
Why UNEP Matters

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Introduction: From Stockholm to Rio

At the 1982 Governing Council meeting of the United Nations Environment Programme (UNEP), held to mark the tenth anniversary of its founding, the establishment of a UN Commission was proposed to review many of the environmental issues which remained unresolved, in particular the relationship between environment and development. This was seen as implicit criticism of the direction UNEP had been taking.¹ After much manoeuvring, some three years later the 1982 initiative led to the creation of the World Commission on Environment and Development (WCED, also widely known as the Brundtland Commission). In particular, it was decided that the Commission would report directly to the General Assembly of the United Nations rather than to any of its subsidiary bodies, reflecting the fear that the Commission's message would be blunted if transmitted through the normal channels of the United Nations.

UN Commissions have come and gone and only rarely has one succeeded in having a lasting impact. The complex interests of many sovereign states and numerous UN organizations which enjoy a large measure of independence have generally joined to ensure that nothing much happens after a UN Commission reports. The Brundtland Commission is arguably the most successful of all UN Commissions. Its 1987 report, *Our Common Future*, redefined the environmental agenda to link it firmly with the needs of economic development and gave the term 'sustainable development' a generally accepted definition and wide currency.²

The Brundtland Commission's definition of sustainable development was a masterpiece of negotiation. In full, it reads:

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains two key concepts:

- the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.³

As is so often the case, selective citation has become widespread. In particular the second half of the definition which identifies the corner-stones of sustainable development is routinely left out by government representatives of developed countries. Its reference to 'needs' (carefully placed in quotation marks) and its allusion to 'limits' (a code-word ever since the publication of *Limits to Growth*⁴) are equally unwelcome in the developed world. Above all, the Brundtland Commission succeeded in identifying a complex agenda which challenges developed and developing countries alike, with environmental management at its centre.

The Brundtland Report led directly to the United Nations Conference on Environment and Development (UNCED), by almost any standard the largest international gathering in the history of the planet: more governments represented, more heads of state and government, more non-governmental representatives, than at other such events.⁵ Only the G7 Summits draw more press. Because of the drama surrounding the event itself, particular the drama of a reluctant US President constrained to attend, it has widely been assumed that UNCED represents a watershed event. In reality, the results of the Conference were decidedly mixed.

The planned Conference provided an invaluable opportunity to focus attention on the agenda of environment and development and to force the pace on several international processes. Two major environmental conventions were being negotiated in the years preceding UNCED and concluded in time to be signed at the Conference itself. The Framework Convention on Climate Change⁶ and the Convention on Biodiversity⁷ probably represent the lasting legacy of UNCED. However, they had nothing to do with the preparatory process for the Conference itself. That was an extraordinarily complex undertaking which reflected the interests of the UN system and of the states which make it up.⁸ In fact, the Conference itself produced extremely modest results: a Declaration without binding force which largely duplicates the work of the 1972 Stockholm Conference and a programmatic document, *Agenda 21*, so large as to defy practical implementation. *Agenda 21* is so hedged with caution that it can be quoted to support almost any position.

In some ways, the principal results of UNCED have been

the absorption of parts of the environmental agenda into the UN development system and a noticeable further weakening of UNEP, effectively seeking to revise the structure which had been put in place in 1972 at the time of the Stockholm Conference. Arguably that was the unarticulated goal of many of the main actors at UNCED, including the Conference Secretariat. It has left the United Nations Environment Programme in a continuing identity crisis.

A Revisionist History of UNEP

The United Nations Environment Programme was established at the first major UN Conference to address environmental issues, the Stockholm Conference on the Human Environment. In retrospect, the Stockholm Conference was a turning-point in environmental policy.⁹ Undoubtedly many of those who attended the Conference in Stockholm hoped it would prove to be a seminal event. At the time, however, it would not have been false to state that the response of many governments was tepid and the UN system was largely indifferent.

Apart from the host country, only one government—India—was represented at the level of head of state or government. At the time of the Stockholm Conference, few countries had environment ministries so government delegations were headed by officials with responsibility for only part of what was to become the environmental agenda, and frequently more concerned with other issues—such as public health, agriculture, or internal security—which were their principal government responsibility.

