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Enhancing Capacity Building for Integrated Policy Design and Implementation for Sustainable Development

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I. Introduction

In its report, Our Common Future, published in 1987, the World Commission on Environment and Development highlighted the need for countries to adopt policies in support of sustainable development. In so doing, the report emphasized that economic growth, environmental protection and social equity can be simultaneously maintained. Five years after Our Common Future was published, countries affirmed their commitment to pursue policies that promote sustainable development at the United Nations Conference on Environment and Development (Earth Summit) in Rio de Janeiro, Brazil. The Earth Summit was attended by government representatives from 172 countries and resulted in the Rio Declaration on Environment and Development and Agenda 21. Among other things, Agenda 21 called on governments, in cooperation with international organizations, to build national capacities to "integrate social, economic, developmental and environmental issues at all levels of development decision-making and implementation."

The United Nations Millennium Declaration, adopted by 189 nations in 2000, reaffirmed the basic principles of sustainable development and Agenda 21, and strongly emphasized the need to "create an environment – at national and global levels – which is conducive to development and the elimination of poverty". As one of the eight Millennium Development Goals (MDGs),¹ MDG 7 asks countries to ensure environmental sustainability by – among other targets - integrating the principles of sustainable development into country policies and programmes.

The importance of developing and implementing integrated policies that promote sustainable development continues to be recognized by the international community. For example, the World Summit on Sustainable Development (WSSD) *Plan of Implementation*, agreed to in Johannesburg, South Africa in 2002, emphasized the importance of taking a "holistic and intersector approach" in supporting sustainable development. The *Plan of Implementation* commits heads of states and governments to advance and strengthen the three interdependent and mutually reinforcing components of sustainable development – economic growth, social equity and environmental protection – at local, national, regional and global levels. The *Plan of Implementation* also highlighted the importance of capacity building in furthering the understanding of practitioners and policy-makers about the complex linkages between environment and sustainable development, and encouraged the design and implementation of integrated policies, plans and programmes.

Although these international agreements and statements represent a significant step forward in the promotion of integrated policy design and implementation, they must be translated into concrete actions in order to address environmental deterioration, contribute to the reduction of poverty and promote sustainable development. The recent review for the 2005 World Summit in September in New York on the progress made with respect to the MDGs sees positive developments in countries' commitment to incorporating the principles of sustainable development into their national policies and strategies but does not see sufficient progress on the ground to reverse the loss of environmental capital.²

In order to assist countries to address these challenges the international community needs to increase the amount and effectiveness of capacity building activities. The importance of capacity building is widely acknowledged but much greater effort must be made to link capacity building efforts to poverty reduction strategies and the goals identified in the Millennium Development Declaration. UNEP has recently responded to this call by adopting the "Bali Strategic Plan for Technology Support and Capacity Building" in February 2005, which aims to strengthen the

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¹ MDG 1: Eradicate extreme poverty and hunger; MDG 2: Achieve universal primary education; MDG 3: Promote Gender equality and empower women; MDG 4: Reduce child mortality; MDG 5: Improve maternal health; MDG 6: Combat HIV/AIDS, malaria and other diseases; MDG 7: ensure environmental sustainability; MDG 8: Develop global partnership for Development.

² "Progress towards the Millennium Development Goals 1999-2005", compiled by an inter-agency and expert group on MDG indicators led by the Department of Economic and Social Affairs of the United Nations Secretariat.

capacity of governments of developing countries and countries with economies in transition, at all levels, to – among other things – achieve environment-related internationally agreed goals, including those contained in the Millennium Declaration and WSSD Plan of Implementation.

In preparation for the 'Bali Plan' and with the goal of improving the effectiveness of capacity building programmes in support of integrated policy design and implementation, the Economics and Trade Branch (ETB) of UNEP has facilitated a comprehensive consultation process with a wide range of international, regional and national institutions over the last several years. This consultation process is being conducted through a series of international and regional workshops and meetings focused on developing mutually supportive environment, trade and economic policies. The consultations undertaken at these meetings have been supplemented by detailed stocktaking questionnaires on capacity building needs and activities distributed to governments and academic and private institutions. This consultation process aimed to achieve the following:

- Gather information on existing capacity building services (capacity building providers, their approaches and delivery mechanisms);
- Identify current shortcomings of capacity building efforts;
- Identify capacity building priorities and needs at the national and regional levels;
- Promote international cooperation on capacity building for sustainable development; and
- Develop recommendations for more effective, coordinated and demand-driven capacity building programmes.

The purpose of this paper is to compile the outcomes and findings of the UNEP-facilitated consultation process to date. Along these lines, Section II briefly describes the background of the UNEP initiative, and Section III describes some of the challenges and shortcomings of current capacity building programmes related to integrated policy design and implementation. Section IV outlines the main recommendations resulting from the consultation process for developing more coordinated, demand-driven and effective capacity building programmes. Finally, Section V discusses current capacity building needs identified in support of enhancing integrated policy design and implementation.

This paper is intended to be a working document, and as the discussion on capacity building for sustainable development evolves, the paper will be updated and expanded to incorporate new findings, inputs and suggestions made by governments and international, regional and national institutions. As is discussed in greater detail below, the definition of capacity building is broad and can encompass a multitude of activities involving a number of issues. However, for the purposes of this paper and its annexes, the discussion of capacity building activities is limited to those in support of integrated policy design and implementation related to environment, trade and economic issues. Moreover, this paper does not profess to offer a definitive treatment of the challenges of capacity building for integrated policy design and implementation, but rather seeks to contribute to the ongoing international dialogue on ways to improve current capacity building efforts. Specifically, this paper aims to serve as a tool to:

- Provide information about the needs, priorities and key elements of capacity building to a broad audience and identify a range of delivery mechanisms for capacity building;
- Provide information about regional capacity building priorities as identified by institutions and individuals (see Annex I);
- Provide information on the main capacity building activities provided by intergovernmental and non-governmental institutions, including activities undertaken in support of the implementation of multilateral environmental agreements (MEAs) (see Annexes II & III);
- Promote coordination, coherence, and synergies by encouraging intergovernmental and interinstitutional dialogues, cooperation and sharing of information and experiences; and

Ensure that capacity building services reflect identified needs of beneficiaries.

National, regional and international institutions, MEA Secretariats and other stakeholders at all levels are invited to engage in the process of updating, redrafting and expanding this paper by providing comments and suggestions, as well as information about their capacity building needs and priorities, activities and initiatives related to integrated policy design and implementation. Annex III provides a brief outline of capacity building activities and programmes provided by several intergovernmental and non-governmental organizations. It is intended that this information be continuously expanded and updated to serve as a reference for capacity building providers and beneficiaries.

Box 1: International Statements on Capacity Building and Integrated Policy Design and Implementation

A number of international conferences, declarations and recommendations have highlighted the importance of capacity building for sustainable development, as well as the need for integrated policy design and implementation. They further called for strengthening of inter-institutional cooperation. The following excerpts provide examples of such recent statements:

The United Nations Conference on Environment and Development (UNCED) in Rio noted in Agenda 21 (1992): "Governments, in cooperation ... with international organizations, should strengthen national institutional capability and capacity to integrate social, economic, developmental and environmental issues at all levels of development decision-making and implementation. Attention should be given to moving away from narrow sectoral approaches, progressing towards full cross-sectoral coordination and cooperation". (Paragraph 8.12).

This call has been reconfirmed by the UN General Assembly in its Rio+5 Resolution (1997) stating that: "International cooperation and support for capacity-building in trade, environment and development policy formation should be strengthened through renewed system-wide efforts and with enhanced responsiveness to sustainable development objectives by the United Nations, the World Trade Organization, the Bretton Woods institutions, and national Governments." (Decision 8/6, paragraph 29)

Governments reaffirmed their commitment to sustainable development and poverty reduction at the Millennium Summit of the UN General Assembly in New York (2000) and mentioned as part of the Millennium Declaration, that to ensure environmental sustainability each country should "integrate the principles of sustainable development into country policies and programmes..." (Millennium Development Goal 7, Target 9)

More recently, the World Summit on Sustainable Development in Johannesburg (2002) emphasized in its *Plan of Implementation* that developing and transition countries "face special difficulties in responding to the challenges and opportunities" of globalization (paragraph 45) and that making globalization fully inclusive and equitable would require policies and measures at the national, regional and international levels, formulated and implemented with the participation of developing and transition countries, which respond effectively to their emerging needs and priorities.

The Plan further emphasized the need for "urgent action ... to enhance the delivery of coordinated, effective and targeted trade-related technical assistance and capacity-building programmes, including to take advantage of existing and future market access opportunities, and to examine the relationship between trade, environment and development" (paragraph 45(e)), and also stressed the need to "encourage the voluntary use of environmental impact assessments as an important national-level tool to better identify trade, environment and development interlinkages". (Paragraph 91d)

WSSD further stated the need to "strengthen cooperation among UNEP and other United Nations bodies and specialized agencies, the Bretton Woods institutions and WTO" (paragraph 136), and that "UNEP, UN-Habitat, UNDP and UNCTAD...should strengthen their contribution to sustainable development programmes and the implementation of Agenda 21 at all levels, particularly in the area of promoting capacity-building". (Paragraph 137)

In the WTO Ministerial Declaration from Doha (2001), the WTO recognized "the importance of technical assistance and capacity building in the field of trade and environment to developing countries, in particular the least-developed among them," while encouraging "that expertise and experience be shared with Members wishing to perform environmental reviews at the national level". (Paragraph 33)

The United Nations Conference on Financing for Development, held in Monterrey, Mexico (2002), recognized that "to benefit fully from trade, which in many cases is the single most important external source of development financing, the establishment or enhancement of appropriate institutions and policies in developing countries, as well as in countries with economies in transition, is needed". (Paragraph 27)

In 2001, UNEP's Governing Council (GC) requested UNEP to "assist countries, particularly developing countries and countries with economies in transition, to enhance their capacities to develop and implement mutually supportive trade and environmental policies", in a manner that is "geared to reflect the socio-economic and development priorities, as well as the needs and capacities of individual countries" (GC 21/14). Finally, in 2005 UNEP's GC adopted the "Bali Strategic Plan for Technology Support and Capacity Building" which requested UNEP to "enhance delivery by UNEP of technology support and capacity building to developing countries and countries with economies in transition, including through mainstreaming technology support and capacity building throughout UNEP activities." (GC 23/1/I)

II. Background

As previously noted, UNEP has facilitated a series of international and regional meetings and workshops over the past several years in support of integrated policy design and implementation. In undertaking this task, UNEP has worked with a number of institutional partners, including UNCTAD under the joint UNEP-UNCTAD Capacity Building Task Force (CBTF) on Trade, Environment and Development; the Secretariats of the MEAs; the World Trade Organization (WTO); the United Nations Development Programme (UNDP); the World Bank; and the Food and Agriculture Organization (FAO), as well as a number of regional and sub-regional institutions.

To initiate this consultative process, a high-level international meeting was held in Berlin on 20-22 March 2001 to discuss the linkages between environment, trade and sustainable development, including the need for capacity building to implement mutually supportive environment and trade policies. The meeting was attended by ministers and environment and trade officials from over 70 countries, as well as representatives from the WTO, MEAs and civil society. The Berlin meeting was followed a year later by an international workshop on capacity building, trade and development convened in collaboration with the WTO in Geneva on 19-20 March 2002. The workshop aimed at identifying gaps, challenges and opportunities for capacity building in the field of trade, environment and sustainable development. As a follow-up to this workshop, several regional workshops were convened to identify capacity building priorities, needs and delivery mechanisms in different regions of the world. The first in this series was a workshop convened in Washington DC on Capitol Hill on 16 July 2002, which focused on identifying the capacity building providers in North America and the capacity building needs of the region. The most recent one was convened on Jeju Island, Republic of Korea on 27-28 March 2004. In addition to reviewing the outcome and findings of the UNEP-facilitated consultation process, the meeting focussed on promoting international cooperation, identifying needs and priorities in relation to MEAs and propose recommendations for more effective, coordinated and demanddriven capacity building programmes. The meeting especially focussed on the needs and priorities of the Asia region. (The Chairman's Summaries for these meetings are available at www.unep.ch/etu.)

Other regional meetings and consultations were conducted in Europe, Africa, Latin America, the Caribbean, and the Pacific Region. Most of these regional workshops and meetings were convened jointly by UNEP and UNCTAD under the CBTF. The meetings were attended by officials from over 80 countries, representing environment, trade, foreign affairs and economic ministries, and also involved representatives of international institutions, such as MEAs, UNDP, the World Bank, the WTO, and regional institutions, such as the CEC, NEPAD, SADC, CARICOM, the Andean Community Secretariat, and the Pacific Islands Forum Secretariat. The consultations focused primarily on modalities for designing and implementing mutually supportive trade and environment policies, and examined opportunities for enhanced cooperation between capacity building providers at the regional and international level. (Full-text reports of these meetings are available at http://www.unep-unctad.org/cbtf/cbtf2/F1.htm.)

These regional meetings and consultations have been supplemented by a detailed stocktaking questionnaire on capacity building needs and activities distributed to governments, regional organizations, academic institutions, NGOs, experts and other entities involved in capacity building programmes. A list of capacity building providers – with those institutions responding to the questionnaires highlighted – is provided in Annex II.

Following the Conference held in in Jeju Island, Republic of Korea in March 2004, which provided the basis for the last comprehensive update of this paper, UNEP has focused its efforts on addressing the main capacity building needs identified during the consultation process (see Chapter V). A series of capacity building workshops conducted under the UNEP-UNCTAD Capacity Building Task Force (CBTF) addressed urgent needs for capacity building on integrated assessment, market access, MEA implementation, environmental goods and services and sustainable agriculture. Other UNEP-led capacity building activities addressed the issue of

positive and perverse incentives, focusing on fishery subsidy reform and promotion of economic instruments, natural resource valuation and accounting. While these activities are a first step towards addressing the identified needs, they are at the same time contributing to the process of continuous needs assessment. The workshops conducted over the last one and half years have reconfirmed the challenges and needs outlined in this paper.

Box 2: Regional Consultations and Meetings

European meetings. From 20-22 March 2001, a high level international meeting was organized under the auspices of UNEP and the German Federal Ministry for Environment, Nature, Conservation and Nuclear Safety (BMU) in Berlin, which attracted ministers and high level environment and trade officials from over 70 countries, as well as representatives of intergovernmental organizations, including the WTO and MEAs, and civil society. UNEP subsequently organized an international workshop in collaboration with the WTO on Capacity Building on Environment, Trade and Development in Geneva on 19-20 March 2002 to clarify ways to better design and coordinate capacity building programmes to meet the needs of developing and transition countries.

North American meeting. An international workshop was held on 16 July 2002 in Washington DC on Capitol Hill, convened by UNEP, in cooperation with the Carnegie Endowment for International Peace, the WTO and UNCTAD Secretariats. This workshop was attended by approximately 150 participants representing the US and other governments, intergovernmental and non-governmental organizations, think-tanks, foundations, universities, corporations, trade associations, law firms and the media. Presentations and discussions identified countries' capacity building needs and how international institutions could better respond to these needs.

Latin American and Caribbean meetings. An Alliance of Small Island States workshop was held on trade and sustainable development on 12-15 December 2001 in Montego Bay, Jamaica. Among other things, the workshop identified a number of issues for inclusion in needs assessments for capacity building initiatives in trade and environment in the region. A WTO regional workshop held on 28-30 January 2002 in Castries, St. Lucia included the participation of UNEP, UNCTAD and the Secretariats of three MEAs, and underlined the value of collaborative approaches to capacity building, especially with respect to the special needs of least developed countries and small island states. To define capacity building priorities for the broader Latin American and Caribbean region, a workshop was held on 19-21 February 2001 in Mexico City, co-sponsored by UNEP and other institutions including UNCTAD, the International Institute for Sustainable Development (IISD), the Mexican Council for Sustainable Development (COMEDES) and the National Autonomous University of Mexico. A second regional workshop for the region was held in Mexico City from 27-28 March 2003 to identify priority capacity building activities for the development of a long-term capacity building programme on trade, environment and sustainable development. Another workshop organized under the CBTF was held in Kingston, Jamaica on 27-28 November 2003. This workshop, which outlined and secured endorsement for a capacity building programme for this region, took place back-to-back with a WTO regional workshop on Trade and Environment, and was organized in collaboration with the Jamaican government, the Caribbean Community and Common Market (CARICOM) and the Institute for the Integration of Latin America and the Caribbean (INTAL) of the Inter-American Development Bank.

African meeting. A workshop on Trade, Environment and Development was convened in Cape Town immediately following the WTO Regional Seminar for Anglophone African Countries held on 22 May 2003. Organized under the framework of the UNEP-UNCTAD CBTF, it was attended by representatives of the ministries of trade and environment of 16 African countries, the South African Development Community (SADC), The New Partnership for African Development (NEPAD) and the African Ministerial Conference on the Environment (AMCEN). The workshop provided an initial assessment of capacity building priorities, including the identification of priority topics for a regional workshop in 2004. There are plans to conduct a similar workshop for Francophone African countries.

Pacific region meeting. The UNEP-UNCTAD CBTF held a workshop on Post-Doha Issues on Trade and Environment back-to-back with the WTO regional seminar for Pacific Island Countries on 29 November 2002. The Fiji meeting provided a forum for participants to identify priorities for possible future CBTF activities in the region.

Asian meeting. An international meeting took place in Jeju Island, Republic of Korea, on 27-28 March 2004. Co-hosted by the Korean Ministry of Environment and UNEP, it explored capacity building priorities related to environment, trade, and economic issues in the region, and served as a forum for discussing the outcomes and findings of the UNEP-facilitated consultation process to date and proposing recommendations for more effective, coordinated and demand-driven capacity building programmes.

III. Challenges and Shortcomings of Capacity Building

Assisting countries to meet the challenges of globalization and sustainable development places increasing demands on capacity building for integrated policy design and implementation. Despite recognition by the international community of the need for enhanced capacity building efforts, progress has been modest and current efforts are unable to satisfy the demand.

In order to develop a more effective approach to capacity building for the development of mutually supportive environment, trade and economic policies, there is a need for capacity building service providers and beneficiaries to reassess current approaches and work together to design and implement more effective programmes. The UNEP-initiated consultation process identified the following challenges and gaps to effective capacity building:

- Many capacity building service providers have not sufficiently coordinated their programmes to, *inter alia*, ensure a consistent, cost-effective, and long-term approach to capacity building. In many cases, services have been, and continue to be, delivered on an uncoordinated, adhoc basis by different institutions. There is a need to enhance coordination and share best practices, information and experience.
- There is insufficient country ownership of capacity building activities. Many activities remain insufficiently participatory, are not demand driven and have been conceived without adequate consideration of the specific requirements, needs and conditions of beneficiary countries. Consequently, they fail to reach relevant stakeholders and hence ensure adequate involvement and "buy-in" for new policies or policy-making processes promoted through capacity building programmes. In addition, the involvement of the private sector both in programme delivery and as programme beneficiaries has often been limited.
- Many capacity building activities have been one-off exercises, without linkages and lacking monitoring, evaluation, reporting and ongoing needs assessments to respond to emerging policy needs and priorities. Capacity is undermined when there is no continuity in the activities and if adequate resources (including technology and equipment) are not available. In addition, capacity building initiatives frequently lack a strategy for maintenance of capacity that is successfully enhanced.
- The provision of capacity building assistance has generally been based on a flow of services from North to South and West to East, without encouraging the active involvement of regional, sub-regional and national institutions in their design and delivery. This has entailed lost opportunities for enhancing South-South and East-East cooperation.
- Funding in recent years for capacity building in support of integrated policy design and
 implementation has been unpredictable. Current levels fall far short of meeting the growing
 demand for these capacity building services. In some instances, resources for capacity
 building exist but the major obstacle is the delay in obtaining the funds.

In light of these identified challenges and gaps, capacity building efforts must be advanced beyond currently adopted practices and approaches if they are going to meet the increasing and evolving needs of countries and regions.

IV. Developing Better Capacity Building Programmes

To develop better and more effective capacity building programmes, activities need to be clearly defined, coordinated and further extended to meet immediate and long-term country and regional needs and priorities. To achieve this, governments, funding agencies, service providers and beneficiaries should have a common understanding about the:

- definition of capacity building (i.e. what constitutes capacity building);
- *objectives* of capacity building (i.e. what capacity building should seek to achieve);
- key elements of capacity building (i.e. who should be involved and how); and

 delivery mechanisms available to build capacity (i.e. the main activities such as country projects, formal education, training and on the job training, policy dialogues, research and production of manuals).

