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ESCI 701: ENVIRONMENTAL MANAGEMENT

TOPIC:

**AN OVERVIEW OF THE ROLE OF UN BODIES IN INTERNATIONAL
GOVERNANCE AND THE ROLE OF INTERNATIONAL FINANCIAL
INSTITUTIONS (I.E., WORLD BANK, IMF AND GEF) IN ENVIRONMENTAL
GOVERNANCE.**

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1.0 INTRODUCTION

1.1 Background

On October 24, 1945, the United Nations (UN) was created as the world's peacekeeper to settle conflicts and avert another World War (India Today, 2019).

The Second World War ended in 1945, but nations were in ruins and the world yearned for peace. In the same year, 51 nations gathered in San Francisco to ratify a treaty. The document at dispute was the United Nations Charter, which replaced the League of Nations after World War II and was signed on October 24, 1945, forming the United Nations (India Today, 2019).

India Today, an Indian news website, reports that the United Nations, based in New York, United States, currently has 193 member nations (India Today, 2019). In addition to maintaining peace, the United Nations also aspires to promote sustainable development, respect international law, and protect human rights, according to the report.

Due to the authority granted by its Charter and its unique international character, the United Nations can address the challenges facing humanity in the 21st century, such as peace and security, climate change, sustainable development, human rights, disarmament, terrorism, humanitarian and health crises, gender equality, governance, and food production, among others (India Today, 2019).

As the most representative intergovernmental organization in the world today, the United Nations plays an indispensable role in international and regional affairs. The United Nations has made significant contributions to sustaining international peace and security, encouraging state-to-state collaboration, and advancing international development (UPR Info, n.d.)

2.2 UN Environmental Bodies

An environmental organization is one that emerged from conservation or environmental movements to safeguard, analyse, and monitoring the environment against human misuse or destruction.

2.2.1 The United Nations Environment Programme (UNEP)

The UNEP was established in 1972 with its headquarters in Nairobi (Kenya) and its purpose is to promote international cooperation in the human environment (India Today, 2019).

The UNEP website indicates that since its inception in 1972, the United Nations Environment Programme (UNEP) has served as the global authority setting the environmental agenda, promoting the coherence of the environmental dimension of sustainable development within the United Nations system, and advocating authoritatively for the global environment (UNEP, n.d.-a).

2.2.1.1 Functions of UNEP

According to the UNEP website, UNEP seeks to achieve transformative change for people and nature by addressing the core causes of the three global crises of climate change, nature and biodiversity loss, and pollution and waste. UNEP's work is organized around seven interconnected subprogrammes: climate action, chemical and pollution action, nature action, science policy, environmental governance, finance and economic transformations, and digital transformations (UNEP, n.d.-a).

UNEP increases awareness and advocates for effective environmental action through its programs, most notably World Environment Day (United Nations Environment Programme, n.d.-a)

UNEP collaborates closely with its 193 Member States, civil society, business, and other important groups and stakeholders to address environmental concerns through the United Nations Environment Assembly, the world's highest-level environmental decision-making body (United Nations Environment Programme, n.d.-a)

The UNEP is home to the secretariats of numerous major multilateral environmental accords and research agencies, bringing nations and the environmental community together to address the world's greatest challenges. Among them are the following:

- The Convention on Biological Diversity
- The Convention on International Trade in Endangered Species of Wild Fauna and Flora
- The Minamata Convention on Mercury

- The Basel, Rotterdam and Stockholm Conventions
- The Vienna Convention for the Protection of Ozone Layer and the Montreal Protocol
- The Convention on Migratory Species
- The Carpathian Convention
- The Bamako Convention
- The Tehran Convention

(UNEP, n.d.-a)

2.2.2 United Nations Development Programme (UNDP)

The UNDP was established in 1965 in New York with the purpose to help developing countries increase the wealth-producing capabilities of their natural and human resources (India Today, 2019).

UNDP is the result of the 1949 merger of the United Nations Expanded Programme of Technical Assistance and the 1958 establishment of the United Nations Special Fund. The United Nations Development Programme, as it is presently known, was founded in 1966 by the United Nations General Assembly (UNDP, n.d.)

