

The United Nations Environment Program at a Turning Point: Options for Change

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The United Nations Environment Program at a Turning Point: Options for Change

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This paper reviews the current role of UNEP in managing global environmental problems, in light of the dramatic changes in international environmental policy-making that have been underway in the last five years. After discussing how the current crisis emerged, it examines what UNEP has attempted to achieve and how well it has done so. It then considers some of the options for change, outlining their competing rationales. The present draft does not go so far as to recommend a particular package of reforms. Instead its more modest aim is to clarify the nature of the choices, to indicate the tradeoffs involved, and to formulate an initial framework with which to make judgments. If there is any conclusion to this draft, it is that (a) there are no obvious or simple strategies available to UNEP at this stage, but (b) the need for serious change is strong.

1. Dimensions of the Current Crisis

The United Nations Environment Program (UNEP), which has achieved remarkable success in its 25 years, faces a number of challenges that, in sum, are so severe that they constitute a crisis for the organization.

1.1. Changed International Environmental Agenda

Some of UNEP's challenges are signs of progress; in fact some are the direct result of the organization's success.

The dramatic increase in the breadth and density of the international environmental agenda counts among these. In 1972, when UNEP was created, there were very few issues that were global in scope on the agenda, and only a few dozen environmental treaties were on the books. Since then about 100 additional environmental treaties have

entered into force, and by one count more than forty of these were negotiated directly under UNEP's auspices.¹ Increasingly these treaties are global in scope, which adds obviously layers of complexity in how these treaties are negotiated and implemented. Agreements to protect the ozone layer, prevent climate change, protect biodiversity, and reduce desertification, all negotiated in the past ten years, have added to the density and scope of the international environmental agenda. The result is that whereas in the 1970s UNEP was seeking to shape an international agenda that had relatively large openings, and which few other actors were trying to influence, today the agenda is so full that it is a challenge to find any openings at all on it, and a wide diversity of actors have become expert at gaining influence over it. The result is that the international environmental agenda has acquired a momentum that makes it far harder for UNEP to shape than it once was.

¹Peter M. Haas, "United Nations Environment Programme," pp. 653-656 in Robert Paehlke, ed., *Conservation and Environmentalism: An Encyclopedia* (New York: Garland, 1995), 654.

The obvious irony is that the same forces that make the international agenda more difficult to influence have also increased the demand for UNEP to help coordinate it. The 1987 Brundtland Report, the precursor to the 1992 UN Conference on Environment and Development (UNCED), had explicitly called for a strengthening of UNEP in response to the growing needs. And Agenda 21, approved in 1992 at UNCED, confirmed UNEP's role in "promoting environmental activities and considerations throughout the United Nations system," and gave it lead responsibility for developing international environmental law.² But both the Brundtland Commission and Agenda 21 have proven less effective at strengthening UNEP than they have at spawning developments that make life more difficult for the organization.

1.2. Financial Shortfalls

UNEP has always been on a tenuous financial footing. As a program, it depends on voluntary contributions for the bulk of its budget, as opposed to mandatory assessments. This has constrained UNEP's budget to fairly small rates of growth compared to the growth in its agenda. But in recent years UNEP has been unable to fund even its limited budget, necessitating cutbacks. For example, although UNEP was able to spend \$160 million from its Environment Fund in the 1994-1995 biennium, it lowered its 1996-97 budget to \$137 million, and then reduce that figure even further to \$102 million after contributions failed to materialize. (UNEP/GC.19/22 p. 9). While the uncertainty around funding levels is a clear problem, the more pressing difficulty is of course the absolute drop in financial resources. One external assessment observes that the financial shortfall has produced a vicious circle:

Managers and their staff are engaged in paring down their programmes and because of the time and energy it takes, they have had less time left to do environmental work. This has led to a reduction of discernible results, leading to reduced donor confidence and lower contributions and in turn to further paring down of

²Mark F. Imber, *Environment, Security and UN Reform* (New York: St. Martin's Press, 1994), 110.

programs (A/51/810, p. 8).

