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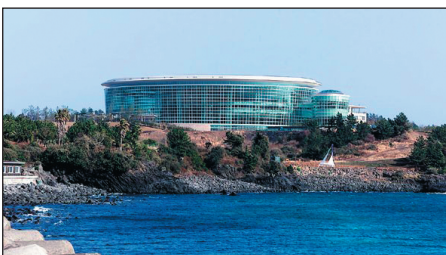
Environmental Impact Assessment and Strategic Environmental Assessment: Towards an Integrated Approach

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Outcome of the Meeting on Capacity Building for Integrated Policy Design and Implementation for Sustainable Development Jeju Island, Republic of Korea, 27 – 28 March 2004

The meeting brought together over 140 participants from 48 national governments, four multilateral environmental agreements (MEAs), six UN agencies, 15 academic institutions, and 55 intergovernmental, international, regional, national and non-governmental organizations. The meeting was opened by H.E. Ms. Park Sun-Sook, Vice Minister of Environment for the Republic of Korea, and UNEP Executive Director, Dr. Klaus Toepfer and Ms. Monique Barbut, Director of UNEP Division of Technology, Industry and Economics. Ms. Barbut also provided the closing remarks for the meeting. The meeting contributed to the ongoing international efforts to improve the effectiveness of capacity building programmes in support of integrated policy design and implementation in the areas of economics, trade and the environment and offered findings and recommendations in the following areas:



Priorities and approaches for effective capacity building

Participants discussed the challenges and shortcomings of current capacity building programmes, as well as the key elements, approaches and delivery mechanisms for more effective capacity building. They also identified priority areas for capacity building in support of integrated policy design and implementation, noting among other things that capacity building needs should be identified by governments, preferably as part of National Development Plans or similar documents, and that UNEP's methodology for integrated assessment should be disseminated to more countries. Capacity building initiatives should be demand-driven, built on local ownership, use effective delivery mechanisms and involve all major stakeholders. They should also support efforts to address poverty reduction (e.g. through links to PRSPs).

Enhancing coherence at the national level between economic, trade and environment policies

The meeting also re-emphasized that development of mutually supportive economic, trade and environ-

mental policies is essential to maximizing the contribution of trade and other economic activities to sustainable development. Participants emphasized that there is a need for improved dialogue, both at the national level (including inter-ministerial dialogue and integrated planning processes) and at the international level (networks focusing on exchange of experiences and lessons learned). They noted that involving key actors – both individually and collectively – is critical in promoting greater coherence between environmental, economic and other policies at the national level. Integrated assessment was confirmed to be a useful tool to foster mutually supportive trade, economic and environment policies. Further emphasis was also put on the promotion of economic instruments for environment management and natural resources accounting for better informed decision-making.

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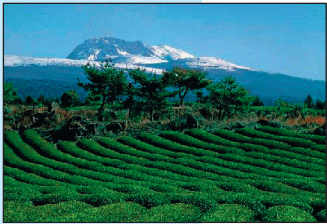
Supporting implementation of MEAs through capacity building activities

A key issue discussed at the meeting was how to support the implementation of MEAs. Participants emphasized the opportunities to strengthen the implementation of MEAs through capacity building activities focused on integrated policy design and implementation in the areas of trade, economics and the environment. They noted that integrated assessments can be used to help identify incentives and disincentives related to the implementation of MEAs, while supporting policy coherence. The building of capacity should aim to integrate MEA commitments into national economic development goals, poverty reduction targets and natural resource management. They also emphasized the need for greater cooperation among governments, international organizations, regional and subregional institutions and other stakeholders.

Recommendations for UNEP's future work

A range of recommendations were made for UNEP's future work. These included: Integrated assessment as a means of ensuring the consistency of economic and





trade policies with environment policies; the need to support efforts to integrate environmental considerations into national planning policies including PRSPs and MDGs; and the importance of continuing to engage in capacity building activities that support the implementation of MEAs (in areas such as assessment of the impact of subsidies on MEAs, the use of economic instruments in support of MEAs, assessment of the impact of trade-related policies on MEA implementation, technology transfer and the removal of tariffs on environmental goods and services).

