2017 Policy Statement





United Nations Environment Assembly of the United Nations Environment Programme 2017 was a tale of people and nature, like no other in our history. It was a story about just how much damage and how much good humanity can do for this planet and for each other, depending on the political, professional and personal choices that we make. So, the big question for all of us is: just how far are we prepared to go when turning robust science into bold policies and tangible action?

Throughout the year, a steady stream of events underscored the links between nature, climate change and disasters on one side and human suffering, conflict and migration on the other. They did it with a force that no statement from a United Nations official ever could, highlighting also the repercussions for peace and security.

The hurricanes in the Caribbean and United States. The drought in the Horn of Africa and Yemen. The landslides in Sierra Leone and Nepal. The burning oil fields in Iraq. The sand and dust storms in China and the Middle East. And flooding in Bangladesh, India and Europe. Millions of people left destitute, displaced and dead, with the most vulnerable in society continuing to pay the highest price.

Of course, many extreme natural events are beyond our control and we must adapt to them more quickly. But the last 12 months have also shown how many of these events can be triggered or exacerbated by the decisions we take about our ecosystems, energy, natural resources, urban expansion, infrastructure, production, consumption and waste management. They have also shown how more robust mitigation and protection can be offered by making better decisions in the first place; by thinking about the far-reaching consequences of our decisions.

However, 2017 also underscored the incredible number of opportunities within our grasp to repair the damage, to nurture the benefits for generations to come and to ensure those benefits are shared much more fairly. It highlighted an unprecedented determination among world leaders to look beyond national and partisan agendas to find common ground for addressing global issues.

We see it in the Sustainable Development Goals and the Paris Agreement on climate change driving tangible actions from countries, cities, companies and citizens. We see it in the entry into force of the Minamata Convention on Mercury and the alignment of three major chemical conventions in a single conference earlier this year. In the ratification of the Kigali Amendment just as the Montreal Protocol celebrates its 30th anniversary by confirming the ozone layer remains on track for repair. We see it in the 100 cities around the world who have signed up to UN Environment's BreatheLife campaign with ambitious goals for quality that will improve the health of 120 million people. Perhaps most of all, we see it in the quarter of a billion citizens who connected with World Environment Day and over two million who have signed pledges to take action themselves and to ask the UN Environment Assembly to beat pollution.

UN Environment is determined to help Member States work with scientists, private companies, donors and the full spectrum of civil society to build on that incredible momentum. We bring together leaders, experts and innovators to advocate for change, find solutions and financing, and scale them up quickly, taking account of the individual priorities and resources of each country.

Take our work on ecosystems and the services they provide, which link so many of our strategic priorities.

Too much economic growth has come at a cost to the environment, with global material use reaching almost 90 billion tons this year – three times as much as we used in 1970. Yet, does the price of coal powered electricity reflect a 30% reduction in Central Asian crop yields by 2050 from climate change? Does the price of petrol reflect the \$5 trillion in welfare costs or the \$225 billion in lost incomes from air pollution each year? And with lead still widely used in everyday items like batteries and paint, does their price include the \$1 trillion economic loss from the damage being caused to the intelligence of children exposed to it?

We cannot afford to ignore such value and impact if we want to pull more people from the poverty trap and build a more sustainable, prosperous future.

Nor do we have to.

First, as the work of the International Resource Panel shows, we can decouple economic growth from natural resource use. Technically and commercially viable solutions can improve water and energy efficiency by 60-80% in construction, agriculture, transport and other key sectors, while saving \$2.9 - \$3.7 trillion a year by 2030. In fact, with over 60% of the urban infrastructure anticipated for the decades ahead yet to be built, the opportunities for us to shape a better future are simply staggering. For example, where many cities around the world are promoting more options for pedestrians, China's MoBike has developed a bike rental model that gives people complete flexibility and requires no subsidy to turn a profit.

Second, grasping those opportunities also depends on our ability to demonstrate real value through The Economics of Ecosystems and Biodiversity. For example, in Bhutan, UN Environment is helping the government to integrate this in new hydropower installations, looking at a Payment for Ecosystem Services scheme, potentially funded through royalties. In the Congo basin, we are mapping vast peatland reserves, like those found in Europe, Russia, Canada and over 180 other countries, which are valuable carbon sinks. And, our World Conservation Monitoring Centre draws on over 17 million trade records and the latest scientific data to help Member States make decisions on wildlife, endangered species and protected areas, including some 2,000 decisions by the European Union.