The UNDP's mission is to eradicate poverty and promote democratic governance, the rule of law, and inclusive institutions. We advocate for change and connect countries to expertise, experience, and resources that can assist people in building a better life (UNDP, n.d.).

2.2.2.1 Mission and Vision

UNDP, as the principal organization of the United Nations for international development, works in 170 nations and territories to eradicate poverty and injustice. We assist countries in developing policies, leadership capabilities, collaborative capacities, institutional capacity, and resilience to meet the Sustainable Development Goals. Our efforts are focused on three areas: sustainable development, democratic governance and peacebuilding, and climate and disaster resilience (UNDP, n.d.)

2.2.2.2 Functions of the UNDP

Its objectives and principles are to preserve international peace and security, to foster friendly relations among nations based on equality of rights and self-determination, and to foster international cooperation in addressing economic, social, cultural, and humanitarian challenges without regard for race, gender, language, or religion (UNDP, n.d.).

2.2.2.3 Top Contributors

UNDP receives funding from a varied range of sources, including the Member States, multilateral donors, non-governmental organizations, the private and charitable sectors, and financial institutions. UNDP recognizes the critical contribution played by all of its partners and is indebted to them for their continuous trust and support (UNDP, n.d.).

Our top 10 government contributors in 2020

1. Germany
2. Japan
3. the United States
4. the Dominican Republic
5. Sweden

2.2.3 United Nations Framework Convention on Climate Change (UNFCCC)

The United Nations Framework Convention on Climate Change (UN Climate Change) Secretariat is the United Nations institution responsible for coordinating the worldwide response to the threat of climate change (UNFCCC, n.d.).

According to the UNFCCC's website, the Convention has been ratified almost universally (197 Parties) and serves as the parent treaty for the 2015 Paris Agreement, the primary objective of which is to keep the global average temperature rise this century to 1.5 degrees Celsius above pre-industrial levels. Again, the UNFCCC also serves as the governing body for the 1997 Kyoto Protocol.

The ultimate goal of all three UNFCCC accords is to stabilize greenhouse gas concentrations in the atmosphere at a level that prevents harmful human intervention with the climate system while allowing ecosystems to adjust naturally and allowing for sustainable development (UNFCCC, n.d.).

2.2.3.1 The Secretariat

The secretariat was established in 1992 when states adopted the UNFCCC. The initial location of the secretariat was in Geneva. Since 1995, the secretariat has been headquartered in Bonn, Germany.

Initially focused on supporting multinational climate change negotiations, the secretariat now supports a complex infrastructure of bodies charged with advancing the Convention, the Kyoto Protocol, and the Paris Agreement's implementation.

The secretariat provides technical expertise and supports the analysis and assessment of climate change data submitted by Parties, as well as the execution of the Kyoto processes. Additionally, it manages the registration for Nationally Determined Contributions (NDCs) established under the Paris Agreement, a critical component of the Paris Agreement's implementation.

2.2.4 United Nations Office for Disaster Risk Reduction (UNISDR)

The United Nations Development Programme on Disaster Risk Reduction (previously UNISDR) serves as the United Nations' focal point for disaster risk reduction. In 1999, UNISDR was founded as a dedicated secretariat to assist in the implementation of the International Strategy for Disaster Reduction (ISDR) (WFEO, n.d.).

It is entrusted with serving as the focal point for disaster reduction coordination within the United Nations system and fostering synergies between the disaster reduction operations of the United Nations system, regional organizations, and socioeconomic and humanitarian programs (WFEO, n.d.).

UNDRR is responsible for implementing the Sendai Framework for Disaster Risk Reduction 2015-2030, assisting nations in implementing the framework, monitoring its implementation, and disseminating what works in lowering existing risk and preventing the generation of new risk (UNDRR, n.d.).

As the United Nations Office for Disaster Risk Reduction, UNDRR pulls together governments, partners, and communities to mitigate disaster risk and loss to achieve a more secure, sustainable future (UNDRR, n.d.).

