposed a



middle-way between voluntary and mandatory assessed contributions, such as a tailor-made assessed scale with voluntary contributions and appropriate burden sharing.

Norway cautioned that a system of voluntary assessed contributions could have implications because his country already contributes at a level above the UN assessment. Colombia and Japan drew attention to UNEP's efforts to raise finances from the private sector.

The EU proposed consideration of negotiated multi-annual agreements on financing UNEP, assessments linked to programme activities, and he undertook to support efforts to make UNEP's budget more stable and predictable. South Africa insisted that participants put substance behind their commitment to strengthening the predictability of UNEP's finances.

PROPOSAL FROM THE CHAIR ON THE GMEF: Chair Moosa outlined a possible approach to the GMEF, including the following elements:

- No change in the legal status of MEAs;
- Change in the management and administration of MEAs;
- GMEF to act as a forum for decisions on MEA coordination and clustering;
- GMEF to engage in broad political discussion but making no binding decisions for other governing bodies;
- GMEF to constitute itself as the governing body for one or more MEAs on a voluntary and evolutionary basis; and
- Facilitation of high-level ministerial representation at all meetings.

Chair Moosa thanked participants for their contributions and announced that he would present a summary of the Group's deliberations in the afternoon at the reconvened Plenary.

WORKING GROUP II

Working Group II met in a morning session on Monday, 10 September, and considered two "building blocks" in Chair Anderson's document, which deal with improved coordination and coherence between MEAs, and the role of the EMG in enhancing coordination across the United Nations system. Working Group Chair Philippe Roch (Switzerland) outlined the proposals contained in the paper and invited delegates' comments.

IMPROVED COORDINATION AND COHERENCE

BETWEEN MEAs: The discussion focussed on the role of the GMEF, financing, and how to cluster MEAs. The EU, Norway and others supported G-77/China proposals to add new building blocks for consideration on: technology transfer and capacity building; financing of UNEP and the IEG; and setting the IEG debate within the context of sustainable development.

CLUSTERING OF MEAs: The G-77/China stressed the need for coherence and coordination of MEAs, but noted that MEAs are constrained by their legal autonomy. He expressed a preference for issue-based clustering and proposed the pilot clustering of a limited number of MEAs. He urged UNEP to seek the agreement of MEA bodies on its proposed role in MEA coordination.

The EU said the objectives of improving coherence and coordination were aimed at: achieving efficiency in MEAs; enhancing participation at meetings; and reducing reporting and implementation burdens. He supported sectoral and functional clustering. Norway envisioned three challenges for coordination and coherence of MEAs: avoiding conflicts; achieving their untapped potential; and addressing

their shortcomings in compliance and implementation. The UK noted that existing memoranda of understanding between MEA bodies could be considered an approach to clustering.

CITES said that: coordination and coherence must go beyond working with MEAs; the emergence of issues is unpredictable, thus posing difficulties for pre-defining work on coordination; there is potential for coordination of capacity building; and that competition over resources among agencies is a reality. He drew attention to the need for national-level coordination and requested that UNEP organize a meeting of the heads of Conventions and establish a clearing-house for information on meetings. The IUCN suggested linking MEA coordination to resource allocation.

Stressing the need to understand where inconsistencies and incoherencies actually exist, the US, with Switzerland and India, noted that there is no support for the creation of a new institution. With Poland, he supported a proposal to pilot clustering. The UK sought clarification regarding the timeframe for such a pilot phase.

In response to a US inquiry regarding inconsistencies across MEAs, the G-77/China drew his attention to the Executive Director's Report. UNEP also drew attention to reports it circulated at IGM-2, following consultations with 20 secretariats on issues such as inconsistencies, overlaps and opportunities, adding that in response to similar questions raised by the Nairobi CPR, UNEP was preparing a paper that it could also circulate at the IGM-4.

GMEF: The EU said the GMEF should have political authority. Concurring, Norway said the GMEF should oversee the whole process of coordination and coherence. Canada said the GMEF might be the place for coordination and coherence on crosscutting issues such as science, policy assessments, indicators, and on a pilot initiative on national reporting.

The US pressed for clarification of the role of the GMEF within its present mandate, as set out in paragraph 9(a) of UNGA Resolution 53/242.

Noting that non-members of UNEP may not attend the GMEF, Poland proposed universal membership. The WMO noted a difficulty with the reference to "policy guidance" from the GMEF and supported a G-77/China proposal for consultations between UNEP and MEAs.