For the full Chairman's Summary, see www.unep.ch/etu.

Outcome of the 1st Meeting of the Network of Institutions for Sustainable Development (NISD) Jeju Island, Republic of Korea, 26 March 2004

The meeting, co-hosted by the Korean Environment Institute and UNEP, brought together representatives from 24 institutions, including universities, research and training institutes and non-governmental organizations (NGOs), to discuss the objectives and modalities of the Network of Institutions for Sustainable Development (NISD). The institutions agreed that the main objective of the network will be "to promote the integration of environment and sustainability issues into economic and trade policies". Each institution briefly introduced its main capacity building activities, including presentations of existing network experiences, demonstrating the wealth of experience in research activities (including country studies and transnational research), training, advocacy work, thematic networks etc., that could be made available more widely through the network and used to catalyse new initiatives. The institutions present all welcomed the initiative to establish NISD as a vehicle to enhance information exchange, capacity building, outreach activities, and the dissemination of existing materials on trade and economic-related issues. The need to provide targeted knowledge that enables policy makers to understand potential synergies between environment and development objectives and to mainstream environment into development decision-making was acknowledged. To work towards this goal, NISD members will provide a focal point that communicates regional priorities, takes the lead on certain activities and disseminates information and results at national level.

UNEP Workshop on Fisheries Subsidies and Sustainable Fisheries Management

Palais des Nations, Geneva, 26-27 April 2004

This workshop - the fifth hosted by UNEP since 1997 to focus on questions relating to fishing subsidies - is intended to promote a deeper understanding of technical issues surrounding the impacts of fishing subsidies and the means for improving fishing subsidies policies. Specifically, this workshop seeks to provide an open forum for interaction among governmental and non-governmental experts in the areas of both fisheries management and trade policy, given that successful integration of policies in these fields is essential to the

adoption of mature and effective solutions. The workshop is structured around four substantive sessions over the course of two days. **Session I** will provide an overview of critical issues and concepts surrounding worldwide efforts to achieve sustainable fisheries. **Session II** will focus on approaches for analysing the resource impacts of fishing subsidies, looking in detail at different classes of fishing subsidies and the various fisheries conditions under which they operate. **Session III** will review a selection of specific experiences with fishing subsidies and fisheries management at the national and/or fisheries level. Presentations will include both academic and governmental perspectives. **Session IV** will turn to issues surrounding current international efforts to reform and discipline fishing subsidies, both within the WTO and within intergovernmental bodies responsible for fisheries policy and management.

In order to promote a vigorous discussion, all presenters and workshop participants have been invited to attend in their personal capacities. For further information, please see www.unep.ch/etu.

Capacity Building Workshop for Policy Makers on the Use of Economic Instruments for Sustainable Development

Nairobi, 23 - 25 February 2004

A regional training workshop was organized jointly by UNEP's Division of Environmental Policy Implementation (DEPI), UNEP's Economics and Trade Branch (ETB), the Regional Office of Africa and the Kenya Institute for Public Policy Research and Analysis (KIPPRA) to build the capacity of trainers, planners and decision makers on the use of economic instruments (EIs). The workshop was based on ETB's recent publication "The Use of Economic Instruments in Environmental Policy: Opportunities and Challenges", which KIPPRA developed into a draft training resource manual "The Use of EIs for Environment and Natural Resource Management". Twenty-one participants from environmental authorities, research and training institutes from South Africa, Senegal, Nigeria, Kenya, Tanzania, Ethiopia, Uganda, Ghana and Egypt, including one representative from the International Food Policy Research Institute (IFPRI), were trained to carry out capacity building activities on the use of EIs at national level. Each country documented an environmental problem of national importance, worked on it in the course of the workshop by applying the analytical framework provided, and presented a possible EI-policy option. The draft training manual was then revised and further developed based on the comprehensive feedback provided by the participants. The final version will be published later this year and made available to countries to support their national training activities or case studies and also to replicate the capacity building workshop in other regions such as Asia and Latin America.