The response of the UN system is epitomized by the General Agreement on Tariffs and Trade (GATT), which established a Committee on Trade and Environment which never met for almost twenty years. A classic bureaucratic ploy, the purpose of this action was presumably to provide token evidence of concern and above all to ensure that no trade policy issues could be discussed at Stockholm.

During the preparations for Stockholm, The United Nations Development Programme (UNDP), and the UN development system were in their formative stages. There is hardly any evidence that the proceedings in Stockholm affected the early evolution of UNDP. The environmental agenda was presumably considered marginal to the major purpose of development.

The scepticism of developing countries at Stockholm about the emerging environmental agenda has often been discussed. They feared that any requirements to address environmental issues could become yet another barrier erected by developed countries against their desire to achieve rapid economic development. In this attitude, they reflected the experience of decolonization, which was still very much on their minds. They also reflected the advice they were getting from most

developed-country economic experts who tended to view environmental protection as an obstacle to economic growth. Early economic analyses of environmental issues turned to the idea of 'externalities', a marginal concept in economic theory which led many observers to assume that environmental protection was something external to the real economy. Environmental costs were seen as 'extra' rather than as an important unpriced area of economic activity.

Much less well documented is the scepticism of major developed country institutions at national and international level. Nowhere had the environment emerged as a central concern of government, and good words about the importance of environmental issues could barely mask the disdain of those concerned with the big issues of the day for the environmental agenda. Anybody active in environmental affairs at the time has experienced this disdain. Not only did only one head of state or government go to Stockholm; neither did any ministers responsible for economic or financial policies. Stockholm was an event on the margins of both national and international policy-makers and from this perspective it was entirely appropriate that it should have been overshadowed by a protracted dispute about the status of the German Democratic Republic, a matter of no significance whatever to environmental management but of great importance to Cold War diplomacy.

The creation of a new international agency to address the issues raised by the Stockholm Conference appeared inevitable for many reasons, not all of them directly relevant to environmental management. None of the existing major international agencies (for example, the World Health Organization, or the Food and Agriculture Organization) had a mandate which clearly justified assigning it responsibility for the environment. While some may have liked the added responsibilities, none thought environmental issues important enough to make a sacrifice for. At the same time, many agencies which were uninterested in taking on these issues did not want them assigned to one of the larger competing candidates.

Once it became clear that a new agency would be created, the normal response of existing agencies was to limit its ability to compete. Lacking enthusiastic supporters, UNEP's mandate was cannibalized. The principal means of achieving this goal was to provide limited funds divided between a minimal institutional budget and a modest 'Fund', to assign it a 'catalytic' function, and to locate it away from the decision-making centres of the UN system.

During the preparations for the Stockholm Conference, the recently created UNDP was still finding its way. UNDP was the result of a concerted effort in the late 1960s to focus United Nations efforts in development activities and to reduce competition between the major agencies for 'voluntary contributions' from their members.¹⁰ The Specialized

Agencies of the United Nations system receive 'assessed' contributions, based on their approved budget and a system-wide procedure for determining how much each country must contribute. In addition, they can receive voluntary contributions for specific projects not covered by the regular budget. These funds provide a measure of discretion and flexibility since their use depends on an agreement between the donor and the agency in question rather than on the cumbersome regular governance procedures. They also provide 'overhead' funds which are available to the agency's management with fewer constraints than most other sources of funding. Donors also like voluntary payments because it gives them added leverage in the agency.

UNDP was created to bring greater coherence to the United Nations efforts in relation to economic and social development, to reflect the emerging reality of colonies transformed into 'developing' countries, and to limit the competition between UN agencies for voluntary funds. It was to receive funds from voluntary contributions, and help developing countries design projects which were to be implemented by 'executing agencies', a long list of UN organs including the Specialized Agencies and other bodies created by the General Assembly.

The creation of UNDP was the cause of much anxiety in the UN system, and for several years—until it was brought down by a financial crisis following the first oil shock—UNDP appeared to be fulfilling its mandate. What was happening in Stockholm seemed like a side-show to the important new developments surrounding UNDP in New York. The agencies concerned with the UN Development System did not want a new participant in a process which was difficult enough, and above all not a competitor for funds. This is reflected in UNEP's terms of reference which preclude it from executing projects itself. To this day, UNEP is not considered a formal part of the UN development system! It is further reflected in the fact that UNEP was to fund the activities of other agencies, a role not unlike that of UNDP only without the level of funding or the access to decision-making to have any chance of imposing itself.