2.2.17 International Union for Conservation of Nature (IUCN)

The IUCN was founded in 1948 and has grown to become the world's largest and most varied environmental organization. IUCN is a membership organization comprised of government and non-governmental organizations which leverage the knowledge, resources, and reach of its over 1,400 Member organizations, as well as the expertise of over 18,000 specialists (IUCN, n.d.). The IUCN website claims that IUCN is the global authority on the state of the natural world and the measures necessary to conserve it due to its diversity and breadth of expertise.

IUCN's strength and mandate come from its diverse and powerful membership; more than 1,400 Member organisations which provide the vision and oversight for the Union and its work (IUCN, n.d.).

The IUCN is the world's leading authority on the state of the natural world and the conservation actions required to protect it. Its expertise is divided into six Commissions: one on species conservation, one on environmental law, one on protected areas, one on social and economic policy, one on ecosystem management, and one on education and communication.

Member organizations participate in a democratic process through their membership with IUCN, debating and approving Resolutions that provide the groundwork for the global conservation agenda. Members convene at the IUCN World Conservation Congress every four years to establish priorities and agree on the Union's work agenda. IUCN congresses have resulted in the adoption of several significant international environmental treaties, including the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the World Heritage Convention, and the Ramsar Convention on Wetlands.

IUCN continues to support these conventions as they strengthen and evolve to address new threats. The IUCN Council - the governing body – represents the IUCN Member

organizations. The IUCN Secretariat is headquartered in Switzerland and employs around 900 people in over 60 countries.

IUCN aims to address three of the world's most serious ocean and polar challenges: climate change, biodiversity loss, and pollution. IUCN unravels the complexities of global challenges by collaborating with governments, commercial organizations, and scientific professionals to find new solutions for environmental protection and sustainable resource use (UNEP, n.d.-b).

3.0 Role of Financial Institutions in Environmental Governance

3.1 World Bank

The World Bank, or World Bank Group, is an international organization linked with the United Nations (UN) and dedicated to financing projects that advance member states' economic development (Chossudovsky, 2021). The World Bank Group is a major source of financing and knowledge for developing countries with its five institutions united by a commitment to poverty reduction, shared prosperity, and sustainable development (World Bank, n.d.).

Additionally, it provides technical help and policy advice and monitors the implementation of free-market reforms on behalf of international creditors (World Bank, n.d.). Along with the International Monetary Fund (IMF) and the World Trade Organization, it is critical in guiding economic policy and modernizing public institutions in developing nations, as well as setting the global macroeconomic agenda (Chossudovsky, 2021).

The International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) create the World Bank, which offers finance, policy advice, and technical help to developing country governments (Chossudovsky, 2021). The IDA aids the world's poorest countries, whereas the IBRD assists middle-income and creditworthy poorer countries (World Bank, n.d.).

The IFC, MIGA, and ICSID are all focused on developing countries' private sectors. The World Bank Group supports private firms, including financial institutions, with finance, technical assistance, political risk insurance, and dispute resolution through these entities (World Bank, n.d.).

3.1.1 Role/ Functions of the World Bank

The role of the World Bank was listed on the topper website (topper, n.d.).

- It helps the war-devasted countries by granting them loans for reconstruction.
- Thus, they provide extensive experience and the financial resources of the bank to help the poor countries increase their economic growth, reducing poverty and a better standard of living.
- Also, it helps underdeveloped countries by granting development loans.
- So, it also provides loans to various governments for irrigation, agriculture, water supply, health, education, etc.
- It promotes foreign investments in other organizations by guaranteeing the loans.
- Also, the world bank provides economic, monetary, and technical advice to the member countries for any of their projects.
- Thus, it encourages the development of of-industries in underdeveloped countries by introducing various economic reforms.

3.2 International Monetary Fund (IMF)

The International Monetary Fund, or IMF, was founded in Washington, DC, in 1945 with the mission of promoting international monetary cooperation. The international monetary fund's principal objective was to reform the global payment system (toppr, n.d.).