Integrated Assessment of Trade Liberalization in the Rice Sector - Country Projects Round III

The country projects on integrated assessment in the rice sector, launched in 2002, have now been comple-

ted and country reports from Viet Nam, Senegal, Nigeria, Indonesia and Colombia are currently being finalized. In addition, a synthesis report with lessons learned and recommendations for follow-up will also be published. These projects have been undertaken by national institutions and were designed to analyse the environmental, social and economic effects of the WTO Agreement on Agriculture (AoA) and other relevant agreements on the rice sector in these countries. Important related issues such as poverty reduction, food security and biological diversity were also addressed. Preliminary findings seem to indicate that the regional agreements have had a more pronounced effect on rice production and consequently on the environment than the AoA. It is important to also note that the countries studied have been involved in various processes of economic liberalization affecting their rice sector (and presumably their overall agriculture) and that rice production in some countries appears able to adjust with a high degree of flexibility to changing market conditions, while production in other countries appears to have much greater difficulty. The country studies and synthesis report are due to be published later this year.

New publications:

The Use of Economic Instruments in Environmental Policy: Opportunities and Challenges

This report seeks to help policy makers to identify, evaluate and apply economic instruments to address a country's specific environmental problems. It presents an innovative approach by offering a range of tools for making comprehensive assessments of environmental challenges and tailoring solutions to a specific country's needs. It is aimed at helping policy makers and experts move from the theory of using economic instruments to their practical application, how to choose appropriate instruments and how to integrate them effectively into the pre-existing regulatory structure. The report is structured into three main parts. The first section explores the different aspects of policy context, the overlap between command and control (CAC) approaches and economic instruments, the benefits of economic instruments, and the specific market functions the economic instruments are trying to serve and how policy parameters can be modified and adjusted to local constraints. The next section provides a framework for conducting policy design, implementation and evaluation, and the last section uses a case study approach to analyse past experiences in an effort to assess which instruments have worked effectively to address particular types of environmental problems. The report concludes by summarizing lessons learned and suggestions for future research.

Economic Instruments in Biodiversity-related Multilateral Environmental Agreements

This study investigates the current and future potential role of economic instruments in the context of three biodiversity-related MEAs: the Convention on Biological Diversity, the Convention on Inter-

national Trade in Endangered Species of Flora and Fauna and the Ramsar Convention on Wetlands. The main types of economic instruments relevant to protecting biodiversity are presented, and the principal provisions and negotiations on economic instruments in the three MEAs are identified. Using numerous examples, the study suggests a range of thematic areas where the use of economic instruments could be further developed. It also discusses some of the conditions for successful implementation of such instruments.

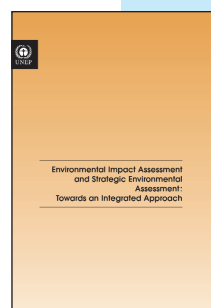
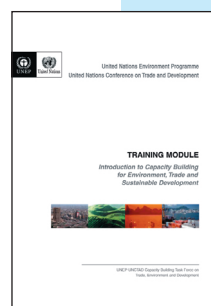
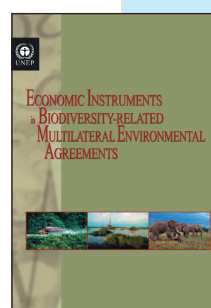
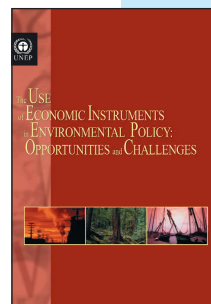
Training Module: Introduction to Capacity Building for Environment, Trade and Sustainable Development

As part of the efforts of the UNEP-UNCTAD Capacity Building Task Force (CBTF) this module is designed to assist trainers in preparing and delivering training courses for policy makers engaged in trade policy-making and negotiation. In addition to providing information about substantive issues such as the trade and environment interlinkages, sustainable development, and the on-going topics of WTO trade negotiations, it aims to train people in the use of capacity building tools and development of country-specific approaches. This is an introductory training module that can assist relevant stakeholders to identify trade-related capacity building priorities and develop targeted capacity building programmes. The module includes background information, session outlines, handouts, overhead masters and a CD-Rom.

