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MEDIUM TERM STRATEGY 2014–2017



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LIST OF ACRONYMS

| | |
|---------|--|
| CBD | Convention on Biological Diversity |
| DfID-UK | United Kingdom Department for International Development |
| EA | Expected Accomplishment |
| EMG | Environment Management Group |
| FAO | Food and Agriculture Organization of the United Nations |
| GC | Governing Council |
| GEF | Global Environment Facility |
| GEO | Global Environment Outlook |
| IOMC | Inter-Organization Programme for the Sound Management of Chemicals |
| IPBES | Intergovernmental Platform on Biodiversity and Ecosystem Services |
| IPCC | Intergovernmental Panel on Climate Change |
| IPSAS | International Public Sector Accounting Standards |
| IRP | International Resource Panel |
| MEA | Multilateral Environmental Agreement |
| MOPAN | Multilateral Organisation Performance Assessment Network |
| MTS | Medium-Term Strategy |
| OIOS | United Nations Office of Internal Oversight Services |
| PIMS | Programme Information Management System |
| POPs | Persistent Organic Pollutants |
| PoW | Programme of Work |
| RCM | Regional Coordination Mechanism |
| REDD | Reducing Emissions from Deforestation and Forest Degradation |
| SAICM | Strategic Approach to International Chemicals Management |
| UN | United Nations |
| UNCT | UN Country Team |
| UNDAF | United Nations Development Assistance Framework |
| UNDG | UN Development Group |
| UNDP | United Nations Development Programme |
| UNEG | United Nations Evaluation Group |
| UNEP | United Nations Environment Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |
| WHO | World Health Organization |

I. EXECUTIVE SUMMARY

By 2017, five years will have passed since the General Assembly decided, in its resolution 67/213 of 21 December 2012, that the United Nations Environment Programme (UNEP) should be strengthened and upgraded, in accordance with the recommendation of the outcome document of the United Nations Conference on Sustainable Development (Rio+20), "The future we want"¹. At that time, Member States will be able to observe the changes in the global environment and the economy that a strengthened and upgraded UNEP can claim as the result of its efforts.

The UNEP medium-term strategy for the period 2014–2017 plots the direction that UNEP will take in pursuit of that goal. It lays out the vision, strategic objectives and the results which UNEP aims to achieve by 2017. Key to successful attainment of these results will be work by UNEP with stakeholders with very different needs and priorities across multiple sectors of government and society, to enable them better to manage the environment and thereby safeguard the services that it provides for their countries' development and economy, which are crucial to the eradication of poverty and the well-being of their populations.

The business model employed by UNEP in pursuit of its planned results is to work through partnerships. UNEP aims to use partnerships as an opportunity to expand its reach and to leverage an impact much greater than it would be able to achieve on its own. The UNEP business model is also contingent on UNEP taking a leadership role in coordinating environmental matters within the United Nations system, in order to maximize impact by working in a more strategic and coordinated manner with partners in the United Nations system and the secretariats of multilateral environmental agreements.

In determining its focus for the period 2014–2017, UNEP employed what was termed a "foresight process" and the findings of the fifth report in its Global Environment Outlook series (GEO-5) to identify global challenges that the world is likely to witness during this period. In that process, UNEP weighed the most pressing global environmental challenges against the priorities of regions and those emanating from multilateral environmental agreements, and arrived at the following focus areas for the organization: climate change; disasters and conflicts; ecosystem management; environmental governance; chemicals and waste; resource efficiency; and environment under review. The medium-term strategy is articulated around the support which UNEP provides to interested countries and partners, to assist them in understanding the concept of the green economy and its role in sustainable development and poverty eradication across all UNEP focus areas, with the aim of integrating environmental considerations into all economic and social agendas.

In each of the UNEP focus areas, the medium-term strategy lays out the results that UNEP aims to achieve, ensuring that the organization's work is commensurate with the targeted changes. At the operational level, the medium-term strategy follows a deepened approach to results-based management. All planning and delivery efforts within the organization – from programme planning, human and financial resource mobilization, allocation and management to partnership management, monitoring and evaluation – will be strengthened to ensure that they have mutually reinforcing objectives that enable UNEP to deliver its services better and to achieve the projected results.

¹ General Assembly resolution 66/288, annex, para. 88.



Our products and services give us a broad array of tools to catalyse change in response to demand.

UNEP is the lead organization to coordinate environmental matters within the United Nations system. We produce environmental assessments and analyses, norms, guidelines and methods for use by stakeholders looking for guidance on how to effectively manage the environment for their sustainable development and economic growth. With a global remit, yet only 1000 staff and a biennial operating budget in recent years of about US\$ 500 million, our ability to achieve significant impact is based on partnerships—integral to the organization’s strategy to place environment and sustainable development, at the heart of everything we do.

We partner with United Nations sister agencies, secretariats of multilateral environmental agreements and other strategically placed institutions, driven by the potential impact leveraged from each opportunity.

We are committed to strengthening our operations to enforce results-based management.

II. INTRODUCTION

In 2017, UNEP will celebrate its forty-fifth birthday. That will be an occasion to reflect on what UNEP should have achieved by that stage and, by extension, on what UNEP, the member States and its secretariat, should focus on over the years leading up to 2017 in order to achieve those planned results. In February 2011, in paragraph 23 of its decision 26/9, the UNEP Governing Council requested the Executive Director to prepare for its twenty-seventh session in February 2013 a medium-term strategy for the period 2014–2017 with a vision, objectives, priorities, impact measures and a mechanism for review by Governments. The strategy is designed to guide the organization's work over the four-year period, with a view to achieving measurable results that UNEP plans jointly with Governments, partners and other stakeholders.

What UNEP should achieve by 2017 is inextricably linked to the state of the global environment and the economy at that time, to the way in which people perceive the environment and manage the services that it provides for human well-being and thus for poverty eradication. Notwithstanding the uncertainties surrounding these questions, the global environmental outlook process has provided a scenario based on current trends and projections that guides the focus of the medium-term strategy.

Assessing demands for services from its stakeholders will be critical in ensuring that UNEP is responsive and client-driven. The goal which UNEP pursues will also be determined by its mandate and by an informed decision as to whether others might be better placed to respond, if necessary with UNEP guidance and support, or whether UNEP has the comparative strength to provide the best service itself. This medium-term strategy provides the guidance which UNEP will follow in focusing its efforts.

Midway through the implementation of the 2010–2013 medium-term strategy, UNEP conducted a lessons-learned exercise. It had institutionalized a results-based management approach, where performance is measured on a regular basis, and had also institutionalized evaluation as an independent function of the organization, to provide regular feedback on the design, relevance, efficiency and effectiveness of its work. Complementing its own internal review mechanisms, UNEP also benefited from reviews by the Office for Internal Oversight Services (OIOS) and the United Nations Board of Auditors, as well as from external evaluations conducted by such bodies as the Multilateral Organization Performance Assessment Network (MOPAN). These all helped identify where the organization could best strengthen the design and management of its programme. These lessons have been critical in guiding the development of the UNEP medium-term strategy for 2014–2017.

The 2014–2017 strategy consolidates past achievements, with a view to catalysing a process of change to ensure an improved human well-being that is more environmentally sustainable and that contributes to poverty eradication. The strategy also takes on board the global environmental priorities identified by the multilateral environmental agreements, including the Strategic Plan for Biodiversity 2011–2020 and the Aichi Biodiversity Targets, which provide a flexible framework for all stakeholders. At the same time, it reflects the provisions of General Assembly resolution 66/288 on the outcome document of the United Nations Conference on Sustainable Development and is therefore designed to enable UNEP to harness the following opportunities:

(a) To leverage further impact by maximizing the use of strategic partnerships, capitalizing on mutually supportive mandates and programmes and taking advantage of the lead role played by UNEP in the United Nations system in coordinating environmental issues and of the strategic presence of UNEP at regional and country level;

- (b) To better serve the priorities of multilateral environmental agreements for the benefit of their parties, given that UNEP provides the secretariat for many such agreements;
- (c) To continue to explore the potential of an inclusive approach to greening economies as a pathway to sustainable development;
- (d) To achieve organizational excellence in UNEP by strengthening results-based management in a comprehensive fashion that integrates organizational risk management.

As the lead organization in coordinating environmental matters within the United Nations system, UNEP produces environmental assessments and analyses, norms, guidelines and methods for use by stakeholders seeking guidance on how effectively to manage the environment for their sustainable development and economic growth. Although its remit is global in scope, UNEP operates with a staff complement of only some 1,000 and a biennial budget in recent years of some \$500 million. Accordingly, its ability to achieve a significant impact is based on partnerships – integral to the organization's strategy to place environment and sustainable development at the heart of everything that it does.

The products and services provided by UNEP represent a broad array of tools designed to catalyse change in response to demand. In that process, UNEP forges partnerships with United Nations sister agencies, secretariats of multilateral environmental agreements and other strategically placed institutions, driven by the potential impact leveraged from each opportunity, and is committed to strengthening its operations to enforce results-based management.

III. EMERGING ISSUES FOR CONSIDERATION IN 2014–2017

Twenty years after the 1992 United Nations Conference on Environment and Development – the Earth Summit – in Rio de Janeiro, Brazil, changes to the global environment continue at a rate unprecedented in human history. Data gathered for GEO-5 show that moderate success has been achieved in slowing the rate or extent of change – including through enhanced resource efficiency and mitigation measures – but this has not reversed environmental degradation. Overall, neither the scope nor the speed of change has abated in recent years.

As human pressures on the Earth's systems accelerate, several critical global, regional and local thresholds have already been exceeded or are close to being exceeded. Once these thresholds are crossed, abrupt and possibly irreversible changes to the life-support functions of the planet are likely to occur, with significant adverse implications for human well-being. The resulting complex and non-linear changes in the Earth's systems are already having serious impacts on human well-being. These include:

- Increases in average temperatures above threshold levels in some places, leading to significant human health impacts;
- Increased frequency and severity of climatic events, such as floods and droughts, affecting both natural assets and human security;
- Accelerating temperature changes and sea-level rise, affecting human well-being in some places, particularly in coastal communities and small island developing States;

- 6
- Substantial biodiversity loss and the continuing extinction of species, affecting the provision of ecosystem services, with such consequences as the collapse of fisheries or the loss of species used for medicinal purposes.