IV.1 Definition of Capacity Building

The definition of capacity building as a means to promoting sustainable development is broad and can encompass a multitude of activities. It can mean building abilities, relationships and values that will enable organizations, groups and individuals to improve their performance and achieve their development objectives. It can also mean initiating and sustaining a process of individual and organizational change and can equally refer to change within a state, civil society or the private sector, as well as a change in processes that enhance cooperation between different groups of society.

Despite this broad definition, governments, funding agencies, capacity building providers and beneficiaries should strive to agree on some common capacity building principles. For instance, capacity building should strive to strengthen the processes, systems and rules that influence collective and individual behaviour and performance in order to address evolving development objectives and adapt to new and evolving demands and needs. Capacity building should also strive to build human and institutional capabilities to address the challenges of sustainable development. Moreover, capacity building should constitute more than one-off events by incorporating adequate follow-up, evaluation and ongoing needs assessments. Most importantly, capacity building activities should not be developed in isolation. Rather, they should be developed with an understanding of how they support and complement other capacity building activities and further the goal of long-term sustainable development objectives.

IV.2 Objectives of Capacity Building

There is a need for a clearer understanding of the objectives of capacity building between providers and beneficiaries. Questions such as: "What capacities should be built, for whom, on what topics, and to what end?" need to be addressed carefully. It needs to be considered that capacity building can have three different dimensions: building awareness, building analytical capacity and building decision-making capacity. Each one is equally important, but may involve different stakeholder groups and require a different strategy. A clearer set of objectives, mutually agreed among beneficiaries and suppliers, would help to effectively target activities, reduce redundancy, improve synergies and ensure that capacity building genuinely meets the needs of countries. To achieve this, beneficiary countries should take the lead in defining the objectives of national and regional capacity building programmes for sustainable development. In order to meet the defined objectives, they should also decide upon appropriate delivery mechanisms, the national institutions to be involved, and the funding required, both from national and external sources.

The following represents a possible set of objectives for building capacity in support of integrated policy design and implementation related to environment, trade and economic issues:

- Strengthening national capacities to develop mutually supportive economic, social and environmental policies for sustainable development;
- Enhancing the participation of developing countries and countries with economies in transition in international trade and environment debate and policy-making;
- Implementing MEA provisions taking into account economic, social and environmental considerations, while mitigating adjustment costs;
- Strengthening national and regional capacities in research, analysis, monitoring, and evaluation;

- Building of institutions and "centres of excellence" at local, national and regional levels to facilitate inter-agency coordination essential to the effective design and implementation of cross-cutting sustainable development strategies and integrated, mutually supportive policies;
- Enhancing the active participation and involvement of stakeholders in the formulation and implementation of sustainable development programmes and policies; and
- Empowering national and regional research and training institutions to design, implement, monitor and evaluate capacity building and training programmes.

In terms of integrated policy design, it is useful to consider the objectives of capacity building within the context of a complete policy cycle: from the assessment of existing policies, to the identification, design and implementation of new policies, to the monitoring and evaluation of the reformed policies. To the extent possible, programmes should aim to assist the beneficiary countries in addressing each element of the policy cycle, rather than only one element or a subset of elements.

IV.3 Key Elements of Capacity Building

The manner in which capacity building programmes are designed and implemented will determine their effectiveness and impact. Based on the results of the consultation process, the following elements were identified as essential to ensure that capacity building programmes are country-driven, cost-effective, coherent, complementary and sustainable.

3.1 Needs Assessment and Priority Setting

Beneficiaries have increasingly requested that programmes be tailored and based on needs assessments to ensure that they reflect current and emerging national needs and priorities. Accurate, carefully performed needs assessments are critical to priority setting and programme design and are essential if providers' services are to reflect the specific conditions and priorities of beneficiary countries. Capacity building needs a multi-stakeholder approach, as different people will need different things. It is therefore necessary to identify the right target groups already for the needs assessment, also considering the poor, women and marginalized groups. Further, the needs assessment should be completed by a capacity assessment and take into consideration existing capacities as well as capacity building providers. In some countries, for example certain topics have already been mainstreamed into the general university system whereas outside assistance is still needed on other issues. If done properly, a needs assessment could provide the foundation for future capacity building efforts, and could serve as a guide to how different capacity building providers could cooperate more effectively to address national needs as part of a long-term, coordinated commitment.

3.2 Participation

To ensure adequate "buy-in" to new policies and policy-making processes, participation needs to be enhanced and a broad spectrum of relevant stakeholders, including governments, the private sector, academia, national institutions, local communities (particularly those that are less privileged and marginalized) and NGOs need to be included in national policy assessment, development and implementation. The effectiveness of capacity building will ultimately be closely related to the process employed to enhance capacities of all relevant stakeholders and institutions.

Throughout the capacity building process, broad multi-stakeholder participation will enhance its legitimacy, transparency and accountability and increase the chances that it will result in changes in policies or the way they are implemented. A participatory process helps countries address new challenges in the future by generating the critical mass of experts and institutions at different levels and in varied sectors needed for policy development and implementation. Existing experts and institutions with core competencies on economic, social and environmental subjects play a key role in providing analytical capacities and ensuring political support. Further, the involvement of local authorities and relevant decision-makers, such as parliamentarians and

politicians in capacity building activities needs to be enhanced. The involvement and participation of the poor and underprivileged ensures that the interests of these segments of the population are considered and addressed, and increases the likelihood of their integration into the mainstream of society.

Broad multi-stakeholder participation in capacity building activities could also catalyse partnerships with the private sector as well as with regional organizations. Involvement of the private sector, establishment of partnerships between the public and private sectors, and stronger partnerships between sub-regional and regional and international organizations in the delivery of services could increase their value, cost-effectiveness and availability. In particular, strategic partnerships with the private sector could lead to better capacity building results given their technical and financial resources to carry out such activities.

3.3 Networking and Information Exchange

Building and sustaining capacity over the long-term will require enhanced networking and information exchange between partners at the local, national, regional and international levels. Networking and information exchange should be used to share experiences, provide technical and operational support, and disseminate the results of capacity building activities.

Many countries have an untapped wealth of local expertise existing in national ministries, research institutions, universities and non-governmental organizations. Identifying these people, bringing them together, and sustaining their relationships can strengthen national capabilities. Therefore, one of the key goals of the process of capacity building should be to catalyse a network of institutions and national teams of experts from varied sectors and organizations to ensure that capacity building is broad-based, spans institutions and remains in place even as individuals involved in projects move to assume other functions. In the end, one of the most important outcomes of capacity building efforts is the relationships and partnerships it has created.

3.4 Country Ownership and Local Expertise

Countries should be the driving force behind their capacity building initiatives. To ensure country ownership, capacity building strategies and targets need to be identified by the countries, preferably through participatory processes and as part of national development plans or other planning processes. Local experts and institutions should have a lead role in developing methodologies and approaches that are adapted to a country's needs and priorities. Moreover, to build local capacities it is important that national experts and institutions have the primary responsibility for formulating, implementing and evaluating capacity building programmes and activities. Outside technical support should be brought in to complement and support national efforts as and when required. Such a collaborative approach enhances the effectiveness of capacity building efforts and increases the likelihood that they will induce changes and be self-sustaining in the long-term.

Adopting a "learning-by-doing" approach enhances the effectiveness of capacity building by encouraging ownership, securing stakeholder "buy-in" and building technical capacity through direct engagement of local experts and institutions. It cannot be over-emphasized that it is essential that national experts, institutions and local communities should be involved at all stages in the design, implementation, follow-up and evaluation of capacity building activities.

Governments should take the lead for taking the process forward and establish focal units, which remain in charge of an activity in order to ensure institutional learning and memory. They also play a key role in disseminating results to the public, while NGOs may take the lead to stimulate new processes and activities.

3.5 Coordination and Cooperation

Cooperation between capacity building providers is essential in order to ensure complementarities and supportiveness of capacity building programmes and activities. Although there are already efforts to enhance cooperation among agencies, more is still needed. Relevant international, regional and sub-regional institutions that provide capacity building services, such

as UNEP, UNCTAD, the WTO, UNDP, the World Bank, UN Regional Economic Commissions, and MEAs, should cooperate more closely to provide integrated and coherent efforts to build capacity in response to national needs. This could be ensured through regular meetings. Greater efforts to coordinate among capacity building providers, such as development assistance organizations, donors and NGOs, at the national, regional and international level would help to reduce redundancy, avoid overtaxing limited capabilities to absorb capacity building services, and allow more to be achieved with fewer resources. In this context, it is critical to strengthen South-South cooperation through national, regional and sub-regional institutions. Coordination and cooperation should also include the regular exchange of information and the translation of international documents into basic language that can be easily understood by stakeholders.

3.6 Funding

Ensuring adequate and sustained funding for strategic capacity building programmes remains an urgent priority. Attracting donor support for large multi-year grants to sustain long-term, integrated programmes is essential. Ensuring coordination between bilateral donors and intergovernmental and non-governmental organizations and various national institutions should enhance the effectiveness of financial resources provided to support capacity building programmes and activities. Inter-ministerial coordination at the national level will further enhance the effectiveness of these programmes. In order to maximise the positive impact of capacity building within the constraints of limited resources, efforts should focus on those areas that have the greatest and most favourable impact on sustainable development.

3.7 Monitoring and Evaluation

The effectiveness of the capacity building efforts should be monitored throughout the capacity building process to ensure that adjustments are made during the process and lessons are applied to strengthen future activities. Most capacity building programmes do not include a monitoring and evaluation component to evaluate and assess their effectiveness. This should be rectified by ensuring that monitoring and assessment are an integral part of capacity building programmes in order to ensure that corrective actions are introduced when required and that the findings and outcomes of the assessment are used to formulate more effective future capacity building programmes and activities. Benchmarks could be used to monitor and evaluate the impact of capacity building efforts and to assess their long-term impact.

IV.4 Delivery Mechanisms for Capacity Building

As stated earlier, capacity building extends beyond training courses or the convening of workshops and seminars. It includes a broader range of activities undertaken to enhance individual and institutional capacities, foster inter-institutional cooperation and build new partnerships and relationships between multilateral, regional, sub-regional and national institutions. National and regional delivery mechanisms adopted for specific capacity building programmes should be based on needs assessments and reflect the distinct conditions existing in different countries and regions. Some of the delivery mechanisms that may be used in capacity building to promote sustainable development, and that have been shown to be successful in the past, are presented below. However, this is merely an illustrative list of such delivery mechanisms. There are a number of other delivery mechanisms available and currently being applied by capacity building providers.

4.1 Country Projects

Country projects are an effective tool for building individual and institutional capacities if they are designed and conducted in an appropriate manner and address issues relevant to the country. To ensure that projects result in the desired outcomes and contribute to the enhancement of national capacities, it is essential that projects are country-driven and emanate from a real need and policy priorities of the country. In many instances, identification of the problem and project design has been undertaken by an international development or aid agency and not by local

institutions. This often results in the failure of the project to identify the appropriate objectives and contribute to capacity building.

To overcome this shortfall, projects should be designed as well as implemented by national experts and institutions. Moreover, all relevant stakeholders should be involved in the design and implementation of project activities. In some cases, the first step of the capacity building effort could be assistance for drafting the project proposals.

The involvement of national experts and institutions in this manner will ensure that actual incountry capacities are built and strengthened. It will promote the role of and engagement of national research institutions and the private sector in national development programmes and activities. These institutions will be able to carry on the process once international development and aid agencies have pulled out.

Adopting a participatory and transparent approach in the design and implementation of projects empowers local communities and the public in general and enhances the sense of ownership of the projects and their outcomes. This contributes to ensuring that the outcome of projects and recommended follow-up activities will influence policy and decision-making, and be implemented by concerned entities and accepted by the public and local institutions. Above all, such an approach ensures that the solutions and recommendations proposed by the project will provide local solutions to local problems that meet the specific needs of countries and are practical and implementable.

4.2 Thematic Research

Studies and research work should be identified and led by national experts and institutions to further strengthen and enhance local capacities. Research on specific topics should build on previous work undertaken at the national and international level, and should aim at providing practical recommendations and actions to support sustainable development priorities and objectives. Collaborative South-South and North-South cooperation in research provides a strong mechanism to enhance individual, institutional and national capacities and should therefore constitute a long-term objective of countries.

4.3 Training and Education

Needs assessments should result in the identification of long- and short-term training needs, including topics to be addressed, target groups and funding requirements. Such training needs should be closely linked to government development priorities and the required national expertise needed to support national development efforts. Training should build on local experiences, case studies and involve local experts. Training resource manuals and guidelines to assist national trainers to conduct training courses and programmes should continue to be developed. Such materials can then be adapted and customized to meet local needs and requirements. Ready-made training courses and workshops, which do not reflect country and regional needs, priorities and realities, have often proven to be ineffective.

Strengthening capacities as part of a long-term, continuous and self-sustaining effort will require building the number and capacity of trainers. The training of trainers is a useful delivery mechanism, if undertaken in terms of long-term professional development in training skills and substantive issues. Done in such a way, it will ensure that local capacity is built and increase the likelihood that the training material will continue to be disseminated. Bringing experts and trainers together into networks, in which they could explore training materials, discuss training methodologies and further training needs, would allow for a move from a workshop-based approach of training individual officials to one of training institutions that can themselves deliver capacity building activities over the long-term.

In addition to professional training, traditional educational institutions have a role to play in building the critical mass of people supporting a new concept or change process. In order for the concept of sustainable development to be nurtured from early childhood it must be formally integrated within the curriculum of educational institutions from the early years through advanced education. Post-secondary educational institutions, in particular, can provide useful capacity building by training individuals from developing countries in various areas impacting

sustainable development. Training these "experts and decision-makers of the future" can lead to long-term capacity building and increase the likelihood that the capacity building efforts will be self-sustaining. Educating the general public on sustainable development issues is another essential aspect of moving the change process forward. Mass-media communication channels such as television, radio, websites, theatre and newspapers could be effective capacity building tools to increase awareness and facilitate distance learning.

4.4 Manuals and Reference Material

Although there are many useful reference materials to support capacity building, more can be done to develop user-friendly manuals that can be customized to specific countries, issues, or sectors. In order to accomplish this, manuals and training materials should be based on best practices, experiences gained through country projects and case studies. Ideally, these materials would need to be updated on a regular basis to ensure capacity building beneficiaries are provided with the most up-to-date information and analysis. National and regional institutions should be involved and take primary responsibility to develop more systematic programmes of capacity building that are adapted closely to national and regional needs and priorities. Specific training reference manuals need to be developed to train the trainers, and provide them with the tools to pass on knowledge and skills to others. Such materials - tailored to the needs of trainers - can help empower practitioners at the national and regional levels, and catalyse the next generation of capacity builders. The documents should be simple, user-friendly, use uncomplicated language that be easily understood and translated. Manuals and reference material need to be available in local languages to ensure the desired impact. They also need to be targeted to serve a specific purpose; different materials are required for general awareness-raising as compared to building analytical or decision-making capacity.

4.5 National Workshops and Policy Dialogues

Focusing on key issues, workshops should be designed to be participatory, results oriented and contribute to long-term national capacity building efforts. Workshops should aim at promoting understanding of specific issues, exchange of experience and knowledge, and provide recommendations for concrete follow-up action for enhancing national capacities to develop and implement mutually supportive policies. They can also catalyse the development of national networks of policy makers, experts and stakeholders who together can more effectively address complex policy integration challenges. To enhance ownership and to increase the value of these activities, national experts should take the lead, or at least be actively involved, in organizing and convening the workshops. Moreover, participants should, when appropriate, be requested to prepare contributions and presentations that draw on existing experiences with particular relevance to the issues being addressed. To further enhance the capacity building element, short training and breakout sessions/working groups on specific topics could be included within the workshops.

Drawing on a wider range of perspectives, workshops promoting policy dialogues can help raise awareness, and encourage the exchange of perspectives among experts, practitioners and negotiators. Policy dialogues are particularly valuable in the needs assessment phase of capacity building, and for sharing existing knowledge and skills at the beginning of the design process and throughout implementation of a capacity building programme.

4.6 Regional Policy Dialogues

Sharing experiences and knowledge between countries and regions allows countries to learn from the successes and failures of others, share best practices and identify new partners for further capacity building and integrated policy-making efforts. Such activities support greater South-South and East-East cooperation in capacity building activities. There is great potential to develop capacity building processes at the regional level, as similarities can be found in levels of economic development, climate and natural resource endowments, sectors of economic importance, and culture and language. The development of a common regional and sub-regional understanding about requirements for sustainable development, and the appropriate policy tools at national, regional and international levels provides fertile ground for enhancing multi-level

cooperation and effective integration of policies. Regional and sub-regional institutions could provide an effective institutional set-up for delivering technical assistance and capacity building activities and programmes and assist in subsequent policy design and implementation. In addition, regional events, such as workshops, thematic research and case studies undertaken at the regional level, could be an effective tool to enhance cooperation and coordination of activities between public and private sector institutions and experts.

V. Capacity Building Needs Identified in Support of Integrated Policy Design and Implementation

The regional workshops and consultations revealed a strong demand for capacity building activities in support of integrated policy design and implementation. When effectively designed, delivered and evaluated, such capacity building activities should succeed in catalysing a self-sustaining cycle of integrated policy assessment, reform, design and implementation. However, as the consultation process revealed, in most instances:

- Efficient policies, incentives and technologies needed to promote sustainable trade, alleviate poverty and protect natural and environmental resources remain underdeveloped.
- Macroeconomic and sectoral policies for trade, agriculture, urban development, and tourism etc. are often formulated with little or no regard for the environment.
- National institutional capacities required for assessing, designing, and implementing sustainable development policies remain inadequate.
- National capacities to assess the implications (environmental, social and economic) of multilateral trade and environment agreements are generally weak.

During the consultation process, a number of general capacity building needs related to integrated policy design and implementation were identified, including:

- Improving horizontal coordination and cooperation between policy sectors and the respective ministries by creating appropriate national level mechanisms to enhance communication between national entities.
- Improving the understanding of the inter-linkages between the social, economic and environmental impacts of policies and economic activities.
- Involving more ministries in capacity building initiatives for sustainable development, including the Ministries of Finance and Planning who allocate and solicit funds for countries' development programmes.
- Improving the policy-making process by working on all steps of the policy-making cycle.
- Promoting good governance that focuses on supporting sustainable development goals.
- Improving vertical coordination and cooperation between the different international, regional, national and local administrative levels.
- Enhancing participation of civil society, including NGOs and the business sector.
- Enhancing the capacity of local experts to steer a participatory process, including how to apply methodologies.
- Creating an inventory of capacity building providers and ongoing capacity building activities.

The consultation process also identified a number of specific capacity building needs in support of integrated policy design and implementation as it relates to environment, trade and economic issues. The following provides an overview of these needs. Specific needs identified for each region are also outlined in a table attached hereto as Annex I.

Integrated Assessment

Integrated (or sustainability impact) assessment provides a systematic and inter-disciplinary approach for considering the full range of environmental, social and economic impacts of proposed policies and can be applied at a number of stages in policy-making and planning processes. It is an instrument to:

- Coordinate actions between departments, facilitate communication and integrated policymaking, build consensus and build technical and administrative capacity.
- Design policy packages to promote the positive impacts of the policy and mitigate any negative ones.
- Encourage good governance by increasing transparency and accountability in decision-making and enhancing the involvement of key stakeholders such as NGOs, local communities, academia, the private sector and other domestic interest groups.

Integrated assessment can also be used as a tool to enhance the capacities of governments, national institutions and local experts, particularly when these actors are responsible for the application of the integrated assessment. Specifically, integrated assessment of trade and other macroeconomic policies can assist countries in identifying and evaluating the environmental, social and economic impacts, thereby enabling the design of integrated policies that maximize the net development gains from these policies.

The following specific capacity building needs related to integrated assessment were identified in the consultation process:

- Develop country specific assessment approaches and indicators based on country specific case studies.
- Raise awareness of legislators, ministers and other stakeholders about the importance of integrated assessment.
- Improve capacity for environmental data collection, e.g. by promoting tools such as annual environmental reporting and environmental management accounting.
- Enhance the capacity to assess the interlinked economic, social and environmental effects of foreign direct investment associated with privatization and trade liberalization policies.
- Enhance awareness of, and support additional research on, the relationship between poverty, trade and the environment and the role of trade in poverty alleviation and sustainable development.
- Support the development and implementation of effective harmonized policies, legislation and regulatory frameworks to address trade and its environmental, economic and social impacts.
- Enable countries to develop and implement appropriate policy responses to the outcomes from integrated assessments.
- Promote ex-ante assessment during policy planning processes instead of identifying flanking policies ex post.
- Develop clear cut-off criteria, as integrated assessment cannot be applied to every single decision in view of limited government resources and capacities.
- Enhance coordination and information exchange between key actors regarding experiences with integrated assessment and clarify differences in terminology, language, assumptions and approaches used by the various actors in this area.

