

UNEP's Capacity-Building Activities on Environment, Trade and Development

The challenge

Dealing with the implications of globalization and trade liberalization poses challenges for all countries—particularly developing countries, and countries with economies in transition. WTO negotiations on trade and environment launched at the Doha Ministerial Conference in November 2001 have increased the scope of those challenges. Meeting those challenges will mean strengthening

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the capacities of countries to analyze and respond to trade, environment and development linkages. Capacity building is thus a central element of UNEP's work program on economics and trade, and is integrated into all of its activities.

Main objectives and means

The UNEP Economics and Trade Branch (ETB) works closely with governments—particularly of developing countries and those with economies in transition—to help build capacity for integrating environmental objectives into macro-economic policies, including trade policies. The main objectives of this work are to raise awareness and understanding of the linkages between trade, environment and development, and enable countries to:

- assess the environmental, economic and social impacts of trade and trade liberalization;
- engage effectively in trade and environment negotiations;

- formulate and implement mutually supportive policies to meet national obligations under multilateral trade and environment agreements, while maximizing the net development gains of trade liberalization; and
- capture environment-related development opportunities offered by trade and globalization.

ETB employs a number of means to accomplish these objectives:

- national workshops (needs assessment, coordination, etc.);
- awareness-raising seminars (mid-level, policy and decision-makers);
- training (led by local experts with input by foreign experts as required);
- policy dialogues to enhance policy integration; and
- projects (country-driven and implemented by local institutions).

UNEP's approach

UNEP relies on a demand-driven program of capacity-building activities to support countries in their efforts to integrate environment, trade and development policies, so as to achieve sustainable development. In this context, UNEP uses a broad range of tools and applies a process that involves:

- ensuring extensive multi-stakeholder participation, including an initial needs assessment for the identification of short- and long-term capacity-building requirements, and the institutional arrangements required to support these programs;
- empowerment of local experts and institutions to develop methodologies and approaches, which are adapted to the countries' needs and priorities; and

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- building capacity for:
 - integrated sector-specific assessment of the environmental, social and economic impacts of trade liberalization, other related policies and multilateral trade rules; and
 - strategic, integrated policy responses needed to develop and implement complementary trade and environment policies.

Tools available

- Integrated assessment
- Incentive measures
- Command and control regulation
- Technology (research, promotion and transfer)
- Institution building, empowerment
- Information exchange
- Voluntary measures

UNEP's approach in brief

- Needs assessment
- Activities based on government priorities
- Country-driven
- Learning by doing
- Involvement of local institutions and experts
- Multi-stakeholder
- Long-term
- Monitoring and assessment

Activities

UNEP has developed a range of capacity-building activities, including country-level projects and the publication and dissemination of manuals. It has also established, with UNCTAD, the Capacity Building Task Force on Trade, Environment and Development (CBTF). Since the WTO Ministerial Conference in Doha, UNEP has also sought to more accurately define the needs of developing countries for capacity building on environment and trade issues, especially in the

context of formal WTO negotiations. UNEP has also initiated a number of multi-stakeholder workshops and meetings, aimed at enhancing coordination and collaboration among intergovernmental organizations, aid agencies, regional organizations, NGOs and policy research institutes.

Country projects

Over the past four years, UNEP has developed and conducted a number of country-level *integrated assessments* of the environmental and related economic and social impacts of trade and trade liberalization. In each case, the assessment was carried out by policy research institutions in the countries concerned. The sector-specific studies provide data and

*Barren green, USA
(Joseph Earnest
Shumaker III/
UNEP).*



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CBTF

The UNEP and UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF) was conceived as a response to capacity-building needs expressed by governments. Launched in 2000, the CBTF combines the strengths of UNEP and UNCTAD to build capacities on environment and development aspects of trade. Drawing on the two organizations' technical expertise and comparative advantages, the CBTF is able to techni-

cally and financially support a wider range of countries in a more effective manner.

The CBTF also provides a framework to implement a coordinated set of activities, such as thematic research, training, country projects and policy dialogue. CBTF projects are designed to promote country ownership, broad stakeholder participation and a learning-by-doing approach to capacity building. The CBTF is building stronger partnerships with international, regional and sub-regional organizations, including NGOs, and is securing predictable and more substantial financing to meet the growing demand for capacity-building services on trade, environment and development. Financial support for CBTF activities has so far been provided by the governments of Canada, Germany, Norway, Sweden, the United Kingdom, the United States and the European Commission.

Policy Dialogues

Policy dialogues play a valuable role in bridging the gap between environment and trade policy-makers as well as between developed and developing countries. One example of such a dialogue is the high level meeting on Environment, Sustainable Development and Trade convened by UNEP in March 2001, in collaboration with the German Federal Ministry of Environment. This event provided a forum for ministers, experts and trade and environment policy-makers to explore the effects of trade liberalization and other trade policies on the environment at the national level. The meeting increased participants' understanding of the value of environmental and integrated assessments of trade policy, and enabled UNEP to fine tune its work on assessment at the national

level, and refine capacity-building outputs, such as its *Reference Manual on Integrated Assessment of Trade-related Policies*.