Through a comprehensive foresight process involving a dedicated panel and over 400 leading scientists and experts from around the world, UNEP has identified emerging issues, defined as issues with global environmental impact that are recognized by the scientific community as very important to human well-being, but have not yet received adequate attention from the policy community,² which include:

- (a) Ensuring food safety and food security for 9 billion people: new challenges. Emerging challenges for food security include competition from bioenergy production, diminishing phosphorus supplies and increasing water scarcity. There is an urgent need to increase the safety and security of the world's food supply by improving the food-processing pathway, reducing food waste and boosting agricultural efficiency. The task faced by the 2014–2017 medium-term strategy is to fill the gaps in environmental sustainability by leveraging the best available science and collaborating effectively with United Nations agencies and other bodies playing a leading role in the field of food security. It also aims to promote a resource-efficiency approach across the supply chain, with a view to decoupling food production from environmental impact and thereby helping to increase food security and to promote poverty eradication;
- (b) Climate change mitigation and adaptation: managing the consequences. Climate change could have immediate and unprecedented implications for human populations in such matters as where they can settle, grow food, maintain built infrastructure or rely on functioning ecosystems. Emissions continue to rise and pledges of future action within the process launched by the United Nations Framework Convention on Climate Change currently fall short of the minimum level which, scientists maintain, is necessary to keep the increase in temperature below 2° C. The potential disruption and displacement and the need to adapt to phenomena such as sea-level rise or extreme weather events represent a profound challenge to sustainable development and can reverse hard-won development gains, including those from poverty eradication measures. The 2014–2017 medium-term strategy will promote innovative approaches to environmentally friendly adaptation, particularly ecosystem-based approaches
- (c) New insights into water-land interactions: shift in the management paradigm. Recent scientific research has generated a better understanding of how water and land interact, including, for example, how changes in land-use affect downwind rainfall patterns. This new knowledge has important implications for the manner in which we manage water and land to ensure the maintenance of minimum ecological flows, and provides new impetus for efforts to boost water-use efficiency and to improve the integration of water and land management. The 2014–2017 medium-term strategy will adopt a more integrated approach to land and water management, and aim at developing options for increased water efficiency;
- (d) Going beyond mere conservation: integrating biodiversity across the ecological and economic agendas. In recent years, two important threads of research have documented how biodiversity is intertwined with development, quality of life, human well-being and nature: one thread articulates the linkages between biodiversity and other ecological issues, and the other explores the interrelationship between biodiversity and economics. It is now time to fully integrate the issue of biodiversity into the global ecological and economic agendas, while continuing to support biodiversity conservation, and integrating biodiversity across ecological and economic activities. While UNEP will continue to support biodiversity conservation

and the involvement of local communities, bringing their traditional knowledge, the 2014–2017 medium-term strategy will move further forward in integrating biodiversity across ecological and economic agendas, tackling such problems as invasive species and living modified organisms which pose a threat to the conservation of biodiversity and the maintenance of ecosystem services;

- (e) Need to minimize the risks of chemicals and wastes. Societies continue to experience the harmful consequences of unsound chemicals management. This situation reflects the need for comprehensive assessment and management aimed at minimizing significant short or long-term risks to society and nature. The 2014–2017 medium-term strategy will therefore focus on working with partners and countries to manage chemicals and wastes in an integrated manner, through assessments, monitoring, guidance on best use, management and disposal to catalyse transformative change;
- (f) Accelerating the implementation of environmentally friendly renewable energy systems. The large potential for renewable energy has not yet been realized, because of the many barriers obstructing the use of such energy worldwide. It is critical that means of removing economic, regulatory and institutional barriers are identified and that enabling conditions are created that make renewable energy competitive in comparison to other conventional sources. The 2014–2017 medium-term strategy will entail a stronger focus on leveraging best science for catalysing the transformation towards renewable energy, while continuing to cover energy efficiency and emission reduction.

The foresight process also identified emerging issues that cut across environmental themes:

- Aligning governance structures to the challenges of global sustainability and, in particular, to integrate social, environmental and economic objectives in sustainable development policies at all levels of governance;
- Transforming human capabilities to meet global environmental challenges and move towards a green economy in the context of sustainable development and poverty eradication;
- Reconnecting scientific knowledge and policymaking;
- Catalysing rapid and transformative change in human behaviour affecting the environment.

These issues correspond to the priorities identified in General Assembly resolution 66/288. As UNEP increases its efforts to bring coherence and synergy to the manner in which the United Nations system addresses environmental issues, the organization will also integrate governance-related activities within all its subprogrammes in the 2014–2017 medium-term strategy, taking into account the links between national, provincial and local levels. Through the medium-term strategy, UNEP will integrate green economy approaches in the context of sustainable development and poverty eradication across the organization, while ensuring coherence across the subprogrammes through the subprogramme on resource efficiency. The proposed new subprogramme on environment under review aims to leverage information as an agent of change and ensure a coherent approach in dealing with the science-policy interface. UNEP work relating to scientific panels such as the International Resource Panel, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services and the Intergovernmental Panel on Climate Change (IPCC) is intended to strengthen the bridge between science and policy.

Within the 2014–2017 medium-term strategy, UNEP will also support the application of Principle 10 of the Rio Declaration to enhance the capacities of countries to generate, have access to, analyse, use and communicate environmental information and knowledge to work towards a better informed society. UNEP will also help

² 21 Issues for the 21st Century: Result of the UNEP Foresight Process on Emerging Environmental Issues (UNEP, 2012), Foreword, p. iv.

8 enable countries to achieve key international goals and plans, such as the Strategic Plan for Biodiversity 2011–2020 and its Aichi Biodiversity Targets, adopted by Parties to the Convention on Biological Diversity, working in consultation with the relevant multilateral environmental agreement secretariats. UNEP work on sustainable consumption will contribute to addressing the issue of changes in human behaviour.

The findings of the foresight process and of the International Resource Panel, through its reports on such issues as “decoupling” and “impacts”, together with the priorities identified in General Assembly resolution 66/288, have provided an important framework for prioritizing action by UNEP itself, which will provide the framework within which the organization will strengthen coordination and synergy in the United Nations system on environmental issues. Within this framework, the specific needs of countries and regions drive the strategic focus for the 2014–2017 medium-term strategy. Thus, globally significant issues and regional and national priorities all contribute to the medium-term strategy, taking into account the comparative advantages of UNEP and the needs and potential of its regional offices.

UNEP also sought the views of the secretariats of the multilateral environmental agreements and of United Nations sister agencies, to ensure that its strategic focus is client-oriented. Concerns have been raised over the growing gap between environmental commitments and obligations under the agreements and their implementation. In particular, the secretariats of the agreements identified opportunities for UNEP to support the implementation of the agreements where UNEP had a comparative advantage through such efforts as systematic or generic capacity-building, which could lay the foundation for specialized and more effective capacity-building directed at the implementation of the multilateral environmental agreements.

The medium-term strategy also includes supporting countries in integrating multilateral environmental agreement-related priorities into national planning processes such as the United Nations Development Assistance Frameworks and other national planning exercises; incorporating multilateral environmental agreement priorities into capacity-building efforts through such measures as raising environmental awareness among the judiciaries; and supporting system-wide knowledge management through the multilateral environmental agreement information and knowledge management initiative and other cooperative mechanisms under the UNEP environmental governance subprogramme. The medium-term strategy also envisages the provision of support by UNEP to countries in gaining access to finance from the Global Environment Facility (GEF) and the Adaptation Fund under the United Nations Framework Convention on Climate Change and its Kyoto Protocol, to implement the multilateral environmental agreements in those areas of work that are eligible for GEF support.

Finally, consultations with various stakeholders, including major groups, revealed a desire for the creation at all levels of enabling conditions that will ensure the better participation of the public, in line with Principle 10 of the Rio Declaration. Issues identified from the foresight process and the consultations with stakeholders were also deemed as priorities at regional and country levels. In particular, issues such as climate change, freshwater, land-use, food security, oceans, energy, chemicals and waste, sustainable consumption and production and environmental governance are considered priorities in most regions. These issues constitute the basis on which UNEP determined its strategic focus for the 2014–2017 medium-term strategy.

IV. UNEP INTERNAL ENVIRONMENT: 2010–2013 MEDIUM-TERM STRATEGY

9 An understanding of what UNEP has been able to achieve and the lessons learned to date from the implementation of the current medium-term strategy, for 2010–2013, are critical in enabling the organization to build on its strengths and to analyse challenges and opportunities for a stronger engagement in the future.

A SNAPSHOT OF PROGRAMMATIC ACHIEVEMENTS

The first biennium of the current medium-term strategy period marked a new strategic and transformational direction for UNEP as it began implementing its medium-term strategy for 2010–2013 along six axes: climate change; disasters and conflicts; ecosystem management; environmental governance; harmful substances and hazardous waste; and resource efficiency and sustainable consumption and production.

TABLE 1: UNEP OPERATING BUDGET: 2010–2011 (Millions of United States dollars)

| Funding source | Environment Fund | United Nations regular budget | Extrabudgetary sources |
|-------------------------------------|------------------|-------------------------------|------------------------|
| Approved budget | 180 | 14 | 228 |
| Income received in 2010–2011 | 163 | 14 | 268 |
| Expenditure | 165 | 14 | 250 |

UNEP has been implementing the 2010–2013 medium-term strategy through its 2010–2011 programme of work and, from January 2012, the 2012–2013 programme of work. The UNEP programme of work is implemented through a portfolio of 115 projects implemented with a wide variety of partners worldwide. With an operating budget of \$415 million from its Environment Fund, the United Nations regular budget and extrabudgetary sources in trust funds and earmarked contributions, UNEP has achieved significant results at the half-way stage in the implementation of the 2010–2013 medium-term strategy, despite the global financial crisis. These results are briefly illustrated in the following text-boxes, representing snapshots of its achievements in various sectors.



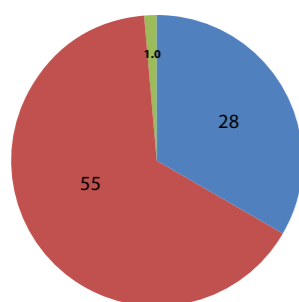
Climate change

Over the period 2010–2013, UNEP aimed to strengthen the ability of countries to integrate climate change responses into national development processes with a planned budget of \$162 million.

Performance highlights

- UNEP formed partnerships with over a dozen countries to demonstrate the role of ecosystem based approaches to adaptation and in helping to increase resilience, including in the mountain ecosystems of the Himalayas, Andes and Mount Elgon, in river basins such as the Nile river basin and in coastal areas.
- UNEP supported 36 countries in efforts to prioritize their climate technology needs and actions as a basis for implementing clean energy policies, developing nationally appropriate mitigation actions and moving towards low emissions growth.
- Forty-six countries joined a UNEP and GEF supported global partnership, entitled “Enlighten”, with the aim of phasing out inefficient incandescent lamps by the end of 2016, to achieve energy and cost savings.
- UNEP facilitated investment worth over \$200 million in clean energy projects by supporting work by countries to develop carbon asset projects and by helping to remove barriers to the funding of small scale renewable energy initiatives, including solar water heaters in the Mediterranean.
- Through the UNEP/UNDP/FAO programme to reduce emissions from deforestation and forest degradation (REDD), 16 countries have approved national programmes and another four have received direct support for their efforts to integrate the multiple benefits of forests into their REDD planning, policy and action, making this endeavour a catalyst for the green economy in the context of sustainable development and poverty eradication, and in the process mobilizing over \$150 million for REDD activities.
- UNEP published the third annual assessment of the emissions gap, the Emissions Gap Report 2012, to inform discussions on ambition levels – the levels of pledges to which countries are willing to commit themselves.

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget



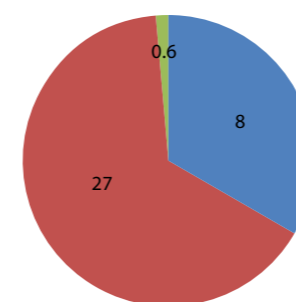
Disasters and conflicts

Over the period 2010–2013, UNEP aimed to minimize environmental threats to human well being arising from the environmental causes and consequences of conflicts and disasters with a planned budget of \$99 million.

Performance highlights

- Since 2008, of the 16 countries in which UNEP post-crisis environmental assessments led to the identification of environmental risks, 12 countries have taken specific actions to mitigate these risks. For instance, the UNEP assessment of oil contamination in Ogoniland, Nigeria, led the national Government to commit itself to an unprecedented clean-up operation, launched in 2012.
- UNEP is successfully delivering complex multi-million dollar environmental recovery programmes in the most difficult of circumstances, in countries such as Afghanistan, the Sudan and Haiti. The Multilateral Aid Review published in 2011 by the United Kingdom Department for International Development commends UNEP in particular on its work in “fragile contexts”.
- Working with partners in the academic sector, civil society, the United Nations system and the military, UNEP has contributed to the establishment of a vast body of knowledge on the environmental dimensions of disasters and conflicts. A seven-volume compendium of 150 case studies on natural resource management and peacebuilding is being released in 2012.

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget



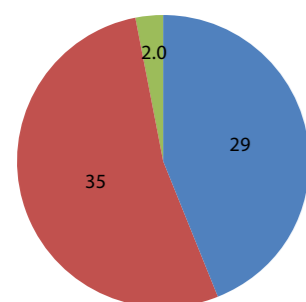
Ecosystem management

Over the period 2010–2013, UNEP aimed to ensure that countries use the ecosystem approach to enhance human well being with a planned budget of \$131 million.