1.3. Management Difficulties

Observers, drawing on first-hand accounts by UNEP staff, have claimed that in the past few years the internal management environment in UNEP has suffered. The most intensive review of UNEP's management is the sharply critical review prepared by the Office of Internal Oversight Services (A/51/810). It reports a range of serious management problems, including confusing organizational structures, inadequate attention to performance indicators, poor relations between senior management and staff, inefficient hiring practices, and lack of transparency in decision-making practices. While the report notes other factors hindering UNEP's effectiveness (including those mentioned above) it is striking in the degree to which it singles out poor management practices as accentuating current problems. While the tone of the report appears in places overly strident, there are clear signs that UNEP faces management problems. There have been public clashes between UNEP headquarters and the secretariat of the Biodiversity Convention, there have been difficulties approving budgets, and perhaps most tellingly, the current Executive Director (ED), Elizabeth Dowdeswell, surprised observers by declaring her intention not to seek reappointment after only one four-year term.

It is not possible to judge in this draft the cause of the current management difficulties. However, it is worth pointing out that at least some of the blame lies in the history of the organization, especially its long-standing reliance on charismatic leaders. Prior to Dowdeswell, UNEP only had two other Executive Directors. Maurice Strong, who had been Secretary General of the 1972 Stockholm Conference and later became Secretary General of UNCED, was ED from 1973-1975, and Mostafa Tolba was ED during the bulk of the organization's history, from 1976-1992. Tolba established an environment in which the great results achieved by the organization were highly dependent on his energy, charisma and intellect, and not on a set of management practices or organizational

culture that could endure beyond his inevitable departure.³

2. Why UNEP is Worth Saving

The crisis is so severe that there is a serious possibility that UNEP could simply disappear.⁴ Although it is rare for international organizations, especially UN bodies, to disappear, the possibility is quite real for UNEP. Its status as a "programme" gives it an unusually weak claim on financial resources. A new body, the Commission on Sustainable Development, has responsibility for some of UNEP's agenda. And many bodies, such as the UN Development Programme (UNDP) and World Bank, have radically strengthened their environmental activities so that UNEP's claim to fulfilling a unique functional role has diminished. All these features make it easier to imagine governments letting UNEP disappear today, whereas it would have been an implausible alternative five years ago.

For that reason it is worth exploring whether UNEP ought to wither away, and if not what the case is for keeping the organization alive. This exercise will also generate a rough assessment of where UNEP has played an especially important role in helping manage global environmental problems and where it has been more marginal; this assessment will be useful in evaluating competing response options later in the paper.

By now a conventional wisdom has emerged about UNEP's contribution to managing global environmental

³This is a common observation about Tolba. See, for example Imber, Environment, Security and UN Reform, p. 77.

⁴Fred Pearce, "Environment Body goes to Pieces," New Scientist (15 February 1997) p. 11.

affairs, and it enjoys a wide consensus. Two functions in particular dominate this conventional wisdom -- collection of environmental data and serving as a catalyst for international environmental cooperation.⁵

2.1. Collecting and Disseminating Environmental Information

From the beginning, UNEP was designed to play an important role in collecting data on environmental change, monitoring long-term trends, and assessing the state of critical natural resources. Some of the most influential activities undertaken along these lines include establishing the Global Environmental Monitoring System (GEMS), which collects environmental data from a number of sites; creating the International Referral System (INFOTERRA) to help disseminate environmental information; and operating the International Register of Potentially Toxic Chemicals (IRPTC), in order to promote effective regulation of hazardous chemicals.

UNEP routinely receives high marks for carrying out these information-related functions.⁶ The IRPTC was instrumental in helping to improve the way hazardous chemicals are managed in developing countries, and in facilitating the adoption of a Prior Informed Consent regime governing the export of such

⁵While claims that UNEP has played a vital role in performing these two functions are so commonplace as to be practically banal, I am not aware of any effort to assess systematically their validity. Certainly there is enough evidence from particular cases, such as the Mediterranean Action Plan, the Montreal Protocol, and efforts to control hazardous chemicals that the claims are plausible. But it has not yet been demonstrated how different the world would have been if UNEP had not been present to play these roles (e.g. how easily other actors would have made up the difference).