The mandate for UNEP reflected a continuing debate in most countries: whether environmental management justified an independent agency with its own policy-making, enforcement, research, and outreach functions, or whether it was an activity best undertaken by 'regular' agencies, with only a co-ordinating role for an environmental agency with limited staff. Attempts to create environmental agencies to co-ordinate the activities of other government bodies have failed at the national level, even when they were attached to the office of the head of government. The first French environment minister has described his experience as 'Le ministère de l'impossible'.¹¹

The coherence of the environmental agenda, its specific

character, the inherent conflicts with the primary missions of other agencies, its high public profile, and the need for continuity of policy development have all acted together to make an independent environmental agency a necessity. At the time when UNEP was being created, this conclusion was not yet clear. Many countries were still experimenting with cross-cutting agencies for the environment and consequently advocated comparable solutions at the international level. Hardly anybody appears to have reflected on the simple fact that the UN system is not like a national government. There is no head of government, no cabinet discipline, no public pressure, there are no elections. It is literally impossible to co-ordinate the UN system. Even UNDP, with significant amounts of money and incomparable access to the decision-making centres of the UN system to back up its wishes, has ultimately proven incapable of fulfilling this task. Calling UNEP's task a 'catalytic function' simply masked the fact that it was supposed to work with other agencies which would never view it as an equal. In effect, UNEP was given an impossible assignment. It was also provided with inadequate staff, minimal funding, and a location far from the decision-making centres of the UN system.

Locating UNEP in Nairobi was a major symbolic act. It was the first major UN agency to be headquartered in a developing country—and remains the primary example to this day. There are excellent reasons for locating more UN agencies, and an environmental agency in particular, in developing countries. In the context of the UN system, with its focus on New York and Geneva, the decision to locate UNEP in Nairobi was also an expression of disdain for its mission. Even while recognizing the appropriateness of the decision, it is essential not to overlook its practical and symbolic dimensions. A major independent organization would have had extraordinary difficulties being located far from the decision-making centres of the UN system. It was all but inconceivable that an agency with a 'catalytic' mission could function in a remote location.

From the outset, UNEP struggled with its impossible mission. Without authority to undertake projects or similar activities on its own, it was open to criticism for doing nothing, particularly since 'projects' are the currency of multilateral development. In relation to the UN development system it did not have sufficient funds to support an agenda which encompassed all the environmental problems of the planet. It could focus on a few issues—something UN agencies find very difficult since they must respond to the articulated wishes of all their sovereign Member States—and be accused of disregarding many other important matters. Or it could attempt to do everything and be accused of doing nothing well. It could focus on information management and be accused of neglecting to develop any policy initiatives,

or it could focus on policy and be accused of maintaining an inadequate information and research base. All of these criticisms have been levelled at UNEP. They are all justified. They are largely rooted in the decisions taken at Stockholm.

UNEP funding began at a modest level and then decreased in real terms until the end of the 1980s. In the first ten years of its existence, UNEP's total resources amounted to less than \$US500 million. Not much more was available for the second decade. With these sums, the agency was supposed to support the efforts of its Member States, particularly developing ones, and provide a catalytic function to the entire UN system. The total UNEP budget for twenty years was of the same order of magnitude as the budget for UNDP in 1992.

The environmental agenda is not a human invention. Unlike the rules of international relations or of the economy, it responds to developments in the natural environment which are exclusively subject to the laws of nature. From that perspective, clever political and bureaucratic manoeuvring were bound to fail. From Stockholm, the environmental agenda has continued to expand. In 1972 acid rain was a hypothesis; stratospheric ozone depletion was an academic debate; biodiversity was an unknown concept and conservation was widely viewed as having to do with park management; climate change was seen as a remote possibility; tropical forests were largely intact.; not a single country had adopted comprehensive toxic chemicals control legislation; waste management was a matter of proper collection and safe transport; pollution prevention was not a serious issue. What was known was the pollution agenda of the developed world, and the threat to the oceans.