In February 2002 in Brussels, UNEP and UNCTAD co-organized a policy dialogue on organic agriculture, under the auspices of the CBTF. The objectives of the meeting were to explore practical steps to support and expand organic production in developing countries, and to enhance trading opportunities. Trade and environment officials from African, Caribbean and Pacific (ACP) countries and the European Commission, as well as experts from institutions in 14 developing countries, took part in the meeting, which developed recommendations for policies and capacity-building activities to expand production and trade in organic agricultural products. This policy dialogue will be followed up by further capacity-building activities at the regional level, responding to specific conditions and needs.

UNEP Reference Manuals

UNEP has developed and published a number of assessment and policy development tools, such as the *Environmental Impact Assessment Training Resource Manual* and the *Reference Manual on Integrated Assessment of Trade-Related Policies*. These tools are designed to assist developed and developing country practitioners, trade and environment policy-makers and others in assessing the environmental impacts of projects, policies and programs. They enable trainers to develop tailor-made training courses and programs, and guide policy researchers and government officials through the process of conducting integrated assessments of trade-related policies.

Strengthening cooperation and coordination

Since Doha, UNEP has placed even more emphasis on increasing synergies and collaboration between the capacity-building programs of different international organizations, such as WTO, Multilateral Environment Agreements (MEAs) and UNCTAD. UNEP convened a workshop in Geneva (March 19-20, 2002) specifically designed to improve the effectiveness and the coordination of capacity-building activities on environment, trade and development. At the meeting, participants identified gaps in current approaches to capacity building, as well as needs.

*Paper mill, Finland
(Kerttu Lohua/
UNEP).*



Key gaps and needs are listed below:

Gaps	Needs
<ul style="list-style-type: none"> ■ Lack of coordination and cooperation between institutions ■ National priorities not met by capacity-building programs ■ Lack of needs assessments ■ Inadequate follow-up and evaluation ■ Activities are not sufficiently participatory (“learning-by-doing”) 	<ul style="list-style-type: none"> ■ Better coordination of activities between capacity-building providers including MEAs, WTO, UNCTAD and UNEP ■ More involvement of national experts and institutions ■ Strengthened south-south cooperation ■ Institution building (national, regional and sub-regional levels)

The main message of the workshop was that to improve effectiveness of capacity building on environment, trade and development, service providers must build on successes, and also identify and respond to gaps in their progress.

Next steps

The Geneva workshop provided a set of recommendations for developing a more effective, collaborative and integrated approach to capacity building. These include:

- enhanced cooperation and coordination between intergovernmental organizations, regional and sub-regional institutions, and NGOs on capacity building;
- development of long-term capacity-building programs based on regional priorities; and
- improved communication on ongoing and planned capacity-building activities, notably through the development of an Internet-accessible database.

Regional capacity-building workshops are being organized, in collaboration with UNEP’s Regional Offices, to identify specific capacity-building needs and identify regional and sub-regional institutions as partners for the delivery of coordinated capacity-building programs at this level. Two regional workshops are currently planned for 2002 in Africa and North America. The next meeting in the UNEP-facilitated MEA-WTO process (see separate briefing sheet), in June 2002, will focus on developing collaborative capacity-building activities between these institutions.

UNEP publications

The first round of country studies (1997-99) can be found on the Internet at: <http://www.unep.ch/etu/publications/index.htm>

A synthesis of the results of these studies is available in the following publication:

“*Trade Liberalization and the Environment, Lessons learned from Bangladesh, Chile, India, Philippines, Romania and Uganda, UNEP*,” New York and Geneva, 1999.

http://www.unep.ch/etu/publications/Ctry_studies.htm

The preliminary synthesis report of the second round of country studies (2000-2002) can be found at <http://www.unep.ch/etu/doha/papers.htm>

“*From Globalization to Sustainable Development, UNEP’s work on trade, economics and sustainable development*,” UNEP, Geneva, 2002.

<http://www.johannesburgsummit.org/html/documents/prepcom4.html> and <http://www.unep.ch/etu/wssd/index.htm>

“*Capacity Building on Environment, Trade and Development: Trends, Needs and Future Directions*,” Discussion Paper, UNEP, Geneva, 2002.

http://www.unep.ch/etu/etp/events/Capacity_Building/CB_discussion.PDF

“*Environmental Impact Assessment Training Resource Manual*,” Revised Edition, UNEP, Geneva, 2002.

“*Environmental Impact Assessment: Issues, Trends and Practice*,” UNEP, 1997.

“*Environment and Trade: A Handbook*,” (also available in French and Spanish) UNEP-IISD, 2000.

http://www.unep.ch/etu/publications/Envi_and_Trade.htm

“*Reference Manual for the Integrated Assessment of Trade-Related Policies*,” UNEP, Geneva, 2001.

http://www.unep.ch/etu/publications/Envi_and_Trade.htm

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