⁶See, for example, the assessments summarized in McCormick, *Reclaiming Paradise*, p. 123.

chemicals. GEMS has not fully lived up to its potential, but the shortcomings are attributable almost entirely to low levels of funding; the need for such information remains high and no other organization has stepped in to collect it. On a smaller scale, UNEP has stepped in from time to time to finance the collection of more specific environmental data when other organizations were unwilling to do so. It provided funding for the European Monitoring and Evaluation Program (EMEP), originally created by the OECD, which collects data on acid rain in Europe, after the OECD decided to cease its participation. This was vital in keeping EMEP alive long enough for other actors to realize their interest in it; EMEP is recognized as playing a vital role in European efforts to manage acid rain.⁷

2.2. Serving as a Catalyst for International Environmental Cooperation

Since Stockholm, UNEP has played an important role in steering the international community through a complicated and increasingly dense environmental agenda in ways that has, by all accounts, produced better collective management than if UNEP had not existed. It took the initiative in guiding international responses to the problem of ozone depletion as early as 1977, when only a small number of national governments were concerned. These early efforts produced a "World Plan of Action on the Ozone Layer" and a "Coordinating Committee on the Ozone Layer," whose work led directly to the creation of the 1987 Montreal Protocol, considered one of the most effective international responses to an environmental problem.⁸

⁷Marc A. Levy, "European Acid Rain: The Power of Tote-Board Diplomacy," edited by Peter M. Haas, Robert O. Keohane, and Marc A. Levy, in *Institutions for the Earth: Sources of Effective International Environmental Protection* (Cambridge, MA: MIT Press, 1993), 75-132.

⁸Edward A. Parson, "Protecting the Ozone Layer," in *Institutions for the Earth: Sources of Effective International Environmental Protection*, eds Peter M Haas, Robert O. Keohane, and Marc A. Levy (Cambridge: MIT Press,

UNEP performed an even more direct role in promoting the creation of a series of efforts to protect regional seas, with the most influential of these being the Mediterranean Action Plan. A total of ten regional seas programs were created under UNEP auspices, and the program is considered a success.⁹

Other international conventions in which UNEP played an especially prominent role include the 1973 Convention on Trade in Endangered Species of Wild Fauna and Flora (CITES), the 1989 Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal, and the 1992 Convention on Biodiversity.

This catalytic role is a function of efforts by UNEP's Governing Council, which meets every other year, and the secretariat, especially the ED. The Governing Council's main role in this regard is to identify critical issues for international attention, and to mandate negotiations or discussions that can lead to treaties. While environmental treaties do not require such intervention from the Governing Council to come into existence (the Climate Change Convention emerged from a different, route, for example), having the Governing Council meet regularly to identify gaps and set priorities meets a clear need of the international system. No other body engages in this kind of agenda-setting; although the Commission on Sustainable Development does have some overlap, it has not played the same kind of role.¹⁰ The Executive Director's role is more idiosyncratic. Stories are legion of Tolba's leadership skills, and their instrumental effects at key junctures in various environmental negotiations. When the Montreal Protocol negotiations seemed stalled in early 1987, for example, Tolba convened a meeting in Würzburg,

1993), 27-75.

⁹Peter M. Haas, "Save the Seas: UNEP's Regional Seas Programme and the Coordination of Regional Pollution Control Efforts," in *Ocean Yearbook*. Vol. 9 (1991).

¹⁰Pamela S. Chasek, "The United Nations Commission on Sustainable Development: The First Five Years," Prepared for delivery at United Nations University Conference, "The United Nations and the Global Environment in the 21st Century," 14-15 November 1997.

Germany in which scientists were asked for the first time to apply a common data set to competing models of ozone depletion; when the results converged much more closely than prior model runs had, opposition to cutting CFC production waned and negotiations moved forward.¹¹

3. Options for Change

Having made the case that UNEP probably has a positive contribution to make, we can now turn to the question of what options appear most promising for moving forward. At a broad level, two distinct strategies can be identified. One option is to refocus UNEP more narrowly, emphasizing those functions for which it has a proven comparative advantage and shedding others. In this option the structure of UNEP remains largely unchanged. The other strategy, however, is to alter UNEP's structure fundamentally, to increase its financial resources and decision-making power.