It was founded alongside the World Bank, which at the time was referred to as an international bank for development and reconstruction (toppr, n.d.).

According to the IMF's website, the international monetary fund operates on a quota basis (IMF, n.d.). The IMF's member countries donate their funds to a pool. Countries having a balance of payments challenges will borrow money from this pool. The IMF is governed and managed by a board of directors.

3.2.1 Objectives of IMF

The IMF website summarizes the objectives of the IMF as:

- to stabilize the exchange rates and assist in the restructuring of the payment system globally.
- to manage the economic policies for the global market.

- To give countries that have low incomes loans on concessional terms.
- To assist the countries during the time of emergencies and helps them in maintaining the balance of payments.

The World Bank's website makes a distinction between the World Bank and the IMF. The World Bank Group collaborates with developing countries to alleviate poverty and create shared prosperity, while the International Monetary Fund strives to stabilize the international monetary system and functions as a currency watchdog. The World Bank Group provides funding, policy advice, and technical help to governments, with a particular emphasis on developing nations' private sectors. The IMF monitors the global economy and its member countries, lends to countries experiencing balance of payments issues, and provides practical assistance to members. Countries must first join the IMF before applying to join the World Bank Group; each institution now has 189 members (World Bank, n.d.)

3.3 International Development Association (IDA)

The IDA, a World Bank affiliate, was founded in 1960 with its headquarters in Washington, DC, with the mission of assisting developing countries in raising their living standards (India Today, 2019).

The IDA's mission is to alleviate poverty by providing zero- to low-interest loans (referred to as "credits") and grants to support initiatives that stimulate economic growth, eliminate disparities, and enhance people's living situations (IDA, n.d.).

According to the IDA's website, the IDA complements the original lending arm of the World Bank—the International Bank for Reconstruction and Development (IBRD). It funds a variety of development programs that pave the path for more equity, economic growth, job creation, higher salaries, and improved living conditions. IDA is a major source of aid to the world's 74 poorest countries and the single largest source of foreign cash for these countries' fundamental social services (IDA, n.d.).

IDA also provides major debt relief through the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI) (World Bank, n.d.).

IDA partners and representatives from borrower countries come together every three years to replenish IDA funds and review IDA's policies. The replenishment consists of contributions

from IDA donors, contributions from the World Bank Group, and financing raised from the capital markets (IDA, n.d.).

3.4 Global Environmental Organisation (Facility)

On the eve of the Rio Earth Summit, the Global Environment Facility was founded to address the world's most serious environmental concerns. Since then, it has awarded over \$21.7 billion in grants and facilitated the mobilization of an additional \$119 billion in co-financing for over 5,000 projects and activities (GEF, n.d.). The GEF is the world's largest multilateral trust fund dedicated to allowing developing nations to invest in nature and assisting them in implementing major international environmental treaties, including those on biodiversity, climate change, chemicals, and desertification. It is composed of 184 member countries, civil society groups, and commercial sector partners. The GEF has supported over 26,000 civil society and community initiatives in 135 countries through its Small Grants Program (GEF, n.d.).

Funds from the GEF are available to developing nations and economies in transition that wish to comply with international environmental conventions and agreements. Government agencies, civil society organizations, private sector businesses, and research institutes, among others, get assistance in implementing projects and initiatives aimed at environmental conservation, protection, and rejuvenation (GEF, n.d.).

The GEF is funded by participating donor countries and made available to developing countries and economies in transition to help them comply with international environmental treaties and agreements (World Bank, n.d.). The funds approved by the Council are distributed through 18 GEF Agencies to government agencies, civil society organizations, private sector businesses, and research institutions, among a diverse range of potential partners, to implement projects and programs in recipient countries (GEF, n.d.).

4.0 CONCLUSION

Since their founding, the World Bank, IMF, and GEF have partnered with the various United Nations environmental organizations to assist nations in adhering to international

environmental laws and agreements. In the face of escalating environmental challenges, UN member nations can make use of these opportunities.

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