FINANCING: The G-77/China acknowledged the need for stable financing for UNEP and suggested separating the operational and administrative costs. With the US, he opposed a proposal on an assessed contributions approach. The EU said the financing issues go beyond concerns about UNEP.

ENHANCED COORDINATION ACROSS THE UN SYSTEM

– **THE ROLE OF EMG:** The G-77/China noted problems with transparency in the EMG deliberations and reporting procedures, and the need for information sharing with member States. With Norway, he said the EMG's role had not been fully exploited. He proposed that the EMG could report in an advisory capacity to either the GMEF or CSD. The EU concurred with the G-77/China on the EMG's role and reporting to the GMEF. He called for high-level representation in the EMG and proposed that the EMG should bring together all institutions with an environmental remit. Norway said the GMEF could provide policy guidance to the EMG, while the US said he could only support strengthening the EMG within the provisions of UNGA resolution 53/242.

Noting that discussion had been direct and concrete, Chair Roch highlighted the areas of convergence and divergence:



- a consensus was reached on the need to: improve the IEG system without creating new bodies or bureaucracy; improve transparency and cooperation; strengthen the linkage between environment and sustainable development by mainstreaming the environment in development and vice versa; and develop a pilot project on clustering that is open and dynamic;
- recognition of the policy-guiding role of environment ministers in order to have an overarching view of what is happening and give advice on improving the functioning of the IEG system;
- the present EMG mandate might be sufficient, but there is need to fulfill and enhance its relationship with GMEF and other structures; and,
- agreement to include in the “building blocks” document, the link between the environment and development, transfer of technology and capacity building, and finance, which is not well developed in the Chair’s building blocks, adding that there is a possibility to hold a short meeting on finance before Montreal.

PLENARY

At the opening of the reconvened Plenary session on Monday afternoon, 10 September, the League of Arab States said many people still suffer human and environmental problems and are placing great hopes in the IGM meeting.

Chair Anderson invited the working groups to present their reports.

REPORTS OF THE WORKING GROUPS: Presenting the report of Working Group I, Chair Moosa noted general support for consideration of Chair Anderson’s “building blocks” together with the additional proposals put forward by the G-77/China.

He summarized the main outcomes:

- GMEF to become the cornerstone of IEG;
 - GMEF to act as a global forum for policy coordination and political guidance to various COPs;
 - UNEP and GMEF to adopt an enhanced scientific role;
 - Greater coherence to be established in relations between the GMEF, UNEP, and the CSD and with various COPs, the EMG and other bodies;
 - The GMEF to eventually serve as the focal point for the coordination of various MEAs by providing an opportunity for the COPs to meet back-to-back with the GMEF, especially those COPs whose membership coincides with that of the GMEF;
 - The GMEF’s role will not prejudice the legal status of MEAs;
 - Certain matters, such as the venue for the GMEF meetings, will not require a decision at this stage;
 - Consensus on the need to strengthen UNEP and focus on functions, such as assessment and early warning functions and partnerships;
 - On the need for stable, adequate and predictable funding, a number of options were discussed, including: (a) voluntary contributions, for which there was little support; (b) a combination of voluntary and assessed contributions; and (c) splitting administrative and operational costs where the administrative costs would be met by the UN regular budget and operational or programmatic costs would be borne largely by developed countries. These options are to be further elaborated; and
 - Participants generally stated that relations between the GEF and GMEF need to be strengthened.
- On procedural steps, Working Group I participants agreed that:
- The President of the UNEP Governing Council and UNEP’s

Executive Director should revise their documents;

- At IGM-4, the President of the Governing Council and the UNEP Secretariat should present: (a) a draft consensus or negotiating text with annexes addressing key issues raised; and (b) annexes on details and implications for each of the options, particularly on finance and the terms of reference and modalities for a strengthened GMEF.

India, on behalf of the G-77/China, underlined the need for a UNEP paper on the implications of the financing options and for further clarification of the status of the UNEP Governing Council and the GMEF. The EU, supported by Norway, underscored the importance of implementation and proposed a role for the GMEF in monitoring targets. Canada, supported by Norway, recommended that countries take on some of the preparation of analytical work during the inter-sessional period.