And third, even the best policy planning for resource use and infrastructure can only succeed if we protect the true value of nature and ensure its benefits create a fairer and more prosperous society. The illegal trade in wildlife, plants and timber is in the same league as the illegal trade in arms and drugs, and human trafficking, because too many people still have too few options. The United Nations Wild For Life campaign is raising awareness around the world about the risk from poaching and illegal charcoal or logging; thanks to incredible support from partners like the Discovery Channel and Rovio Angry Birds, as well as a growing number of airports, including Beijing Capital and Vaclav Havel Prague and airlines Like Kenya Airways. However, that is just one side of the story. About 85% of endangered species are also threatened by habitat loss. So, the role of indigenous people and local communities in protecting natural lands must be strengthened when making decisions, providing access to information, shaping regulatory frameworks, defending legal rights and sharing benefits.

Building connections, particularly with the private sector, remains at the heart of the efforts by legal, technical and governance experts across UN Environment, the six biodiversity conventions and the Global Environment Facility. For example, about 60% of arable land belongs to smallholders, many of whom can't access the loans or scientific data needed to adopt sustainable techniques. The Tropical Landscapes Finance Facility is addressing this through a project in Indonesia that could generate stable livelihoods for 100,000 people. Likewise, forestry experts are working with the aviation industry and International Civil Aviation Organization to look at options for an offsetting scheme to protect these precious ecosystems and the people who depend on them. Meanwhile, freshwater experts have spent several years working with Member States to develop a strategy to help balance economic growth, human needs and ecological integrity. With over 900 million cubic meters of municipal wastewater created every day, countries like Singapore and Switzerland and making great progress in treating it. The Caribbean Regional Fund for Wastewater Management is supporting projects in Belize, Jamaica, Costa Rica and Panama on treatment facilities and nutrient management. However, for many countries, the existing solutions remain too expensive and the result affects all of us.

The same need for science based public-private collaboration applies to the biggest ecosystem of all: the ocean. For too long, its vastness and our lack of knowledge have hidden the scale of the problem we have created. Already 20% of our mangroves are destroyed, 75% of fish stocks over-exploited and oxygen-poor dead zones created.

Yet, over the last year we have seen an enormous swell in international support to turn the tide of destruction and protect one of this planet's greatest assets. At major conferences around the world, governments, scientists, private sector and civil society have united around the urgent need to restore and protect our oceans if we want to keep profiting from them.

The Environment Live and Protected Planet platforms are sharing critical information to support the climate modelling, spatial planning, zoning and prioritization needed

for the sustainable management of vital resources. Some 16% of national waters are protected, but the big question is just how effective is that without robust management plans? Much of that 16% is made up of large offshore areas, with little coastal protection to address human impact and little provision to share the benefits fairly with local people. That's why we need to both advance and integrate our scientific and economic understanding, shape hard hitting policies and work with partners of all kinds to deliver tangible action.

For example, up to 13 million tonnes of plastic ends up in the ocean every year, affecting over 600 species of wildlife and our food chain in ways that we have yet to fully understand. Already, countries like Kenya, Rwanda, Canada, Indonesia, Ireland, France and the UK are banning and taxing single use plastic. While countries like Russia are identifying and monitoring key microplastic routes, like the Tumen and Suifen/Razdolnaya River estuaries. Private sector partners like Volvo Ocean Racing and Covestro are advocating through our Clean Seas campaign and encouraging the environmental champions seeking solutions. Thought leaders like the World Economic Forum and the Ellen McArthur Foundation are highlighting the benefits of a circular economy approach that would reuse up to \$120 billion in plastic packaging instead of throwing it away.

And, as we reach the end of the worst ever year for coral bleaching and begin the first ever International Year of Coral Reefs, opportunities are being grasped to protect the half a billion people in over 100 countries that depend on them. That ranges from pilot projects to leverage private investment in the Caribbean to the Green Fins initiative with over 500 dive operators across Asia.

But it takes a shared vision to deliver a better future that leaves no one behind. We are seeing this with the unprecedented effort to tackle climate change, cut air pollution and protect those reefs, while preserving economic growth, creating jobs and reducing poverty.

Such an ambitious vision is essential, because climate change isn't just a threat – it's a threat multiplier. Yet, the latest UN Environment Emissions Gap report confirms that the commitments made for the Paris Agreement will reduce greenhouse emissions by no more than a third of the amount needed. Unfortunately, it's a gap that even growing momentum from non-state actors cannot close and without global action to reduce short-lived climate pollutants, the 1.5C target is virtually unattainable.

However, the Paris Agreement remains a vision that is not only ambitious; it's one that is entirely within our power to deliver. Starting, in fact, with how we source our power.

The International Monetary Fund says removing fossil fuel subsidies would raise nearly \$3 trillion annually, while reducing carbon emissions by more than 20% and air pollution deaths by 55%. However, detractors are still too quick to wield claims of high costs for clean energy or threats to jobs and economic growth. In reality, switching to renewable and off grid energy is creating jobs, commercial opportunities and transforming the lives of 1.2 billion people who struggle through life with no electricity.

