

Journalists' Guide to  
***World Resources 2002-2004***  
***Decisions for the Earth: Balance, Voice and Power***

**Background**

*World Resources 2002-2004* explores the importance of environmental governance – how we make decisions about the environment and who participates in these decisions. *How* we decide, and *who* gets to decide often determines *what* we decide, so questions of governance are crucial. The report asserts that improving the processes and institutions we use to make important environmental decisions will bring better results, with less environmental impact and a fairer distribution of costs and benefits.

*World Resources 2002-2004* is the tenth in a series of biennial reports produced since 1984, focusing on global environment and development issues. The series presents a wealth of national statistics (not summarized in this guide) on current environmental, social, and economic trends in more than 150 countries. These statistics are now available through the series' companion website, <http://earthtrends.wri.org>.

*World Resources 2000-2001: People and Ecosystems—The Fraying Web of Life* reported on the state of the world's ecosystems. The report found that the overall capacity of ecosystems to deliver goods and services is declining, even while human demand for ecosystem products – such as water, food, and timber – is increasing. *World Resources 2002-2004* takes the next step, reporting on how improved decision-making can lead to natural resources management that is more environmentally sustainable and socially equitable.

Since 1988, the *World Resources* series has been the product of a unique collaboration of the United Nations Development Programme, the United Nations Environment Programme, the World Bank, and the World Resources Institute.

**Foreword: Making Wise Decisions for the Earth**

- n In the signed Foreword, Mark Malloch Brown, Administrator of the United Nations Development Programme, Klaus Toepfer, Executive Director of the United Nations Environment Programme, James D. Wolfensohn, President of the World Bank, and Jonathan Lash, President of the World Resources Institute assert that:

*Poor environmental governance – decisions taken without transparency, participation of all stakeholders, and full accountability – is a failure we can no longer live with.*

- n The leaders recommit their organizations to a focus on good environmental governance, and pledge to work to improve it through their own programs, policy advice, project work, and funding practices.
- n The organizations endorse the Partnership for Principle 10 ([www.pp10.org](http://www.pp10.org)), a coalition launched in September 2002 at the World Summit on Sustainable Development in Johannesburg, to accelerate implementation of commitments to improved public access to information, decision-making, and justice.
- n They further endorse the concept of independent assessment of government performance in implementing principles of good environmental governance, such as through the methodology developed by The Access Initiative ([www.accessinitiative.org](http://www.accessinitiative.org)).

They conclude that:

*We cannot alleviate poverty over the long term without managing ecosystems sustainably. Nor can we protect ecosystems from abuse without holding those with wealth and power accountable for their actions, and recognizing the legitimate needs of the poor and dispossessed. This is the balance we must strike in all of our decisions for the Earth.*

## **Chapter 1: Environmental Governance: Whose Voice? Whose Choice?**

This chapter introduces key concepts in “environmental governance”, defined as the exercise of authority over natural resources and the environment. It asserts that how we make decisions determines how effectively these decisions are used to manage nature, and how fair they are to the people affected.

### ***Poor environmental governance, ecosystem decline, and inequity***

- n Ecosystems are the life support of the planet and ultimate basis of the global economy. Without improving our environmental decision-making, we can't hope to manage ecosystems both to provide for our current needs and remain viable for the future.
- n The numbers tell of our overwhelming dependence on ecosystems:
  - o The annual value of global agricultural production is \$1.3 trillion. However, 52 percent of the world's agricultural lands are showing moderate to severe soil degradation.
  - o 350 million people are directly dependent on forests for survival. However, global forest cover has declined by 46 percent since pre-agricultural times.
  - o One out of every six humans is dependent primarily on fish for protein needs. Yet, 75 percent of the world's fisheries are over-fished or fished at their biological limit.
  - o Forty-one out of every 100 people live in water-stressed river basins. Already, 20 percent of normal global river flows are extracted for human use. Sixty percent of the major river basins are strongly or moderately fragmented by dams.
- n The inability of government institutions to manage ecosystems for their health rather than simply for maximum yield, to apportion the costs and benefits of natural resource use fairly, to manage resources across departmental and political boundaries, to control the disease of corruption are hallmarks of poor environmental governance.
- n The drivers of ecosystem degradation are rooted in an economic system that often rewards exploitation rather than stewardship. They are manifested in an inequitable distribution of property and power over natural resources and ecosystems, so that environmental benefits are not equally shared.

### ***Better environmental governance, better ecosystem management***

- n One of the most direct routes to better environmental decisions is to provide easy access to environmental information and encourage broad participation in environmental decisions. When those affected by a decision can participate in the process, the result is likely to be fairer, more environmentally sound, and more broadly accepted.
- n Environmental governance goes beyond actual decisions on how to manage natural resources to include the decision-making framework – the laws, policies, regulation, bureaucracies, formal procedures, and codes of conduct – within which managers make their decisions. A common mistake is to confuse governance with government or the set of institutions we normally associate with political authority.

Governance includes the considerable amount of decision-making and influence that occurs outside formal government structures and organizations.

- n Governance is the essential human element of ecosystem management, with the task of interpreting the needs of all stakeholders within the biological realities of the ecosystem itself.