Positive and Perverse Economic Incentives

Market-based incentives, including economic instruments, if properly designed can be effective tools in promoting sustainable development by influencing production and consumption

patterns, raising revenue for sustainable development purposes and supporting the implementation of MEAs. Conversely, certain subsidies, such as those used in the fisheries sector, can often create perverse incentives and contribute to over-consumption and environmental damage. Development and implementation of integrated market-based policies, and reduction of market- and trade-distorting policies, including environmentally damaging subsidies, would help secure the sustainable management of natural and environmental resources needed to support national development objectives.

The following specific capacity building needs related to incentive measures were identified in the consultation process:

- Promote the use of economic instruments to achieve environmental and sustainable development objectives, including the implementation of MEAs.
- Enhance sustainable management of trade-related natural resources including the use of economic instruments.
- Develop educational programmes to train environmental economists in developing countries and regions where there is a shortage of such expertise.
- Assess the environmental as well as social and economic impacts of fishery subsidies.
- Reform perverse fisheries subsidies and enhance sustainable fisheries management.
- Build capacity in understanding the polluter pays principle.

Natural Resource Valuation and Accounting

Current systems of national accounts provide misleading information on national economic growth. Decisions are often taken narrowly on the basis of incomplete projections of GDP growth, which neglect social and environmental indicators and costs associated with natural resource depletion and environmental damage. The real impacts of trade are seldom revealed in systems of national accounts (SNAs). Natural resource accounting is a tool that enhances the accuracy of SNAs by reflecting the depletion and degradation of natural resources resulting from economic activities. Attempts should be made to demonstrate how the environmental, economic and social impacts of trade and other macroeconomic policies could be incorporated in SNAs so that trade policy options capable of maximising welfare and sustainability can be identified.

The following specific capacity building needs related to natural resource valuation and accounting were identified in the consultation process:

- Promote more accurate valuation of natural resources to ensure that resources are not underpriced, and that local communities can receive a fair price for their products.
- Identify and apply appropriate tools and techniques for the economic valuation of environmental goods and services.
- Develop techniques and methodologies to reflect the depletion and degradation of environmental and natural resources on the system of national accounts to develop more accurate indicators for measuring development and human welfare gains.

Market Access and Sustainable Trade

Securing greater market access is a major trade objective of developing countries. However, assistance is particularly needed in least developed countries, where the ability to comply with standards is limited and knowledge of international standards needs to be improved. Capacity building must help countries to identify and enhance synergies between economic growth, the eradication of poverty, and enhanced environmental protection. There is a need to develop trade policies that promote poverty alleviation, sustainable trade and the equitable distribution of the benefits of trade.

New policies and market-based instruments are required to enhance market penetration while allowing for product differentiation and providing an incentive for more sustainable production and consumption. In some cases they may need to support the higher profit margins producers need to finance the greater cost internalisation of environmental externalities, both within firms and through national policies.

The following specific capacity building needs related to market access and sustainable trade were identified in the consultation process:

- Enhance compliance with international health and environmental standards and identify opportunities for market access for certain exports.
- Enhance compliance with sanitary and phytosanitary measures (SPS) and technical barriers to trade measures (TBT), for instance: addressing concerns of conformity assessment, active participation in international standard setting, facilitation of market access, independent certification, and avoiding the involuntary introduction of invasive alien species.
- Assist in understanding the relationship between the emerging biosafety regime and the WTO SPS and TBT Agreements.
- Assist negotiators in preparing for international negotiations and in participating effectively in related forums, such as the WTO Committee on Trade and Environment (CTE).
- Provide better training for customs officers, especially in the light of growing illegal trade, which often has significant negative environmental impacts.
- Assist countries to adjust to major transitional challenges posed by the multilateral trading system, to assist them in reorienting their economies and diversifying their production base.
- Identify goods, services, and the mechanisms that promote sustainable trade.
- Examine the market-access and environmental effects of eco-labelling, and identify tools and procedures to maximise the contribution of eco-labelling to sustainable development.
- Build capacity on understanding trade, environment and poverty interlinkages.
- Promote trade in environmentally friendly products, particularly those from developing countries.
- Assessing the impact of environmental regulations on the exporting capacity of developing countries has been identified as a specific need that is not sufficiently considered in capacity building activities.

MEA Implementation

The continuing expansion of international environmental and trade laws is increasing the need for policy coherence and coordination at all levels, and in particular between MEAs and the WTO. To maximize the joint contribution of trade and environment policies to sustainable development, the mutual supportiveness and coherence of trade and environment agreements, and the related rules and institutions need to be strengthened. For many developing countries and countries with economies in transition, insufficient capacity and limited technical, technological and financial resources impede the implementation of MEAs. Capacity building efforts, therefore, would need to include activities to make the complex and often finely balanced international agreements comprehensible to the respective policy making communities and enable them to understand inter-linkages and identify synergies.

The following specific capacity building needs related to MEAs were identified in the consultation process:

 Promoted integrated assessments for mainstreaming MEA commitments within national economic development and poverty reduction plans and identifying the extent to which they affect other economic sectors. Use integrated assessments to identify incentives and disincentives related to MEA implementation, and to ensure that policies used in support of MEAs are coherent.

- Enhance cooperation and coordination among different actors involved in MEA implementation at national and at international level.
- Link capacity building efforts in support of MEA implementation to the larger trade and sustainable development agenda.
- Promote the design and application of economic instruments in support of MEAs.
- Develop a clearer understanding of the relationship between the multilateral trade and environment regimes, including the relationship between WTO rules and specific traderelated measures in MEAs, and promote MEA observer status in relevant WTO committees.
- Support for additional research and case studies to examine whether the identification or certification of traded goods that are being produced in a manner supportive of MEAs creates more trade barriers or more trade opportunities.
- Develop a clearer understanding of the relationship between trade-related intellectual property rights and the Convention on Biological Diversity (CBD).
- Develop synergies between technology transfer provisions in MEAs and the WTO, with a view to strengthening the implementation of these provisions.
- Promote policy integration among MEAs for maximizing synergies, such as between CITES,
 CBD and the Ramsar Convention in relation to biodiversity-related issues.

Regional Economic and Trade Agreements

Liberalisation of trade can only lead to sustainable development if accompanied by adequate environmental safeguards. Regional and bilateral economic and free trade agreements offer a good opportunity to integrate environmental objectives into regional policy making. They can be used as instruments to achieve global, regional and national environmental objectives. Regional level work could offer economies of scale and a potential to move faster on policy integration issues than at the international level, due to commonalities within the region.

Conducting integrated assessments prior to the signing of regional and bilateral free trade agreements will provide information regarding the potential environmental, social and economic impact of the agreements. Many international organizations, such as the European Commission, are already supporting such assessments of trade agreements.

The following specific capacity building needs related to regional economic and trade agreements were identified in the consultation process:

- Support integrated assessment with regard to the Free Trade Area of the Americas (FTAA), EU-ACP Economic Partnership Agreements (EPAs) and other regional and bilateral trade agreements.
- Enhance negotiating capacity with regard to economic partnership agreements and regional and bilateral trade arrangements, including tariff reforms, subsidies and standardisation.
- Enhance the capacities of NGOs working in the field as they play an important role in following up on trade negotiations.

Environmental Goods and Services and Environmentally Preferable Products

Environmental goods and services (EGS) provide major export opportunities for many countries including developing countries. Environmental goods may include such things as environmentally sound technologies (EST) and products whose production and consumption generate less impact on the environment and/or make a more efficient use of natural resources, such as recycled paper or energy efficient products. Environmental services include waste and

sanitation services, sustainable tourism and transportation, and other services that generate positive environmental impacts. Environmentally preferable products (EPP) - one category of environmental goods - are products that are similar to other products but preferable with respect to their resource use, waste generated, human and animal health impacts, and preservation of the environment.

Access to, and local adaptation of, ESTs can improve the local efficiencies of global production chains while providing the physical capital needed to support EPP production. In turn, EPPs provide opportunities for countries to meet growing consumer preferences for 'green' products, add value to their exports, and achieve export diversification. To fully understand and take advantage of these opportunities capacities in developing countries need to be built.

The following specific capacity building needs related to EGS and EPPs were identified in the consultation process:

- Enhance capacity to meet certification and other importing requirements for environmental goods.
- Support studies for developing countries to identify areas of export interest and competitiveness in EGS and EPPs.
- Increase capacity to engage effectively in international trade negotiations on liberalization of trade in environmental goods and services.
- Develop policies and actions to take advantage of market access opportunities for environmentally preferable products.
- Adapt and use environmentally sound technologies to help capture market access opportunities for exports of environmentally preferable products.
- Establish technological and environmental management systems in the manufacturing sector to facilitate environmentally sound operations providing goods and services for trade.
- Enhance the role of the private sector in designing policies that promote the export of
 environmentally preferable products and developing sustainability indicators for such
 products.
- Enhance technology transfer especially to promote energy efficiency and renewable energy sources.
- Promote eco-tourism and sustainable management of tourism resources.

Intellectual Property Rights and the Environment

Intellectual property rights, such as patents, copyrights or other means of protecting the control and use of an innovation aim at giving incentives to innovation. As they relate to the environment, these rights need to be properly balanced to ensure sustainable development. This policy interface raises a range of issues, including those arising in relation to genetic resources, traditional knowledge, access and benefit sharing, technology transfer, agriculture and biodiversity conservation. In particular, the knowledge, innovations and practices of indigenous and local communities (referred to as traditional knowledge) could have many applications that can help in alleviating poverty in rural areas. Capacities in developing countries need to be built to understand the opportunities and threats that relate to this policy interface.

The following specific capacity building needs related to intellectual property rights and the environment were identified in the consultation process:

 Understand the relationship between Trade-Related Intellectual Property Rights and the Convention on Biological Diversity. Develop policy tools which integrate biodiversity conservation and the protection and reward of intellectual property rights, including establishing regimes for the protection of traditional knowledge, systems for access and benefit sharing, agricultural biodiversity and technology transfer.

- Support government negotiators and traditional and indigenous communities, who own the intellectual property rights, to effectively engage in relevant negotiations.
- Develop national systems to protect and benefit from traditional knowledge by providing incentives for the production and export of technology-based goods.
- Support study and research on indigenous knowledge in the area of environmental protection to draw upon these lessons for application.

Sustainable Agriculture and Forests

Given the central importance of the agricultural and forestry sectors for poverty alleviation and its close links with the environment, several capacity building needs were identified during the consultation process. Issues including land tenure and land and water use are fundamental to the agricultural and forestry sectors and managing these resources in an integrated manner will be essential for achieving sustainable development. Outcomes from ongoing agriculture negotiations at the WTO and in a number of other forums could greatly impact market access, reductions of export subsidies and substantial reductions in trade-distorting domestic support. Interactions between these policies, and trade liberalization generally, have a critical influence on food security, poverty alleviation and sustainable agricultural and forestry practices.

The following specific capacity building needs related to sustainable agriculture and forestry were identified in the consultation process:

- Examine the relationship between environment, trade liberalization, and agriculture or forests.
- Design policies to encourage domestic production to support food security.
- Promote efforts for the design and implementation of sustainable agriculture and forestry policies.
- Promote market access and value added for sustainably produced agricultural and forestry products to increase competitiveness in international markets.
- Develop new technologies, especially the development of clean technology and promotion of homegrown technologies.
- Develop strategies for redeployment of producers and support poor farmers displaced by agricultural and forestry trade liberalization.
- Support organic farming as it opens up new niche markets.
- Support farmers to access credit and extension services.
- Support small businesses focused on sustainable natural resource management.

VI. Conclusion

Capacity building holds a key to designing and implementing more integrated policies for sustainable development. Yet, as demonstrated by the regional consultations discussed in this paper, governments and other actors in all regions consider that more can be done to develop more open, systematic, and cooperative approaches to capacity building.

Efforts are required, among other things, to develop agreement around the definition of capacity building, its objectives in specific contexts, and its key elements and delivery mechanisms. As a contribution to these efforts, the following Annexes include information about regional capacity

building needs, capacity building service providers and their relevant programmes, which may form the basis of further efforts to increase cooperation:

- Regional consultations and regional needs. Annex I sets out in summary form the results of the
 regional consultations with governments, international organizations, business and NGO
 representatives on needs and delivery mechanisms for capacity building on environment,
 trade and development. It provides a list of issues and needs identified through an
 extensive process of consultations, which might be addressed through future cooperative
 efforts to build capacity in these regions.
- Capacity building providers. Addressing these needs will require additional collaboration among the main providers, beneficiaries and other stakeholders in capacity building. Annex II provides a list of leading institutions with the ability to provide capacity building services, which could be involved in responding to regionally-identified needs on a more systematic and coordinated basis.
- Specific information on capacity building programs. Collaboration must be founded on knowledge of comparative areas of expertise and advantage among different capacity building providers. Annex III provides information on the specific programs and services provided by various leading institutions.

The information in these annexes will be augmented on an on-going basis as this paper is updated. UNEP looks forward to collaborating with a range of partner institutions to put in place capacity building efforts that are better suited to the needs of countries and their citizens, and that contribute to realizing the international community's recommendations in international instruments including the WSSD Plan of Implementation, and the Millennium Development Declaration.

Annex I: Results of Regional Consultations

Participants ³	Capacity Building Needs	Proposed Delivery Mechanisms and Approaches
Ethiopia (Ministry of Trade and Industry, Environmental Protection Authority) Gambia (National Environment Agency Ghana, Ministry of Trade and Industry, Ministry of Environment and Science) Kenya (Ministry of Environment, Ministry of Trade and Industry) Lesotho (Ministry of Tourism, Environment and Culture) Malawi (Ministry of Natural Resources and Environmental Affairs, Ministry of Commerce and Industry) Mauritius (Ministry of Environment, Ministry of Industry and International Trade) Mozambique (Ministry of Industry and Trade, Ministry of Environmental Affairs) Nigeria (Federal Ministry of Environment, Federal Ministry of Environment, Federal Ministry of Environment, Federal Ministry of Environment, Ministry of Environment, Ministry of Environment and Industry, Ministry of Environment and Industry, Ministry of Environment and Industry, Ministry of Environment and Tourism) Sudan (Higher Council for Environment and Natural Resources, Executive Office of the National Negotiator for Accession of Sudan to the WTO) Swaziland (Ministry of Enterprise & Employment) Uganda (Ministry of Tourism, Trade and Industry) Zimbabwe (Ministry of Environment and Tourism)	The workshop had two main objectives: 1) to facilitate a substantive discussion and exchange of national experiences on key trade and environment topics, and 2) to make an initial assessment of capacity building priorities, including the identification of possible topics for a regional workshop in 2004. The workshop identified four clusters of topics as priorities for future capacity building in the region: Integrated assessments; MEA-WTO relations; TRIPS, Traditional Knowledge (TK), CBD and Access and Benefit Sharing (ABS); and Agriculture and its relations with the environment. From the workshop discussions and the collated questionnaire responses, the following seven issues emerged as areas of capacity building priority on the trade, environment and sustainable development policy interface. Integrated assessment and mutually supportive trade and environment policies, including economic instruments. MEA-WTO relations and trade and economic impacts of MEAs. TRIPS, Traditional Knowledge (TK), CBD and Access and Benefit Sharing (ABS). Agriculture, environment, food security, GMOs, organic agriculture and environmentally preferable products (EPPs). Sustainable Tourism. Environmental and health requirements and market access. Environmentally sound technology. Training for negotiators with regard to WTO, EPA, RTA and bilateral trade arrangements.	The following points were stressed by participants: A regional event to take the form of one regional workshop for all Anglophone countries or two sub-regional ones to cover the group (one regional could be the most cost-effective option). Preparatory activities for a regional capacity building event such as e-learning, the conduct of case studies or thematic research (to enhance the value of the event, and to increase ownership of it). Asking delegates to make specific contributions to the workshop, in the form of a short paper or presentation to increase the value of the activities. Making use of existing examples and case studies and seeking synergies with other related initiatives. Including training and breakout sessions/working groups on specific topics within the workshop. Having a diverse pool of resource people and to make maximum use of the knowledge and experience of participants.

³ These governments and organizations attended the UNEP-UNCTAD CBTF workshop for Anglophone African Countries held in Cape Town South Africa in May 2003 and also responded with completed questionnaires.

New Partnership for Africa Development (NEPAD) South Africa Development Cooperation (SADC)

THE CARIBBEAN REGION AND SMALL ISLAND STATES

Participants⁴

Capacity Building Needs

Proposed Delivery Mechanisms and Approaches

Governments

Antigua and Barbuda (Ministry of Tourism and Environment)

Barbados (Ministry of Foreign Affairs and Foreign Trade, Ministry of Physical Development and Environment)

Belize (Ministry of Natural Resources, The Environment, Industry and Commerce, Ministry of Economic Development)

Curação Netherlands Antilles (Department of Economic Affairs)

Grenada (Ministry of Foreign Affairs and International Trade, Ministry of Health and the Environment)

Haiti (Ministère de l'Environnement, Ministère du Commerce et de l'Industrie)

Jamaica (Ministry of Foreign Affairs and Foreign Trade, Ministry of Land and Environment)

St. Kitts and Nevis (Ministry of International Trade & CARICOM Affairs, Ministry of Health & Environment)

St. Lucia (Ministry of Physical Development, Environment and Housing, Ministry of Commerce, Investment and Consumer Affairs)

St. Vincent and the Grenadines (Ministry of Foreign Affairs, Commerce and Trade Ministry of Health and Environment)

Trinidad and Tobago (Ministry of Enterprise Development and Foreign Affairs, Ministry of Public Utilities and the Environment)

The summary here-below consolidates the capacity building priorities for the region including: those highlighted during the WTO Regional Seminar on Trade and Environment in Kingston, Jamaica on 25-26 November 2003 and the back-to-back UNEP-UNCTAD Capacity Building Task Force (CBTF) Workshop on Trade, Environment and Sustainable Development on 27-28 November; communications received from participants from the Caribbean region during the 2001 and 2002 Mexico Workshops; responses to the questionnaire from governments and regional organizations in the region; and results of UNEP's ongoing consultations from governments.

Sustainability/integrated assessment

- Support efforts to undertake sustainability/integrated assessments at the national level to determine the economic, environmental, social and developmental effects of trade and trade liberalization (in the WTO, FTAA, ACP-EU and other relevant fora) in sectors of national priority, in particular the tourism, manufacturing, agriculture and fisheries sectors.
- Design integrated policies to alleviate poverty and maximize sustainable development gains from expanded trade and trade liberalization in key sectors.

Environmental Goods and Services (EGS)

- Identify environmental goods and services, including environmentally preferable products (EPPs), which are not technology driven but product driven; are of potential export interest to the Caribbean; and which can be produced by small and medium-sized producers.
- Develop the technical capacity and policies necessary to increase the production and competitiveness of these products for export, and also to negotiate on these issues

The following points were stressed by the participants:

- Six country projects on issues to be selected by countries in the region, including at least two on integrated assessment of trade liberalization in sectors of major economic importance to individual countries and/or the region;
- Four thematic research projects on which contribute to the development of policies and institutional capacities to increase exports of sustainable and environmentally preferable goods and services from the Caribbean. This initial list is based on sectoral priorities identified in the CBTF workshop:
 - Agriculture

 (including organic agriculture);
 - Tourism;
 - Fisheries;
 - EGS and EPPs related to MEA implementation.
- Establish and service a database and network of collaborating institutions for the Caribbean Region, largely located there (e.g. facilitated by CBTF).

⁴ The listing shows governments and organizations that attended UNEP/UNEP-UNCTAD Capacity Building Meetings for the Region from 2001 to date.

Emancing Capacity Building for Integrated Forcey Design and Implementation for Sustainable Development

Regional Organizations

Basel Caribbean Regional Centre (CARIRI)

Caribbean Community and Common Market (CARICOM)

Caribbean Regional Negotiating Machinery (RNM)

Organization of Eastern Caribbean States (OECS)

in relevant forums.

Examine the potential of organic agricultural produce as an EPP that could have particular export potential from the Caribbean region.

Environmental requirements, market access and competitiveness

- Enhance the capacity of local industry to deliver services and products which meet national and international environmental standards with particular focus on the agriculture, fisheries, tourism, manufacturing, cultural and forestry sectors, traditional knowledge-based products and non-wood forest products (NWFPs).
- Enhance teaching, training and research capacity on issues relating to standards and certification, including through development of early warning systems and networking and information exchange on these issues among countries.
- Assist small and medium-sized enterprises SMEs on market research, market delivery systems, meeting environmental standards, effectively using environmental management systems (EMS), and product development.

MEA-WTO interactions

- Strengthen the capacity at the national and regional levels to analyze and respond to potential conflicts between trade and environmental policies and legal obligations, both at the national level and with regard to multilateral environmental agreements (MEAs) and WTO agreements.
- Identification and assessment of trade enhancement opportunities at national and regional levels, related to the implementation of MEAs.