3.1. Streamlined UNEP

Proposals to streamline UNEP are based on the assessment that much of UNEP's current crisis is attributable to a tendency to take on too many different tasks that have diluted the overall impact of the organization. This assessment is made forcefully by the 1997 Internal Oversight Assessment report, but it has been a consistent criticism throughout its history.¹² Certainly a review of UNEP's recent activities does indicate an incredibly wide range of activities for such a financially constrained organization. The organization's report to the June 1997 Rio+5 special

¹¹Karen T. Litfin, *Ozone Discourses: Science and Politics in Global Environmental Cooperation* (New York: Columbia University Press, 1994), 112-13.

¹²John McCormick, *Reclaiming Paradise: The Global Environmental Movement* (Bloomington, IN: Belhaven, 1989), 110.

session of the General Assembly, for example, reported on significant activities relevant to every single chapter of Agenda 21 (UNEP/GC.19/INF.17). In a candid note to the Governing Council, even Dowdeswell acknowledged that current activities do not reflect a sense of clear priorities or of UNEP's comparative advantage:

A rigorous review of current activities reveals a number that are no longer on the leading edge or represent sufficient added value given the scarce resources of UNEP. Others are self-perpetuating, continuing long after "catalysis" should have been completed. Furthermore, activities once undertaken by UNEP, such as certain types of coordination, may now be better accomplished by others. (UNEP/GC.19/30, section 31).

There are two broad candidates competing for inclusion in a streamlined UNEP: environmental information and international coordination.

3.1.1. Environmental Information

UNEP is not the only body engaged in collecting, disseminating, and assessing environmental information. However, it is the only body with a responsibility for approaching these tasks with regard to the entire range of environmental issues, as faced by all nations on the globe. All other bodies participating in these tasks adopt a more narrow focus, whether sectorally or geographically. For issues where national governments or international organizations are sufficiently mobilized, environmental information tends to be collected without UNEP's help. However, there remains a need for an international organization that takes the big picture into account, collecting baseline information before widespread concern develops, and with coverage that is global, not concentrated in spots of already-high capacity. For example, several recent assessments have pointed to safe drinking water as one of the most pressing environmental issues facing the world.¹³ Yet there are very poor data on access to water or

¹³World Bank, World Development Report 1992: Development and the Environment (New York: Oxford

on water quality. The best water quality data are UNEP's, yet these are severely limited in coverage and comparability. Even for such a high-profile issue as deforestation, the availability of comparable, comprehensive data is quite spotty.

Given adequate resources, it would not be an especially difficult task for UNEP to fulfill its environmental information mandate more effectively. Doing so would meet all the relevant criteria for what a streamlined UNEP ought to focus on -- UNEP is good at it, the world needs it, and no one else is doing it.

3.1.2. Coordinator and Catalyst

The international system clearly needs a greater degree of coordination with regard to the international environmental agenda than is currently being provided. The benefits from improved coordination include the following:

- ? Systematic assessment of how well the international agenda meets global needs; the status quo favors attention to a few high-profile conventions (especially Climate Change) without regard to the merits of contending issues.
- ? More efficient division of labor among international agencies; the status quo encourages redundancy as agencies compete with each other for a share of limited resources.
- ? Exploration of potential zones of agreement that cut across issues; the status quo has the potential for individual issues to reach dead ends.
- ? Consideration of potentially useful linkages across sectors in the international system (for example linking trade, aid and environment); the status quo makes such linkage hard because environmental issues cannot compete on equal footing with economic issues.

UNEP probably does have the potential to play a greater role than it has so far in this role, and there is some perceived need. The Internal Oversight Services assessment concluded that helping to coordinate the activities of the

various convention secretariats ought to be a major focus for UNEP. More ambitiously, the Brundtland Commission in 1987 explicitly concluded that "UNEP's catalytic and co-ordinating role in the UN system can and should be reinforced and extended."¹⁴ The recent revision of UNEP's governance structure, which creates a "High-level Committee of Ministers and Officials in Charge of the Environment," is a step in the right direction.¹⁵ This new body, which will meet once a year to provide guidance to the Governing Council and the Executive Director, will give member states a more direct role in UNEP's steering function, and permit it to play a more direct role in coordinating the international environmental agenda.