The complex relationship between environment and economic policy—development in particular—was articulated differently by developed and developing countries. Developed countries spoke of the risk that environmental management would 'cost' too much. By speaking of environmental 'costs' they sent a powerful signal to developing countries that environmental issues were somehow an additional, unnecessary burden likely to hamper their push for economic 'growth'. Consequently developing countries took the position that pollution was a problem of the developed world, which was also responsible for ensuring that international environmental measures did not hamper their 'development'. Hardly anybody anticipated that the environmental agenda would permeate all of economic policy and constitute a serious threat to the future of development institutions.

Given its mandate, its resources, and its authority, UNEP has been a remarkable success. This assessment runs counter to the accepted view of UNEP as a failed agency. The areas where these successes are most obvious are in the development of international regimes to manage global environmental problems.

- Much as UNCED provided the occasion for signing the Framework Convention on Climate Change and the Biodiversity Convention, Stockholm provided an occasion to finalize several agreements dealing with marine pollution.¹²
- The Regional Seas Programme has put in place a series of agreements to protect marine resources.¹³ None of these agreements has been effective in the sense that the trend of increasing pollution of the marine environment and loss of coastal wetlands has been reversed. Nevertheless, the regimes which have been created are an essential step towards action which will become inescapable when degradation reaches a level of crisis.
- UNEP has played an important role in launching a global approach to chemicals control, an issue dominated to an extraordinary extent by the OECD countries.¹⁴ Through the International Programme on Chemical Safety (IPCS), it has maintained a vehicle to participate in these issues and move them away from the limited scope of the OECD to the broader and more appropriate framework of a global approach.
- The so-called 'Montreal Process', leading from the Vienna Convention for the Protection of the Ozone Layer (which did not protect the ozone layer) to the Montreal Protocol (which began to do so) to the London and Copenhagen Amendments (which did so in earnest) is difficult to imagine without UNEP.¹⁵ Again, there are signs that the issue was left to UNEP alone because nobody else took it very seriously; certainly the World Meteorological Organization did not.
- The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal was negotiated entirely within a framework created by UNEP.¹⁶ While problematic in many respects, it has initiated a process which should ultimately lead to an adequate international regime to manage hazardous wastes.
- The Framework Convention on Climate Change was negotiated outside UNEP in a specially created structure involving the Intergovernmental Panel on Climate Change and an International Negotiating Committee.¹⁷ Both were designed to draw on the lessons of the Montreal Process. By the time they were launched it had become clear to many observers that issues such as climate change represented some of the most important international negotiations of the latter part of the twentieth century and many organizations wished to participate.
- The Biodiversity Convention was negotiated within UNEP, which succeeded in concluding the process in time for UNCED, to the surprise of many observers.

This extraordinary list needs to be put in context. No other UN agency can match this record. Most of the process leading to these conventions occurred during the Cold War, at a time when it was almost impossible to reach wide-ranging, global agreements outside the narrow confines of international security. In fact, these environmental conventions represent the only major field of international relations which continued to evolve dynamically throughout the 1970s and 1980s. It may be useful to compare it with trade negotiations which were being conducted without the participation of the Soviet Union or other centrally planned economies. During the seven years of the Uruguay Round of trade negotiations, several of the above conventions were launched and concluded—in addition to the transformation of the Antarctic regime into a conservation regime¹⁸ and the launching of the Global Environment Facility.¹⁹ Without UNEP, much of this would not have been possible.

It can be argued that these agreements would have come about anyhow, and that some of them took the form they currently have because many of the principal actors were unwilling to have them move forward within the UNEP framework—which has always been too weak to support the needed structure to develop the global dimension of international environmental policy. That is a hypothetical argument which can be neither proved nor disproved. But, experience in most countries strongly suggests that in the absence of an articulate environmental advocate, other interests will prevail over the environmental imperative. UNEP was—and is—a weak agency. Nevertheless, it was the only environmental advocate within the UN system and could provide an international focus for the increasingly vocal national advocates for the environment.

To some extent, the widespread criticism of UNEP is a self-fulfilling prophecy. Those who criticize UNEP most strongly are often those who would need to change their own practices if UNEP were to succeed. To some extent, the criticism is a self-serving argument to justify lack of attention to the environmental agenda.