Cross-cutting needs

- Strengthening cooperation at subregional and regional levels, and between regional institutions.
- Enhancing inter-ministerial cooperation and coordination at national level.
- Establishing and/or strengthening of regional mechanisms and networks to promote the exchange of knowledge and actions on integrated assessment and economic cooperation relating to trade and environment issues generally.
- Develop a regional database to promote awareness of, and interest in, issues surrounding trade, environment and sustainable development, with emphasis on market opportunities and constraints.

 Close collaboration with relevant regional organisations such as CARICOM, OECS, RNM, IADB, Caribbean Development Bank, ECLAC and possibly also UNDP and the World Bank. Strengthening the negotiating capacity of
 Caribbean countries on trade and
 environment issues in the WTO, regional
 trade agreements and MEAs, in particular to
 take into account the special situation of
 SIDS.
 Enhancement of existing mechanisms to
 facilitate the active participation of civil
 society in policy development and decision making.

THE LATIN AMERICAN AND CARIBBEAN REGION

THE LATIN AMERICAN AND CARIBBEAN REGION				
Participants ⁵	Capacity Building Needs	Proposed Delivery Mechanisms and Approaches		
Governments Argentina (Ministry for the Environment, Ministry of Foreign Affairs and Trade) Bolivia (Ministry of External Relations and Culture, Ministry of Environment, Natural Resources and Sustainable Forestry) Brazil (Ministry of External Affairs, Division of Agriculture Ministry for the Environment) Chile (National Fisheries Service (Sernapesca) National Commission for the Environment (CONAMA)) Colombia (Ministry for the Environment, Ministry for Foreign Affairs and Trade) Costa Rica (Ministry of Environment and Energy, Ministry of Foreign Affairs and Trade) Cuba (Ministry of Science Technology (CITMA), Ministry of Foreign Affairs and Trade)	The following capacity building needs and priorities were highlighted in the regional consultations in Latin America and the Caribbean. Multilateral and bilateral trade negotiations in general Improved information dissemination and public awareness of ongoing multilateral and bilateral trade negotiations. Improved capacity of negotiators. Programmes and initiatives to enhance the capacities of NGOs working in the field as they play an important role in following up on trade negotiations. Support to improve the consultation process with regard to the FTAA. Support for implementation of trade agreements. Long-term capacity building to enhance the benefits of liberalization, e.g. skills related to improved competitiveness, market access and ways to take advantage of new market opportunities.	Mechanisms and		
Dominica (Ministry of Trade, Industry and Marketing, Ministry of the Environment)	Enhanced funds and resources for undertaking capacity building activity. Specific issues areas discussed include:	Using more local NGOs and academic institutions in carrying research and		
Ecuador (Ministry of External Relations) El Salvador (Ministry of Trade, Ministry of Environment and Natural Resources)	Agriculture Support for programmes that encourage domestic production to support food security. Efforts to promote sustainable agriculture.	other capacity building programmes to ensure that the enhanced capacity remains embedded in the region.		
Honduras (Ministry of Environment)	Promoting market access and value add for products to increase competitiveness in	Give emphasis to regional and multilateral assessments since they		

⁵ The listing shows governments who attended UNEP/UNEP-UNCTAD Capacity Building Meetings for the regions from 2001 to date. For Latin America these include the meetings in Mexico in 2001 and 2003 and the back-to-back event following the WTO Regional Seminar in Bogota Colombia in March 2002. Those listed in bold responded with completed questionnaires.

international markets.

Mexico (General Directorate for

assessments since they

can capture impacts and

Plant Health, National Service for Agro-Foods Health, Safety and Quality (SAGARPA), Ministry of Environment and Natural Resources (SEMARNAT))

Nicaragua (Ministry of Industry and Commerce, Ministry of Environment and Natural Resources)

Panama (Ministry of Industry and Commerce, Ministry of Environment)

Paraguay (Ministry of External Relations)

Peru (Ministry of External Relations, National Commission for the Environment)

Uruguay (Ministry of External Relations, Ministry of Agriculture and Fisheries)

Venezuela (Ministry of Environment and Natural Resources)

Regional Organizations

Andean Community Secretariat Centro Alexander Von Humbolt Centro Mexicano de Derecho Ambiental (CEMDA)

Commission Centro Americana de Ambiente y Desarrollo (CCAD)

- Support for the development of new technologies, especially the development of clean technology and promotion of homegrown technologies.
- Programmes to re-deploy producers and resource poor farmers displaced by agricultural trade liberalization.
- Support for organic farming as it opens up new niche markets.
- Credit, and extension services for poor farmers.

Environmental Goods and Services

- Helping negotiators with tools and information.
- Promoting national dialogues so that negotiators understand what is acceptable domestically.
- Definition of environmental goods.
- Meeting certification and other importing requirements for environmental goods.
- Efforts to promote eco-tourism and sustainable management of tourism resources.
- Studies for developing countries to identify areas of export interest and competitiveness.

Intellectual Property Rights and the Environment

- Specific capacity building programmes on IPRs and the environment dealing with: IPRs and sustainable environmental management, access and benefit sharing, agricultural bio-diversity and technology transfer.
- Capacity building for government negotiators and traditional and indigenous communities who own the Intellectual Property Rights.
- More resources and financing on this policy interface.
- Research, analysis and follow up on capacity building.

Integrated Assessment

- Integrated assessment with regard to the FTAA, EU-ACP EPAs and other bilateral trade agreements.
- More staff, training and institutional enhancement in the area of assessment and support from regional areas in this respect.
- Development of indicators for assessment.
- More research and monitoring to support policy development and implementation.
- Development of environmentally friendly production processes and policies to support

- effects that national ones cannot.
- Enhancing capacity for trade negotiators to be developed through workshops, new programmes and other training and activities at the institutional level.
- Focusing capacity building programmes on, training, research, and then seminars and workshops.
- Involving more ministries in capacity building initiatives including the Ministries of Finance and Planning who allocate and solicit funds for countries' development programmes.
- Timely capacity building to keep pace with trade negotiations and follow up programmes on capacity building activity.

SMEs in this regard. Awareness-raising of the importance of integrated assessment for legislators, ministers and others. Improving capacity for environmental data collection and environmental management. Enhanced inter-ministerial coordination. Improved capacity for meeting international trade and environmental standards. • Identification of alternative sources of energy and environmentally preferable products. The use of economic instruments for appropriate environmental management. Effective implementation of MEAs. Development of regional and sub-regional understanding about what is needed for sustainable development and policy tools to achieve this at national, regional and international levels. Other issues requiring possible focus of capacity building activities Transgenics and genetically modified organisms; Fisheries; Migratory species; Transboundary movement of hazardous waste; Tourism THE PACFIC ISLAND STATES Capacity Building Needs **Proposed Delivery** Participants⁶ Mechanisms and Approaches Governments Participants at the UNEP-UNCTAD CBTF Foci and modalities of Workshop for the Pacific Countries discussed the capacity building Cook Islands (Environmental possible thrust of future capacity building Service, Ministry of Foreign Affairs • Training and technical activities on the trade, environment and and Immigration) assistance to enhance sustainable development based on responses to capacity with regard to Fiji (Ministry of Foreign Affairs and the capacity building questionnaire. Highlights of research, policy External Trade, Ministry of Trade, these include: development and trade Ministry of Commerce, Business Work on bio-diversity conservation and promotion/facilitation. Development and Investments, Intellectual Property Rights including Ministry of Agriculture, Sugar and • Strengthening national establishing regimes for the protection of Land Resettlement, Ministry of capacities to develop traditional knowledge. Finance and National Planning) mutually supportive trade, Marshall Islands (Ministry of Integrated assessment of trade policies. environment and Resources and Development) development policies. Sustainable management of trade related Micronesia (Department of Foreign natural resources including the use of Promoting stakeholder Affairs, Department of Commerce economic instruments for sustainable involvement in policy and Industry) making and standard environmental management with regard to the processing of logs and sustainable mining setting. Nauru (Department of Economic practices. Development, EPDU-Premier's Increasing country based Department) efforts for capacity Sustainable fisheries management.

building.

⁶ The listing shows governments and organizations that attended UNEP/UNEP-UNCTAD Capacity Building Meetings for the Region from 2001 to date.

Niue Islands (EPDU-Premier's
Department, Office of External
Affairs)

Palau (Office of the President)

Samoa (Department of Trade, Commerce and Industry, Department of Land, Surveys and the Environment)

Solomon Islands (Ministry of Forestry, Environment and Conservation)

Tonga (Ministry of Labor, Commerce and Industries Department of Environment)

Tuvalu (Ministry of Finance, Economic Planning and Industries, Ministry of Energy, Environment and Tourism)

Vanuatu (Department of Trade, Industries and Investment Department of Environment)

Regional Organizations and NGOs

Pacific Islands Forum Secretariat South Pacific Environment Programme Commonwealth Secretariat

Forum Fisheries Agency (FFA)

Greenpeace

WWF South Pacific

- Technology transfer especially to promote energy efficiency and renewable energy.
- Private sector engagement for enhancing export of environmentally preferable products and development of sustainability indicators for such products.
- Enhancement of institutional capacity for better coping with SPS and TBT measures for instance: addressing concerns of conformity assessment; active participation in international standard setting; facilitation of market access; and marine aquarium certification.
- Increased involvement of regional, sub-regional and national organizations to enhance resource efficiency and availability of capacity building.
- Long-term and coordinated capacity building efforts.

THE ASIAN STATES

Participants ⁷	Capacity Building Needs	Proposed Delivery Mechanisms and Approaches
Governments Afghanistan (Ministries of Planning, Commerce and Irrigation, Water Resources and Environment) China (State Environmental Protection Administration) India (Ministries of Environment and Forests and External Affairs) Indonesia (Ministries of Development Planning and	Participants at the Capacity Building Workshop for Integrated Policy Design and Implementation held in the Republic of Korea discussed the needs and challenges of capacity building in Asia in a special session for Asian countries. The following points were highlighted: • Asia shares most of the needs and priorities related to capacity building for integrated policy design and implementation in the areas of trade, economics and the environment with other regions.	Foci and modalities of capacity building • Use a wide range of capacity building delivery mechanisms, including training (training for trainers), advisory services, networking and formulation of guidelines • Recognize and support the role of regional and
Environment)		sub-regional bodies in

⁷ The listing shows Asian representatives in the Meeting on Capacity Building for Integrated Policy Design and Implementation in Jeju Island, Republic of Korea in March 2004 as well as international, regional and non-governmental institutions attending the meeting.

Iran (National Committee on Sustainable Development, Ministry of Commerce, Economic Department)

Jordan (Ministry of Environment)

Kuwait Ministry of Commerce & Industry, Department of Safety and Environment, Ministry of Finance)

Kyrgyz Republic (Ministry of Ecology and Emergency Situations)

Pakistan (Permanent Mission of Pakistan to the UN)

Palestine(Environmental Quality Authority)

Republic of Korea (Ministries of Environment, Foreign Affairs and Trade, Presidential Commission on Sustainable Development)

Saudi Arabia (Presidency of Meteorology and Environment, Ministries of Economy & Planning and Labour & Social Affairs)

Sri Lanka (Ministry of Environment and Natural Resources)

Union of Myanmar (Ministry of Foreign Affairs, Embassy)

Vietnam (Ministry of Foreign Affairs)

International and Regional Organizations and NGOs:

National and regional research institutions and Asian universities (Mongolian Nature and Environment Consortium, Bay of Bengal Programme, Institute for Global Environmental Strategies, Integrated Research and Action for Development, Regional Institute of Environment Technology, Asian Institute of Technology, and others)

Private sector representatives (Bayer AG, Hong Kong, Federation of Korean Industries, and others)

International NGOs (Conservation International, IISD, IUCN, ICTSD, Green Peace, IAIA, and others)

International Organizations (UNCTAD, WHO, UNITAR, World Bank, WTO, UN ESCAP, and others)

- Trade and environment issues in the context of globalisation; including the aspect of environmental regulations in the export markets.
- Enhance understanding of agricultural reforms, safeguard of livelihoods, perverse subsidies, market access, opportunities for resource-efficient production, export competitiveness derived from environmental enhancement, and proper use and management of bio-technologies.
- Focus on strengthening institutional coordination (through APEC coordinating bodies, inter-ministerial committees and working groups and task forces).
- Enhance legislative and regulation support (constitutional provisions – environmental protection acts, sectoral legislation, integrated policies in trade and environment issues).
- Promote development of economic instruments (eco-labelling, subsidies and rebates, taxation and tariffs).
- Enhance understanding of unique cultural aspects of Asia and the role of spirituality and indigenous knowledge in addressing development issues.

- sub-regional bodies in capacity building, with an emphasis on enhanced inter-agency cooperation in national policy-making processes.
- Include parties outside of government to determine capacity building needs and designing capacity building initiatives.
- Increase role of education institutions in the promotion and application of integrated assessment.
- Enhance information and awareness campaigns (websites, pamphlets/posters) for relevant stakeholders.

Annex II: List of Capacity Building Providers

In 2001, UNEP launched a 'stocktaking' survey of capacity building assistance providers' activities and experiences. It represents an initial step towards the development of a global database on capacity building activities in support of integrated policy design and implementation. The survey is based on responses to a questionnaire prepared by UNEP, with input from UNCTAD or in collaboration with UNCTAD, and sent to governments, intergovernmental and non-governmental organisations and major bilateral development agencies engaged in providing such capacity building activities. The initial aim of the survey was to take stock of existing efforts to build capacity on environment, trade and sustainable development, and help identify gaps where improvements can be made.

In 2003, UNEP expanded its efforts of 'stocktaking' of capacity building assistance providers and activities beyond the trade, environment and development interface by launching a new survey on capacity building needs for sustainable development, extending it into its other working areas such as integrated assessment and economics. Institutions that have responded to the questionnaires thus far are highlighted in bold.

Africa Resources Trust (ART), United Kingdom

African Centre for Technology Studies (ACTS), Kenya

African Development Bank

African Economic Research Consortium (AERC), Kenya

African Ministerial Conference on the Environment (AMCEN)

African Regional Organization for Standardization (ARSO)

African, Caribbean and Pacific (ACP) General Secretariat

Agence International pour le Développement de l'Information Environnemental (ADIE), Gabon

Agency for International Trade Information and Cooperation (AITIC), Switzerland

Agricultural Economical Research Institute (AERI), China

Agriculture and Agri-food, Canada

AIDEnvironment, Netherlands

ASEAN Secretariat

Asian Development Bank Institute (ADBI)

Asian Institute of Technology (AIT), Thailand

Asia-Pacific Economic Cooperation (APEC)

Asociación Latinoamericana de Integración (ALADI), Uruguay

Asociación Mexicana de Mujeres Organizadas en Red, A.C. (AMMOR)

Association cameronnaire pour l'evaluation environmentale, Cameroon

AusAID

Basel Caribbean Regional Center (CARIRI)

Basel Convention Secretariat

BC Environmental, USA

Black Sea Economic Cooperation Pact (BSE)

British Institute of International and Comparative Law, UK

Canadian International Development Agency (CIDA)

Caribbean Community and Common Market (CARICOM), Guyana

Caribbean Development Bank (CDB)

Caribbean Regional Negotiating Machinery, Barbados

Carnegie Endowment for International Peace, USA

Central-American Commission on Environment and Development (CCAD), El Salvador

Centre for environmental economics and development research (CEDR), Tanzania

Centre for International Environmental Law (CIEL), USA

Centre for International Projects (CIP), Russia

Centre for Policy Dialogue (CPD), Bangladesh

Centre for the Promotion of Imports from Developing Countries (CBI), Netherlands

Emaileng Capacity Santanaggor Integrated Force, Sesign and Implementation for Sustainable Servicepment

Centre International des Technologies de l'Environnement (CITET), Tunisia

Centro Agronomico Tropical de Investigación y Ensenanza (CATIE), Costa Rica

Centro Alexander Von Humbolt, Nicaragua

Centro de Estudios Ambientales (CEDEA), Argentina

Centro de Estudios para la Sustentabilidad, Mexico

Centro de Formación para la Integración Regional (CEFIR), Uruguay

Centro de Informacion sobre Iversion y Comercio.

Centro Mexicano de Derecho Ambiental (CEMDA), Mexico

Charles Stewart Mott Foundation, USA

CINPE-UNA, Costa Rica

CITES Secretariat

Civics Awareness Society (CAS), Nepal

Columbian Rice Federation (Fedearroz), Colombia

Comisión Centroamericana de Ambiente y Desarrollo (CCAD), El Salvador

Commission de l'Ocean Indien (COI), Republique de Maurice

Commission for Environmental Cooperation (CEC), Canada

Common Fund for Commodities

Common Market for Eastern and Southern Africa (COMESA)

Commonwealth Secretariat

Comunidad Andina (CAN)

Comunidad y Biodiversidad, A.C, Mexico

Consejo Ecologico de Participacion Ciudadana, A.C., Mexico

Consejo Mexicano para el Desarrollo Sustentable (CMDS), Mexico.

Consumer Unity and Trust Society (CUTS), India

Consumers Choice Council

Consumers International, UK

Convention on Biological Diversity (CBD) Secretariat

Coparmex, Mexico

Cornell University, USA

Corporation Andina de Fomento (CAF)

Council of the Baltic Sea States (CBSS)

Royal Danish Ministry of Foreign Affairs, Denmark

Dep. of Foreign Affairs and International Trade (DFAIT), Canada.

Department for International Development (DFID), UK

Department for International Development Co-operation, Finland

Department of Fisheries, Uganda

Development Alternatives, India

East African Development Bank (EADB)

East-West Center, Hawaii

Ecoline EA Centre, Russia

Economic and Social Commission for Asia and the Pacific (ESCAP)

Economic and Social Commission for Western Asia (ESCWA)

Economic Commission for Africa (ECA)

Economic Commission for Latin America and the Caribbean (ECLAC)

Economic Community Of West African States (ECOWAS)

ENDA Tiers-Monde, Senegal

EnviReform

Environment Canada

Environment Protection Agency, USA

Environmental Defense Fund, USA

Environmental Policy resource Center (EPRC), Uganda

Equadorian Center for Environmental law (CEDA), Equador

Equiterre, Montreal, Canada.