Performance highlights

- UNEP has supported the process to establish the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, designed to create a common platform to facilitate improved policy uptake of contemporary science and assessment findings by Member States in the field of biodiversity and ecosystem services.
- To that end, UNEP has developed a range of tools to support countries in understanding how to use ecosystem services to achieve their development goals and to generate multiple benefits to support attainment of the Aichi Targets and other biodiversity targets linked to multilateral environmental agreements. For instance, with the assistance of UNEP, Kenya has been able to track forest-related ecosystem services in the Mau Forest and to improve their management. This forest serves as a water tower for much of Kenya, yet a quarter of its area had been lost to illegal human settlements, logging and other causes.
- The UNEP-led initiative on the economics of ecosystems and biodiversity (TEEB) provided the rationale and methodological guidance for the valuation and accounting of ecosystem services by Member States. The TEEB approach has proved to be a cornerstone for the transition towards green growth and green economy.

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget



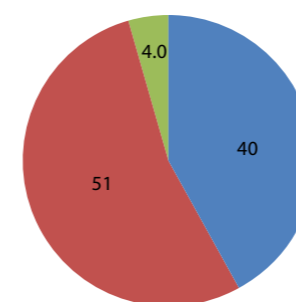
Environmental governance

Over the period 2010–2013, UNEP aimed to ensure that environmental governance at the country, regional and global levels was strengthened, in line with agreed environmental priorities, with a planned budget of \$166 million.

Performance highlights

- UNEP secured agreement within the United Nations system that the United Nations would develop system-wide approaches to environmental and social safeguards, in pursuing the Aichi Biodiversity Targets under the Convention on Biological Diversity and in tackling the drylands agenda.
- UNEP was instrumental in the achievement of synergies and efficiency gains in the operations of the chemical-related multilateral environmental agreements that it administers: the Basel, Rotterdam, and Stockholm conventions.
- Twenty countries have been integrating the environment into their development plans with support from the UNDP-UNEP Poverty-Environment Initiative. In addition, 10 countries are reporting on these objectives through national reporting processes and the associated linkages have been further integrated into 14 budgeting processes.
- Environmental sustainability was fully integrated into 30 United Nations Development Assistance Frameworks and 18 other national development planning processes.
- In addition to its production of the Global Environment Outlook reports, UNEP supported integrated environmental assessments based on the demand from different regions for regional assessments.

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget

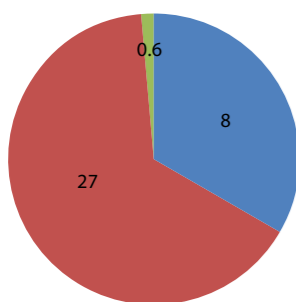


Harmful substances

Over the period 2010–2013, UNEP aimed to minimize the impact of harmful substances and hazardous waste on the environment and human beings, with a planned budget of \$117 million.

Performance highlights

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget

- The intergovernmental negotiating committee to prepare a global legally binding instrument on mercury began work in 2010 while parallel demonstration projects illustrated to stakeholders how to reduce mercury contamination from industrial practices.
- The quick-start programme under the Strategic Approach to International Chemicals Management supported by UNEP provided \$30 million for 143 projects on the sound management of chemicals and waste in 103 countries. The participating organizations of the Inter-Organization Programme for the Sound Management of Chemicals (IOMC), which include UNEP, are jointly developing a resource toolbox for chemicals and waste management.
- UNEP work to eliminate leaded vehicle fuels worldwide is nearing completion. UNEP also provided scientific reviews on lead and cadmium to promote concerted action to address their health and environment risks. With the World Health Organization (WHO), UNEP developed a multi-stakeholder global alliance to eliminate lead paint in response to the identification of this topic as an emerging policy issue for the Strategic Approach to International Chemicals Management.
- A number of UNEP-developed tools have become standard approaches for preparing quantitative assessments of the scale and distribution of chemicals releases – in particular for persistent organic pollutants and mercury.
- With UNEP and UNDP support, 11 countries are integrating sound chemicals management into their national policies and strategies.

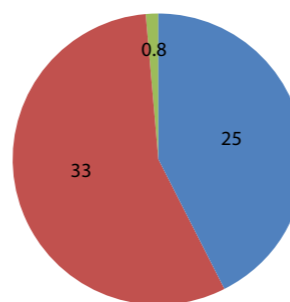


Resource efficiency

Over the period 2010–2013, UNEP aimed to ensure that natural resources were produced, processed and consumed in a more environmentally sustainable way, with a planned budget of \$140 million.

Performance highlights

Actual 2010-11 expenditure
in USD million



■ Environment fund

■ Trust funds & earmarked contributions

■ Regular budget

- The International Resource Panel, with support from UNEP, produced scientific assessments on metal stocks and recycling rates and on priority products and materials and decoupling. In China, Germany, Japan, South Africa and Switzerland, some of these findings were used in either the design or implementation of resource efficiency related policies. The Panel's work has also helped shape major policy initiatives, such as the European Commission's "Roadmap to a resource efficient Europe".
- UNEP released its report on the green economy, –owards a Green Economy: Pathways to Sustainable Development and Poverty Eradication, which includes 10 sector cost-benefit analyses, policy assessments and case studies. Associated publications by UNEP present common messages on the policies necessary to support a green economy transformation in the context of sustainable development and poverty eradication, and identify ways forward for the United Nations system to support Member States in their efforts to embark on green economy pathways to deliver sustainable development and poverty eradication. Central to this concept are targeted investments across the environmental, economic and social pillars of sustainable development in an integrated and synergistic manner. This work is complemented with technical advisory services to countries requesting support.
- In all, 26 national Governments and 20 local governments changed their policies to integrate resource efficiency with UNEP support and 15 national and two local governments adopted voluntary measures influencing consumer purchase, such as sustainable public procurement and ecolabelling.

A SNAPSHOT OF OPERATIONAL ACHIEVEMENTS

A key feature of the transition of UNEP to a results-based organization was the endeavour to make its work more strategic and coherent, to meet country needs more effectively and to demonstrate its results in tangible terms. Over the period 2010–2011, UNEP created an enabling environment for the implementation of its medium-term strategy which included the following deliverables:

- Strengthened results framework: a results-based medium-term strategy for 2010–2013 and programmes of work for the bienniums 2010–2011 and 2012–2013 that are fully aligned with the results in the medium-term strategy;
- Projects designed to deliver the results in the medium-term strategy and programmes of work with clearly defined, measurable and time-bound indicators and milestones, against which progress is reviewed periodically;
- Results-based monitoring regime that employs a programme information management system and other data sources for permanently tracking and reviewing progress towards the results of the medium-term strategy and the programme of work and a formal review on a six-monthly basis. This new monitoring regime represents a significant change, as progress is routinely assessed against planned deliverables and results in projects that are designed to deliver the medium-term strategy and associated programmes of work. The new approach adopted by UNEP harmonized its reporting on both its programme and budget into a single reporting process;
- Independent evaluation regime with feedback loops into programme planning. For instance, the recommendations formulated by evaluation of the design of the 2010–2013 medium-term strategy and the 2010–2011 programme of work were fully integrated into the design of the new 2014–2017 medium-term strategy. Subprogramme-specific evaluations, starting with the subprogramme on environmental governance and disasters and conflicts, represented the next step, in accordance with the evaluation policy and plan approved during the 2010–2011 period;
- Review of the needs and potential of the UNEP regional offices in assisting countries to mainstream their environmental priorities and maintain the strategic presence of UNEP at the national and regional levels;
- Results-based management training, in addition to mandatory leadership and management development training for managers in the organization: 280 UNEP staff members completed project management training under the “Projects in controlled environments 2” (PRINCE2) methodology, with the aim of strengthening project management skills in the organization. Results-based management training will continue throughout implementation of the medium-term strategy;
- Revamped policy and procedures on partnerships under implementation that strengthens the approach taken by UNEP to selecting and monitoring its partnerships, and also to managing risks;
- Organizational culture that increasingly fosters gender equality: for example, over 78 projects have fully integrated gender perspectives and identified key gender actions that were implemented over the period 2010–2011;
- Consolidated resource mobilization approach that enabled UNEP to coordinate its resource mobilization efforts and increase efficiency in its approach to donors, with trust fund and earmarked funding exceeding the budget, and that applied recently established resource allocation criteria;
- Institutional structure that combines the quality assurance responsible for programme quality at the planning and monitoring stages in the programme cycle, with sections dealing with finance, human

resources, information and communication technology and resource mobilization under a single umbrella entity known as the Office for Operations. The aim is to enhance the alignment between strategic planning, programme and project review, finance, information and communication technology and human resources over the period of the 2014–2017 medium-term strategy and its associated programmes of work;

- Integration of the GEF-funded portfolio into the UNEP divisions, which has already started enhancing coherence and synergy between the UNEP medium-term strategy and its programmes of work and projects funded by GEF;
- Strengthening the accountability framework within UNEP with clear lines of responsibility and delegation of authority to line managers, including division directors;
- Clarifying the accountability of and delegation of authority to the heads of multilateral environmental agreement secretariats, taking into account the memorandums of understanding between the governing bodies of the agreements and the UNEP Executive Director;
- Enhanced and more cost-effective operational arrangements with United Nations entities and service providers, including the United Nations Office at Nairobi and others.

LESSONS LEARNED

By delinking thematic subprogrammes from divisional structures, the medium-term strategy for 2010–2013 marked a major directional shift towards results-based management within UNEP. Overall, UNEP has been substantially strengthened as an institution since its reform process began in 2009, as evidenced by the findings of the performance monitoring, evaluations and audits that have been conducted over the previous biennium (see table 2).

TABLE 2: REVIEWS AND EVALUATIONS OF UNEP IN 2010–2011

| Type of review | Objective |
|--|--|
| UNEP internal | • Task team reviewing programme delivery |
| | • Task team reviewing partnerships |
| | • Six-monthly programme performance reviews |
| UNEP internal – Evaluation Office | • Evaluation of the design of the medium-term strategy and programme of work, medium-term strategy mid-term evaluation |
| UNEP internal | • Review of the needs and potential of the UNEP regional offices |
| United Nations Evaluation Group | • Evaluation of the effectiveness of the evaluation function of UNEP |
| United Nations Secretariat: OIOS | • Inspection of UNEP monitoring and evaluation |
| | • Audit of UNEP delivery via partnerships |
| | • Review of the relevance, efficiency and effectiveness of UNEP |
| United Nations Board of Auditors | • Performance audit of UNEP |
| External: MOPAN | • Review of the organizational effectiveness of UNEP |
| External: Australia | • Review of multilateral aid effectiveness |
| External: UK (Dept. for International Development) | • Review of multilateral aid effectiveness |

These reviews and evaluations outlined significant progress within the organization and achievements; important lessons were also derived from these exercises in clarifying the 2014–2017 medium-term strategy.

A key lesson is that UNEP must take full advantage of its unique role and position within the United Nations system in coordinating environmental matters. UNEP must therefore take full advantage of coordination mechanisms such as the Environment Management Group, the United Nations Development Group (UNDG), United Nations country teams and regional coordination mechanisms, and the High-level Committee on Programmes (HLCP) and the High-level Committee on Management (HLCM) of the United Nations System Chief Executives Board (CEB). The aim for the 2014–2017 medium-term strategy is therefore to help leverage impact from a more coordinated approach to environmental and development challenges, starting within the United Nations system.

A strong corporate strategy and business model will enable the organization to play an increasingly strategic role within the United Nations, catalysing change and leveraging impact from partners, and go a step further in identifying new or strengthening existing strategic partnerships. Clearly identifying UNEP service lines in the 2014–2017 medium-term strategy will help inform partnerships and ensure that UNEP builds on its comparative advantage, while relying on partners to occupy other niches, thereby yielding a stronger impact than could be achieved by any one partner alone.