By the late 1980s, however, other parts of the UN system awoke to the fact that environmental management represents one of the most important issues of international governance and that participation in environmental affairs is essential for any organization which seeks to remain relevant to the emerging problems of the twenty-first century. Moreover, at a time when budgets for development assistance and allocations for international organizations have been shrinking, environmental issues represent one of the few significant areas of growth.

The UN development system has recognized that it was a mistake to leave environmental matters in the hands of UNEP and is seeking to recover the initiative. Criticism of UNEP is an essential element of any strategy to redistribute authority

in environmental affairs in the UN system. Seen from this perspective, there was a hidden agenda at UNCED: to undo the decisions of Stockholm concerning the distribution of responsibilities for environmental affairs. In other words, to take the environment back from UNEP.

It would be wrong to view this move simply as a conspiracy. It is based on an entirely appropriate analysis of the evolution of environmental issues towards the main economic agendas of our time and reflects the continuing dynamic of competition between international agencies. Nevertheless, it is appropriate to ask two critical questions:

- What is to be expected of the UN development system as it takes up the challenge of sustainable development?
- What is the appropriate role of UNEP in the future?

The United Nations Development System and Sustainable Development

Evidence that environmental degradation will undermine efforts to achieve development has been overwhelming for some time, at least from the perspective of those whose primary concern is the environment. Without unremitting pressure from environmental constituencies, market economies would have asphyxiated on their waste production, much as the centrally planned economies did at a lower level of production and consumption; without these pressures, developing countries would have been more surely denuded by misguided development policies and the exploitation of their natural resources by industrialized economies. In a certain sense, the environmental movement of the 1970s saved the market economies from collapse. The ability to adjust to such pressures is what distinguished market economies—and particularly those in open societies—from the centrally planned or developing economies.

It is remarkable, perhaps without precedent, that this process occurred without major adjustment of economic policy to the new realities of the environmental imperative, indeed frequently against the advice of much considered economic opinion. This reluctance of economic analysts and policy-makers to recognize that environmental management was neither an added cost to 'business as usual', nor an act of magnanimous altruism, but an essential condition for the preservation of the very foundations of the market economies has exacted a heavy price in development theory and practice. Despite the experience of the major developed economies over the past twenty years, much development theory continues to reflect the theory of the 1970s and 1980s, not the emerging practice in developed countries.

The reluctance of many economic practitioners to adjust to the stark realities of environmental imperatives has meant that the transformation of developed economies has occurred more slowly than desirable, accompanied by conflict, and ultimately at a higher price than necessary. Over the past decades, the countries of the North have been so wealthy that they have been able to afford numerous indefensible economic and environmental policies. Developing countries cannot permit themselves such a luxury. Their lack of resources obligates them to pursue significantly more prudent policies than most developed countries.

Ever since 'development' became an accepted idea—essentially since the Bretton Woods Conference of 1944—it has drawn on analyses of apparently successful practices in apparently successful countries: the Tennessee Valley Authority in the United States; Western European reconstruction; the newly industrializing countries; and, time and again, an analysis of developments in the world's most successful economy, the United States. In practice, development policy has tended to apply yesterday's solutions in the developed world to today's problems in developing countries. The results have been mixed:

- some countries, notably those with no natural resource endowment, have succeeded because they are trading-centres or have developed an industrial base;
- the situation in Africa is widely acknowledged as disastrous;
- many countries of Asia and Latin America are struggling as they show signs of following the path to industrialization.

While there is widespread acknowledgement that development is in crisis, only rarely is the environmental dimension viewed as the central issue.

The resistance of developed-country economies to major restructuring to accommodate the environmental imperative has created an unusual situation in the ongoing dynamic between developed-country economies and development policies. For the first time, the developed and the developing world are facing an identical challenge with a comparable need to adjust and restructure their economies, and for the first time, development theory may be moving towards a paradigm which reflects not past 'lessons' of the developed world but the common future challenges of all countries. In other words, both North and South are equally challenged by the concept of sustainable development and need to work together to find solutions to problems which put all economies equally at risk.