Presenting the Report from Working Group II, Rapporteur Richard Ballhorn (Canada) noted that discussion had focused on improving MEA coordination and coherence, that finance issues had been raised in the discussion under both issues, and that only 20 minutes were dedicated to discussion of the EMG’s role. He reported consensus on:

- new proposals for “building block” themes;
- the need for more cooperation between MEAs, including clustering at the functional level, adopting compliance and capacity building as medium term issues, and considering programmatic clustering as an immediate issue with a pilot-phase clustering of four chemicals’ agreements;
- potential for clustering on regional seas and MEA secretariats;
- the need for UNEP to present its work on the coherence of MEAs at IGM-4 and to continue studying other options for clustering;
- the need to improve coherence at national and regional levels;
- financing as an issue that goes beyond the IEG process;
- the need for enhanced financing for UNEP; and
- the need to distinguish between the roles and functions of the GMEF and the UNEP Governing Council.

The Group also agreed that the EMG should: be strengthened because its full potential as reflected in resolution 53/242 has not yet been realized; reflect the three dimensions of sustainable development; be more transparent; and should provide information on its activities to the GMEF.

Responding to the summary, the G-77/China: emphasized the need to recognize the role of the CSD as the high-level policy body of the UN on sustainable development, in accordance with GA resolution 53/242 and that the GMEF input to the MEAs must be advisory. This advice could address inter-linkages or crosscutting issues, but should not be policy advice.

The EU highlighted its priorities: a pilot project on MEA clustering; a report from UNEP on functional clustering; acknowledgement that regional clustering is already happening; and the need for high-level executive representation in the EMG.

Canada said that heavy institutional structures should be avoided in coordination of MEAs. UNEP Executive Director Klaus Töpfer said he had expected the meeting to be difficult and paid tribute to Chair Anderson’s “building blocks,” which had facilitated the deliberations. He welcomed the integration of environment and development aspects, the position papers prepared by various stakeholders and the proposal to link environment to poverty. Töpfer said he had also learned that the information provided on the weaknesses of IEG had not been sufficient, there was a need for more clarification on the



GMEF and EMG, and that environmental governance should be emphasized at the national level. He noted the information requests made to UNEP, and expressed his thanks to ministers, delegates, the Government of Algeria, and session Chairs for their contributions.

The reports were adopted without objection.

NEXT STEPS: Explaining the next steps in the IEG deliberations, Chair Anderson said the UNEP Executive Director will incorporate participants' views in a revision of his Report on IEG and a summary of the main points will be distributed. Chair Anderson will present a refined proposal to IGM-4 in Montreal, Canada, on 1 December, to launch the final stage in the IGM process. During the intersessional period, he will undertake informal consultations with regional groups and others. Written submissions to the process will also be circulated. The United States, supported by Egypt, asked Chair Anderson to circulate his refined proposal ahead of IGM-4. The League of Arab States requested a deferral of IGM-4 to take account of Ramadan.

No participants raised Other Matters under Agenda Item 5, and Anderson proceeded to the closure of the meeting under Agenda Item 6. He described the two days of deliberations as productive and expressed his gratitude to all the participants.

CLOSING PLENARY

After a short adjournment, Chair Anderson called the closing Plenary session to order at 5:35 pm. He noted that the presence of Algeria's Prime Minister, a day after the President's participation, indicated the importance Algeria attached to the IGM. He said the meeting had advanced the IGM work, acknowledged a spirit of ownership of this process by delegates, expressed confidence about the possibility to conclude the work on IEG at the Governing Council session and noted that regional groups had come with open and constructive perspectives and that substantive work had been undertaken.

Algerian Prime Minister Ali Benflis noted shortcomings in environmental governance and said he was confident that constructive debate had improved the quality of discussion. He stated that environmental protection requires additional financing, drew attention to the need to improve UNEP's financial base and expressed hope that the conclusions reached on institutional issues would result in revitalizing action on the global environment.

UNEP Executive Director Klaus Töpfer noted that the atmosphere of hospitality demonstrated by Algeria had stimulated the meeting's success.

Chair Anderson closed the meeting at 5.55 pm.

A BRIEF ANALYSIS OF IGM-3

WE HAVE A SOLUTION, NOW WHAT'S THE PROBLEM?

Participants departed from IGM-3 with a sense of achievement from a session that many had expected to be steeped in contention arising from differences within and between regional groupings, and among the UN bureaucracies. In the end, participants reported that the pre-negotiation session had begun to prepare the ground and clarify the issues for a critical fourth meeting of the IGM slated for early December 2001 in Montreal.

This analysis will briefly examine some of the dynamics at work in the IGM-3 discussions and identify some of the key areas where differences were narrowed and issues emerged.