Another key lesson is the need for an iterative process to ensure that the expected accomplishments (UNEP results) and outputs (UNEP products and services) are driven by demand for services by countries, priorities of the multilateral environmental agreements and other stakeholders, and consistent with the resource base of UNEP. In determining how UNEP responds to demand for its services from United Nations partners, countries and other stakeholders, it is also important for UNEP to assess the political value that it adds for partners and countries. A key factor would be the extent to which UNEP will improve countries' and partners' perceptions of the utility of its products and services and, in turn, the ability of UNEP to sustain and scale up its results at the international level.

In respect of planning, the causal pathways that link projects and expected results in the UNEP medium-term strategy can be further strengthened. Programme frameworks should continue to be used to help determine which projects will be required to deliver the programme of work, and to ensure that there is both a causal logic between the projects and the results in the medium-term strategy and programme of work, and synergy between projects. Lessons learned show that it is critical that the expected accomplishments which UNEP aims to achieve through its medium-term strategy and associated programmes of work are directly attributable to its actual work. This entails the requirement that the expected accomplishments are realistic in terms of the organization's level of ambition, and that the indicators used to measure achievement against the expected accomplishments allow for attribution to UNEP.

The strategic objectives of each subprogramme would identify the larger goal to which UNEP will contribute. Subprogramme evaluations have also been instrumental in shaping the design of the subprogrammes in the programme of work. For instance, the subprogramme on disasters and conflicts has been designed to focus on risk reduction in set (a) and recovery in set (b) of the expected accomplishments, rather than having three sets of accomplishments, as in the previous programme of work. The evaluation also helped in rethinking the design of indicators for this subprogramme, to ensure better tracking of the country-level impact attributable to UNEP support.

An important lesson related to results-based monitoring is that strong programme monitoring will include identifying indicators and means of measurement at the time that the expected accomplishments are

formulated – rather than subsequently – in order to ensure that the expected accomplishments, indicators and means of measurement are all adequate and properly aligned. Experiences from previous bienniums indicate that identifying these various elements sequentially can weaken the means of measurement. The design of the UNEP programmes of work associated with the 2014–2017 medium-term strategy will require concerted efforts to ensure alignment between expected accomplishments, indicators, means of measurement and budget.

In response to paragraph 21 of UNEP Governing Council decision 26/9, the Executive Director prepared a review of the needs and potential of the regional offices in assisting countries in mainstreaming their environmental priorities and maintaining the strategic presence of UNEP at the national and regional levels and submitted the results of the review to the Governing Council/Global Ministerial Environment Forum at its special session in February 2012. The report indicated that, first, UNEP would endeavour to establish a clear business model and business processes for its engagement at regional and country level in developing and implementing the 2014–2017 medium-term strategy and programmes of work; and, second, that UNEP would continue to pursue an incremental approach in implementing its strategic presence policy within available means. In the follow-up process, accountability for delivering results in the programme of work must be further strengthened, including by enhancing the engagement of the regional offices, clarifying what UNEP will deliver regionally and nationally, and what will be delivered at the global level.

UNEP will show clearly how its budget and human resources are aligned with programmatic priorities. Resource allocation criteria and priorities will also be clarified in the programme of work, so that it is clear what UNEP will deliver with its Environment Fund resources, what it could deliver by mobilizing extrabudgetary resources and which mechanisms are in place to ensure a transparent prioritization of extrabudgetary funding. The manner in which UNEP handles its resource allocation will help enhance predictability in financing for activities that underpin all UNEP subprogrammes.

Finally, given that projects are the main delivery vehicle used by UNEP to achieve the results in the medium-term strategy and the programme of work, project management capacity will be improved throughout the organization, including through training; an annual review of the quality of project management and supervision; a revised programme manual; an enhanced Project Review Committee; and improved project formats focusing on key issues such as sustainability, replicability, theory of change, partnerships, budgeting, monitoring and evaluation.

STRENGTHS, CHALLENGES AND OPPORTUNITIES

The fundamental purpose of UNEP – to be the leading environmental authority that sets the global environmental agenda – has remained relevant, as reaffirmed by the 1997 Nairobi Declaration on the Role and Mandate of UNEP and the 2000 Malmö Ministerial Declaration, and enshrined in the Bali Strategic Plan for Technology Support and Capacity-building. The programmatic achievements described in section A above show that UNEP can achieve results in many of the areas described under emerging issues that are likely to become even greater challenges for the period 2014–2017.

For example, the programmatic achievements describe how integrated ecosystem management can help countries maintain the ecological foundation on which production systems depend. UNEP has also endeavoured to show how better natural resource and environmental management, along with changes in production and consumption patterns, can improve the food pathway, contribute to reducing food waste, increasing agricultural efficiencies, boosting sustainable food production along supply chains and enhancing ecological services.

UNEP, through the International Resource Panel, has also shown that the prospect of much higher resource consumption levels is “far beyond what is likely to be sustainable”, and that this challenge can be addressed by “decoupling” natural resource use and environmental impacts from economic growth (i.e., doing more with less).³

As demonstrated in section A above, on programmatic achievements, work by UNEP on harmful substances has helped countries reduce risks from chemicals and waste. UNEP has also proved its ability to support countries in reducing risks to human health, livelihoods and security from the environmental causes and consequences of disasters and conflicts, and to catalyse environmentally sustainable recovery from disasters and conflicts. Finally, achievements flowing from UNEP work in the field of climate change show that UNEP can support efforts by countries to capitalize on opportunities for low-emission growth and apply novel solutions that increase their resilience. Catalysing transformative changes through a more strategic use of coordination mechanisms within the United Nations system represents a major opportunity for the 2014–2017 medium-term strategy.

In choosing its strategic focus for the 2014–2017 medium-term strategy, UNEP is therefore building on the body of knowledge accumulated in the organization over the years. UNEP is also strengthening approaches that help integrate social, environmental and economic objectives more effectively in dealing with complex and interrelated challenges, and embed the integration of environment and the economy within its strategic areas of focus over the period 2014–2017.

The UNEP 2014–2017 medium-term strategy can therefore be characterized as a strategic approach of “continuity with improvement” – continuity in terms of the choice of focus, given that it already has at its disposal a range of achievements from the 2010–2013 medium-term strategy that can be built upon and that respond to the needs described in the sections above – but it will still seek improvements in terms of the potential impact of these achievements. For instance, a clear focus on securing greater effectiveness will allow UNEP to achieve more with available resources, by using partnerships more strategically thereby boosting the use of its products to leverage greater impact. In addition, by making effective use of its coordinating role in the United Nations system, UNEP will be able to tap into economies of scale to achieve transformational change.

In this regard, the 2014–2017 medium-term strategy must establish clearer causal pathways between the actions taken by UNEP itself and the actions that it aims to catalyse with its partners to contribute to the higher objectives of each subprogramme. This will ensure that the levels of ambition of the expected accomplishments are commensurate with the influence that UNEP can exert from its own products and services. UNEP will also need to ensure that its operations and corporate services are closely aligned with the results that it plans to achieve by 2017. Lastly, UNEP human and financial resource planning must also be more closely aligned with planned results in the programme. The two programmes of work to be adopted over the next medium-term strategy period will be designed in a manner that reflects these principles.

UNEP will seek synergies across its subprogrammes on ecosystem management, climate change and disasters and conflicts, to demonstrate the effectiveness of ecosystem-based approaches to reducing vulnerability to climate change-related disasters.

³ *Decoupling Natural Resource Use and Environmental Impacts from Economic Growth* (UNEP, 2011), p. 73.

V. STRATEGIC FOCUS FOR 2014–2017

The vision of UNEP for 2014–2017 continues the vision of the current medium-term strategy, for 2010–2013, and is derived from its mandate to be the leading global environmental authority that sets the global environmental agenda, that promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system and that serves as an authoritative advocate for the global environment.¹

The vision statement comprises four interrelated areas, supporting partners and countries alike:

- Keeping the world environmental situation under review;
- Providing policy advice and early warning information, based on sound science and assessments;
- Catalysing and promoting international cooperation and action, including strengthening technical support and capacity in line with country needs and priorities;
- Facilitating the development, implementation and evolution of laws, norms and standards and developing coherent interlinkages among multilateral environmental agreements.

UNEP recognizes the intrinsic value of the environment in serving economic and social needs and the importance of enabling natural processes to proceed in a way that can sustain these needs. It also recognizes that ecosystem health underpins human well-being, and thus poverty eradication, and that the future of humanity is inextricably linked to the planet’s life support systems, through the provision of environmental goods and services. These factors underpin the vision of UNEP and are explicitly recognized in its goals for the medium-term strategy.

Whereas the vision statement defines the long-term ambition of UNEP, the medium-term strategy has a goal statement that expresses the focus of UNEP for a specific period, 2014–2017. For this period, the key goal pursued by UNEP is to catalyse a transition towards low carbon, resource efficient and equitable development based on the protection and sustainable use of ecosystem services, coherent environmental governance and the reduction of environmental risks for the well-being of current and future generations and the attainment of global environmental goals in order to contribute to sustainable development.

UNEP will achieve this goal by providing active and focused services to relevant United Nations agencies, Governments and other stakeholders in their efforts to achieve and track global environmental goals and explore the environmental dimension of existing and future sustainable development and environment goals. UNEP will do still more to ensure that environmental sustainability contributes to the goals of the other two pillars of sustainable development (social and economic).

In determining the focus of UNEP efforts for the next medium-term strategy, the foresight process and the fifth report in the Global Environment Outlook process (GEO-5) identified the global challenges that are likely to be witnessed during the strategy period 2014–2017. These priorities were validated against the priorities of regions. In addition, UNEP reviewed the demands for its services against the following principles:

- Need for UNEP to stay relevant in the face of emerging issues and regional and country priorities;
- Potential of UNEP to catalyse significant change based on its own comparative strength and on what UNEP can leverage based on the strengths of potential partners;
- Need for UNEP to capitalize on results already emerging with the aim of leveraging even greater impact.

Given these principles, over the next medium-term strategy period UNEP will place its focus on the following areas, referred to for operational purposes as its subprogrammes:



These areas have been reviewed against the decisions taken by Member States in General Assembly resolution 66/288 and validated as priorities for UNEP. The conservation and sustainable use of biodiversity underpins many of these subprogrammes and each subprogramme will contribute to the achievement of the Aichi Biodiversity Targets, as indicated in the box on the following page.

Current work by UNEP to gain a better understanding of how the green economy might work in the context of sustainable development and poverty eradication shows that the integration of the environment across economic and social agendas can achieve significant results. In the next medium-term strategy, the aspiration to green the economy is expected to be integrated into all subprogrammes. In order to ensure consistency, however, the resource efficiency subprogramme will continue to host this important area and maintain its coherence across the medium-term strategy.

One of the core mandates of UNEP is continuously to keep the world environmental situation under review in a systematic and coordinated way, supporting Member States by tracking progress against internationally agreed environmental goals such as the Strategic Plan for Biodiversity 2011-2020 and its Aichi Biodiversity Targets in consultation with the secretariats of the multilateral environmental agreements, and to provide early warning information on emerging issues, for informed decision-making by policy makers and the general public. A new subprogramme on the issue of "Environment under review" is proposed, to provide credible and state-of-the-art scientific knowledge and to share this information with a view to empowering societies to move towards an environmentally sustainable future.

Within each of the subprogrammes, UNEP has refined its ambition to enable the organization:

- Further to focus its work within each of the subprogrammes and ensure internal coherence across divisions and branches in the organization;
- To ensure that the level of ambition of the expected accomplishments is reflected in result statements that are attributable to the efforts of UNEP;
- To ensure synergies between the subprogrammes.