This situation poses some peculiar challenges to international development institutions. The United Nations Development System (UNDS), with the United Nations

Development Programme at its centre, is a vital part of international efforts to promote development. Unlike bilateral institutions, it is relatively free from the political concerns of donor countries; unlike the World Bank and other multilateral development banks, it is not dominated by the concerns of the developed world. UNDP is the only part of the international development establishment in which developing countries have a strong voice and can co-determine the use of the limited resources which are available.

Over the years, UNDP has provided a somewhat different approach to development than bilateral or multilateral development institutions. Without the resources, both financial and technical, to fund the kind of large projects which have been the focus of much development activity, it has also avoided the large fiascos which characterize the environmental record of the World Bank and of most bilateral development agencies. UNDP has worked primarily in the field of technical assistance. UNDP makes grants and therefore does not have the burden of a huge loan portfolio which requires ever increasing loans as old loans are repaid, just to avoid the spectre of net transfers from developing countries to the World Bank, and creates a culture where any loan is better than no loan. Required to maintain close ties with developing-country governments and the executing agencies, it has been less prone to adopting broad policy guidance and attempting to apply it on a grand scale, and has been more responsive to the priorities of developing countries than any other development institutions. Thus while UNDP has tended to take contradictory, or at least ambiguous, positions in response to contradictory pressures from multiple constituencies, it has not been exposed to the risk of grand failure.

The lesson of this experience for sustainable development is that UNDP will respond to the issues raised much as it has responded to other demands it has met, but will not become focused on sustainability as a central concern unless all of its constituents require it—an unlikely occurrence, given the diversity of interests affecting the organization and the fact that sustainability has not yet become a guiding force for the actions of any government.

UNDP's response to the challenge of sustainable development matches these expectations. Over the past years, the environmental agenda, broadly defined, has grown in importance within the organization. It has grown incrementally and at a time when UNDP as a whole was contracting. Nevertheless, it remains one issue among many and not generally the most important one on its agenda.

UNDP is an integral part of the United Nations. From its inception, it has been seen as an instrument to achieve greater coherence in UN activities in the economic and social policy arenas. Its position is defined by a complex dynamic encompassing recipient countries, donor countries, and the

decision-making structures of the UN system. In 1993 and 1994 several critical functions appeared to be moving away from UNDP, concerning both the status of its Resident Representatives and its control over project execution.

UNDP Resident Representatives have long also functioned as Resident Co-ordinators of all UN agencies in a given country, essentially acting as the head of the UN presence. This function significantly strengthened the role of UNDP, both in the developing countries and within the UN structure. In 1993 the Secretary-General decided to loosen this linkage, reasserting his authority over the Resident Co-ordinators. At the same time, the Office of Project Services, which provides administrative support for the increasing number of UNDP projects which were not being executed by Specialized Agencies, was transferred from UNDP to the UN Secretariat. Both moves suggested that UNDP was about to be more closely linked to the UN Secretariat. Two decisions taken in July 1994 suggest that a further balancing is under way. The Secretary-General assigned to the Administrator of UNDP the responsibility for assisting him 'in ensuring policy coherence and enhancing co-ordination within the United Nations itself, in particular among headquarters departments, the regional commissions and the funds and programmes of the Organization' and 'to entrust the Administrator of UNDP with overall responsibility for assisting him in improving the co-ordination of operational activities for development, including the strengthening of the resident co-ordinator system.'²⁰ At the same time, an official with long experience in the UN Secretariat was appointed to the position of Associate Administrator. Taken together, these decisions suggest that UNDP will be more closely linked to the UN Secretariat but will acquire additional responsibility within it.

The main institutional innovation to emerge from UNCED was the Commission on Sustainable Development (CSD). Its creation reflects the many competing interests at play in the Conference. The central issue in its establishment concerned its independence and its ability actually to review the activities of states or UN organizations. The CSD was subsequently located in New York, and staffed with personnel who are also part of the UN Secretariat. It is consequently integrated into the central decision-making structure of the UN system and its actions must be seen in that context.