European Bank for Reconstruction and Development

European Commission

European Free Trade Association (EFTA)

Finland Ministry of Foreign Affairs

Focus on the Global, South Thailand

Food and Agriculture Organization (FAO)

Ford Foundation, USA

Forum Fisheries Agency

Foundation for International Environmental Law and Development (FIELD), UK

Friends of the Earth

Friends of the Earth, United Kingdom

Fundación Ecos, Uruguay

German Agency for Technical Cooperation (GTZ)

Global Environment Network, Malaysia

Global Secretariat - Global Forum on Sustainable Food and Nutritional Security, Brazil

Green Peace, Fiji

Greenpeace International, Netherlands

Gulf Cooperation Council (GCC)

Heinrich Boell Foundation, USA

Helsinki Commission (HELCOM), Finland

Indian Institute of Technology, India

Indigenous Environmental Network, USA

Indigenous Peoples' Biodiversity Network (IPBN), Peru

Indira Gandhi Institute of Development Research, India

Indonesian Eco-Labelling Institute (LEI), Indonesia

Institut Mauretanien de recherches oceanographiques et des peches (IMROP), Mauretania

Institute de science et de l'environnement (ISE), Senegal

Institute for Agriculture and Trade Policy (IATP), USA

Institute for Development Policy and Management, UK

Institute for Global Environment Strategies (IGES)

Institute for Sustainable Development, Nepal

Instituto Centroamericano de Administración de Empresas (INCAE)

Instituto Interamericano de Cooperación para la Agricultura (IICA), Costa Rica

Instituto Tecnologivo y de Estudios Superiores de Monterrey (ITESM), Mexico

Instituto Tercer Mundo, Uruguay

International Center for Trade and Sustainable Development, Switzerland

International Institute for Sustainable Development (IISD), Canada

Inter-American Agency for Cooperation and Development (IACD), USA

Inter-American Development Bank (IADB)

Intergovernmental Authority on Development (IGAD)

International Association for Impact Assessment (IAIA)

International Centre for Sustainable Development (IISD), Canada

International Chamber of Commerce (ICC), France

International Confederation of Free Trade Union, Switzerland

International Development Research Centre (IDRC), Canada

International Forum on Globalization (IFG), USA

International Fund for Agricultural Development (IFAD)

International Labour Office (ILO)

International Plant Genetic Resources Institute (IPGRI), Italy

International Standards Organization (ISO)

International Textiles and Clothing Bureau (ITCB)

International Trade Centre (ITC)

International Tropical Timber Organization (ITTO)

International Union for the Protection of New Plant Varieties (UPOV)

Islamic Development Bank

IUCN - The World Conservation Union, Switzerland

Japan International Cooperation Agency (JICA)

Jendral Soedirman University, Indonesia

Korean Environment Institute (KEI), Korea

Land Ecolocy and Environment Group (GEPAMA), Argentina

Latin American Association of Development Financing Institutions, Peru

Latin American Economic System (SELA), Venezuela

League of Arab States

Lebanon Ministry of Environment, Lebanon

L'organisation internationale de la Francophonie (OIF)

Los Banos University, Philippines

Makrotek, Mexico

McGill University, Canada

Mcgill University, Canada

Mediterranean Environmental Assistance Programme

Ministry for Economic Cooperation and Development (BMZ)

National Environment Secretariat, (NES), Kenya

National Wildlife Federation, USA

Natural Resource and Conservation Authority, Jamaica

Natural Resources Defense Council (NRDC), USA

Natural Resources Institute, UK

Netherlands Ministry of Foreign Affairs

New Partnership for African's Development (NEPAD), South Africa

Nigerian Institute of Social and Economic Research (NISER), Nigeria

Northern Alliance for Sustainability, Netherlands

North-South Centre, USA

North-South Institute, Canada

Norway Ministry of Economic Affairs

Norway Ministry of Foreign Affairs

Norwegian Agency for Development Cooperation (NORAD)

Norwegian Forum for Environment and Development (NFED)

Organismo Internacional Regional de Sanidad Agropecuaria (OIRSA), El Salvador

Organization for Economic Co-operation and Development (OECD)

Organization of African Trade Union Unity (OATUU), Ghana

Organization of African Unity (OAU)

Organization of American States (OAS)

Organization of the Islamic Conference (OIC)

OXFAM, United Kingdom

Pacific Financial Technical Assistance Centre, Fiji

Pacific Islands Forum Secretariat Fiji

Palestine Quality Authority, Palestine

Pronatura, A.C., Mexico

Prospectives dialogues politiques (ENDA-DIAPOL), Senegal

Recursos e Investigación para el Desarrollo Sustentable (RIDES), Chile

Resource Africa, South Africa

Resource Management & Policy Analysis Institute, Kenya

Secretaría de Integración Económica Centroamericana (SIECA)

Secretaría General de la Comunidad Andina, Peru

Secretariat for the Basel Convention (SBC)

Secretariat for the Vienna Convention and the Montreal Protocol

Secretariat of the Pacific Community (SPC)

Sierra Club, USA

Sistema Económico Latinoamericano (SELA)

South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal

South Asian Association for Regional Cooperation (SAARC)

South Asian Seas, Sri Lanka

South Centre, Switzerland

South Pacific Forum Secretariat

South Pacific Regional Environment Programme, Samoa

Southern African Development Community (SADC), Botswana

Southern African Institute for Environmental Assessment (SAIEA), Namibia

Southern Alliance for Indigenous Resources (SAFIRE), Zimbabwe

Southern and Eastern African Trade Information and Negotiations Initiative (SEATINI)

Stockholm Environment Institute (SEI), USA

Sub-regional secretariat for environmental assessment in Central Africa (SEACA), Cameroun

Sustainable Development Policy Institute, Pakistan

Sweden Ministry of Foreign Affairs

Swedish Environmental Research Institute, Sweden

Swedish International Development Agency (SIDA)

Swedish North-South Coalition, Sweden

Swiss Agency for Development and Cooperation (SDC)

Swiss Agency for the Environment, Forests and Landscape (SAEFL)

Swiss Coalition of Development Organisations, Switzerland

Swiss State Secretariat for Economic Affairs (SECO), Switzerland

Tata Energy Research Institute (TERI), India

Thailand Environment Institute (TEI), Thailand

The Agency for International Trade and Cooperation (AITIC)

The Andrew W. Mellon Foundation, USA

The Chinese University of Hong Kong, China

The John D. and Catherine T. MacArthur Foundation, USA

The Nippon Foundation, Japan

The Norwegian Forum for Environment and Development, Norway

The Pew Charitable Trusts, USA

The Regional Environmental Center for Central and Eastern Europe (REC/CEE), Hungary

The Rockefeller Foundation, USA

The School of Development Studies, The Overseas Development Group (DEV/ODG)

The Woodrow Wilson Center, USA

The World Conservation Union (IUCN)

The World Resources Institute, USA

Third World Network, Malaysia

TNO, Netherlands

U.S. Agency for International Development (USAID), USA

UNEP Regional Offices

Union du Maghreb Arabe (UMA)

Union Economique et Monétaire Ouest Africaine (UEMOA)

Unisfera International Centre, Canada.

United Nation Economic Commission for Europe

United Nations Conference on Trade and Development (UNCTAD)

United Nations Development Programme (UNDP)

United Nations Economic Commission for Europe (UNECE)

United Nations Environment Programme (UNEP)

United Nations Institute for Training and Research (UNITAR)

United Nations Organisation for Industrial Development (UNIDO)

United Nations University (UNU)

Universidad Autonoma de Puebla

Universidad de Buenos Aires

Universidad Nacional Autonoma de Mexico (UNAM)

Universidad Panamericana (UP), Mexico

University of Abeokuta, Nigeria

University of Cairo, Egypt

University of Cheikh Anta, Senegal

University of Manchester, UK

University of Rue, Vietnam

University of Toronto, Canada

University of Waterloo, Canada

World Bank

World Business Council for Sustainable Development (WBCSD)

World Customs Organization (WCO)

World Economy, Ecology and Development (WEED), Germany

World Health Organization (WHO)

World Intellectual Property Organization (WIPO)

World Trade Organization (WTO)

World Wide Fund for Nature (WWF), Switzerland

Worldwatch Institute, USA

WWF, USA

WWF South Pacific

ZERO - A Regional Environmental Organization Zimbabwe

The following institutions have provided profiles of their capacity building activities, which are included in Annex III:

AIDEnvironment, The Netherlands

Caribbean Regional Negotiating Machinery (CRNM),

Barbados

Centre for Environmental Economics and Development Research (CEDR), Tanzania

Centre for International Projects (CIP), Russia

Convention on Biological Diversity (CBD)

Development Alternatives, India

Development Research Institute (IVO), Netherlands

Economic Commission for Latin America and the Caribbean (ECLAC)

European Bank for Reconstruction and Development (EBRD)

European Union - Capacity Building Activities in Asia Foundation for International Environmental Law and

Development (FIELD), United Kingdom

Global Environment Center (GEC)

Helsinki Commission – HELCOM, Finland International Association for Impact Assessment

(IAIA), United Kingdom

International Centre for Trade and Sustainable

Development (ICTSD), Switzerland

Institute for Development Policy and Management

(IDPM), United Kingdom

Institute for Global Environmental Strategies (IGES),

International Institute for Sustainable Development (IISD), Canada

International Tropical Timber Organization (ITTO) International Union for the Protection of New

Varieties of Plants (UPOV), Switzerland

IUCN – The World Conservation Union

McGill University and the McGill-UNEP Collaborating

Centre in EIA, Canada

Organization of American States (OAS)

TNO, Netherlands

United Nations Conference on Trade and

Development (UNCTAD)

United Nations Economic and Social Commission for

Western Asia (ESCWA)

United Nations Environment Programme (UNEP),

Economics and Trade Branch (ETB)

UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF)

United Nations Industrial Development Organization

United Nations Institute for Training and Research (UNITAR)

World Trade Organization (WTO)

Annex III: Profiles of Capacity Building Providers

(updated August 2004)

AIDEnvironment, The Netherlands

AIDEnvironment is a not-for-profit consultancy for nature conservation and the sustainable use and management of natural resources. It provides strategic advice to governments, commercial and civil society organisations, supporting them to become effective organisations, set sustainability goals, formulate visions and develop strategies. They turn to AIDEnvironment for organisational advice, policy instruments, environmental management tools, plans and evaluations.

Sustainable development and poverty alleviation are the cornerstones of AIDEnvironment's work. From this perspective, the focus is on three main topic areas: Forests, Water and Biodiversity. In its research and consultancy it builds bridges between organisation and substance, practice and policy, North and South, ecology and economy, and government and society. The core team consists of ecologists, geographers, information technologists, environmentalists, and policy scientists. They are supported by an international network of independent experts in nature conservation, environmental policies, economy, anthropology, sociology, organisational advice, education, and communication.

Clients are from all over the world and include ministries and associated institutes, provincial governments, municipalities, NGOs, the private sector, development aid agencies, the European Commission, UN organisations and the World Bank. AIDEnvironment treats its clients as partners to find dynamic, sustainable and workable solutions. It considers its advice as part of a process of capacity building and institutional strengthening, by demand-driven work, building upon existing capacities, creating networks and inspiring others by making available best practices and innovative approaches. AIDEnvironment has developed various manuals, tools and methods to support participatory and capacity building approaches.

Recent work by AIDEnvironment included the following subjects:

- Support to (local) governments in various countries to develop and implement sustainable development plans through a multi-stakeholder process, using an integrated planning tool developed by AIDEnvironment (see: www.seanplatform.org);
- Capacity building of development organisations on a Quality Management System, for planning, monitoring and evaluation of organisational change and impacts on poverty reduction and environmental management;
- Development of on-line stakeholder analysis model, mapping vision, opportunities and risks of stakeholders and their relations;
- Support and advice to financial institutions to implement the Equator Principles, and more specifically develop policies on sustainable management of natural resources;
- Tailor made training to various development and environmental organisations, such as NGOs, ministries and private sector, on sustainable development related subjects;
- Electronic conferences and communities of practice to foster South-South collaboration, such as on access and benefit sharing from biodiversity resources;
- Development of a clearing house mechanism on biodiversity issues;
- Capacity building and backstopping country teams to undertake integrated assessment studies of trade policies, focused on the linkages between trade, environment and poverty;
- Building strategic partnerships in environmental management between public, private sector and civil society, such as on sustainable tourism, forest management, wetland management and nature conservation.

For further information, see: www.aidenvironment.org.

Caribbean Regional Negotiating Machinery (CRNM), Barbados

The CRNM was established to undertake and support external trade negotiations on behalf of the Caribbean Community (CARICOM). It has been developing capacity to take into account SD considerations in CARICOM's external trade policies, giving particular attention to environmental aspects and the relative roles of the World Trade Organization (WTO) and multilateral environmental agreements (MEAs) in trade policies. The CRNM has established the institutional position of Technical Adviser on issues relative to Intellectual Property Rights and Sanitary and Phytosanitary Measures, and has at its disposal the services of a Senior Associate to provide advice on the environmental aspects of trade policies. The CRNM has collaborated with the WTO, United Nations Conference on Trade and Development (UNCTAD), and other international and regional organizations in the sponsoring of workshops and consultations on the inter-relationship between trade and the environment. The CRNM recognizes that there is a need to expand its capacity in this regard in accordance with the increasing emergence of environmental issues in trade policies and the growing interest in health and safety standards, 'green' labelling and certification, as well as efforts to incorporate production and processing methods into the adoption of these standards. One issue requiring particular attention involves the relative roles and coordination between the WTO and MEAs in adopting and implementing environment-related trade policies. Further, donor-support of a technical nature is crucial to the development of appropriate capacity.

Centre for Environmental Economics and Development Research (CEDR), Tanzania

The Centre for Environmental Economics and Development Research is a non-profit organization registered in 1999 to contribute to environment and development solutions in Tanzania. Its main approach is on the further application of environmental economics for conservation and sustainable development.

The focus of CEDR's work in capacity building is to enhance the capacity of Tanzania to interpret and implement environmentally sound and sustainable development programmes, particularly on institutional development, assessment and monitoring, development planning and policies, education and training, public awareness, research and scientific studies. The programme also focuses on building the capacity to engage successfully in sustainable international trade as well as negotiate effectively in international forums. The aim of CEDR on capacity building is to involve a broad range of stakeholders (such as government, civil society and the private sector), in environmental policy analysis and development activities that focus on environmental protection.

CEDR's approach for capacity building is to undertake training needs assessments (TNA) to determine the specific gaps in knowledge and skills that are needed to integrate environmental issues into development policies. These needs assessments will cover critical civil society organizations whose capacity needs to be built or strengthened in order for them to actively participate in the policy process.

Capacity building for research is another priority for CEDR. By strengthening research capacity on environmental issues, the CEDR research capacity building programme aims to provide more evidence and data that support the need for considering and integrating environmental aspects into overall development programmes. This is done through sharing skills, knowledge and expertise, largely by providing needs directed research capacity building activities. In particular, action research to improve the situation forms an important strategy for this approach.

Centre for International Projects (CIP), Russia

CIP was established in 1981 as an institution focused on implementation of environmental projects with UNEP and other international organizations in the USSR.

CIP is now a non-governmental, non-profit organization assisting in the formation and implementation of environmental projects and programmes and the formation of international components of national environmental policy. CIP cooperates with the Ministry of Natural Resources and Ministry of Foreign Affairs of the Russian Federation, as well as with a number of other governmental institutions whose competence includes issues related to natural resources and environmental protection. CIP is also the authorized organization of the Committee on Environment of the State Duma of the Russian Federation for support of international environmental cooperation.

CIP's activities include development and implementation of international environmental protection projects, national components of regional and wide-scale international programs, realization of action plans and international conventions, preparation and convening of meetings (workshops), development of information documents and recommendations, formation of databases, and also performance of state orders on information and analytical maintenance of the appropriate activity of governmental authorities.

CIP has a number of experts with experience on organization of international environmental activity. In its work, CIP uses a network of experts and institutes, with experience in various areas of environmental protection and natural resource activity, in Moscow, other centres of Russia, and also in the CIS countries and other frontier countries.

CIP serves as the central organization for several regional centres of activity (Caspian Environment Programme, Basel Convention etc.). Priority regions of activity include: Russia and CIS, Arctic Region, Far East, and Caspian Sea. CIP also serves as the Coordination Group on international cooperation of the Interstate Ecological Council (IEC) of the CIS member countries.

CIP assisted UNEP and the Caspian states in elaboration of the Framework Convention for the Protection of the Marine Environment of the Caspian Sea. Within the framework of GEF/UNEP projects, CIP participates in national capacity building activities on sustainable use of the Caspian environment and in the field of environmental management within the framework of global MEAs implemented through CIP. CIP participates in activities supporting the implementation of provisions of the EU and global MEAs (Basel Convention, Stockholm Convention, etc.).

Between 1999-2003, a draft agreement on environmental protection of the Caspian sea, a concept paper on the international cooperation of the Russian Federation in the field of natural resource and environmental protection and other documents on the use of mechanisms of international cooperation in the field of environmental protection and cooperation, were developed in support of sustainable development.

CIP's major partners include: UNEP, GEF, UNDP, EU/TACIS, the World Bank, and IUCN. CIP can be contacted via e-mail at: cip.tse@g23.relcom.ru.

Convention for Biodiversity

The Convention on Biological Diversity recognizes capacity building and training as being key to the achievement of the Convention's objectives, which are: the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of benefits arising out of the utilization of genetic resources. The need for capacity building and training is emphasized, and related activities are laid out in many decisions and programmes of work adopted by the Conference of the Parties (COP). Inter-sectoral integration in policy design and implementation is a recurring theme in many of these programmes of work and their elements related to economic issues as well as to capacity building and training. Examples include:

Four regional workshops on sustainable use of biodiversity are scheduled to be held under the Convention in the course of 2005. They will provide training to government officials and practitioners on the implementation of sustainable use practices at the regional level, and will in particular facilitate the implementation of the Addis Ababa Principles and Guidelines for the Sustainable Use of Biodiversity adopted by the Conference of the Parties to the Convention at its seventh meeting. The Addis Ababa Principles and Guidelines *inter alia* call for the identification of economic mechanisms, including incentive systems and subsidies, that are having a negative impact on sustainable use, the removal of those systems leading to market distortions that result in unsustainable use, as well as the avoidance of unnecessary and inadequate regulations of uses of biodiversity, because they can increase costs, foreclose opportunities and encourage unregulated uses. As the Addis Ababa Principles and Guidelines also call for effective linkages between policies, laws, and institutions at all governance levels, integrated design and implementation of economic and environmental policies will be an important issue to be considered by the workshops. The CBD Secretariat is currently working on the preparation of a training manual for these workshops.

These activities bring further the proposals for the design and implementation of incentive measures as well as the recommendations for future cooperation on incentives measures, which were adopted by the Conference of the Parties at its sixth meeting. Adequate human and physical capacity is recognized as key to the effective development of incentive measures both in the proposals and the recommendations. A number of elements are proposed to meet this requirement, including the training of biodiversity specialists and decision makers in the design and implementation of incentive measures, explaining the value of biodiversity at the community and sectoral levels, and the development of capacity to conduct research and analysis on incentive measures.

The seventh meeting of the Conference of the Parties recognized that capacity building is also important for the success of the ecosystem approach, and invited the Executive Secretary, Parties and international organizations to initiate and facilitate as appropriate capacity-building, technology transfer, and awareness raising to assist implementation of the ecosystem approach. The ecosystem approach inter alia calls for the understanding and management of ecosystems in an economic context, as well as for increased sectoral communication and cooperation at a range of levels (government ministries, management agencies, etc.), which might be promoted through, for example, the formation of inter-ministerial bodies within the government or the creation of networks for sharing information and experience. Capacity building on policy integration will therefore be an important element in efforts to foster the implementation of the ecosystem approach.

Development Alternatives, India

Development Alternatives, which was established in 1983, is a non-profit organization engaged in research and action for sustainable development. Development Alternatives (DA) and its associate organizations are dedicated to bringing about a better balance among the prerequisites of sustainable development: social equity, environmental quality and economic efficiency. The DA group, through its systems approach, addresses the people-machines, people-nature and people-people linkages at all levels, scales and disciplines. It provides R&D, policy analysis, advocacy, planning and management services besides training and capacity building services to various client groups ranging from government-state and central, business associations and

corporations, financial institutions, NGOs, multi and bi-lateral funding agencies, international foundations, national and international academic and research institutions and networks.

Recognizing the need to address the environmental and social impacts of the activities of businesses, that is the 'triple bottom line' issues of Sustainable Development (SD), the "Centre for Sustainability Management in Businesses" was established (see www.devalt.org to download the Center's Brochure). The Center focuses on advocating new technology, innovative and new forms of strategic thinking, and radically new triple bottom line management systems, accountancy procedures, reporting and communication processes.

In order to engage businesses and stakeholders in sustainability management, the Centre facilitates several services including planning and management in the areas of: sustainable community development and natural resource management, environmental and social policies, procedures & management systems, resettlement, rehabilitation and integrated area development, energy and environment performance benchmarking, climate change mitigation and cleaner production in SMEs. It employs tools and techniques such as: energy, environment and social audits, energy and environmental performance benchmarking, cleaner production/pollution prevention, environment management systems ISO 14000, occupational health and safety ISO 18000, greening the supply chain management, sustainability reporting, public consultations etc.

The Centre also assists businesses in identifying their capacity building needs and focuses on building capacities through training courses and workshops. Through its capacity building initiatives the Centre has assisted various business sectors in enhancing their competitive edge. They also build their ability to reach out to their stakeholders, especially the local communities, NGOs and regulatory authorities. The Centre provides the capacity building services in the areas of strategic planning and management, conflict resolution through NGO-Business and other stakeholder partnership building, application of various tools & techniques for socio-economic and environmental management, information management systems and dissemination strategies and institutional systems design.

The DA group offers key research services including innovation and demonstration of new technologies, tools and techniques for sustainability management, building of strategic networks, partnerships and multi-stakeholder consultations through global and regional forums, critical review and advocacy on existing policies and implementation strategies, advice on national and international negotiations, protocols and conventions on various issues including trade barriers. It also offers services such as: creating forums for the stakeholder interaction and consultation, organizing events for moderated information exchange and debates, ICT services for preparing newsletters, web portals and other media products.

The Centre is currently working on regional perspectives on issues such as standards for sustainable trade, standards for corporate social responsibility, corporate reporting as per GRI guidelines etc. DA group works closely with several international institutions and networks such as SDC, SIDA, USAID, UNEP, IUCN, The Asia Foundation, GRI, the RING network, WRI, IISD, IIED, UNDP, etc.