FINDING THE MIDDLE GROUND: Participants in IGM-3 found themselves charting the seas between the shores of institutional proliferation and a dearth of political will. Some arrived in Algeria prepared to tackle the infrastructure of international environmental governance with a full repair kit. Others seemed to take offense at "pejorative" references to fragmentation in the international system of environmental governance. Thus, it was with some satisfaction that the US pointed out at the close of the meeting that other participants were finally coming round to the view that there were more solutions on the table than well-defined problems. Others consistently named a lack of political leadership and political will as the underlying problem that dare not speak their name.

Participants reported progress on content aided by the process. On the issues, developing countries succeeded in adding new "building blocks" – capacity building and technology transfer, and finance, and embedding sustainable development as the context of IEG – to the set of issues identified by Anderson for consideration. There were mixed fortunes for other proposals: attempts to kick the question of specialized status for UNEP into the long grass for consideration in the future appeared successful; the concept of clustering received a boost with emerging agreement on a pilot phase, based on the four chemicals agreements, namely the Rotterdam Convention (PIC), the Stockholm Convention (POPs), the Basel Convention (hazardous wastes) and the Montreal Protocol (ozone); and developing countries hitched the exploration of options for more effective funding of UNEP to common but differentiated responsibilities.

Momentum was established by the high-level participation and competent facilitation of the process by UNEP officers and political representatives such as Canada's Environment Minister, David Anderson, in the role of President of the UNEP Governing Council. Preparations at the regional level also contributed to a swift identification of issues. Inputs from UNEP's Executive Director, Klaus Töpfer, notably his "questionnaire," prompted a focused engagement by key players.

UNFINISHED BUSINESS: A series of critical decisions will have to be negotiated, particularly around an enhanced status for the UNEP Governing Council/GMEF when negotiators are equipped with documents setting out the implications for relations with the MEA bodies, the GEF, the CSD and other UN bodies. What also emerged from IGM-3 was a consensus that participants had not yet reached a common understanding of the level and character of improvements required to enhance IEG. While the presence of representatives from capitals and permanent representatives from New York, Nairobi and Bonn seemed to ensure that all perspectives were clearly articulated, it remains to be seen how deeply the disagreements run. Participants agreed that more "homework" would have to be done by Töpfer and his colleagues before the proffered solutions can convince everyone (or almost everyone) that the problems have been correctly identified. Moreover, the ambition of the solutions, for example, the authority to be bestowed on the GMEF, will have to be delicately crafted and carefully pitched, given the need to avoid any attempt to interfere with commitments already enshrined in international environmental law.

The quality of responses to any question is always a reflection of the effort and integrity of the process that has been invested in posing the question. The issue of who gets to frame the solutions (and subsequently the leading questions) also has an impact on how these are received by others. Within a UN system where the institutional compe-



tion for scarce resources impacts virtually all activity, UNEP must convince skeptics that the IEG agenda has an integrity and purpose, which is not entirely driven by the Programme's own ambitions.

Yet, like a traveler through space who uses the gravity of a planet to gather momentum, champions of UNEP and an incremental development of a key role for the Governing Council/Global Ministerial Environmental Forum have timed their initiative well. They will tap into the groundswell of political leverage available in the run up to the WSSD to create an authoritative platform for environmental governance in the UN system – with enhanced commitments to funding activities such as scientific assessment and monitoring. The experience at IGM-3, however, demonstrated that the IEG agenda has not yet escaped the gravitational pull of demands by many developing countries still pressing for delivery on all three strands of sustainable development.

Some negotiators reach a crossroads and a moment of decision. Others return, time and time again, to a roundabout. There were signs at IGM-3 that the IEG debate may yet be haunted by the still unresolved tensions at the heart of the international community's attempts to develop a common commitment to the three pillars of sustainable development. As one participant noted, in passing, the questions are not all technical; indeed there remains only one overriding question for some: "Who is going to foot the bill?"

South Africa, the hosts of the forthcoming WSSD, injected some balance and pragmatism into this debate by using the opportunity of IGM-3 to set out the wider ambitions for a truly comprehensive set of objectives in Johannesburg. While the IEG is expected to be a key consideration it will sit alongside other key objectives of developing countries since 1992, including a resuscitation of attempts to forge a "Global Compact" to address global poverty and inequality as a key challenge of sustainable development implementation. The WSSD will also be used to sustain the momentum behind the Millennium Declaration targets. Already there are indications from European Union members that the new GEF replenishment round and ODA commitments will be used to demonstrate good faith on the economic and social dimensions of sustainable development.