Because the CSD was the only institutional emanation of UNCED, and because UNCED was an event which attracted a great deal of attention and the participation of thousands of persons, expectations for the CSD have been very high. It is unlikely that it can meet these expectations. More important, it remains unclear what the medium-term function of CSD will be. In many ways, the CSD has become a 'high-level segment' on the environment, located between the

Economic and Social Council and the Second Committee of the General Assembly. It provides those concerned with these issues with some additional leverage in the complex interplay of forces which make up the United Nations system. It does not advance the aims of sustainable development and environmental management significantly beyond that. In practice, a major part of the environmental agenda has been moved back to the centre of the UN system.

Sustainable Development and Environmental Management

'Sustainable development' has become the watchword of the 1990s. It implies the beguiling prospect that 'development' can continue without a challenge from the environment. In reality, the relationship is complex.²¹ It is largely defined by the incommensurability of the environment and social and economic concerns. The latter are fully under human control and can consequently be managed by the tools of public policy—at least in theory. The environment, on the other hand, responds to the laws of nature. It is neither possible to negotiate with the environment nor to make agreements with it. Consequently environmental policy deals exclusively with surrogates for the natural environment: people, groups, scientists, research.

In policy terms, the existence of a factor which is not subject to negotiation is much like an external lever: it risks negating the entire balance which has been struck between conflicting social and economic interests. The conflicts which have surrounded the introduction of environmental concerns into social and economic policy-making in large measure can be explained by the existence of some absolute environmental standard beyond which the integrity of an ecosystem is endangered and the difficulty of accommodating this reality within the social and economic policy-making process.

It does not follow from this general observation that there must be a single specific agency responsible for environmental management. It does follow, however, that the balancing of pressing social and economic priority with environmental ones is a complex process which can involve some serious goal conflicts. It can only be accomplished within a structure which is capable of making complex assessments and reaching carefully calibrated judgements in a manner which is open and accountable. No UN agency meets these criteria. The preparatory process for the recent World Summit for Social Development provides a vivid illustration of this problem. The secretariat for the Summit was provided by the same UN department which provides secretariat services for the Commission for Sustainable Development. Despite this fortuitous overlap, the initial documents developed for the Social Summit showed

virtually no vestiges of the agenda of sustainability.

The structure of international institutions does not permit the kind of process which is required to reach operational conclusions for the attainment of sustainable development, that is economic and social policies which respect the environmental imperative. Under these circumstances, the solution is the creation of an agency whose principal responsibility is the articulation of environmental concerns. At the global level, the only such agency is UNEP.

What Now? Why UNEP Matters

UNEP reflects the ideas of the early 1970s concerning the appropriate relationship between the environment and other areas of policy, notably economic policy. Experience since then has shown these ideas to have been mistaken. While it remains as true as ever that environmental management touches the priorities of almost every branch of government, it is also evident that without a strong and independent voice, environmental concerns tend to become overwhelmed by the dominant priorities of these branches. If attempts to create environmental co-ordinators have long ago failed in national and subnational government, it is surprising that appropriate adjustments have not been made within the United Nations. However, UNEP's mandate remains formally unchanged. Only by showing a certain disregard for its mandate has UNEP been able to achieve anything.

The prospects for achieving sustainable development through reform of development institutions alone remain slim. The United Nations needs a strong environmental voice if it is to meet the environmental challenges of the next century. No candidate for this role is available other than UNEP.

UNEP cannot cover the entire environmental agenda. It has grown beyond the capabilities of a single international agency to encompass. In many countries where environmental agencies exist these do not cover the entire range of environmental issues. For example, nature protection, ocean pollution, or pesticide control may be vested in other agencies. At the international level, intergovernmental agencies alone are incapable of articulating a forward-looking environmental agenda. It requires the participation of national and international governmental bodies as well as of key non-governmental actors—researchers, business, environmental organizations, and the media in particular. Consequently, UNEP needs to identify a core set of activities which will permit the development of a constructive and well-defined role next to the numerous other agencies and actors which will participate in international environmental management. This core activity should be linked closely to the implementation of the numerous international environmental agreements which have evolved over the past fifteen years.

International environmental agreements must be dynamic and require an implementation effort which is distinctively different from the process of implementing many other international agreements. The need to adjust policies to evolving environmental realities implies a continuous effort of research, assessment, and monitoring. This effort transcends the activities traditionally associated with international treaty secretariats. Moreover, it must be broadly based while most treaties are narrowly focused. Therefore, an international agency is needed which can fulfil the numerous functions which are essential to the implementation of international environmental agreements but which current practice does not provide.

