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## Institutional Reform

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One of the key messages to emerge from the streets of Seattle, Washington, Prague, and Quebec City is that the current system of global governance is unbalanced, favoring a narrow set of commercial values over the broader set of environmental, human rights, and labor concerns that are high on the priority lists of citizens worldwide. The upcoming Johannesburg Summit will be an important opportunity to correct this imbalance.

The new rules of the global economy are for the most part being set by institutions such as the World Trade Organization and the International Monetary Fund, where the mindset of traditional economists prevails and where the “rules” are generally aimed at unshackling global commerce rather than harnessing it for the common good. But forging an environmentally sustainable society is about more than economics, and farsighted economics is about more than reducing restrictions on the movement of goods and money. In addition to better integrating environmental and social concerns into the activities of international economic institutions, we need to strengthen international environmental governance structures so that they can act as an ecological counterweight to today’s growing economic powerhouses.

The question of institutional reform has been high on the agenda of all of the major U.N. conferences on environmental issues, including the Stockholm conference on the Human Environment in 1972, the Rio “Earth Summit” in 1992, and now in the preparations for the Johannesburg World Summit on Sustainable Development. The Stockholm conference led to the creation of the U.N. Environment Programme (UNEP), and the Summit resulted in the creation of the U.N. Commission on Sustainable Development. But the fact that we are still talking about these issues suggests that these earlier efforts at environmental institution building have met with only partial success. If we are to succeed in efforts to strengthen international environmental governance in 2002, we must ensure that any governance reforms initiated in 2002 avoid some of the pitfalls of earlier efforts.

One precondition for the success of today’s discussions on strengthening international environmental governance is that they grapple successfully with the proliferating role of multilateral environmental agreements.

According to UNEP, international environmental agreements now number more than 500, with agreement on more than sixty percent of them has been reached since the Stockholm conference. These accords cover atmospheric pollution, ocean despoliation, endangered species protection, hazardous waste trade, and the preservation of Antarctica, among other issues. The vast majority of environmental agreements are bilateral or regional in scope, involving, for instance, the management of river systems, air corridors, or migratory bird spe-

cies. However, a minority of environmental issues—including the atmosphere, international waterways, and biological diversity—are truly global. The last few decades have seen steady progress toward developing international rules governing these “global commons.”

Judging from the number of treaties, environmental diplomacy appears to have been a spectacular success. And many of these accords have in fact had important results. Yet even as the number of treaties climbs, the condition of the biosphere continues to deteriorate, carbon dioxide levels in the atmosphere have reached record highs, scientists are warning that we are in the midst of a period of mass extinction of species, the world’s major fisheries are depleted, and water shortages loom worldwide.

Environmental treaties have so far mostly failed to turn around today’s alarming environmental trends because the governments that created them have generally permitted only vague commitments and lax enforcement. Governments have also, for the most part, failed to provide sufficient funds to implement treaties, particularly in the developing world. Ironically, environmentalists may need to take a page from the World Trade Organization (WTO) and push for international environmental commitments that are as specific and enforceable as trade accords have become.

Environmental treaties rely heavily on transparency as an implementation tool. They generally require detailed reporting of actions taken at the national level to put agreements into practice. If this information is made freely available, then other countries as well as nongovernmental organizations (NGOs) can use it to shame countries into compliance. But governments often fail to provide secretariats with accurate, complete, and timely information, in part because they are overwhelmed with multiple reporting requirements.

The mini-institutions set up by each treaty play a key role in the implementation process. At a minimum, each treaty spawns a Conference of the Parties (COP) and a Secretariat. The COPs are regular meetings of treaty members; they provide an opportunity to strengthen the agreement and review problems in implementation. Secretariats are the small offices set up to service these meetings of governments. Environmental conventions also commonly include scientific bodies, which provide advice on new scientific and technological information relevant to the implementation of the accord.

Despite their importance, governments all too often give Secretariats limited resources and authority. For instance, the Secretariats generally do not have the wherewithal or authority to verify the information that governments are supposed to supply on implementation efforts. A typical Secretariat has fewer than 20 staff and an annual budget of \$2–11 million—a drop in the bucket compared with the budgets of U.S. federal agencies charged with implementing domestic environmental laws.