Development Research Institute (IVO), Netherlands

IVO was established in 1963. Its mission is to develop applied socio-economic research to contribute to poverty alleviation. The cornerstones of IVO's analytical approaches are Global Commodity Chains and Development, Institutional Impact Analysis and Macro Accounting for Policy Analysis, including their respective environmental dimensions. IVO has been involved in a variety of capacity building activities in the area of integrated policy on trade, environment and rural and urban development, with emphasis on the role of and impact on small and medium sized enterprises. These projects have been funded mainly by Dutch and European agencies. Currently, the Institute is running activities involving training and research in the above-

mentioned fields in Latin America, Africa and Asia. Several of these projects adopt the global value chain approach, which entails the study of the whole range of transformations involved in the production and consumption of commodities, from extraction to delivery to final consumers, and final disposal. These projects are funded by the European Commission, through the INCO-DEV and Asia-Link programs, as well as by the Dutch government MHO international cooperation program on higher education, among others. Training of PhD candidates from developing countries is an important part of IVO's tasks. For more information, consult the following website: http://ivo.uvt.nl/.

Economic Commission for Latin America and the Caribbean (ECLAC)

As a regional UN body, ECLAC is uniquely placed to help meet the training needs of government officials, it has excellent facilities in Santiago de Chile, including ILPES, with active training programs in both environmental management and economic and social development. ECLAC is also one of the UN agencies that offers support to the Forum of Ministers of Environment, which meets every two years to review public policies and regional strategies, and where capacity building has been highlighted as one of the main priorities of the Ministers. The demand is for various types of non-degree training using regional examples and case studies whenever possible.

In 2002, a three year joint ECLAC/WORLD BANK/SIDA Training Programme for improved environmental management was signed and is being executed through ECLAC's Sustainable Development and Human Settlements Division. The mentioned agreement provides training to Latin America and Caribbean professionals, mainly from the public sector, in the areas of Public Policies for Sustainable Development; Environmental Economics and Environmental Policies; Environmental Governance and Justice; International Negotiations and International Treaties and Agreements and, Indicators, Data, and Information for Sustainable Development. Additional information on recent and ongoing capacity building can be found at: www.eclac.cl/dmaah or www.ilpes.org.

European Bank for Reconstruction and Development (EBRD)

The European Bank for Reconstruction and Development (EBRD) is the only multilateral development bank with an explicit environmental mandate. The EBRD's Articles of Agreement require the Bank to "promote in the full range of its activities environmentally sound and sustainable development". The Articles also require the Bank "to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiatives" – the fundamental objective of the EBRD as a transition bank.

There are important complementarities between the Bank's transition mandate and its commitment to sustainable development. Sustainable development requires that individuals and social groups have the opportunity and freedom to realize their potential under condition of relative social, economic and environmental security, and within a system of markets and regulations. This system must support private investment, permit economic decisions to respond to signals that properly reflect the social valuation of scarce resources and place adequate weight on the well-being of future generations. Political and economic freedoms, which the Bank monitors as part of its commitment to pluralism and multiparty democracy, are important in their own right. They are also instrumental in promoting greater equity within and across generations.

The EBRD works, through the design of its projects, through its technical cooperation and through policy dialogue to foster sustainable development. The most fundamental way in which the Bank supports sustainable development is through its selection criteria for projects that includes both an impact in advancing the transition to an open market economy as well as economic, financial and environmental sustainability. The Bank has developed an operational understanding of how to promote the development of markets and market supporting

institutions and this is reflected in the criteria used to assess the transition and environmental impacts of operations.

A key aspect of the Bank's approach is capacity building - the strengthening of institutions that support markets, the transfer and dispersion of new skills, and the demonstration of high standards of corporate governance and business practices (including environmental practices). For example, the Bank has helped the national authorities in Kazakhstan to improve their environmental laws; it has assisted the Turkmen government in developing a national Oil Spill Contingency Plan in line with good international practice; and it is supporting the Moldovan authorities in improving health and safety standards in the power sector. Compliance with good corporate governance standards and integrity issues are checked as part of project due diligence and most projects include covenants for improvements. Clients in the extractive industries are increasingly engaged in providing advice and training to local enterprises with the aim of promoting local supply chains for projects, an example being the Baku Enterprise Centre. In addition, the Bank applies a number of safeguard criteria in its project due diligence and investment conditionality related to some aspects of sustainable development. The need to comply with the Bank's Environmental Policy creates valuable capacity in client companies not used to good environmental practice. Technical assistance has been provided to a number of public and private sector clients on environmental and health and safety management systems. In the financial sector the EBRD is providing training to its client banks to improve the environmental due diligence in their lending procedures; this includes banks participating in the EBRD Trade Facilitation Programme.

European Union - Capacity Building Activities in Asia

Asia is a crucial partner for the EU in economic, political and cultural terms. The EU as a whole is the second largest donor in Asia, accounting for 30% of all ODA (as against 51% from Japan and 9% from the US). Although several Asian countries belong to the Group of Developing Countries (DCs), consumption is growing fast and the exporting capacity of the Asian continent is already huge and destined to increase. This is the reason why it is in both partners' interest to ensure through capacity building activities that Asian economic actors are ready to meet the high environmental requirements of the EU.

The EU has *bilateral relations* with most Asian countries. In this context, multi-annual Country Strategy Papers (CSPs) and specific National Indicative Programmes (NIPs) are adopted by the Commission in consultation with recipient countries. Trade and Environment policies are integrated in these frameworks as a cross cutting issue and/or as a specific area of support. In this context, capacity building is one of the priorities of EC cooperation with Asia. Actions include support for compliance with Multilateral Environmental Agreements (MEAs) and, to some extent, trade and environment. CSPs and NIPs for Asian countries can be found at http://europa.eu.int/comm/external_relations/asia/country.htm.

The EU has also established together with Asian partners two regional frameworks for cooperation: (1) cooperation between the *EU and ASEAN* is based on a Cooperation Agreement dated 1980 and it has been re-launched with the adoption in July 2003 of a Commission's Communication on a "New Partnership with South East Asia". In this context, the two sides are intensifying their efforts in order to implement the Trans-Regional EU-ASEAN Trade Initiative (*TREATI*); (2) the *ASEM* (Asia-Europe Meeting) is an informal process of dialogue and cooperation bringing together the fifteen EU Member States and the European Commission, with ten Asian countries.

The EU recently submitted to the WTO Committee on Trade and Environment (CTE) a paper on trade-related technical assistance (TRTA) and capacity building in the field of trade and environment. Indeed, the EU fully supports discussions under paragraph 33 of DDA and agrees on the importance of technical assistance and capacity building in the field of trade and

environment to developing countries, in particular the least-developed among them. The submission, which gives an extensive overview of the EU activities in this field, can be found at: http://europa.eu.int/comm/trade/issues/global/environment/wto_nego/index_en.htm.

Beyond bilateral/regional co-operation schemes with most Asian countries, the EU started, since the beginning of the 1990s, a number of specific Asian-wide cooperation programmes (Asia-Invest Programme, Asia-Urbs Programme, Asia-Link Programme, Asia Pro Eco Programme and Asia IT&C Programme).

In the context of the *Asia Pro Eco Programme*, which aims at promoting partnerships in the field of environment, the EU has financed a number of capacity building projects in the field of Trade and Environment mainly dealing with agricultural products, environmental management, green electronics and cleaner production. This programme also supports projects which focus on water, waste and coastal zone management as well as renewable energy, urban environmental issues and sustainable consumption. Information on this programme and details on the call for proposals can be found at http://europa.eu.int/comm/europeaid/projects/asia-pro-eco/index_en.htm.

The European Commission also supports capacity building activities in the field of *Environment and Forests in DCs* (Regulation 2493/2000 on measures to promote the full integration of the environmental dimension in the development process of developing countries and Regulation 2494/2000 on measures to promote the conservation and sustainable management of tropical forests and other forests in developing countries). Actions related to Asia are numerous and projects related to the implementation of MEAs are within the priorities. Information on this programme and details on the call for proposals can be found at http://europa.eu.int/comm/europeaid/projects/forests/about_forestry_en.htm.

In the context of ASEM and more in particular of the meetings of the *ASEM Environment Ministers*, ad hoc initiatives have been supported in the field of trade and environment including capacity building activities with regulators and stakeholders. The Commission also provided support to the pilot phase of the *Asia-Europe Environmental Technology Centre* hosted by the Kingdom of Thailand. Finally, the *Asia-Europe Environment Forum* provides a platform for dialogue and debate on issues with regard to sustainable development and the environment in Asia and Europe.

The European Commission has also commissioned an independent *Sustainability Impact Assessment (SIA)* to establish the potential economic, social and environmental impacts of the Doha Development Agenda (DDA). The SIA of DDA also covers sustainability impacts in Asian countries and in the context of the new sector study on "Forest" there will be case-studies on Malaysia and Indonesia). The Commission also provides financial assistance to *UNEP* to conduct *Integrated Assessment* of Trade Liberalization in DCs. For instance, the Commission financed an Integrated Assessment covering the Rice Sector in Indonesia. Finally the European Commission financially supports the activity of the *UNEP/UNCTAD Capacity Building Task Force (CBTF)*.

The EU has also promoted exchanges of information and *regulatory co-operation* in the framework of a number of political dialogues with Asian partners (see for instance EC-India Joint Working Group on the Environment and EU-China Environmental Co-operation). In the context of these dialogues, the EU provides information on its own legislation in the field of environment, delivers targeted trade-related technical assistance and assists Asian countries in order to enhance their capacity to develop mutually supportive trade and environment policies.

The EU also supports the *Sustainable Trade and Innovation Centre (STIC)*, which is a platform bringing together stakeholders from North and South to create a more co-operative context for sustainable trade and innovation. STIC is intended to encourage exports of

sustainable products from DCs. Information on STIC activities can be found at http://www.epe.be/.

Finally, the EU has very recently set up a new on-line helpdesk ("Expanding Exports Helpdesk"), which should serve as a tool for DCs' exporters to access more easily the EU market. The Expanding Exports Helpdesk can be contacted via e-mail (export-help@cec.eu.int) or via fax (+32-2-29.67.393).

Foundation for International Environmental Law and Development (FIELD), United Kingdom

Founded in 1989, FIELD is a London-based non-governmental organization bringing together public international lawyers committed to the promotion of environmental protection and sustainable development through law. The result is a vibrant and thriving organisation whose advice and assistance are sought by governments, inter-governmental and non-governmental organisations worldwide. In addition to a large and varied portfolio of projects across many areas of sustainable development, FIELD has three core programmes covering: Biodiversity and Marine Resources; Climate Change and Energy; and Trade, Investment and Sustainable Development. An essential aspect of FIELD's work across these programmes is its commitment to strengthening capacity, particularly in developing and transition countries.

From 1999 to the present, FIELD has partnered with UNCTAD in two back-to-back projects aimed at improving national and regional policy coordination and facilitating effective participation of developing countries in the international processes governing international environment and trade rules. The first project brought together trade and environment policy makers from 10 developing countries: Bangladesh, Brazil, Costa Rica, Cuba, India, Philippines, South Africa, Tanzania, Tunisia and Uganda. A series of workshops and roundtable meetings involving policy makers, non-governmental organisations and developing country research institutions examined a range of trade and environment issues from the perspective and experience of developing countries. The second project focused on bringing the lessons learned from the first project back to the Geneva missions and, again in partnership with UNCTAD, comprised an initial six month consultation in three regions (South-East Asia, Central America and East Africa) and is currently being implemented in South-East Asia and Central America. FIELD expects to proceed with implementation in East Africa in 2004.

FIELD continues to be involved in a number of other capacity building initiatives on trade and environment in developing countries, and is planning to extend its capacity building activities on biodiversity and climate change linkages in the Pacific region to include trade. More information can be found at FIELD's website: www.field.org.uk.

Global Environment Centre (GEC)

The GEC was established in 1998 to work on environmental issues of global importance. The Centre is registered in Malaysia as a non-profit organization. It supports information exchange and capacity building as well as undertaking strategic projects particularly in developing countries. It works in partnership with other like-minded agencies worldwide.

The GEC works in 3 main programme areas: Integrated River Basin Management; Forest and Wetland Conservation; and Capacity Building and Awareness. GEC's objectives are:

- To promote integrated management of biodiversity and water resources with a focus on community involvement and biodiversity conservation
- To promote the protection and sustainable use of forests and wetlands with a focus on

integrated management for biodiversity and climate change

 To enhance awareness, understanding and capacity as well as partnerships between different organizations and sectors to address environmental issues.

GEC's capacity building activities in support of integrated policy design and implementation in relation to economics, trade and environment include:

- organizing national, regional and international workshops and meetings on a variety of issues such as sustainable management of water resources; integrated management of wetlands, biodiversity and river basins; wise use and sustainable management of peatlands; best management practices for peatlands; and integrated management of peatlands for biodiversity and climate change;
- capacity building for management and implementation of MEAs, working with partners such
 as the United Nations University (UNU) on their Inter-Linkage Initiative; and working with
 the UNU and UNEP to develop training curricula and conduct training courses as part of
 the Danida Project in Malaysia on MEAs: Capacity Building and Implementation;
- providing input into policy dialogues with government agencies at national and regional level.

GEC also coordinates a number of networks for information sharing and capacity building including the South East Asia Peat Network (visit www.peat-portal.net); the River Basin Initiative Network (visit www.riverbasin.org); Malaysian River Network; and the Global Environment Network (visit www.gecnet.info)

GEC works in partnership with many organizations in implementing its programmes, including international organizations, government agencies, research centres, the private sector, NGOs and local communities. Current partners include ASEAN Secretariat; Centre for Environmental Technologies; Ministry of Environment, Indonesia; Ministry of Natural Resources and the Environment, Malaysia; Sabah Forest Department; Secretariats of Ramsar Convention and Convention on Biological Diversity; State Forestry Administration of China; UNU; UNDP; UNEP; Wildlife Habitat Canada; and Wetlands International.

Helsinki Commission - HELCOM, Finland

All of HELCOM's activities can be seen as contributions to capacity building. HELCOM's information and experiences with environmental management is exchanged between contracting parties during meetings and workshops at political/administrative and technical/scientific levels.

The Baltic Sea Joint Comprehensive Environmental Action Programme (JCP), established in 1992, addresses three capacity building issues: 1) Policies, Laws and Regulations; 2) Institutional Strengthening and Human Resource Development; and 3) Public Awareness and Environmental Education. After a review of the programme, these activities were transferred to the general responsibility of HELCOM and its subsidiary bodies.

In 2003, the "Baltic Sea Regional Project" (BSRP) was initiated. The World Bank/GEF has provided a 5.5 million USD grant for the project, and together with contributions from other co-financiers and project beneficiaries including Finland, Norway, Sweden, the United States and the Nordic Environment Finance Corporation (NEFCO), the total funds available may be about 12 million USD.

The main goal of the project is to strengthen the technical capacity of local and regional institutions to manage valuable marine resources and ensure that Baltic ecosystems are sustainable. The project activities involve local communities and institutions, working together with the project partners and international organisations.

Under the project component "Institutional Strengthening and Regional Capacity Building" the following activities are planned:

- Working on areas of common interest among the BSRP partners to improve the management of ecosystems in the Baltic Sea by promoting technical, institutional and political co-operation;
- Engaging partners and local communities in the project through publicity measures to increase awareness of environmental issues;
- Evaluating the socio-economic impacts of ecosystem-based management strategies for farming, fishing and coastal communities; and
- Educating and informing political constituencies and local partners on the project's methods and objectives.

Among the list of activities under the components addressing the open sea and the land and coastal zone the following can be mentioned:

- Co-ordinating and integrating the regional monitoring and assessment of coastal and marine resources, such as fish stocks and nutrient balances;
- Strengthening regional decision-making;
- Raising awareness of environmental issues among farmers and local communities; and
- Strengthening and harmonising the capacity to monitor pollution from rural areas.

Additional information regarding HELCOM's project can be found at the HELCOM homepage: www.helcom.fi.

International Association for Impact Assessment (IAIA), United Kingdom

IAIA is a non-profit educational organization for professional environmental decision makers. This global network links over 2,700 practitioners and policy makers from over 100 nations. The purpose of the organization is to advance best practice in environmental assessment. IAIA:

- organizes special interest sections within its membership such as a section on the Integrated Assessment of Trade-Related Policies
- recognizes affiliates and associated organizations in many countries and regions of the world
- seeks partners among the world's major players in capacity building, signing MoUs for collaboration on activities of mutual interest with Ramsar, CBD, WHO, and UNEP (Division of Technology, Industry & Economics) and others.
- The hallmark of IAIA is its annual conferences and training courses, held every year since 1981, throughout the world. Over 600 participants from 70 or more nations attend.

The adoption of the Marrakech Declaration was a major highlight of the IAIA 2003 conference (Marrakech, Morocco), and sets forth a framework within which IAIA is able to prioritize its capacity building activities. A draft Action Plan is currently under review, allowing for input from colleagues, most particularly from developing countries. The expectation is that the Action Plan will be finalized at IAIA 2004 (April, Vancouver) and will equip IAIA with a permanent capacity to assess and monitor national/local impact assessment capacity and to broker capacity building programs, with a special emphasis on the poorest of the developing countries. Additional information on IAIA can be found at www.iaia.org.

International Centre for Trade and Sustainable Development (ICTSD), Switzerland

The International Centre for Trade and Sustainable Development (ICTSD) was established in Geneva in September 1996 to contribute to a better understanding of development and environment concerns in the context of international trade. As an independent non-profit and

non-governmental organisation, ICTSD engages a broad range of actors in ongoing dialogue about trade and sustainable development. With a wide network of governmental, non-governmental and inter-governmental partners, ICTSD plays a unique systemic role as a provider of original, non-partisan reporting and facilitation services to help trade policy become more supportive of sustainable development. By helping parties increase capacity and become better informed about each other, ICTSD builds bridges between groups with seemingly disparate agendas. It seeks to enable these actors to discover the many places where their interests and priorities coincide, for ultimately sustainable development is their common objective.

ICTSD is engaged in a number of trade and environment-related capacity building initiatives (see also http://www.ictsd.org). Together with the International Institute for Sustainable Development (IISD) and the Regional International Networking Group (RING), ICTSD has initiated the project Southern Agenda on Trade and Environment. Phase I (2001-2002) sought to gather and present Southern perspectives on the trade and environment link, building on consultations with developing country negotiators in Geneva. Phase II (2003-2004) aims to strengthen the capacity of trade negotiators, key national policymakers and regional actors in developing countries to determine priorities for promoting and negotiating proactive positions which reflect their own 'Southern Agenda' on environment and trade in the multilateral trading system. The second Phase centres around six regional consultations in Asia, Africa and Latin America that bring together trade-environment experts from government, civil society, the private sector and Geneva-based negotiators.

In November 2001, ICTSD in collaboration with IUCN (The World Conservation Union) and IUCN's Commission for Environmental, Economic and Social Policy (CEESP) launched the biweekly newsletter *Bridges Trade BioRes*. The publication aims to help build policy coherence in the intersecting areas of trade, biodiversity and sustainable development by enabling the stakeholders involved to better understand each other's goals and objectives, interact on an informed basis, and effectively take into account their respective needs and concerns in the policy making process. Moreover, ICTSD is setting up a trade and environment web portal, which will feature an extensive collection of relevant resources, sorted by themes, along with recent news, upcoming events and links to other organisations and initiatives.

ICTSD has held a series of regional dialogues on trade and environment, back-to-back with the WTO's regional seminars for government officials. These dialogues are aimed at strengthening developing countries' capacity to understand the trade and environment interface, define their own interests and priorities, and articulate how these relate to the multilateral trading system. They also offer an opportunity for civil society and trade policy-makers from the regions to interact, increasing transparency and bringing a diversity of perspectives to the formulation of trade policy. To date, dialogues have been held in Gabon, Zimbabwe, Chile and Thailand.

Other related capacity building initiatives include the *Trade Knowledge Network* – jointly implemented with IISD – which aims to increase awareness, knowledge and understanding of the issues among developing country research institutions, non-governmental groups and governments (http://www.tradeknowledgenetwork.net). Countries involved include Argentina, Chile, Costa Rica, El Salvador, Bangladesh, China, Pakistan, Vietnam and South Africa.

Institute for Development Policy and Management (IDPM), United Kingdom

IDPM is a multi-disciplinary institute in the University of Manchester, that specializes in undertaking cutting edge research across the full range of subjects relating to international and development policy. IDPM was established in 1958 and currently employs over 30 professional staff working in subjects as diverse as economic policy appraisal, gender analysis, social development, public policy analysis and environmental policy. A key strength of IDPM is its multi-disciplinary nature, which brings together experts in international trade policy, environment

within the Institute, specializing in this component of its work.

and social development. An Impact Assessment Research Centre (IARC) has been established

The Institute is engaged in capacity building activities as an educational institution, providing short courses and a range of postgraduate doctoral research and Masters programmes, and as a provider of commissioned research and consultancy. Short courses include a modular programme on impact assessment for sustainable development, embracing environmental, social and economic aspects. Commissioned work includes a methodology and criteria for evaluating national sustainable development strategies.