Linkage between the medium-term strategy and the Aichi Biodiversity Targets

Development of the 2014–2017 medium-term strategy for UNEP is linked to the state of the global environment and the global environmental priorities identified by the world community, through the multilateral environmental agreements and other processes. One such global environmental priority is the Strategic Plan for Biodiversity for 2011–2020 adopted by the Parties to the Conference on Biological Diversity. The Strategic Plan for Biodiversity is an overarching international biodiversity framework for the engagement of all stakeholders with the purpose of inspiring broad-based action in support of biodiversity over the next decade. The Plan promotes the coherent and effective implementation of the three objectives of the Convention and its overall vision is to ensure that by 2050 biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people. As such it is in line with and complementary to the UNEP 2014–2017 medium-term strategy.



Comparison of the strategic focus and expected accomplishments of the 2014–2017 medium-term strategy and the Aichi Biodiversity Targets of the Strategic Plan for Biodiversity 2011–2020

| <i>Medium-term strategy</i> | | <i>Relevant Aichi Biodiversity Targets</i> |
|---------------------------------|---|---|
| Strategic focus | Expected accomplishment (EA) | |
| Climate change | 1. Climate resilience | Target 10 (Pressures on vulnerable ecosystems reduced), 15 (Ecosystems restored and resilience enhanced) |
| | 2. Low emission growth | Target 4 (Sustainable consumption and production) |
| | 3. REDD-plus | Targets 5 (Habitat loss halved or reduced) and 15 (Ecosystems restored and resilience enhanced) |
| Disasters and conflicts | 1. Risk reduction | Target 2 (Biodiversity values integrated) |
| | 2. Response and recovery | |
| Ecosystem management | 1. Production | Targets 7 (Sustainable agriculture, aquaculture and forestry), 14 (Ecosystems and essential services safeguarded) |
| | 2. Marine issues | Targets 6 (Sustainable management of marine living resources), 7 (Sustainable agriculture, aquaculture and forestry) and 14 (Ecosystems and essential services safeguarded) |
| | 3. Enabling environment | Targets 2 (Biodiversity values integrated) and 11 (Protected areas increased and improved) |
| Environmental governance | 1. Coherence and synergies | Target 16 (Access and benefit-sharing) |
| | 2. Law | Target 17 (NBSAPs adopted as policy instrument) National biosafety frameworks |
| | 3. Mainstreaming environmental sustainability | Target 2 (Biodiversity values integrated) |
| Chemicals and waste | 1. Enabling environment | Target 8 (Pollution reduced) |
| | 2. Chemicals | Targets 8 (Pollution reduced) and 19 (Knowledge improved, shared and applied) |
| | 3. Waste | |
| Resource efficiency | 1. Enabling environment | Targets 4 (Sustainable consumption and production), 7 (Sustainable agriculture, aquaculture and forestry) and 19 (Knowledge improved, shared and applied) |
| | 2. Production and supply | Targets 4 (Sustainable consumption and production), 7 (Sustainable agriculture, aquaculture and forestry) |
| | 3. Lifestyles | Target 1 (Awareness increased) |
| Environment under review | 1. Assessment | Targets 17 (NBSAPs adopted as policy instrument) and 19 (Knowledge improved, shared and applied) |
| | 2. Early warning | |
| | 3. Information | |

CLIMATE CHANGE



The risks of climate change are well documented and its impacts are already affecting people and ecosystems. Meeting the climate challenge requires individuals and institutions – both public and private – to be able to assess and understand climate change, design and implement adequate policies and take action on climate-resilient and low-emission growth.

UNEP supports countries and institutions in their efforts to meet this challenge through targeted interventions to promote and finance ecosystem-based approaches to adaptation, to finance and increase the use of clean and renewable energy and technologies, and to capitalize on the opportunities for reducing emissions from deforestation and forest degradation. By building on its strong science foundation, UNEP also helps to improve awareness and understanding of climate-change science for policy-making and action.

Environmental outlook

Thanks to the scientific work of the Intergovernmental Panel on Climate Change and of thousands of scientists and researchers and to awareness-raising efforts by civil society, the world recognizes the urgency of the climate challenge. Emissions continue to rise, however, and pledges of action fall short of the levels which science suggests are necessary.

As the world seeks solutions to climate change, UNEP and its partners are working to ensure that no country is left behind, and that all are equipped to move to climate-resilient, low-emission societies.

Objective

The objective of the climate change subprogramme is to strengthen the ability of countries to move towards climate-resilient and low emission pathways for sustainable development and human well-being.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Climate resilience:** Ecosystem-based and supporting adaptation approaches are implemented and integrated into key sectoral and national development strategies to reduce vulnerability and strengthen resilience to climate change impacts;
- EA2 Low emission growth:** Energy efficiency is improved and the use of renewable energy is increased in partner countries to help reduce greenhouse gas emissions and other pollutants as part of their low emission development pathways;
- EA3 REDD-plus:** Transformative strategies for and finance approaches to the enhanced mechanism for reducing emissions from deforestation and forest degradation in developing countries (REDD-plus) are developed and implemented by developing countries that aim at reducing emissions from deforestation and forest degradation and bringing multiple benefits for biodiversity and livelihoods.

Strategy

Within the United Nations approach to climate change, UNEP will catalyse efforts by the United Nations and other partners – including the private sector – to build the resilience of countries to climate change through ecosystem-based and other supporting adaptation approaches; promote the transfer and use of energy efficiency and renewable energy technologies; support the development and implementation of national low-emission strategies; and support the planning and implementation of initiatives to reduce emissions from deforestation and forest degradation to enable countries to move to a green economy in the context of sustainable development and poverty eradication.

UNEP will achieve this through scientific assessments; providing policy, planning and legislative advice; facilitating access to finance; pilot interventions; promoting integration of better approaches in national development planning processes; fostering climate change education, outreach and awareness raising; knowledge-sharing; and supporting the Framework Convention on Climate Change process and implementation of commitments to complement other processes.



DISASTERS AND CONFLICTS



UNEP is internationally recognized for its achievement in helping countries to minimize threats to human health, livelihoods and security from the environmental causes and consequences of disasters and conflicts. In the aftermath of a crisis, critical natural resources on which entire communities depend are often degraded or destroyed. Assessments to gauge the risks posed by these environmental impacts form the foundation of the response by UNEP. The findings of these assessments are used to catalyse recovery programmes that address environmental needs in support of broader recovery and development priorities.

UNEP also works to help countries address environmental degradation and mismanagement as an underlying risk factor for disasters and conflicts, by providing risk assessments, sharing best practices in sustainable natural resource management, and giving technical support to key risk reduction, crisis prevention and peacebuilding partners.

Environmental outlook

At least 40 per cent of all intra-State conflicts over the last 60 years have had a link to natural resources; over 90 per cent of major armed conflicts between 1950 and 2000 occurred in countries containing biodiversity hotspots and more than 80 per cent of those took place directly within hotspot areas.

Development gains are under threat globally from increasing disaster risk. In some countries, the risk of losing wealth in disasters exceeds the rate at which wealth is being created.

Objective

The objective of the disasters and conflicts subprogramme is to promote a transition within countries to the sustainable use of natural resources and efforts to reduce environmental degradation, to protect human well-being from the environmental causes and consequences of disasters and conflicts.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Risk reduction:** The capacity of countries to use natural resource and environmental management to prevent and reduce the risk of disasters and conflicts is improved;
- EA2 Response and recovery:** The capacity of countries to use natural resource and environmental management to support sustainable recovery from disasters and conflicts is improved.

Strategy

As a part of United Nations system-wide strategies for disaster risk reduction and preparedness, conflict prevention, post-disaster and post-conflict response, recovery and peacebuilding, UNEP will provide environmental risk and impact assessments, policy guidance, institutional support, training and mediation services, and will also pilot new approaches to natural resource management. In doing so, UNEP will seek to catalyse a strengthened response by partners working with countries on risk reduction, relief and recovery, including United Nations humanitarian and peacekeeping operations, as requested in Governing Council decision 26/15.

UNEP will also continue to promote the integration and prioritization of environmental considerations within relevant inter-agency policy and planning processes and promote green economy approaches in United Nations work on recovery in the context of sustainable development and poverty eradication.

ECOSYSTEM MANAGEMENT



How ecosystems are managed at all scales from local to global, will have significant impacts on the way in which water, food security and other ecosystem services are affected. Worldwide expertise and partners will be enlisted by UNEP in supporting countries' efforts to promote the integrated management of land and water for the provision of ecosystem services, including freshwater efficiency and food security. Together with its partners, UNEP will also support ecosystem approaches to improve the management of coasts, oceans and associated fish stocks.



Environmental outlook

There is a need to enhance the security and safety of the world's food supply and quality of water, while preserving the integrity of ecosystems. Increasing needs for food security, shelter and employment for growing populations mean that ecosystem services must be managed across environmental and economic agendas. The degradation of forests, mountains, inland waters, coastal and oceanic ecosystems will require better management approaches to meet multiple needs if countries are to achieve the Aichi Biodiversity Targets.

Objective

The objective of the ecosystem management for development subprogramme is to promote a transition to integrating the management of land, water and living resources, with a view to maintaining biodiversity and providing ecosystem services sustainably and equitably among countries.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Production:** Increased use is made of the ecosystem approach in countries, with a view to maintaining ecosystem services and the sustainable productivity of terrestrial and aquatic systems;
- EA2 Marine issues:** Increased use is made of the ecosystem approach to sustain ecosystem services from coastal and marine systems;
- EA3 Enabling environment:** Services and benefits derived from ecosystems are integrated with development planning and accounting, particularly in relation to wider landscapes and seascapes and the implementation of biodiversity-related multilateral environmental agreements.

Strategy

To meet the challenge of feeding and clothing a growing population while supporting efforts by countries to develop greener economies in the context of sustainable development and poverty eradication, UNEP will work with the secretariats of biodiversity-related multilateral environmental agreements, and lead United Nations partners and others in catalysing the uptake of the ecosystem approach, including use of traditional ecological knowledge. The aim is to help ensure the conservation and sustainable use of biodiversity and strengthen the resilience and productivity of ecosystems, in particular for food security and water. UNEP will also catalyse the increased use of the ecosystem approach for managing coastal and marine ecosystems, particularly coral reefs, to maintain ecosystem services, building on the foundation of the UNEP regional seas conventions and programmes.

UNEP will strengthen the enabling environment for ecosystem management, including transboundary ecosystems, at the request of concerned countries. The aim is to help ensure the conservation and sustainable use of biodiversity, based on the Strategic Plan for Biodiversity 2011–2020 and its Aichi Biodiversity Targets, adopted by the Convention on Biological Diversity as an overarching framework on biodiversity for all stakeholders, and other biodiversity targets linked to multilateral environmental agreements.

UNEP will support development planning to create the enabling environment for the implementation of biodiversity-related multilateral environmental agreements and collaborate with the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and multilateral environmental agreement secretariats to improve links between science and policy. UNEP will support countries in their endeavour to use data on ecosystem services in mainstreaming ecosystem services in development planning, which promote a green economy in the context of sustainable development and poverty eradication.



ENVIRONMENTAL GOVERNANCE



The state of the environment is in great part determined by the way in which the environment is governed. Policies and laws create the enabling environment for better governance of the environment. UNEP will help maximize the efficiency of international governance by promoting coherence in the way environmental issues are addressed in the United Nations and in multilateral environmental agreements.

At the national level and in partnership with relevant United Nations agencies, UNEP will help countries develop and implement policies and laws to improve their environmental governance and will offer them legal and technical support in their efforts to integrate environment into development policies.

Environmental outlook

The current system of international environmental governance, in which the multilateral agreements are poorly coordinated with one another, should be strengthened to meet the needs of the twenty-first century. The system of environmental governance lacks the representativeness, accountability and effectiveness necessary for the transition to sustainability. A much higher level of participation and transparency is needed.

Objective

The objective of the environmental governance subprogramme is to strengthen synergies and coherence in environmental governance, with a view to facilitating the transition towards environmental sustainability in the context of sustainable development.

3. Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Coherence and synergies:** The United Nations system and the multilateral environmental agreements, respecting the mandate of each entity, demonstrate increasing coherence and synergy of actions on environmental issues;
- EA2 Law:** The capacity of countries to develop and enforce laws and strengthen institutions to achieve internationally agreed environmental objectives and goals and comply with related obligations is enhanced;
- EA3 Mainstreaming environmental sustainability:** Countries increasingly mainstream environmental sustainability in national and regional development policies and plans.

Strategy

UNEP will promote coherence and synergy in environmental governance by providing technical support to the United Nations system and multilateral environmental agreements, taking advantage of United Nations coordination mechanisms, in particular the Environmental Management Group, to strengthen the coordination of actions on environmental policies and programmes and multilateral environmental agreement priorities within the United Nations system.

UNEP will support efforts by countries to increase the number of regional and national development plans, policies and budgets that incorporate principles of environmental sustainability and the commitments under multilateral environmental agreements, and will assist with the implementation of such measures in targeted countries and regions. UNEP will also help countries to strengthen their environmental institutions and laws. It will provide technical support to countries in developing and reporting on the environmental aspects of sustainable development goals. UNEP will strengthen the science-policy interface in this work. It will also work towards facilitating the increased participation of stakeholders in environmental decision-making processes, and promote access to justice along the lines of Principle 10 and other relevant principles of the Rio Declaration.



CHEMICALS AND WASTE



Societies continue to experience the severe consequences of unsound chemicals management. UNEP will exercise its leadership in assisting countries in developing the sound management of chemicals and waste, offering technical support that aims to catalyse the actions of its partners in minimizing the risks of chemicals and waste.

Environmental outlook

The risks to the environment and human well-being of increasing levels of harmful chemicals and waste are likely to grow.

Objective

The objective of the chemicals and waste subprogramme is to promote a transition among countries to the sound management of chemicals and waste, with a view to minimizing impacts on the environment and human health.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Enabling environment:** Countries increasingly have the necessary institutional capacity and policy instruments to manage chemicals and waste soundly including the implementation of related provisions of the multilateral environmental agreements;
- EA2 Chemicals:** Countries, including major groups and stakeholders, make increasing use of the scientific and technical knowledge and tools needed to implement sound chemicals management and the related multilateral environmental agreements;
- EA3 Waste:** Countries, including major groups and stakeholders, make increasing use of the scientific and technical knowledge and tools needed to implement sound waste management and the related multilateral environmental agreements.

Strategy

UNEP will work to increase countries' capacities to manage chemicals and waste, including e-waste, within a coherent life-cycle approach. It will work to promote and catalyse system-wide efforts by the United Nations to lessen the environmental and human health impacts of chemicals and waste, doing so in close collaboration with the secretariats of chemicals and waste-related multilateral environmental agreements. UNEP will catalyse support from United Nations partners to increase countries' capacity to manage chemicals and waste, including e-waste, within a coherent life-cycle approach where necessary.

UNEP will help requesting countries improve and enforce their regulatory and institutional framework for the sound management of chemicals and wastes. This will include servicing the Strategic Approach to International Chemicals Management and the future international legally binding instrument on mercury. UNEP will also seek to enhance cooperation and coordination in the chemicals and waste cluster.

UNEP will keep under review emerging issues and trends in chemicals production, use and release, and promote and catalyse implementation of the sound management of chemicals and waste, including through multi-stakeholder partnerships.



RESOURCE EFFICIENCY



Applying the principles of “doing more with less” or “decoupling” natural resource use and environmental impacts from economic growth is key to overcoming the pressing challenge of growing resource consumption levels. UNEP is well positioned to support the transition by countries and partners to a green economy, to use opportunities for cleaner investments and green jobs to address poverty and enhance human well-being.

UNEP will use its expertise in assessing trends in the extraction and use of resources in the global economy to enable informed policy-making, and support Governments in implementing national and local solutions through regulatory and economic instruments and policy initiatives. Using insights from scientific and macroeconomic analyses as leverage, UNEP will identify investment opportunities for alternative business models and improvements across the life-cycle in the processes of existing, resource intensive industries and supply chains using its convening power to build partnerships to catalyse change on the ground from production to consumption.

Environmental outlook

Globally, more resources are being extracted to produce goods and services than the planet can replenish, while a large share of an increasingly urban world population is still struggling to meet basic needs. Accordingly, countries will be increasingly challenged by a resource scarcity that will affect economic growth.

Objective

The objective of the resource efficiency subprogramme is to promote a transition in which goods and services are increasingly produced, processed and consumed in a sustainable way that decouples economic growth from resource use and environmental impact, while improving human well-being.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Enabling environment:** Cross-sectoral scientific assessments, research and tools for sustainable consumption and production and green economy are developed, shared and applied by policymakers, including in urban practices in the context of sustainable development and poverty eradication;
- EA2 Sectors and supply:** Uptake of sustainable consumption and production and green economy instruments and management practices in sectoral policies and in business and financial operations across global supply chains is increased, in the context of sustainable development and poverty eradication;
- EA3 Lifestyles:** Enabling conditions for promoting more sustainable consumption choices and lifestyles are enhanced.

Strategy

UNEP will work with partners and United Nations sister agencies to strengthen the scientific basis for decision-making and provide policy advice to Governments and the private sector to support a transition to a green economy in the context of sustainable development and poverty eradication. UNEP will develop national and city-level capacities to accelerate the development of more sustainable consumption and production patterns. It will also assess material flows, resource pressures and impacts and support for efforts to integrate the findings of the International Resource Panel into policy and decision-making processes.

UNEP will also catalyse efforts that advance sustainability within and across the entire supply chain of services and manufactured goods, known as global value chains. It will develop favourable policy and market incentives, alongside information tools that enable more sustainable lifestyles.

In addition, UNEP will prioritize support to the ten-year framework of programmes on sustainable production and consumption patterns adopted at the United Nations Conference on Sustainable Development.



ENVIRONMENT UNDER REVIEW



As the leading organization in the United Nations system that keeps the world environmental situation under review, UNEP uses this expertise to facilitate global, regional and national policymaking and to set the global environmental agenda. UNEP will also use its expertise to provide early warning information on emerging environmental issues, to inform decision-making by policymakers and the public.

Environmental outlook

Emerging issues must be tracked to ensure early action where needed: inadequacies in links between policy and science communities could hinder decision-making. The expanding coverage of information systems and networks will provide unique and cost-effective opportunities to link science and information to enhance capacities for decision-making.

Objective

The objective of the environment under review subprogramme is to empower stakeholders in their policy and decision-making by providing scientific information and knowledge and keeping the world environment under review.

Expected accomplishments

The expected accomplishments under this subprogramme are the following:

- EA1 Assessment:** Global, regional and national policymaking is facilitated by making environmental information available on open platforms;
- EA2 Early warning:** Global, regional and national assessment processes and policy planning are informed by emerging environmental issues;
- EA3 Information:** The capacity of countries to generate, access, analyse, use and communicate environmental information and knowledge is enhanced.

Strategy

UNEP will set the global environmental agenda by delivering assessments that integrate environmental, economic and social information to assess the environment, identify emerging issues and track progress towards environmental sustainability in consultation with multilateral environmental agreement secretariats. UNEP will use its position in the Environmental Management Group to catalyse action based on its findings.

UNEP will work to support capacity-building efforts in developing countries that commit themselves to environmental monitoring and the posting of environmental data and information on public platforms, as appropriate, in line with Principle 10 of the Rio Declaration. In addition, UNEP will work towards the increased participation of stakeholders in environmental decision-making processes, including the generation, analysis, packaging, availability and dissemination of integrative environmental information. UNEP is committed to disseminating the information in the relevant working languages and will deploy increased efforts to make available its official documents in all official languages of the United Nations.

VI. BUSINESS STRATEGY

UNEP BUSINESS MODEL

UNEP is a programme of the United Nations, with its own governing body: it has the status of a subsidiary body of the United Nations General Assembly. Its mandate was formulated by the General Assembly in resolution 2997 (XXVII) of 15 December 1972, by which the Assembly established the Programme, and also in successive decisions by Member States, to act as the authority for the environment across the United Nations system, including its funds, programmes and specialized agencies. This authority and responsibility have been further enhanced through the Rio+20 outcome document and Assembly resolution 67/213 of 21 December 2012, by which the Assembly established, in particular, universal membership of the UNEP governing body.

As both a normative and operational entity, UNEP coordinates its work and exercises leadership in the area of the environment in the United Nations system and beyond through such partnerships and existing coordination mechanisms as the following:

- United Nations System Chief Executives Board for Coordination: High-level Committee on Programmes, High-level Committee on Management and United Nations Development Group;
- Strengthened support to the Environmental Management Group process;
- Partnerships with multilateral environmental agreements.

The authority of UNEP authority vis-à-vis the United Nations system and beyond cannot be imposed by legislation: the Rio+20 outcome document and General Assembly resolution 66/288 merely provide its mandate and legitimacy, but the exercise of this leadership must be sustained by competence and capacity, including in managerial terms. In managing its secretariat, UNEP is guided by United Nations regulations; rules applicable to UNEP, along with the guidelines of the High-level Committee on Management and the United Nations Development Group to which it has adhered. UNEP regulations and rules are established by its governing body in response to proposals from the UNEP secretariat, working in consultation with Member States; the procedures for the application of these regulations and rules are issued by the Executive Director. In the absence of specific rules or procedures, those of the United Nations Secretariat apply by default.

The approach to management followed by UNEP moves through partnerships, maximizing value for money, and minimizing fixed costs. In operational terms, strategic leadership planning functions, the setting of norms and standards, and oversight (monitoring, evaluation and quality assurance) functions are carried out in house, under the direct management of UNEP staff, at both corporate and divisional levels. Where implementation is concerned, direct implementation by UNEP is only envisaged after other preferred options, such as partnership with other United Nations entities, major groups and governmental bodies, have been explored and it has been concluded that direct intervention by UNEP staff is clearly the most effective solution in comparative terms.

The fundamental principles underlying the approach taken by UNEP to delivering the expected accomplishments under each of its subprogrammes by the end of 2017 are therefore:

- Catalysing transformative change, in particular through the United Nations system;
- Leveraging measurable impact through partnerships;
- Responding to demand for services at national, regional and global levels.

To achieve this, UNEP has identified six main service lines that are based on its comparative advantages. These comparative advantages include the following:

- UNEP serves as the authoritative voice on the global environment and constitutes the high-level environment policy forum within the United Nations system;
- UNEP has the power to convene gatherings addressing the full range of environmental issues and has extensive experience in establishing networks with Governments, United Nations entities, international institutions, the broad scientific community, civil society and the private sector;
- UNEP has extensive experience in working with scientific and technical communities and at the science-policy interface, including in providing integrated environmental assessments for priority setting and decision-making;
- UNEP has a long history of supporting multi-stakeholder international environmental law and policy processes and of promoting regional cooperation to tackle emerging and transboundary environmental issues;
- UNEP has long-standing links with ministries of the environment, regional environmental bodies and the business and private sector in environmental issues, including strong linkages to key environmental bodies through its establishment and hosting of the secretariats of multilateral environmental agreements, its provision of secretariat support for the Scientific and Technical Advisory Panel (STAP) of the Global Environment Facility (GEF); it also has partnership agreements with collaborating centres of excellence, it hosts the secretariat of many partnership initiatives and has its own network of regional offices;
- UNEP has valuable experience in the use of interdisciplinary approaches to tackle environmental issues, including the interlinkages between environmental change, development and human well-being;
- UNEP plays a central role in the United Nations system in efforts to deal with the environment, and in achieving coherence in that domain, through its participation in numerous inter-agency boards, partnerships and other inter-agency mechanisms.