The scattered locations of the Secretariats pose an added challenge. For instance, the Secretariat for the ozone treaty is in Nairobi; the climate change treaty’s office is in Bonn; and the biodiversity treaty Secretariat is in Montreal.

UNEP has been granted control over some of these administrative groups; others report to different U.N. agencies.

One idea now gaining political currency is to upgrade the U.N. Environment Programme into a World Environment Organization (WEO) on par with the WTO. Although UNEP has had some important successes since it was founded in 1972, it has suffered from meager resources and a limited mandate. Upgrading the status of environmental issues within the U.N. system is long overdue. Still, it is important that debates over form not distract from the ultimately far more important questions of function.

A world environment organization could usefully serve as an umbrella organization for the current scattered collection of treaty bodies, just as domestic environment agencies oversee the implementation of national environmental laws. UNEP is already working to promote synergies and coordination between the environmental conventions. Bringing the treaty bodies under central management could produce administrative efficiencies, improve the opportunities for bargaining, and facilitate NGO access. But in order for any umbrella organization to have the clout it needs, the treaties themselves would need to stipulate strong enforcement capacities, and the agency would need to be endowed with sufficient financial resources to catalyze innovative programs.

In addition to addressing head-on the need for better coordination between multilateral environmental agreements, creating an effective system of international environmental governance will also require addressing the confusing and often overlapping mandates of the several existing international bodies that have environmental mandates.

Although the proliferation of environmental treaties and institutions over the last few decades is an encouraging development, part of the price of success has been a measure of duplication and inefficiency. Rather than a cohesive system for the environment, what the world has is a patchwork quilt. This disorganized system needs to be streamlined if it is to become capable of reversing ecological decline.

The U.N. Environment Programme was intended to be the linchpin of international environmental cooperation when it was created in 1972 at the U.N. Conference on the Human Environment in Stockholm. At that time, the important role that independent environmental agencies play at the national level had yet to be demonstrated. Rather than creating a full-fledged U.N. environment agency, governments instead charged UNEP with catalyzing environmental activities throughout the U.N. system, including at much larger U.N. specialized agencies such as the Food and Agriculture Organization and the World Health Organization. Because it was not to engage in projects of its own, governments decided that only a small staff was needed. UNEP's architects created an "environment fund" as a main tool through which the agency was to catalyze environmental initiatives throughout the United Nations.

But governments failed to deliver on their promises of significant resources for the environment fund. In its first two decades, UNEP's total resources

amounted to less than \$1 billion. Indeed, total spending over UNEP's lifetime has been less than UNDP's annual budget. UNEP's budget today—just under \$100 million a year—is comparable to the budgets of some private environmental groups. UNEP is significantly smaller than most other U.N. agencies, and its resources pale in comparison to the lending programs of the World Bank and the International Monetary Fund. Another problem is UNEP's location in Nairobi, far from the other agencies it is theoretically coordinating.

Many other U.N. agencies are also active in promoting environmental protection and sustainable development. At the Rio Earth Summit, governments entrusted the U.N. Development Programme with promoting “capacity building” for sustainable development by helping countries design appropriate policies and strengthen the domestic institutions required to implement them. Two years later, UNDP created a Sustainable Energy and Environment Division (SEED) to consolidate the agency's environmental initiatives, including work on capacity building, energy and atmosphere issues, the GEF, natural resources management, and desertification. The World Meteorological Organization has made important contributions to improved understanding of the complexities of climate science through its co-sponsorship of the Intergovernmental Panel on Climate Change, the World Health Organization promulgates air and water pollution guidelines that are considered the international norm, and the U.N. Food and Agriculture Organization is actively involved in promoting sustainable agriculture projects and in protecting dwindling fisheries.

Governments created another major environmental body in 1991, the Global Environment Facility (GEF), to finance investments in preserving the global commons—the atmosphere, biological diversity, and international waterways. The GEF is a funding mechanism for several environmental conventions, including the biological diversity and climate change treaties.

The GEF is an innovation in global governance, as it bridges the United Nations and Bretton Woods systems. Not wanting to create an entirely new institution, governments decided to make the GEF a joint undertaking of the U.N. Development Programme (UNDP), UNEP, and the World Bank. GEF's governing council employs an unusual “double majority” voting structure. Under this system, decisions are normally made by consensus. But in cases where this proves impossible and a matter is put to a vote, two consecutive tallies are required—the first on the basis of a one-nation, one-vote system similar to that used at the United Nations, and the second by a one-dollar, one-vote system comparable to that of the Bretton Woods institutions. This voting arrangement is intended to make the facility a joint undertaking of donors and recipients—a novel concept that offers a useful model for the governance of other international institutions.