WHERE DO WE GO FROM HERE? With one day set aside for IGM-4 in Montreal, and three months to activate the chemicals pilot-clustering, some will view any expectation that negotiations can make substantial progress in time for the Seventh Special Session of the UNEP Governing Council/GMEF in February 2001 as ambitious. Chair Anderson's inter-sessional consultations with regional groups and others will be critical, together with new studies to be circulated by the UNEP Secretariat and participating countries. Anderson has been asked to circulate his framework negotiating text ahead of IGM-4 to provide time for the preparation of considered responses. The urgency to make substantive progress in Montreal for success in Colombia is real and may just do the trick in order to steer clear of a potential two-day consultation on the IEG prior to the WSSD PrepCom in New York in January-February 2002, due to a widely-held perception that progress may be stalled or undone in New York.

THINGS TO LOOK FOR BEFORE THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT FOURTH MEETING OF THE OPEN-ENDED INTER-GOVERNMENTAL GROUP OF MINISTERS OR THEIR REPRESENTATIVES ON INTERNATIONAL ENVIRON-

MENTAL GOVERNANCE: This one-day meeting will be held on 1 December 2001, in Montreal, Canada, immediately following a UNEP meeting. Delegates are expected to begin, and possibly conclude, negotiations on international environmental governance. For more information, contact: Bakary Kante, Director, Division of Policy Development and Law, UNEP; tel: +254-2-624065; fax: +254-2-622788; Internet: <http://www.unep.org/IEG/>; e-mail: bakary.kante@unep.org; or Masa Nagai; tel: +254-2-623493; e-mail: masa.nagai@unep.org; Internet: <http://www.unep.org/IEG/>

GMEF/SEVENTH SPECIAL SESSION OF THE UNEP GOVERNING COUNCIL: This meeting is scheduled to take place from 13-18 February 2002, in Cartagena, Colombia. It will consider the IGM recommendations made on the IEG, including their possible transmission to the preparatory process of the World Summit on Sustainable development. For more information, contact: Bakary Kante, Director, Division of Policy Development and Law, UNEP; tel: +254-2-624065; fax: +254-2-622788; e-mail: bakary.kante@unep.org; Internet: <http://www.unep.org/IEG/>

SECOND PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting will take place from 28 January - 8 February 2002, at UN Headquarters in New York. It will review the results of national and regional preparatory processes, examine the main policy report of the UN Secretary-General, and convene a Multi-stakeholder Dialogue. For more information, contact: Andrey Vasilyev, DESA; tel: +1-212-963-5949; fax: +1-212-963-4260; e-mail: vasilyev@un.org; Internet: <http://www.johannesburgsummit.org/>; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; fax: +1-212-963-1267; e-mail: aydin@un.org.

THIRD PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting will take place at UN Headquarters in New York, from 25 March - 5 April 2002. It is expected to produce the first draft of a "review" document and elements of the future work programme of the CSD. For more information, contact: Andrey Vasilyev, DESA; tel: +1-212-963-5949; fax: +1-212-963-4260; e-mail: vasilyev@un.org; Internet: <http://www.johannesburgsummit.org/>; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; fax: +1-212-963-1267; e-mail: aydin@un.org.

FOURTH PREPARATORY SESSION FOR THE 2002 WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: This meeting is scheduled to take place from 27 May - 7 June 2002, in Indonesia. It will include Ministerial and Multi-stakeholder Dialogue Segments, and is expected to result in elements for a concise political document to be submitted to the WSSD Summit. For more information, contact: Andrey Vasilyev, DESA, New York; tel: +1-212-963-5949; fax: +1-212-963-4260; e-mail: vasilyev@un.org; Internet: <http://www.johannesburgsummit.org/>; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; fax: +1-212-963-1267; e-mail: aydin@un.org.

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT: The World Summit on Sustainable Development will take place in Johannesburg, South Africa, from 2-11 September 2002. For more information, contact: Andrey Vasilyev, DESA, New York; tel: +1-212-963-5949; fax: +1-212-963-4260; e-mail: vasilyev@un.org; Internet: <http://www.johannesburgsummit.org/>; Major groups contact: Zehra Aydin-Sipos, DESA; tel: +1-212-963-8811; fax: +1-212-963-1267; e-mail: aydin@un.org.