Research assessment. Scientific research is the basis of our knowledge concerning environmental conditions. Without research, nothing is known of modern environmental problems. The research is, however, almost always accompanied by uncertainty over its likely meaning. The kinds of questions research is designed to answer are not the kinds of questions policy-makers need answered. Consequently, a process of translating research towards policy is required which is research-based but policy-oriented.

Monitoring. A certain amount of international monitoring will be required to ensure effective implementation of some environmental agreements. While much of the monitoring will be nationally based, an international process is needed to aggregate the information and to draw conclusions.

Assessment and accountability. States have agreed to provide numerous reports outlining their environmental policies and the ways in which they are meeting international obligations. The assessment of these reports is a delicate task requiring a certain degree of independence and the participation of numerous interested parties. Frequently the work of treaty secretariats does not allow an independent assessment of information received.

Legal development. Most environmental agreements are designed to be adapted over time. This represents an essential function of the treaty secretariats. However, the development of options requires an extensive research effort and a broad overview of the relevant materials, something limited secretariats can rarely achieve.

Integration. Environmental management touches many other areas of policy concern. Maintaining a broad view of the important issues and ensuring that environmental concerns are taken into account requires a continuous effort involving the ability to intervene in favour of the environment in other processes.

None of these tasks are adequately handled at the international level at present. They represent both a need and an opportunity for UNEP. Unless they are adequately handled, little prospect exists of achieving sustainable development or environmental management.

Implications for UNEP's Management and Budget

UNEP already manages the secretariats of numerous international conventions. Indeed, the relationship between the agency and the convention secretariats is not always without friction and there are bound to be many within UNEP who feel the agency is already being pulled excessively in the direction of the secretariats.

UNEP's budget is composed of four elements:

- The 'Regular budget', which remains minimal and covers part of the central operating expenses.
- The Environment Fund with voluntary contributions which are subject to Governing Council appropriation; the Environment Fund has been shrinking after a few years of growth in the early 1980s.
- Trust funds which are managed by UNEP for certain institutions; there were fifty-two trust funds in operation in 1994, of which ten had been established within the previous two years.
- Counterpart contributions, which are voluntary but whose use has been stipulated by the donor; such contributions are not subject to Governing Council appropriation, provided they support the goals of UNEP and meet the organization's priorities.

Table 1. UNEP: Resources Received 1992–1993, 1994 and 1995 (\$US millions)

Budget element	1992–3 actual	1994 estimated	1995 estimated
Regular budget	12.5	7.0	7.0
Environment Fund	130.6	61.6	61.0
Trust funds	54.0	66.7	67.0
Counterpart contributions	17.1	6.9	8.0
TOTAL	214.2	142.2	142.0

Source: United Nations Environment Programme (1995), *Administrative and Budgetary Matters: The Environment Fund: Use of Resources in the Biennium 1992–1993 and 1994–1995 and Proposed Use of Projected Resources in 1996–1997. Report by the Executive Director*. UNEP/GC.18/14 (Nairobi: UNEP, 29 Mar.). Available on the Internet at <http://www.unep.ch/gc/18-14e>.

Table 1 shows the current budget picture. The trend is clear: the budget administered by UNEP is growing even while the budget controlled by UNEP is shrinking. This reflects the successes outlined in this chapter as well as the continued absurdity of the formal responsibilities of UNEP. With a budget of less than \$US70 million (plus some overhead from trust funds and counterpart contributions which may bring the total to between \$US75 and \$US80 million), UNEP is being asked to address all the environmental problems of the world in an open, sound, and balanced manner.

The shift towards Trust Funds and counterpart contributions is liable to continue, despite complaints from the Executive Director that this should not happen.²² The attractions of controlling the use of funds, and of contributing to activities which are widely viewed as successful, are likely to remain overwhelming. The increase in funding for the activities covered by most trust funds is to be welcomed.

Nevertheless, the basic challenge which faced the international community in Stockholm remains sorely unmet: how to organize a globally operating agency which must address the entire environmental agenda.²³ The budget available to UNEP, together with its mandate, ensures that it will remain so for some time to come.

Notes and References

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