Another important piece of the international institutional landscape for the environment and sustainable development is the U.N. Commission on Sustainable Development (CSD), which was created at the Earth Summit in 1992 as a forum where governments and nongovernmental participants could review

progress in implementing the Rio agreements, share information about what works and what does not, and discuss impediments such as inadequate financial resources or lack of access to innovative technologies. The CSD was given the task of tracking the activities of national governments, international organizations, and private actors.

Governments have used the CSD to exchange views on contentious topics that cut across traditional issue dividing lines. For instance, the commission has considered the role of trade and finance in sustainable development, as well as the question of changing unsustainable production and consumption patterns. It is also working to encourage governments to develop and use sustainable development indicators to supplement traditional reliance on the national income accounts.

Perhaps the most important contribution of the CSD has been to bring together diverse stakeholders on an annual basis to take stock of progress in putting the Rio agreements into practice. Since the first CSD session in 1993, the number of nongovernmental participants from around the world attending the annual forums has grown steadily, including high-level government ministers, local officials, business organizations, farmers, and indigenous peoples. In recent years, the CSD has sponsored multi-stakeholder dialogues on the main issues it is considering that year, including agriculture, energy, and tourism.

Looking ahead, governments must come to terms with the varying roles and mandates of these different institutions. They must either delineate a logical division of labor among these diverse agencies or merge overlapping elements of their programs into a common whole.

If today's discussions on strengthening international environmental governance are to be successful, they must also be innovative in creating new mechanisms to engage non-governmental actors, including citizen's groups and the business community.

Tomorrow's international environmental institutions may turn out to be vastly different in character than the bureaucratic bodies that predominate in many quarters today. A nascent system of international environmental governance is now emerging from diverse quarters, proving that governance is no longer just for governments. Reversing ecological decline in the early decades of the new century will require innovative partnerships between diverse actors, including nongovernmental organizations (NGOs), businesses, governments, and international organizations.

A particularly encouraging development of recent years has been the steady growth of the international nongovernmental movement. Environmental activists are flourishing at the national and grassroots level in most corners of the globe. Growth has been particularly rapid in the developing world and in Eastern Europe, where democratization over the last decade has opened up political space for NGOs. The number of NGOs working across international bor-

ders soared over the last century, climbing from just 176 in 1909 to more than 23,000 in 1998.

Empowered by e-mail and the Internet, environmental activists have gradually organized themselves into a range of powerful international networks. To name but a few, the Climate Action Network links more than 250 international groups and national organizations active on climate change; the Pesticide Action Network includes at least 500 consumer, environment, health, labor, agriculture, and public interest groups worldwide; the World Forum of Fish Workers & Fish Harvesters brings together people from small-scale fishing communities on six continents; the International POPs Elimination Network coordinates hundreds of NGOs worldwide in their push for an effective treaty to limit persistent organic pollutants.

Although globalization is reducing the ability of governments to regulate activities within their borders, it is also opening the way for "Global Public Policy Networks" among diverse actors, including international organizations, business, labor, and NGOs. Although such partnerships will not substitute for governments in the decades ahead, they could play a key role in helping to bring together the various players needed to solve diverse aspects of the planet's ecological predicament. For example, the Forest Stewardship Council was founded in 1993 to set standards for sustainable forest production through a cooperative process involving timber traders and retailers as well as environmental organizations and forest dwellers. More recently, the report of the independent World Commission on Dams has provided a new benchmark for addressing environmental and social issues in the context of dam development. Notably, UNEP will house the secretariat of the Commission's successor organization, the Dams & Development Unit.

More than thirty years ago, photographs of Earth taken from space by the Apollo expeditions indelibly impressed on all who saw them that the planet, while divided by political boundaries, is united by ecological systems. These photos helped inspire the first Earth Day, which in turn motivated numerous countries to pass environmental laws and create environmental ministries. Johannesburg 2002 offers us an important opportunity to set in motion a comparable groundswell in support of the innovations in global environmental governance that are needed to safeguard the health of the planet in the new millennium. We must seize the moment.