However, there are strong pressures mitigating against greater levels of coordination, and UNEP should therefore enter such waters cautiously. Coordination appeals to actors who take into account overall public goods, and who consider the sorts of benefits as enumerated above to be paramount. However, the international environmental agenda is dominated by actors with more narrow interests at stake. For national governments and international agencies, these public interests compete with private interests, most of which center around competitive pressures for influence and shares of resources. For that reason, it is common for governments and agencies to resist efforts at effective coordination because it would threaten their ability to reap private benefits. Collective calls for coordination that are undermined by these competitive pressures are commonplace.¹⁶

¹⁴World Commission on Environment and Development, *Our Common Future* (Oxford: Oxford University Press, 1987), 321.

¹⁵This change was approved at the nineteenth session of UNEP's Governing Council, which ended April 9, 1997.

¹⁶A clear example of this pattern is seen in Barbara Connolly, Tamar Gutner, and Hildegard Bedarff, "Organizational Inertia and Environmental Assistance to Eastern Europe," edited by Robert O. Keohane and Marc A. Levy, in *Institutions for Environmental Aid: Pitfalls and Promise* (Cambridge, MA: MIT Press, 1996), 281-323.

There are signs that governments and agencies do not want significantly greater coordination. They have placed the secretariats of the new international conventions far apart from each other. They have failed to complain about the CSD's failure to develop a workable agenda. And they have blithely accepted the creation of new international bodies (such as the Global Environmental Facility) when a concern for coordination would have dictated being more cautious about avoiding redundancy and overlap.

It would be a mistake, therefore, for a streamlined UNEP to devote the bulk of its resources to serving a largely coordinating and catalytic role. There are things it can do in this regard, but it is probably close to the limit of its potential, especially as compared to the environmental information function.

3.2. Creating a "Super UNEP" or "World Environment Organization"

The rationale for radically reshaping UNEP into a body with more clout among national governments and among other UN agencies, with greater financial resources, and with the ability to make decisions more effectively has gained adherents over the past few years. Sometimes this proposal appears explicitly as a recommendation for converting UNEP into such an organization (e.g. UNEP/GC.19/30). Other times the proposal envisions a new organization to which UNEP would be subordinate.¹⁷ In terms of evaluating the merits of such an organization, the two variants can be considered together. While there are nontrivial strategic considerations in choosing between a "super UNEP" or a new "World Environmental Organization," these considerations have more to do

¹⁷ See the proposal of Germany, South Africa, Singapore and Brazil made at the Rio+5 meeting (Thalif Deen, "Environment-U.N.: New Global Green Body Proposed," Inter Press Service, June 25, 1997.) For an extended argument for such a body, see Daniel C. Esty, *Greening the GATT: Trade, Environment and the Future* (Washington, D.C.: Institute for International Economics, 1994), 73-98.

with the political calculus of how best to arrive at a powerful environmental organization; both variants of this proposal envision a similar organization fulfilling similar functions.

Proponents of this vision are motivated largely by an assessment that the benefits of greater coordination, as outlined in the previous section, are large; that UNEP is incapable of providing those benefits as currently structured because it is too weak to contend successfully with more powerful pressures resisting coordination; and that therefore the only route to effective coordination lies in the creation of a stronger environmental body.

The logic is strong. However, there are good reasons to believe that a World Environmental Organization would fail to live up to the expectations of its proponents. These reasons can be understood by some explicit reflection about the Bretton Woods institutions that are in many ways a model for these proposals. Two key factors help explain the effectiveness of the Bretton Woods institutions. First, there is a rough consensus on both the goals of these institutions (western-style economic development) and of the means to achieve them (following precepts of neoclassical economics). To be sure, there is disagreement and debate over these issues, but when looking at the big picture it is striking how much agreement there is. Second, political power is not divided equally in these institutions, but instead concentrated in the wealthiest nations (mainly by linking decision-making power to the size of financial contributions). These two factors contribute strongly to the effectiveness of the Bretton Woods institutions.

Any World Environmental Organization would lack these facilitating conditions. There would be no operating consensus on either goals or means. Instead, as is clear to anyone who has observed efforts to implement Agenda 21, there would be continued disagreement over an enormous range of issues, masked only superficially by a bland

common commitment to "sustainable development." And it is virtually unthinkable that any new UN environmental agency would be able to adopt a decision-making procedure that did not spread political power evenly across nations. Taken together, these two conditions would hamstring a World Environmental Organization with a tendency to get bogged down in self-serving disputes over ends and means, and with an inability to make use of effective leadership to overcome stalemates. While creative leaders might make occasional good use of a World Environmental Organization, it is clear nonetheless that such an organization would not operate as effectively as the Bretton Woods institutions that inspired its form.