Environmental Impact Assessment and Strategic Environmental Assessment: Towards an Integrated Approach

This UNEP publication provides information and guidance on Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA) good practice, with particular application to developing countries and countries in transition. It is intended as a resource for those who are involved in EIA/SEA practice, training and professional development. Since EIA/SEAs increasingly include prediction and evaluation of social, economic, health and environmental impacts, particular emphasis is given to concepts, procedures and tools that are used currently or are potentially relevant in implementing an integrated approach to impact assessment of development policies, plans and programmes. As far as possible, it tries to provide comprehensive coverage of generic elements of good practice that appear to be internationally accepted and widely applicable. It also attempts to indicate some of the possible future directions for integrated assessment based on current trends and initiatives.

To order any of these publications please contact etb@unep.ch or visit www.unep.ch/etu/.



Upcoming and planned future publications:***Reference Manual for the Integrated Assessment of Trade and Agriculture Policies***

Given the central importance of the agricultural sector to poverty reduction and its ultimate links with the environment, UNEP has developed a specific manual for integrated assessment of policies in this sector. The manual is based on the Reference Manual on Integrated Assessment of Trade-Related Policies developed from the country projects and other thematic research and has been developed in parallel with UNEP's Round III series of studies focusing on trade liberalization in the agricultural sector, with specific emphasis on rice. The manual is due to be published in 2004.

Revised UNEP/IISD Environment and Trade Handbook

UNEP and IISD are currently revising and updating their basic guide to the issues of trade and environment, first published in 2000. The revisions will reflect the fact that the trade agenda has broadened to include a number of regional and bilateral agreements, as well as a number of non-trade forums. In addition, recent WTO Appellate Body decisions will be discussed. Other developments, such as the rise in importance and use of environmental and integrated assessments of trade liberalization agreements, will also be reflected in the new version. As trade policy continues to impact on important social policy objectives in a number of forums, this handbook seeks to provide an authoritative, objective resource that explains the issues in non-technical language.

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Background paper: The Use of Trade-related Measures in MEAs

UNEP-ETB is currently in the process of developing a paper that examines the use of trade-related measures in multilateral environmental agreements. Specifically, the paper will provide a preliminary categorization of trade-related measures in MEAs in order to aid in the discussion and negotiation of this topic. UNEP will be working closely with MEA Secretariats in its development.

Future activities:**Country Projects on Integrated Assessment and Planning for Sustainable Development**

Seven country projects on Capacity Building for Integrated Assessment and Planning for Sustainable Development have begun. The projects are demand driven and focus on the linkages between trade, environment and social issues with special emphasis on poverty reduction and sustainable trade. The projects will make an integrated assessment of different policies and programmes, such as PRSPs (Uganda and Indonesia); agricultural trade negotiations and their impact on biodiversity (Colombia); the soybean sector in the Amazon Region (Brazil), the energy sector (Kenya); a regional development plan of the Tomsk region (Russia); and the environmental agenda of the Ministry of Agriculture (Chile). Projects in the Czech Republic, Lebanon, and Tanzania will start soon. The projects involve several ministries working together along with civil society and international organizations such as UNDP and the World Bank, in an effort to coordinate efforts both within the countries and across multilateral organizations and donors. As part of the technical support that UNEP is giving the countries, UNEP has produced a framework for country projects to guide the teams in the different stages of the project; this working document will be complemented with the lessons learned in the national workshops. Launching workshops will take place between May and July and an interim meeting to share experiences with the expert working group and all the country teams and review the status of the projects will be convened in October 2004.

UNEP/UNCTAD CBTF Training Workshop on Integrated Assessment for African Countries**Nairobi, July 2004**

UNEP and UNCTAD, under the auspices of the Capacity Building Task Force (CBTF) on Trade, Environment and Development are planning a training workshop to respond to the capacity building needs identified in the CBTF Workshop held in Cape Town in May 2003, focusing on integrated assessment of macroeconomic including trade policies. For this workshop a maximum of 30 participants will include representatives from national training institutions, academia and other relevant institutions such as think tanks and policy-oriented institutions, including leaders of the projects on Integrated Assessment and Planning in Africa.