The UNEP service lines are based on these comparative advantages and help clarify what UNEP should and should not do; in addition, they support the monitoring and prioritizing of deliverables. By ensuring that outputs and projects are defined with service lines in mind, and based on demand from countries and United Nations agencies for such services, UNEP will also be able better to define what it delivers globally, nationally and regionally, and to improve the coherence and quality of its work within each service area. These service lines are the following:

- Leveraging sound science for policy and decision-making. UNEP will provide environmental assessments, early warning information and analysis of environmental contributions to social and economic development in support of efforts to mainstream environmental sustainability into policy and decision-making beyond the environment sector. UNEP will use the services of the Environmental Management Group to channel scientific information across the United Nations system;
- Providing technical assistance for environmental law, policy and planning. On request from countries, UNEP will provide technical guidance and support for global, regional and national environmental law and policy development, together with legal support to help advance the implementation and monitoring of agreed international norms and guidelines. This service line will include advisory services in key areas of institution-building, public environmental expenditure review, and also national budgeting, planning and programming processes, working with and through resident coordinators, United Nations country teams and relevant inter-agency groups;

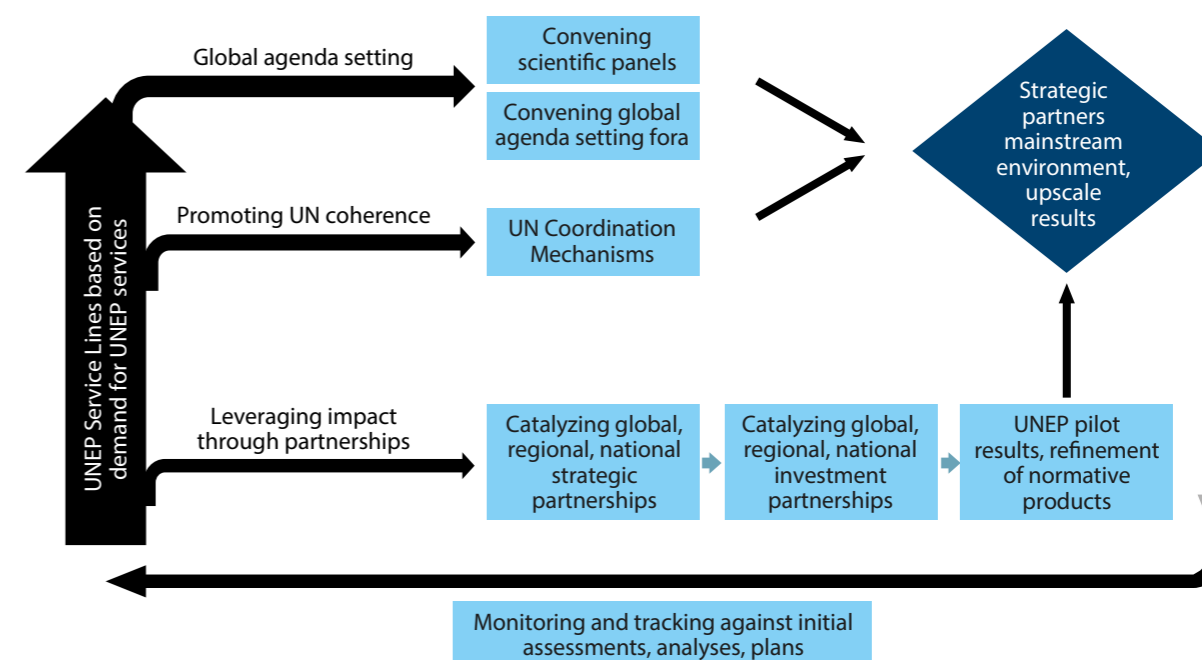
- Promoting United Nations system wide coherence on environmental matters. UNEP will work to transform the way in which the United Nations system handles environmental matters. It will strengthen its leadership in key United Nations coordination bodies and will lead efforts to formulate United Nations system-wide strategies on the environment and enhance United Nations system-wide coherence on environmental matters. UNEP also aims to integrate environmental safeguards into international programmes and to support the “Delivering as one” approach at the national and regional levels. The aim is to capitalize on the strengths and reach of the agencies in the United Nations system to maximize the potential for environmentally sound development;
- Raising awareness and outreach. This service line will focus on knowledge sharing, the use of networks and other tools such as events, environmental education, training and access to information to raise awareness and communicate on relevant issues with a wide range of stakeholders, in line with Principle 10 of the Rio Declaration and the Communiqué of the Intergovernmental Conference on Environmental Education for Sustainable Development, held in Tbilisi in September 2012;
- Testing innovative solutions and technologies and scaling up results through partnerships. On request from countries, UNEP will support the development of norms, guidelines, innovative tools and approaches to help countries pilot-test them, build country capacity and promote efforts to scale up these solutions and technologies through strategic partnerships;
- Facilitating access to funding for the environment. UNEP will facilitate access to finance for environmental action by “greening” national finance, building country capacity for environmentally sustainable investment, and facilitating country access to private sector funds and multilateral funds, such as GEF, the Multilateral Fund for the Implementation of the Montreal Protocol, the Adaptation Fund under the Framework Convention on Climate Change and others.

The delivery of work by UNEP along these service lines will not by itself achieve any of the expected accomplishments in the medium-term strategy. The figure below illustrates how the expected accomplishments are to be delivered. UNEP will offer the above services lines to support Governments and other United Nations agencies, while leading efforts to achieve United Nations system-wide coherence on environmental issues and to leverage impact through partnerships. UNEP will also monitor and track these impacts to be able to identify change, adjust its business model, enhance its effectiveness and efficiency and communicate achievements and lessons learned. These themes will run through all the UNEP subprogrammes.

UNEP will make full use of strategic partnerships to catalyse transformative change and leverage impact to contribute to significant results across the globe. Thus, while UNEP may pilot tools and methods, measures to scale up their use by partners will be designed at the outset to leverage impact through partnerships. This principle will underline how UNEP uses its services to deliver each subprogramme.

UNEP business model and operations strategy

UNEP business model



OPERATIONS STRATEGY

Under the medium-term strategy for 2014–2017, UNEP must ensure that results-based approaches are fully integrated, from both the strategic and operational standpoints. In a system where results-based management is mainstreamed and accountability for results is the norm, all planning and delivery efforts within the organization – from programme planning, human and financial resource mobilization, allocation and management to partnership management, monitoring and evaluation – have mutually reinforcing objectives that enable UNEP better to deliver its services to other United Nations agencies and countries.

The UNEP programme performance reviews have highlighted the importance of aligning financial and human resources planning with the results that UNEP aims to achieve in the medium-term strategy and programme of work. In its evaluation of UNEP, the Multilateral Organization Performance Assessment Network (MOPAN) noted the need for good use of performance information and a strong resource allocation process. The next medium-term strategy provides the opportunity for a strong operations strategy in which these different elements interact to strengthen the UNEP approach to results-based management and to enable UNEP to deliver its mandate effectively and efficiently.

UNEP is already taking action to ensure that it is up to par with international best practices and standards by 2015. The UNEP programme of work for each biennium (2014–2015 and 2016–2017) will include key performance indicators to ensure that it is in line with international best practice. Targets for UNEP performance indicators will also be centred on bringing greater coherence between key elements of its programme and results-based management framework, in particular through the alignment of programme and budget, including from UNEP engagement with GEF.

In addition, UNEP is to become fully compliant with the international standards for public accounting (IPSAS) on 1 January 2014. In accordance with the United Nations Secretariat's schedule, it should simultaneously implement the United Nations Secretariat-wide enterprise resource planning project Umoja. UNEP will also review its systems applications to ensure appropriate linkages between its own Programme Information Management System and the new system as the organization further intensifies results-based management.

Other areas for reinforcing UNEP results-based management will be the continued strengthening of its programme and project performance monitoring and reporting process, which will entail emphasis on the validation of performance data, instilling a structured approach to the use of performance information and tracking of management actions at project and programme levels. In addition, UNEP will seek a better alignment of evaluation scheduling with programme planning and budgeting schedules.

UNEP emphasis on results will also mean the further integration of gender considerations in programme planning and delivery, entailing integration of a gender perspective into all phases of its programme cycle, from planning to monitoring and evaluation. This process will entail the development of a gender action plan, which shows how gender considerations are factored into project planning.

Furthermore, UNEP will aim for greater coherence between its programmatic needs and the development and consolidation of human capacities. The objective is to optimize the planning, recruitment and development of these resources in order to attract and retain staff of the calibre required. UNEP will therefore institutionalize annual training programmes to build the management skills of staff in a results-based organization, while keeping staffing budgets within strict limits. If, as expected, demand for UNEP services grows, this will provide an opportunity for the organization to strengthen the competencies required to reach out and work through partnerships.

A growing number of State and non-State organizations will be working in the same fields as organizations in the United Nations system. The changing global context requires partnerships to be developed both within and outside the system to ensure complementarity, reduce fragmentation and enhance impact. With its revamped policy on partnerships, UNEP will further strengthen its selection of partners and monitoring of its delivery through partnerships, optimizing the respective added value of UNEP and partner United Nations entities, both in substantive areas and in the provision of services to Member States. The strategy for broadening partnerships and alliances will entail bringing coherence through United Nations system-wide partners on environmental issues through the Environmental Management Group, the United Nations Development Group and United Nations country teams.

In line with General Assembly resolution 66/288, UNEP will also refocus some of its support to South-South cooperation while recognizing its complementarity with traditional schemes of cooperation. The UNEP strategy will also entail partnerships with the development banks and the private sector, as well as with other major groups, which will allow for a more effective focus on issues relating to particular groups, in line with the General Assembly resolution, which calls for the increased participation of civil society.

UNEP also aims to use its strategic presence with primarily regional and some limited country components to strengthen its coherence and efficiency, by working within established United Nations regional coordination structures, including the regional United Nations Development Group teams and the regional coordination mechanisms, to ensure that environmental considerations are adequately reflected across United Nations policy and development assistance activities. At the country level, UNEP will strengthen its regional offices to work within the United Nations country team structures where applicable, and also its programming processes, and

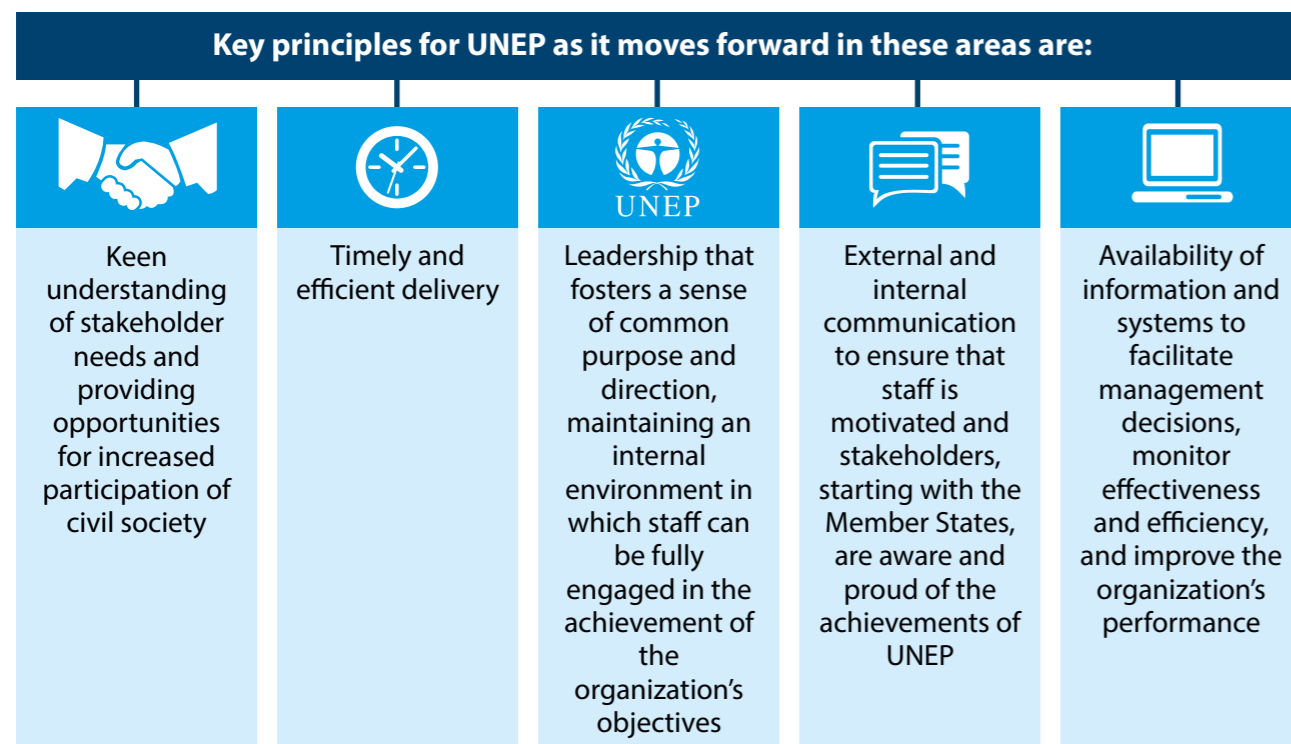
will contribute with environmental expertise in the development of national development plans and strategies and United Nations Development Assistance Frameworks to help ensure integration of the environment in United Nations work at the country level. The aim is to strengthen cooperation with other United Nations organizations within the framework of the "Delivering as one" initiative where countries have so requested, to achieve transformational changes that would not be possible by UNEP on its own.