4. Conclusions and Judgments

As mentioned in the introduction, this draft does not offer a judgment about which option is best, but instead seeks to frame the choices clearly. The next draft will attempt to offer some judgments, based on additional research. It may be worth mentioning how that will be done.

Each option emphasizes a particular function or package of functions that UNEP ought to concentrate on. For the first it is providing policy-relevant information and interpretations of information. For the second it is steering the international agenda and brokering agreements amongst weakly coordinated actors. The third option encompasses the functions of the first two and adds the additional functions of providing the capacity to produce authoritative collective decisions and to provide compliance procedures broadly conceived. Therefore the merits of these proposals can be judged more deeply by investigating three specific questions: (1) how well has UNEP performed these functions in the past, (2) how serious is the need for these functions in the international community, and (3) how effectively might other organizations be able to provide these functions if UNEP does not. Collecting evi-

dence to answer those questions will constitute the primary work going into the next round of analysis for this paper.

That said, some conclusions are not contingent on that exercise because they are relevant to all three options; it may be useful to point them out here even if they may be a bit obvious.

4.1. Putting UNEP on more Secure Financial Footing

Whatever rationale there may have been for restricting UNEP to largely voluntary contributions made on a biennial basis (and that rationale was always weak on the merits), it clearly is counterproductive for any constructive scenario of UNEP's future. Turning UNEP into a specialized agency would have the desired effect. However, there will be strong pressures against such a move, as there have been throughout UNEP's history. The other agencies have always fiercely resisted proposals to put UNEP on a more equal footing, and over the past five years they have all improved their track record in environmental issues enough that they will have strong ammunition at their disposal in any efforts to review the question.

However, it is possible to put UNEP on more secure financial footing without turning it into a specialized agency.

The simplest strategy would be to negotiate a legal agreement making members' contributions to UNEP's Environment Fund legally binding. This is a commonly used device; for example, the European Monitoring and Evaluation Programme, a subsidiary body of the convention on Long Range Transport of Air Pollution (LRTAP), is financed through a 1984 protocol to LRTAP. While such protocols improve on strictly voluntary contributions by making payments legally binding, the common practice of countries falling into arrears on required contributions makes it only a second-best strategy. There is talk of creating new, more automatic, mechanisms for

financing international environmental measures, but these are considered to have little chance of being adopted in the short term, and the specialized agencies will surely fight to restrict UNEP's access to such resources.¹⁸

4.2. Relocating UNEP Headquarters

UNEP was located in Nairobi as part of the political bargain that made its creation possible. There was never a strong expectation that such a setting would be a boost to the organization's effectiveness; in fact it makes more sense that UNEP's founders, overall, hoped that the Nairobi location would keep the organization marginalized and weak.¹⁹ There are by now good reasons for revisiting the decision. The most obvious reason is that to the extent that UNEP is expected to play a better role at serving as a broker among multiple organizations and stakeholders (something that is true for all three options laid out above) then there are clearly strong benefits from relocating to a site with better communications links (both electronic and transport) and physically closer to secretariats and other bodies. The assessment of Internal Oversight Services that senior staff spend too much time travelling [citation] is almost assuredly true, but what the report does not acknowledge is that any organization given a strong coordinating role at the global level that is based in Nairobi will be saddled with a heavy travel burden. The only way out is to consider relocating to Europe or North America. Clearly, such a decision would be a political hot potato and not easy to carry out, but the benefits are rather clear.

¹⁸ Some of these automatic financing mechanisms (for example taxes on international financial transactions) are reviewed in Hilary French, "Forging a New Global Partnership," in *State of the World 1995*, Lester R. Brown and et al (Washington, DC: Worldwatch Institute, 1995).

¹⁹ Konrad von Moltke, "Why UNEP Matters," in *Green Globe Yearbook of International Cooperation on Environment and Development* (Oxford: Oxford University Press, 1996), 57.