Since 1999 IDPM has been contracted by the European Commission's DG Trade on the integrated impact assessment of WTO negotiations. Following the development of a preliminary methodology which was applied to the Seattle WTO agenda, this was subsequently developed and refined for detailed impact assessment studies. Completed studies include a preliminary assessment of the full Doha agenda and three detailed sectoral studies. Three further detailed studies are in progress. Partners in this programme include the World Trade Institute, the British Institute for International and Comparative Law, and the Overseas Development Institute. IDPM has subsequently been contracted by Europaid to undertake a two year integrated impact assessment programme for the Euro-Mediterranean Free Trade Area, which will integrate with the negotiation process, and contribute to capacity building in partner countries. IDPM's partners in this project include the UN Economic and Social Commission for Western Asia, and the Tunis International Centre for Environmental Technologies. Other trade-related work includes a seminar programme for the Southern African Development Community (SADC), and a needs assessment study for LDCs undertaken for UNCTAD.

In association with CITET and the University of Manchester's EIA Centre, IDPM staff have since 1999 been engaged in a major regional EIA capacity building initiative under the Mediterranean Environmental Technical Assistance Programme (METAP), sponsored by the World Bank. The project involves all the developing and transitional countries of North Africa, the Middle East and Southern Europe with access to the Mediterranean, together with Iran and Yemen. Evaluations of the status of EIA systems have been undertaken in thirteen of the countries, associated with a series of regional and national institutional strengthening and capacity building workshops, aimed at integrating environmental factors more fully into development planning. Further information may be found at: http://idpm.man.ac.uk/, http://idpm.man.ac.uk/iarc/, and http://idpm.man.ac.uk/sia-trade/.

Institute for Global Environmental Strategies (IGES), Japan

Established in 1998, the Institute for Global Environmental Strategies (IGES) is an independent not-for-profit think tank based in Japan. IGES goes beyond research to provide practical ways to protect the earth's environment and to realize greater sustainability and equity in the global community. While the outlook of IGES is global, the principal geographical scope of its activities is Asia and the Pacific region, an area which is experiencing rapid economic development, and which will affect the global environment through its population growth, urban environmental problems and other environmental issues.

IGES is composed of seven research projects and one programme: Climate Policy, Urban Environmental Management, Forest Conservation, Environmental Education, Business and the Environment, Freshwater Resources Management, Long-Term Perspective and Policy Integration and a Capacity Building Programme. The activities of these projects and program consist of Strategic Research, Information Outreach, Multi-stakeholder Dialogue and Capacity-building. IGES also hosts the Technical Support Unit of the IPCC National Greenhouse Gas Inventories Programme (NGGIP).

Because people are empowered by skills and knowledge, IGES provides eLearning, such as online and offline computer-based training courses, for training environmental specialists in

developing countries. IGES also supports training programs by other organizations such as UNITAR (the United Nations Institute for Training and Research) and LEAD (the Leadership for Environment and Development).

In the context of the growing interest in Free Trade Agreements (FTAs) and economic integration in the Asia and Pacific region, IGES has initiated strategic research and capacity building activities for policy integration on trade, environment and sustainable development in the Asia-Pacific region, with a view to providing recommendations of viable policy options in making the trade agenda compatible with other dimensions of sustainable development. This involves quantitative and qualitative assessment of the impact of FTAs on the economy, society and the environment, as well as the identification of mitigation policies both on the social and environmental fronts.

International Institute for Sustainable Development (IISD), Canada

IISD's work on trade, investment and sustainable development began in 1991. It seeks to find those areas of synergy where trade, environment and development can be mutually beneficial, and to help policy-makers exploit those opportunities. It seeks to identify areas of conflict among the three policy spheres, and help find ways to minimize them. And it seeks to increase civil society's understanding of the issues, and create mechanisms of openness by which that understanding can help make better policy.

In keeping with IISD's focus on North-South issues, its work on trade and investment has a special emphasis on the problems and concerns of developing countries in trade and sustainable development debates. IISD's focus is on helping trade law and the institutions that shape it—such as the World Trade Organization—integrate the objectives of sustainable development. To help ensure that development issues are effectively addressed, IISD works to build capacity for trade and sustainable development in developing countries, while seeking to increase civil society's understanding of the issues and creating mechanisms of openness by which improved understanding can help make better policy.

In 1997, IISD and IUCN launched a collaboration to build capacity on the issues of trade and sustainable development in developing countries called the Trade Knowledge Network. Its aim is to increase awareness, knowledge and understanding of the issues among developing country research institutions, NGOs and governments. Two phases of this project are now completed and TKN is developing a broader initiative to serve as a platform for further research and capacity building around trade and sustainable development. TKN is a clearinghouse for developing country research on trade and sustainable development issues. Apart from providing access to country-level case studies written by network members, the TKN Web site, www.tradeknowledgenetwork.net, is used by members to publicize their new and existing research and to collaborate on research. TKN member organizations are from: Argentina, Canada, China, Vietnam, El Salvador, Pakistan, South Africa and Switzerland. The IISD website, www.iisd.org, provides further information on this and other initiatives.

Integrated Research and Action for Development (IRADe), India

IRADe is a recently established research and action institute. Its founders have many decades of experience in research and training in a wide variety of environmental issues. The institute can thus offer a range of skills and resources that are of value in Training and Capacity Building. Work to date has focused on:

- Sustainable Development: trade-offs between environment and human well-being
- Natural Resource Accounting
- Environmental Policy Design using economic instruments
- Environmental Economics
- Valuation of wetlands, forests and environmental degradation
- Integrated Assessment using

- i. CGE models
- ii. Micro models
- iii. Sector models
- iv. Resource models
- Energy/Environment/Health/Gender interactions
- Development of teaching material based on real life case studies in developing countries
- International negotiations in environment
 - Trade and Environment
 - Natural resource valuation case studies
 - Climate Change
- Climate Change
 - Mitigation: power sector, renewables, energy efficiency
 - Adaptation and impacts: agriculture and insurance
 - Technology transfer
 - Clean Development Mechanism

More information can be found on the IRADe website www.irade.res.in.

Institut des Sciences de l'Environnement, (Institute of Environmental Sciences) (ISE), Senegal

Established in 1978 as a postgraduate training and research institute within the Faculty of Sciences at the University Cheik Anta Diop (UCAD), Dakar, Senegal, the ISE has carried out various research programmes related to the management and assessment of the environment, agriculture, natural resources and development, with special focus on the Senegal river basin.

ISE has been involved in the conception and implementation of national environmental policies and strategies and is a leading centre for environmental management and assessment in West Africa. ISE was involved in the UNEP country study on the impact of trade liberalization in the fisheries sector and is coordinating the study on the integrated assessment of trade liberalization in the rice sector. A new (3 year) international collaborative programme is being implemented with Clark University, USA, on Policy Analysis for Participatory Poverty Alleviation, that aims to work with communities on developing ways to manage local resources.

ISE is a training and research institution with the goal to improve the effectiveness of capacity building programmes focused on implementing a strategy of integrated policy design for sustainable development at local, national and regional levels with participatory approaches. ISE is keen to develop mutually supportive economic, trade and environmental policies in the promotion of sustainable development and poverty alleviation.

International Tropical Timber Organization (ITTO)

ITTO is an international intergovernmental organization which seeks to promote the international trade in tropical timber, the sustainable management of tropical forests and the development of tropical forest industries by means of international cooperation, policy work, project activities and, principally, through the ITTO Objective 2000 under which members pledge their full commitment to moving as rapidly as possible towards achieving exports of tropical timber and timber products from sustainably managed sources. In this context, equal emphasis is placed on the pursuit of ITTO's trade, economic and development objectives as well as the attainment of its environment goals relating to the management, conservation and sustainable development of tropical forests. The overall work of ITTO can thus be viewed as an on-going effort towards operationalising the integration of trade and environment in respect of the tropical forest sector in line with the principles of sustainable development adopted at the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992.

The magnitude and complexity of ITTO's on-going task in supporting integrated policy design and implementation for the tropical forest sector are compounded by the fact that virtually all tropical forests are located in developing countries which are facing competing demands for inadequate resources in meeting national needs of higher priority including poverty alleviation, food security, employment opportunities, public health, education and housing. These countries are also grappling with the problems and challenges of managing natural tropical forests whose requirements for sustainable management and development are much more complex and demanding than those of non-tropical forests.

To facilitate and assist members in meeting these challenges, ITTO relies primarily on supportive and enabling measures including, in particular, institutional and human capacity-building, in carrying out its work covering the three principal areas of economic information and market intelligence, reforestation and forest management and forest industry. The major capacity-building measures undertaken by ITTO include:

- Policy consultation, discussion and development by members on key issues relating to the international trade and utilization of tropical timber and the sustainable management of tropical forests as the resource base, with a view to facilitating awareness and exchange of information and experiences among members as well as formulating appropriate policy responses to these issues. This is being carried out regularly during the sessions of the International Tropical Timber Council and its committees.
- Policy research and normative work on key issues and areas in order to facilitate understanding and uptake of knowledge and know-how relating to these issues and to enhance ability and expertise in addressing them. Notable examples in this regard is the series of ITTO Guidelines relating to the sustainable management of natural tropical forests, the establishment and sustainable management of planted tropical forests, the conservation of biological diversity in tropical forests, fire management in tropical forests, and the restoration, management and rehabilitation of degraded and secondary tropical forests; the ITTO Criteria and Indicators for Sustainable Management of Natural Tropical Forests and manuals for their application at the national and forest management unit levels; and ITTO Guidelines and Training Package for the development of auditing systems to monitor and verify progress towards sustainable forest management.
- Projects and pre-projects to reinforce ITTO policy work on the ground. To date, ITTO has provided grants worth more than US\$250 million to fund 500 ITTO projects and activities of which 150 are under implementation. Some features of ITTO project work which have made it appealing to recipient countries include its country-driven character; initiation, implementation and ownership by recipient countries; funding in the form of grants; and a relatively short duration of its project cycle (6 months). These have helped address some concerns related to technical assistance and capacity-building such as meeting actual beneficiary needs and priorities and minimizing tied-aid and excessive donor conditionalities.
- Training, workshops and seminars to facilitate and promote participation as well as exchange of information and experiences among participants and to impart relevant knowledge, understanding, skills and know-how to them. These include the ITTO workshops on project formulation, development of national forest statistical systems, the application of ITTO Criteria and Indicators for Sustainable Management of Natural Tropical Forests, and restoration, management and rehabilitation of degraded and secondary tropical forests; ITTO regional workshops on phased approaches to certification; and ITTO regional training courses on the development of credible auditing systems.
- ITTO Freezailah Fellowship Programme to promote human resource development and to strengthen professional expertise in member countries in the field of tropical forestry and related disciplines. A maximum grant of US\$10,000 is provided to nationals of ITTO member countries particularly developing member countries. Since its inception in 1989, more than US\$4 million have been utilised to grant fellowship awards, enabling more than 750 young and mid-career people from over 30 countries working for government, research

institutions, civil society and the private sector to pursue professional development and improve career prospects.

International Union for the Protection of New Varieties of Plants (UPOV), Switzerland

The International Union for the Protection of New Varieties of Plants (UPOV) is an intergovernmental organization, based on the International Convention for the Protection of New Varieties of Plants ("the UPOV Convention"). The mission of UPOV is: "To provide and promote and effective system of plant variety protection, with the aim of encouraging the development of new varieties of plants for the benefit of society."

Plant variety protection (PVP) based on the UPOV Convention is the only internationally harmonized and effective *sui generis* system of plant variety protection which is in place. Right from the beginning in 1961, the UPOV Convention aimed at striking a balance between effective incentives to plant breeding through an appropriate scope of protection on the one hand and the need to secure access to protected varieties for further breeding and traditional practices of farmers of saving seed on the other. This carefully balanced approach is attractive to developing countries and explains to some extent UPOV's growing impact. Faced with the choice under Article 27.3(b) of the TRIPS Agreement to "provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by any combination thereof," the vast majority of States, having implemented this provision, have opted for a *sui generis* system of protection based on the UPOV Convention.

There is a demand-driven need to assist new members in the implementation of their UPOV-based system of plant variety protection. The aim is to enable them to fully enjoy the benefits and economic incentives the system is able to generate. UPOV, as the leading institution in all matters of plant variety protection, has the obligation to provide assistance and advice.

UPOV's capacity building activities now cover an increasing number of States which seek legal and technical assistance in the preparation and implementation of plant variety protection legislation. UPOV's cpapacity building activities are organized in cooperation with recipient countries. These often start with a national or regional seminar to provide initial information on plant variety protection and are then extended to give assistance for preparing national legislation on plant variety protection with a view to accession to the UPOV Convention. Technical training is also given, in particular in the form of practical training in plant variety protection offices of existing UPOV members, to establish a robust technical basis for plant variety protection.

As of February 2004, UPOV has 54 members. Almost all of them are Contracting Parties of the CBD. A further 20 Contracting Parties to the CBD have initiated the procedure for becoming members of UPOV. Fifty other Contracting Parties of the CBD have been in contact with the Office of the Union with a view to developing legislation in line with the UPOV Convention. Almost all of these countries are benefiting from capacity building activities provided by UPOV.

IUCN - The World Conservation Union

IUCN's work on trade, investment and sustainable development aims to place concerns about biodiversity and sustainable livelihoods on the agenda of trade debates. IUCN works in collaboration with its 1000 members from some 140 countries, which include over 70 States, 100 government agencies, and 750-plus NGOs to implement its vision of a just world that values and conserves nature. In addition, more than 10,000 internationally-recognised scientists and experts from more than 180 countries volunteer their services to its six global commissions. In particular, the Commission on Environmental, Economic and Social Policy (CEESP) has established a Working Group on Environment, Trade and Investment (CEESP-GETI) which focuses on providing practical information services to the IUCN membership and partners on the interface

between international trade rules and biodiversity. For more information visit http://www.iucn.org/themes/ceesp/.

IUCN has identified the following aspects of the relationship between biodiversity and trade as the basis from which to develop its future work:

- International governance issues, to increase coherence, transparency and synergies in the relationships between WTO and conservation players.
- Trade and investment policies, to ensure they promote market access and conservation.
- Market mechanisms, to promote the use of beneficial mandatory and voluntary mechanisms and incentives, and the removal of perverse incentives.
- Thematic areas: to mitigate the negative impacts of trade on threatened species and the introduction of alien invasive species through trade; promote the sound use of the precautionary principle; and ensure that trade in biological resources is fair and equitable.
- Means and mechanisms, to attain these goals and objectives, e.g. capacity-building.
- Priority Areas identified for policy work at global and regional levels include:
 - 1. Promoting mutual supportiveness between the Multilateral Trade Regime and Multilateral Environmental Agreements;
 - 2. Promoting intellectual property rights and an access and benefit-sharing regime;
 - 3. Alien invasive species and trade rules;
 - 4. Perverse subsidies; and
 - 5. Regional integration processes.

IUCN is also working to increase understanding and knowledge by the IUCN constituency about trade-related issues using communication tools. These include enhancing the content and increasing the distribution and circulation of the bi-weekly newsletter Bridges Trade BioRes which is a joint product of ICTSD, IUCN, CEESP-GETI (http://www.ictsd.org/biores/index.htm), and the creation of an IUCN web-section on trade and biodiversity issues (http://www.iucn.org/themes/pbia/themes/trade/whatwedo.htm); development and distribution of trade and biodiversity policy briefs; the provision of advice and capacity building to IUCN's 50 regional and country offices; and finally, integration of trade aspects in several of IUCN's 500+ projects.

In addition, TRAFFIC, which is a joint programme of WWF and IUCN, was established in the mid-1970s to assist in the implementation of CITES. While continuing to support the application of CITES, TRAFFIC has developed its role in addressing wildlife trade issues in a wider context, including major commercial sectors such as fisheries and timber trade and a wide range of regional and local issues. Over a quarter of a century, TRAFFIC has developed from a single office into a global network of 22 offices in eight regional programmes around the world which monitor trade in species. For more information visit http://www.traffic.org/.

McGill University and the McGill-UNEP Collaborating Centre in EIA, Canada

McGill is a highly ranked, research-intensive, internationally-oriented university, located in the bilingual (French/English) and multicultural setting of Montreal, networked with other universities and institutions globally. McGill components with expertise concerning environmental, economic and trade issues include: the McGill School of the Environment (a partnership between the Faculty of Agricultural and Environmental Sciences, the Faculty of Arts,

and the Faculty of Science); the Centre for International Sustainable Development Law; the Brace Centre for Water Resources Management; the Department of Natural Resource Sciences; and other units in the faculties of engineering, law, management and medicine.

In 2003, McGill's Faculty of Agricultural and Environmental Sciences was signatory to a Memorandum of Understanding with the United Nations Environment Programme designating it as a UNEP Collaborating Centre in Environmental Impact Assessment (EIA). The mandate of the EIA centre is to conduct EIA related teaching, training and research as well as to promote EIA best practices, objectives and benefits through advanced seminars, workshops and colloquia. In this context the UNEP collaborating unit is positioned to facilitate capacity building in support of programs implementing sustainable development in partnership with the other institutions and responsible agencies.

Multilateral agencies with substantive sustainable development interests are located close to McGill in Montreal: the Permanent Secretariat of the United Nations Convention on Biological Diversity; the Commission for Environmental Cooperation (CEC-NAFTA); the Francophone Secretariat of the International Association for Impact Assessment; the IUCN (World Conservation Union); and the Western Hemispheres Bureau of the World Water Council. Montreal is home to head offices of many of Canada's largest mining conglomerates, engineering and environmental consulting companies, and forestry, hydropower, pulp and paper and other resource utilization companies, with staff trained in environmental/economic policies and practice in Canada and internationally. McGill is also linked with the three other universities in Montreal with expertise in sustainable development and environmental assessment (Université du Québec à Montréal, Université du Montréal, Concordia University).

The approach of McGill University and its UNEP Collaborating Centre towards capacity building for integrated policy design and sustainable development implementation follows from the university mission of teaching, scholarship and service to society. Large scale and long term commitments in capacity building optimally involve the training of graduate students from developing countries and from Canada, through thesis research and field work in areas relevant to sustainable development goals. Such activities can embrace both policy and practice, taking place at the university and through fieldwork in developing countries. Findings are published in widely disseminated peer-reviewed literature. Training manuals produced for use in developing countries will be similarly subject to peer review. Networks of specialists and experts from outside the university and from affiliated institutions in Canada can be fully utilized to assure the highest levels of scholarship and best practice.

Organization of American States (OAS)

Since the first Summit of the Americas in Miami (1994), the Heads of State and Government have recognized that sustainable development and economic prosperity are two aspects of the same objective. The Heads of State through this process have also made a commitment to strengthen environmental protection, and to encourage the sustainable use of natural resources to assure a balance between economic development, social development and environmental protection. In response to this commitment, the General Secretariat of the OAS, through its Office for Sustainable Development and Environment (OSDE), is working to enhance environmental management capacity in the context of trade liberalization in the Americas.

As economic and market integration – propelled by trade, investment and other links – continues, the OAS is working to better align environmental protection with economic development. One example involves supporting an environmental cooperation agenda that helps countries anticipate health and environmental issues and standards associated with market access. A related effort is to identify those areas in which member countries have a comparative advantage in environmental goods and services. Work is underway in the sustainable tourism,

organic agriculture, and sustainable fisheries to identify "win-win" trade and environmental outcomes.

The OAS has supported member States through different trade capacity building processes in their bilateral trade negotiations and has provided technical assistance for developing their national capacity building strategies for the Hemispheric Cooperation Program (HCP) of the Free Trade Area of the Americas (FTAA). In support of the priorities established by member States in the mentioned processes, the OAS has programmed a series of activities and projects in the area of trade and environment in the Western Hemisphere. Main activities are focused on trade and environment capacity building, including environmental assessments of trade liberalization, identification of national and regional priorities for sustainable development in the context of free trade; and analytical work in areas such as environmental management in the agricultural sector and environmental health implications of globalization and trade.

The Research School for Socio-Economic and Natural Sciences of the Environment (SENSE), Netherlands

Established in 1994, The Research School for Socio-Economic and Natural Sciences of the Environment (SENSE) provides a multidisciplinary research programme aimed at a better understanding of environmental problems and the advanced training of PhD students in this field. It has developed into a consortium of outstanding environmental research groups of eight Dutch universities, covering a broad range of environmental disciplines, with contributions from the *natural sciences* (such as chemistry, biology, earth sciences, hydrology, environmental technology) and the *socio-economic sciences* (such as economics, sociology, political sciences).

The scientific mission of the SENSE Research School is to develop and promote an integrated understanding of environmental change in terms of the mechanisms that cause it and the consequences that result from it. To fulfill this mission, the combined programmes of research and education within SENSE are aimed at the development and further improvement of scientific concepts and methods that are required for an effective disciplinary and multidisciplinary understanding of environmental change. Research and education in SENSE are dedicated to developing high quality scientific results, which may be applied to practically and critically inform environmental policy perspectives.