Internally, UNEP divisions and regional offices will work together, based on their respective comparative advantages, towards sustainable results at the regional and country level that meet the needs and priorities of the respective countries. The UNEP thematic divisions will continue to lead the organization's established normative and advocacy roles at the global level, while the Division for Regional Cooperation and the regional offices will strengthen their programme coordination function to ensure an integrated and relevant delivery of the subprogrammes at the regional and national levels. The Division for Regional Cooperation and the regional offices will provide the critical link between the subprogrammes and the regional and national needs and priorities, and will coordinate and orchestrate the provision of UNEP-wide demand-driven support to United Nations agencies and countries in particular regions in a triangular partnership between divisions, regional offices and partners.

This will be achieved through region-based outputs in the draft programme of work for 2014-2015, including efforts to scale up support by UNEP to countries and regions, in particular through capacity-building and technology support to assist countries in implementing their environmental policies, which are largely based on provisions and targets from multilateral environmental agreements. These region-based outputs will be integral parts of the UNEP subprogrammes and will be delivered through the direct leadership of the regional offices under the overall accountability of the Division for Regional Cooperation. The Division maintains general responsibility for supervising and supporting the regional offices. Thematic divisions and partners will provide the needed technical and substantive support to strengthen regional delivery. The regional offices will also contribute to the attainment of all other programme of work outputs with delivery at regional and country levels. Regional offices will be involved in different roles (leading and supporting) in delivering about 80 per cent of the outputs in the programme of work. The UNEP regional seas conventions and programmes will also be used as a platform for UNEP, where appropriate, to support the delivery of work at regional and subregional scales across the different subprogrammes.

In order to ensure the most effective matching of UNEP services with country needs and priorities, and optimum synergies and efficiencies, UNEP will ensure that its programme frameworks show the coherence of UNEP work at regional level. The programme frameworks will also facilitate the further involvement of UNEP in the "Delivering as one" processes at the regional and country levels for those countries indicating interest in this delivery mechanism. The programme frameworks will show how UNEP can provide more coherence, relevance, cost-effectiveness and flexibility in delivery modes.

Lastly, accountability will be the cornerstone of results-based management by UNEP. The organization is accountable to the Member States and, through them, the people whom it ultimately serves. This translates internally to the accountability of organizational units and, beyond them, to staff at all levels in the organization. Accountability for the attainment of different elements of the organization's overall goals is assigned to particular divisions. The accountability for delivery of a division's work is further assigned to individual staff members through their work plans, which are monitored on a yearly basis.



FUNDING THE STRATEGY

UNEP will provide resources for the medium-term strategy through its core funding channels, namely, the Environment Fund and extrabudgetary sources, the United Nations regular budget and financing from GEF, and this funding will be complemented by other sources of funding. UNEP will explore the potential for results-based budgeting within the budget planning exercise of its 2014-2015 programme of work and a resource allocation process based on performance information, in line with key results-based management principles.

As the attainment of many of the expected accomplishments will depend on the commitments and endeavours of other actors, UNEP cannot look solely to the resources that flow through its own books to meet its global goals. There are reasons to be optimistic for the bienniums 2014-2015 and 2016-2017, despite a high degree of volatility in the environment in which UNEP will be operating. First, support is widening and deepening for sustainable development and for a new inclusive green economy paradigm in the context of sustainable development and poverty eradication as a platform from which to design country development strategies. As countries request support for UNEP services, UNEP will work towards catalysing donor support for those services that enjoy its comparative advantage and where the results will contribute to the delivery of the medium-term strategy and associated programmes of work. Particular attention will be paid to the manner in which UNEP will deliver such services, employing the most cost-effective means and leveraging the strengths of partners to maximize efficiency.

Furthermore, UNEP has strengthened alignment of its work with GEF, thereby enhancing complementarity with the UNEP programme of work. Thus, the entire stream of GEF revenue will directly support the achievement of the medium-term strategy, while respecting the concept of complementarity and additionality. Finally, UNEP will have implemented most of its reforms by 2014, meaning that it will have evolved into an institution with well integrated results-based management, programming and budgeting and will be in a position to present an even clearer value-for-money proposition to donors.

VII. RISK MANAGEMENT

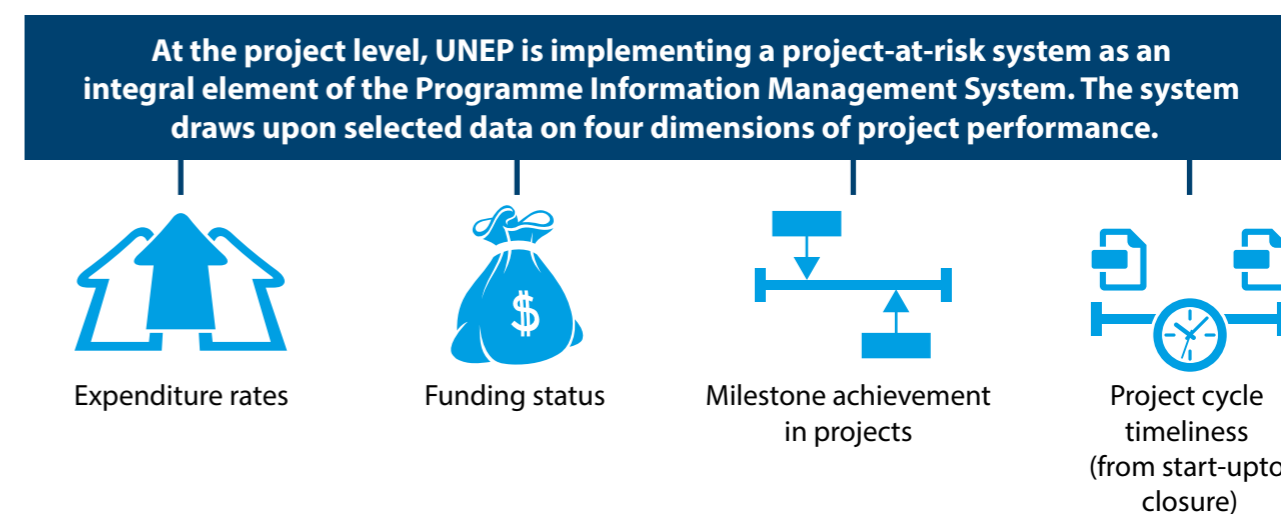
UNEP recognizes that risk management is an integral component of the organization. It also recognizes that, given its focus area, it is potentially exposed not only to physical, financial and political risks but also to significant reputational risks. As part of its drive to enhance accountability and performance management, UNEP will ensure that it has appropriate controls and processes to reduce and manage these types of risk, and to deploy resources to ensure efficiency in its operations and value for money.

UNEP is developing an effective corporate risk management framework taking into account the United Nations Secretariat policy adopted in May 2011. Such a framework allows it to identify risks, assess potential impact and proactively manage risks for the organization as a whole. It also enables management and staff in UNEP to conduct timely reviews of significant risks and take the management actions required to address them.

UNEP will also continue its engagement with United Nations agencies to implement the United Nations system-wide framework for environmental and social sustainability, as endorsed by the United Nations Chief Executives Board for Coordination in September 2011. In particular, UNEP will institutionalize environmental and social safeguards which will mitigate risks from the implementation of its projects and programmes.

Lastly, UNEP will continue to strengthen a process for identifying, evaluating and managing organization-wide risks, which include:

- Financial risks, such as the predictability of contributions, fluctuations in exchange rates, expenditure controls, and others;
- Rate of receipt of overall income versus projected expenditure within the programme;
- Rate of overall expenditure versus the rate of progress in delivering the programme of work;
- Compliance with United Nations and UNEP policies, such as the UNEP policy on partnerships, including with the private sector;
- Cost-recovery policy and procedures;
- Political instability in some of the countries in which UNEP may be providing support.



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Projects that exceed pre-established thresholds, within any of these four dimensions of project performance, will be flagged as projects at risk. The system will generate a register and an automated report of all projects at risk (based on one or more of the dimensions) every six months. Projects at risk will also be searchable by region, country, division, regional office and subprogramme, thereby giving managers at all levels in UNEP access to the necessary information for decision-making relating to project portfolios. The overall aim is to ensure that management at all levels in UNEP is able regularly to review data from the internal control framework of UNEP.

Risk indicators will be linked to other UNEP organizational performance indicators as appropriate and will follow best practice. Senior UNEP managers will also review the internal controls to ensure the adequate design of controls to capture and evaluate failings and weaknesses, if any exist, and to take prompt action, as appropriate.

VIII. EVALUATION OF THE MEDIUM-TERM STRATEGY

The medium-term strategy constitutes the highest-level programmatic results framework for UNEP and provides the vision and direction for all UNEP activities for the period, against which UNEP will carry out its evaluation. A prominent feature of the medium-term strategy is its results-based approach. This approach is mirrored by the UNEP approach to evaluation, which has a strong focus on the assessment of the organization's performance in delivering the medium-term strategy objectives and the expected accomplishments, by proposing a combination of evaluations at different levels, which are mutually complementary. Project evaluations aim to assess project performance and determine the outcomes stemming from projects. They identify lessons of operational relevance for future project design and implementation. Project evaluations also feed into the

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evaluation of expected accomplishments, by focusing on the role and performance of UNEP in achieving the set of outcomes that are specified in a programme framework and presented in the programme of work. Evaluations of expected accomplishments will be undertaken as part of the evaluation of the performance of the UNEP subprogrammes. Each subprogramme evaluation examines the achievement of results, relevance, effectiveness, efficiency and sustainability of the delivery of the subprogramme.

In addition, UNEP will conduct a formative evaluation of the design of the programme of work at the start of each biennium. Formative evaluations are those that assess the causal relationships embedded in the projects within each programme framework, to understand whether these projects are optimally linked to the expected accomplishments. Formative evaluations also help with the identification of performance measures and key impact drivers, for use by project and programme managers in project implementation.

UNEP will review the quality of its project supervision function on a biennial basis, providing useful feedback to UNEP managers to ensure consistent high quality in project supervision throughout the organization.

Lastly, UNEP will conduct an overall evaluation of the 2014–2017 medium-term strategy at both the mid-points and end-points of the medium-term strategy period, that is, in mid-2015 and at the end of 2017, so as to ensure that at least the medium-term evaluation findings are fed into the planning of the next medium-term strategy for 2018–2022 and the programme of work for 2018–2020. Evaluations of the medium-term strategy will assess the progress made towards achievement of the higher-level results specified in the strategy. The aim is to provide evaluative evidence on the effectiveness and efficiency of UNEP implementation and delivery, to identify challenges to the implementation of the medium-term strategy and to provide lessons and recommendations to guide the future strategic direction of the organization and improve programme formulation and implementation.