That goes a long way to explaining why investment in renewable energy capacity is outstripping investment in fossil fuel generation for the fifth year in a row; rising six-fold

in just a decade. The 10 million people working in the sector today will swell to an incredible 26 million by 2050, with new renewable energy jobs in China and the United States already far exceeding those being created in oil and gas.

Perhaps that should come as little surprise when you realize that renewable tariffs are tumbling in energy auctions to levels that would have been ridiculed in recent years: Chile, Morocco, Dubai, India, Zambia, Mexico and Peru are all setting new standards and building some record breaking solar farms. So, that also explains why renewables now account for over half of new power generation capacity, with that rising to more than 90% in Europe.

In this context, it's worth noting that just as women are the most impacted by the failure to deliver clean energy, they are also the most influential in its industrial transition. A study of more than 1,500 companies found that more women on their board of directors led to more investment in renewable energy and greater consideration of environmental risks in financial decision making.

The drive from industry and investors is clear. In the oil business, ExxonMobil shareholders require the company to report on the impacts of climate change to its business. In the insurance business, executives can see that that it may simply not be possible to even offer cover beyond certain levels of global warming. While, in the transport business, trade shows are an Aladdin's cave of electric planes, cars, bikes and lorries. The value of companies like China's leading electric car manufacturer, Build Your Dreams, is increasing dramatically as consumers demand cleaner alternatives. And the entire industry reached a crucial milestone when Tesla's value surpassed manufacturers like Ford, General Motors and BMW, who are themselves ramping up clean innovation.

What's needed now is strong leadership to deliver the policies, financial frameworks and fiscal structures that can nurture market demand. For that, UN Environment is determined to provide as much support as possible. The Climate and Clean Air Coalition is using scientific data on short-lived climate pollutants to inform policy makers and build private sector partnerships. The Finance Initiative is helping 14 of the largest banks in the world to disclose climate risks and working with a coalition of 29 investors adopting new approaches to decarbonizing their investment portfolios. The Principles for Sustainable Insurance is working with over 100 leading companies to create a more risk aware world. This is particularly important in the poorest 100 countries, where less than 3% of the population is insured against natural hazards – even though they are probably most at risk and least able to rebuild their lives without help.

This means that UN Environment has developed a working knowledge of how to help move the financial industry in the more sustainable direction it wants to go. It also means we can offer Member States access to financial expertize that can help shape economic, fiscal and industrial policies to underpin those crucial decisions around new infrastructure, resource efficiency, ecosystem management and energy.

Of course, all of this is an investment in the environment and in the economy, but it is also a massive investment in peace and security.

In the last 70 years, at least 40% of civil wars have been linked to natural resources and, for much of the last decade, an average of 20 million people a year were displaced by extreme weather events. With the environment serving as catalyst for conflict and a victim of the impact, it is a priority to help affected countries develop the capacity for governance and mediation. It is also crucial to provide support for those trying to manage displaced populations on their borders. We are planning to address this with Nigeria, Guatemala, Vanuatu, Turkey and Lebanon, and through the Global Compact on Safe, Orderly and Regular Migration for 2018.

The challenges around human displacement and mobility have two things in common with everything else covered in this statement.

First, they are all global issues where we need strong leadership to combine the knowledge, policies, resources and partnerships that can protect our environment and the 7.5 billion people who depend on it.

Bold decisions from the UN Environment Assembly are critical in this regard. That is as true for existing threats, like pollution, which is the focus of this year's Assembly, as it is for emerging threats like antimicrobial resistance and the rapid uptake of nanomaterials, which are highlighted in the new Frontiers 2017 report.

Second, they are all issues we can turn around, if we keep the latest science under review, strengthen and uphold the rule of law, and engage people of every age, faith, culture and gender. The challenges ahead are complex, integrated and not to be underestimated. Almost every goal of the 2030 Agenda for Sustainable Development is linked to environmental issues. So, aligning the efforts of all Member States, the private sector and civil society is critical to delivering change on the same scale. That is precisely the thinking behind the Global Pact for the Environment, which provides an excellent opportunity to build momentum going forward.

All of this depends on ensuring that UN Environment is fit to deliver the mandate of its Member States. That means supporting the wider UN reform process to become more efficient and effective, and it means ensuring that all commitments delivered to the Environment Fund represent a return on investment second to none.

The bar by which we will be measured is high. During 2017, over 160 people have given their lives to defend the environment. And during the UN Environment Assembly, we will honor 13 Champions and Young Champions of the Earth determined to use their lives to create a better future for this planet and its people.

The stories of 2017 are stories of people and nature; stories that leave us both humble and inspired. They are a reminder of the political, professional and personal choices our citizens expect this UN Environment Assembly to take. And they are a reminder that, as Patron of the Oceans Lewis Pugh said: "ordinary won't change the world." So, there is a lot riding on the extraordinary effort to move towards a pollution free planet and that very big question about just how far each one of us is willing to go to make that happen.



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