There are four core programmes that reflect the main research efforts of SENSE with regard to environmental changes. This includes micropollutants; environmental change and ecosystem dynamics; global change: climate, land use and biogeochemical cycles; and industrial transformation: towards sustainable use of energy and materials. Additional information can be found at: www.sense.nl.

TNO, Netherlands

TNO is the Netherlands Organization for Applied Scientific Research. TNO is the largest fully independent R&D organization in the Netherlands with a staff of about 5400 and a total turnover of nearly 540 million Euros a year (2003). TNO derives its contracts from international sources such as the private sector, governments and international organizations. Its primary tasks are to support and assist trade and industry, governments and others in technological innovation and in solving problems by rendering services and transferring knowledge and know-how. TNO maintains close links with the academic world. Many of the TNO staff have positions as part-time professors at Dutch or foreign universities. TNO's activities take place at a number of institutes spread throughout the Netherlands. Furthermore, TNO has offices in among others the Czech Republic, Japan, the Ukraine and the US. The overall management of the organisation is in the hands of the TNO Board of Management.

TNO's major fields of activity are: Environmental and Energy Research, Building and Construction, Industrial Research, Nutrition and Food Research, Health Research, Defence Research and Policy Research. These fields are subject to a multidisciplinary and a practice- and market oriented approach. TNO's main international markets are in the OECD countries. However, TNO is broadening its markets in Central- and Eastern Europe, the Middle- Southand Far East and Latin America. TNO participates in national and international information networks, such as EACRO, FEICRO, EMARC, and ESTO, working in association with leading international sister organizations, including the Fraunhofer Geselschaft (Germany) and the British Technology Group (UK). TNO participates in EC programmes such as BRITE, EURAM, ESPRIT, COST and EUREKA.

TNO is a founding member of ENERO, the European Network of Environmental Research Organizations, with more than 15,000 specialists in each of the European Union countries. Several joint studies deal with comparisons of regulation, most recently in the field of hazardous waste management. TNO is a partner in the EU Topic Center on integrated emissions dealing with emission reduction measures and funded by the European Environment Agency.

The TNO Institute of Strategy, Technology and Policy (TNO-STB) is one of the 14 institutes of the Netherlands Organisation for Applied Scientific Research. It is a multidisciplinary group of about 70 researchers and consultants working on the longer-term problems and challenges of technological, economic and societal innovation. Together, the researchers of TNO-STB have indepth knowledge of the interactions between technology, economics, markets, organisational structures, environment, culture and policy. And they know how to turn this knowledge into useful visions, concepts and strategies. TNO-STB has fast access to specialized knowledge in most areas of technology and its applications in the other TNO institutes.

United Nations Conference on Trade and Development (UNCTAD)

UNCTAD is the focal point within the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. Agenda 21, UNCTAD X and the Plan of Implementation adopted at the World Summit on Sustainable Development called upon UNCTAD to promote the integration of trade, environment and development policies. UNCTAD's mandate has been implemented through intergovernmental deliberations, policy analysis, empirical studies, briefings, workshops and seminars, using both budgetary and extra-budgetary resources. UNCTAD's activities span a full spectrum of trade issues and environment issues, which are being addressed from a development perspective. An overview of UNCTAD's work is published in the new annual Trade and Environment Review.

Since the early 1990s, UNCTAD has had a specific capacity building programme on environment, trade and development. In recent years, the Trade Environment and Development (TED) Technical Cooperation (TC) and Capacity Building (CB) programme has undergone a major change in structure, size and strategy. Activities are increasingly carried out in the framework of longer-term projects, which facilitates follow-up and appropriate sequencing of activities to obtain desired results. A recent UNCTAD publication (TD/B/WP(XLI)/CRP.1) outlines UNCTAD's vision and strategy concerning TED TC/CB, including objectives; characteristics; geographical and substantive focus; the integrated set of activities offered; steps taken to secure sustainability of impacts; communication; cooperation with other providers of TC/CB; and the use of indicators of performance and impact. The growth in the TED programme responds to the UNCTAD X mandate and to enhanced demand from developing countries following the inclusion of some trade and environment issues in the World Trade Organization (WTO) negotiating agenda at the Doha Ministerial Meeting in November 2001, as well as to practical initiatives as a follow-up to recent recommendations by UNCTAD's Commission on Trade in Goods and Services, and Commodities.

TED TC/CB activities include exchanges of national experiences, studies, sub-regional seminars, national workshops and training, which, as far as possible, are offered as an integrated package.

In-depth TC/CB activities are carried out in around 15 developing countries and focus on specific issues. The project *Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues*, funded by the UK Department for International Development (DFID) is UNCTAD's largest project. The project assists beneficiary countries in (a) participating effectively in the WTO negotiations and discussions on trade and environment; and (b) developing long-term policies aimed at promoting sustainable development through trade. The project explicitly aims to develop and implement practical and meaningful policy initiatives in at least one specific trade and environment area in each region.

To ensure that the programme reaches a larger number of beneficiaries, these in-depth activities are complemented by other TC activities focusing on awareness raising and information – sharing. The programme also cooperates with the secretariat of the WTO, UNEP, UN regional commissions and other partner institutions. An important part of these activities are being implemented in the context of the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF). UNCTAD and UNEP are also cooperating in the preparation and publication of comprehensive training modules on a wide spectrum of trade, environment and development topics, including a range of modules prepared by UNCTAD as part of its TrainforTrade programme.

UNCTAD's work on Trade, Environment and Development also includes the BioTrade Initiative and work in the area of climate change. Further information is available on: http://www.unctad.org and http://r0.unctad.org/trade_env/index.htm.

United Nations Economic and Social Commission for Western Asia (ESCWA)

ESCWA has been actively engaged in capacity building on trade, environment and sustainable development since 1997. As one of five regional commissions serving the United Nations Secretariat, ESCWA works closely with partners and stakeholders to strengthen the capacity of decision-makers and policy advisors in the Arab region to examine trade and environment relationships from an integrated perspective.

ESCWA has made a point of ensuring that the design and delivery of its capacity building services in the Arab region are conducted through a demand-driven process that engages public and private stakeholders and local experts in project preparation, formulation and implementation. National and regional consultations, policy advisory services, training and learning-by-doing exercises are some of the mechanisms used to better inform and enable regional beneficiaries to assess the linkages between trade, environment, competitiveness and sustainability.

Special effort is also made to ensure complementarity between ESCWA activities and those of other organizations serving the region. This has allowed capacity building initiatives implemented by ESCWA to be conducted through partnerships forged with Member States and institutional partners such as the League of Arab States, the Mediterranean Environmental Technical Assistance Program (METAP), the World Bank and the University of Manchester. Projects include the METAP MedPolicies Initiative supported by the World Bank, the Bank-Netherlands Partnership Program on Trade and Environment Capacity Building for Small and Medium Sized Enterprises, Strengthening Capacity for Sustainable Environmental Economic Policy in ESCWA Member Countries, and the Sustainability Impact Assessment of the Euro-Mediterranean Free Trade Area, which is supported by the European Commission.

The important role of regional commissions in promoting cooperation, capacity building and technical assistance on trade, environment and sustainable development at the regional level is

echoed in the Plan of Implementation of the World Summit for Sustainable Development (Section IX). This mandate is operationalized through the formulation of a coordinated "Program on Trade and Environment Capacity Building in the Arab Region," which was adopted by resolution of the Council of Ministers Responsible for the Environment (CAMRE) of the League of Arab States in December 2003. ESCWA, UNEP/ROWA and the CAMRE Technical Secretariat manage the program through a Joint Secretariat that is supported by a Working Group comprised of UNCTAD, UNEP/ETB and regional organizations. Based on input received from various stakeholder groups during national and regional consultations, it was agreed that the capacity building program would focus on issues related to market access, competitiveness and dispute settlement and provide skills development and training in governance, policy analysis, institution building, negotiation, information dissemination and private sector development. It is intended that the program serve as the enabling mechanisms for coordinating trade and environment capacity building delivery in the Arab region.

United Nations Environment Programme (UNEP), Economics and Trade Branch (ETB)

The United Nations Environment Programme (UNEP) is the overall coordinating environmental organization of the United Nations system. Its mission is to provide leadership and encourage partnerships in caring for the environment by inspiring, informing and enabling nations and people to improve their quality of life without compromising that of future generations. In support of this overarching mission, the UNEP Economics and Trade Branch (ETB), which falls within the UNEP Division of Technology, Industry and Economics (DTIE), aims to enhance capacities of countries, particularly developing countries and countries with economies in transition, to integrate environmental considerations into development planning and macroeconomic policies, including trade policies.

Since 1994, ETB has supported a number of country projects, facilitated a series of regional consultations and policy dialogues, supported research on topics related to trade, economics and sustainable development, and, based on this research, published a range of reference materials tailored to the needs of decision makers in developing countries and countries with economies in transition. ETB's capacity building activities generally fall within three programme areas: integrated assessment and planning, sustainable trade, and economic incentives.

Country projects are at the core of ETB's capacity building activities related to integrated assessment. Since 1997, ETB has carried out three rounds of country projects in a total of eighteen countries focused on integrated assessments of trade-related policies. Other country projects have focused on the use of economic instruments and the impact of fishery subsidies. The country projects use a "learning by doing" approach and are entirely country driven – conceived, designed and conducted by national institutions and governmental ministries. Building on past experiences with integrated assessment, ETB recently initiated a new round of eight country projects. The main objective of this initiative is to support countries in the use of integrated assessments as a tool for balancing environmental protection, social equity and economic growth in planning and policy making processes.

ETB's work in support of sustainable trade focuses on strengthening the coherence between international, regional and national environmental and trade policies through research, trainings, policy dialogues, and workshops. Much of this work has been done under the auspices of the UNEP-UNCTAD Capacity Building Task Force (CBTF), which was launched in 2000. Further information regarding the CBTF can be found below in the description on CBTF and at: http://www.unep-unctad.org/cbtf/cbtf2/F1.htm.

ETB's capacity building work related to economic incentives has focused primarily on assisting countries design and implement economic instruments for effective environmental policy-making, curbing the use of perverse economic incentives, such as certain environmentally

harmful subsidies, and building capacity for valuing natural resources through environmental and natural resource accounting. ETB's activities in these areas include country projects, the development of reference materials and policy dialogues.

A central element of ETB's capacity building activities is developing partnerships with other organizations. ETB has entered into agreements with a number of institutions, including national training and research institutes, regional organizations, universities and international NGOs, to establish a network of collaborating institutions to contribute to, and at the same time benefit from, ETB's capacity building activities through involvement in country projects, research and training activities.

ETB is currently scaling up its efforts to build capacities of trainers, researchers and policy makers by developing training reference materials and by supporting "training-of-trainers," which will enable trainers to pass on knowledge and skills to others. ETB's training reference materials will continue to be supported by a detailed series of background papers and reference manuals that provide substantive background on key issues.

Additional information on ETB capacity building activities is available in the document entitled, "Building Capacity for Integrated Policy Design and Implementation for Sustainable Development: UNEP-ETB's Past Experiences and Future Activities" which, along with more general information about ETB's activities and programmes, can be found at: www.unep/ch/etu.

UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF)

The UNEP-UNCTAD CBTF was launched in March 2000, and has since delivered a range of capacity building activities at national, regional and international levels. These include thematic research, country projects, policy dialogues, training workshops and networking and information exchange. Together with the experiences gained in the first phase of the CBTF, these workshops and needs assessments are being used to structure the CBTF programme for the second phase starting in 2004 with a substantial increase in funding. In this second phase, UNEP, UNCTAD and their other partners in the CBTF will be prioritizing activities on: integrated assessment of trade liberalization, trade and environment policies and poverty alleviation, trade in environmentally preferable products, environmentally sound technology, capacity building for enhancing synergies between MEAs and the WTO, and subsidy reform to enhance market access and reduce environmental damage. UNEP and UNCTAD will launch new initiatives particularly at the regional level since commonalities within regions offer a potential to move faster on policy integration than at international level. Activities in the Caribbean, Africa and Andean countries are being prioritized in the initial set of activities in 2004.

UNCTAD and UNEP, under the CBTF, have also held workshops and seminars back-to-back with WTO regional seminars on trade and environment, including workshops in Fiji, Cape Town and Jamaica. The workshops have focused on specific issues of importance to countries in these regions, including integrated assessments of trade-related policies and MEA-WTO interactions. These seminars on trade and environment, enhancing cost-effectiveness and complementarity of capacity building activities are undertaken by UNCTAD, the WTO and UNEP. UNCTAD, UNEP and the Secretariats of MEAs also regularly participate in the WTO seminars, offering national participants the range of expertise and perspectives necessary to analyse trade, environment and development linkages and policies. This recent collaboration between the WTO and the CBTF provides a powerful and cost effective tool for bringing trade and environment officials together to explore and enhance synergies on specific policies and issues.

In addition to this work, the UNEP-UNCTAD CBTF will continue to develop reference materials (background papers and training manuals), on various trade-environment issues, including integrated assessment of trade-related policies, environmental goods and services, eco-

labelling, intellectual property rights and the environment, trade and agriculture, and trade-related measures in MEAs. More information about the UNEP-UNCTAD CBTF is available at: http://www.unep-unctad.org/cbtf/cbtf2/F1.htm.

United Nations Industrial Development Organization (UNIDO)

Within the broader framework of sustainable development, UNIDO's capacity building activities related to environment are mainly carried out through its Multilateral Environmental Agreements Branch. Through one of its units, the Montreal Protocol, UNIDO assists governments in the development and implementation of National and Sectoral Phase out Programmes under multi-year agreements, provides technical and policy advice, institutional strengthening and training support services and maintains the responsibility for the supervision, monitoring, auditing, verification and reporting on the progress of these programmes. In addition, UNIDO assists local authorities through institution strengthening (IS) projects in establishing National Ozone Units, in training of national experts (Ozone Officers, Customs Officers, etc.), in the preparation of regulations, codes of good servicing, maintenance, safety and production practices (by the preparation of refrigerant management plans), and in techniques of demolishing of equipment. By assisting the national Ozone Units in a number of developing countries and countries with economies in transition, UNIDO's institutional strengthening programmes enhance national capacity to design, implement and monitor effective measures to foster environmental advancement and related productivity growth.

Furthermore, UNIDO assists the industry and agriculture sectors through implementation of National and Sectoral Phase-out Plans by identifying and applying state-of-the-art non-ODS production technology to assess respective capital and operational costs and safety issues, assist in the transfer to clean (non-ODS) technology, including the use and/or acquisition of overseas technology rights, equipment procurement, the conversion of production lines, retrofitting, maintenance, recovery and recycling, training of staff, commissioning of production lines and quality certification as well as reorganizing and modifying the production process and modifying the design to meet the latest international quality and safety standards.

In the area of Persistent Organic Pollutants (POPs), UNIDO assists countries in building capacities for the implementation of the Stockholm Convention under the Enabling Activities projects. These projects lead to the development of National Implementation Plans that set out the priorities and actions that commit countries to meet their obligations under the Stockholm Convention.

UNIDO is also supporting capacity building of non-governmental organizations (NGOs) with a view to foster their effective participation in the implementation of the Stockholm Convention at the national and global levels. UNIDO is also taking the lead in building capacities in developing countries and transition economies on Best Available Techniques (BAT) and Best Environmental Practices (BEP), especially through promotion of environmentally sustainable innovative non-combustion technologies for destruction of POPs.

Through the above initiatives, UNIDO helps to build domestic entrepreneurial capacities, enhance the ability by industries (particularly SMEs), to acquire, adapt, absorb and use technology and facilitate market access. Additional information about UNIDO can be found at: http://www.unido.org.

United Nations Institute for Training and Research (UNITAR)

UNITAR aims to enhance the effectiveness of the United Nations through training and research. Over the years, UNITAR activities in training and capacity building have increased significantly under two interrelated headings, namely, international affairs management and economic and

them and other UNITAR programmes has been particularly noteworthy.

social development. The growth of environment-related programmes and synergies between

At the country level, UNITAR activities reach out to a wide spectrum of stakeholders, from government officials to NGO and private sector representatives, as well as local authorities. Activities include the organization of customized training, awareness raising and priority setting workshops, some of which are held at regional or sub-regional levels; fellowship programmes in international law; correspondence instruction courses in environmental law; e-learning; the preparation of national profiles and needs assessments, including methodologies for self-assessments; and the development of information sharing platforms designed to enhance decision-making and environmental management.

While many activities continue to focus on specific policy sectors, such as international trade (including GATT, GATS and TRIPS) or specific environmental agreements, UNITAR is increasingly addressing capacity development and training in an integrated manner. This includes activities designed within policy clusters, such supporting Integrated National Programmes for Sound Chemicals and Waste Management in Chad, Jamaica and Jordan, investigating synergies for capacity building under chemicals and waste management agreements, or preparing implementation plans for integrated river management in the Balkans. UNITAR is also involved in work across policy clusters, such as providing training on trade and the environment, and enhancing the training capacity of regional centres based in Senegal, South Africa and Sri Lanka to address key problems arising from the interaction of climate change, sustainable development and trade.

Finally, UNITAR is actively engaged in crosscutting dimensions of capacity development. These include training in skills development, such as increasing the capacity to prepare for, and perform effectively in, intergovernmental negotiations, or heightening awareness on how to design mechanisms to manage coordination across institutions—vertically and horizontally—for effective policy-making and implementation.

UNITAR's training and capacity building activities are organized in partnership with Member States, intergovernmental organizations, national institutions, NGOs, the private sector and local authorities. More information about UNITAR programmes is available at: http://www.unitar.org.

Wildlife and Environment Zimbabwe (WEZ)

(Formerly Wildlife Society of Zimbabwe)

WEZ was founded in 1927 specifically to conserve, manage and protect wildlife and its habitats in Zimbabwe. As a result of the organisation's initiatives the Government of the day designated its first National Park, Hwange in 1929. Over the years it has helped governments put in place wildlife and environmental legislation and policies for its equitable sustainable use.

WEZ's mission is to encourage and assist all people in Zimbabwe to understand the importance of wildlife and its environment, to conserve and manage it for the well-being of current and future generations, and to ensure that the utilisation of natural resources is fair and sustainable.

WEZ and its 11 branches approach these objectives through an on-going process of project based work:

- Environmental education & awareness programme, both rural and urban
- Field activities; erosion control, rescue, development of nature reserves, protection of endangered species & habitats.
- Research; environmental and Wildlife & Environment
- Strategic planning and policy formulation
- Networking: regionally and globally

Fundraising; locally and internationally for financing projects.

WEZ's main programme that enables it to fulfil its obligations is the Environmental Education and Awareness Programme. This Programme equips people (young and old, urban and rural, and communities) with skills for conservation, management and rural development using natural resources as commodities for job creation and poverty alleviation. For example, communities are taught bee keeping to produce honey which they eat or market to earn a living. Thus, the Programme ensures that conservation of flowering trees and the bees together with other animals associated with the land in which the project is implemented. With more people now working on the land in Zimbabwe, capacity building in the field of wildlife and environmental management is more desired now than ever before. The limitation is in a lack of funds for projects.

World Trade Organization (WTO)

Capacity building activities delivered by the WTO secretariat are aimed at assisting resource-constrained Members to adjust to WTO rules and disciplines, implement their obligations and effectively exercise their rights of membership. The Doha Ministerial Declaration reaffirms the commitment of WTO Members to technical assistance and capacity building, including in the field of trade and environment (Paragraph 33 of the Doha Declaration).

The main focus of the WTO Secretariat's technical assistance activities in this field have been on regional seminars directed at government representatives from both trade *and* environment ministries. These events have been organized in cooperation with the Secretariats of UNEP, UNCTAD and multilateral environment agreements (MEAs). Their main purpose is to illustrate the links between trade and environmental policies, and to facilitate developing country participation in ongoing WTO negotiations in this area. The seminars have addressed issues such as the relationship between WTO rules and MEAs, and specific concerns related to the potential trade effects of environmental product requirements on market access for developing countries. These activities have encouraged greater national coordination between trade and environment officials, which is key to policy coherence at the international level.

The WTO Secretariat has also organized "side events" at Meetings of the Parties of certain MEAs. These events provide an opportunity to brief developing country participants from environment ministries on developments relating to the trade and environment negotiations in WTO.

The Report of the WTO Committee on Trade and Environment to the Fifth Session of the Ministerial Conference in Cancún (WT/CTE/8) contains a list of technical assistance activities on trade and environment provided by the WTO secretariat in 2002 and 2003 (the document is available on http://www.wto.org). More information on WTO technical assistance for developing countries can be found at: http://www.wto.org/english/tratop_e/devel_e/teccop_e/tct_e.htm.