### ***Environmental governance and the poor***

- n One of the strongest arguments for encouraging better governance is that it requires us to focus on the social dimensions of natural resource use and ecosystem management, in addition to the technical details of how to manage. The challenge of governance is to answer the question, “What’s fair?”
- n Nearly half of the world’s population lives on less than \$2. Poor communities are particularly vulnerable to failed governance, since they rely more heavily on natural resources for subsistence and income, and are less likely to share in property rights that give them legal control over these resources.
- n Corruption increases the marginalization of the poor.
- n Promoting decentralization that devolves real control over local resources to rural residents can also be a powerful way to empower the poor, as well as bring government service agencies closer to poor communities.

### ***Seven elements of environmental governance:***

1. Institutions and laws – Who makes and enforces the rules for natural resources? What are the rules and penalties for breaking them? Who resolves disputes?
2. Participation and representation – How can the public influence or contest the rules over natural resources? Who represents those who use or depend on natural resources when decisions about them are made?
3. Authority level -- At what level or scale (local, regional, national, international) does the authority over resources reside?
4. Accountability and transparency -- How do those who control and manage natural resources answer for their decisions and to whom? How open to scrutiny is the decision-making process?
5. Property rights and tenure – Who owns a natural resource or has the legal right to control it?
6. Markets and financial flows – How do financial practices, economic policies, and market behaviour influence authority over natural resources?
7. Science and risk – How are ecological and social science incorporated into decisions on natural resource use to reduce risks to people and ecosystems and identify new opportunities?

### ***Key concepts and principles of environmental governance***

- n *Participation* refers to the opportunity to provide meaningful input to a decision-making process, which in turn brings influence. Those who participate in decision-making that affects ecosystems gain the best chance of having their interests represented. Failure to provide for public input can bring conflict and resistance.
- n *Accountability* refers to the way in which decision-makers are held responsible for their actions. This includes voting them out of office, using the courts, using the marketplace to reward or punish corporations, and the reputations of the decision-makers.
- n *Subsidiarity* refers to assigning authority for management of natural resources to the appropriate level. Decision-making tends to be centralized, and sometimes a better approach is to let local communities make decisions about the resources around them.
- n *The access principles* refer to public access to information about the environment, the opportunity to participate in the decision-making process itself, and the ability to seek redress.

- n *The integration principle* asserts that consideration for the environment should be part of virtually every major business, resource, or economic development decision.

## **Chapter 2: Environmental Governance Today**

This chapter analyzes five broad trends that affect environment governance: (1) economic globalization, (2) democratization of political systems and increasing acceptance of good governance norms, and emergence of governance norms, (3) rapid growth of non-governmental organizations, and (4) rapid proliferation of new information and communication technologies. It also looks at the connection between corruption and environmental mismanagement. The Chapter closes with an assessment of the state of environmental governance today.

### ***Economic Globalization***

- n Economic globalization – the growing integration and inter-dependence of national economies – has redefined our relationship to ecosystems and extended the reach of our environmental decisions. Although the world has experienced periods of globalization before, it had never experienced the magnitude, speed and complexity of this current one which started in the 1980s. Trade now accounts for 58 percent of the global economy, up from just 27 percent in 1970. In 1991, private finance and total official development aid to development countries was roughly \$120 billion or roughly \$60 billion for each. By 2000, private finance had multiplied by a factor of four, to \$226 billion while development aid decreased by nearly half to \$35 billion.
- n Globalization has affected environmental governance in various ways – environmental regulations being outpaced by economic growth, and increasing power of the private sector to shape economic and environmental decisions. It has also placed new demands on the transparency and accountability of international financial institutions like the export-import banks, the World Bank, and the International Monetary Fund.

### ***Democratization***

- n The relationship between democratization and the environment is complex. Freedom House estimates that in 1973, only 81 countries were “free” or “partly free” but by 2003, this has risen to 144 or roughly four billion people out of the world’s 6 billion live in fully or partially democratic regimes.
- n While there is no direct empirical link between democracy and improved environmental quality, it is clear that the more citizens are able to know about the environment, express their opinions, and to hold their leaders accountable for their performance, the more likely they will be able to check gross environmental mismanagement. To a large extent, the political changes in Eastern Europe and the former Soviet Union had the environment as the rallying cry. Stricter environmental legislation has been rapidly enacted under new democratic governments.
- n In addition to formal changes in political systems, there is an emergence and acceptance of norms or standards and practices that – while codified into law – influences the behaviour of people, corporations, and government. This includes decreased tolerance for corruption and increasing expectations for transparency and public participation in decision-making.

### ***Corruption and Natural Resources***

- n Whether it is high-profile embezzlement or low-level bribe, corruption is an important driver of natural resource degradation around the world. Natural resources, because of their high commercial value, offer

rich opportunities for corruption. Added to this is that there is often a low risk to being caught, especially since most of natural resource exploitation takes place far from public view.

- n While it is difficult to quantify corruption and environmental crime, available evidence makes it clear that it is large. In forestry, for example, illegal timber comprised an estimated 80 percent of all harvested timber in the Brazilian Amazon and Indonesia, 50 to 70 percent of its timber production was illegally logged. In Cambodia, the government took in \$15 million for legal forest operations, but the illegal payments are estimated to reach \$200 million in 1997.
- n The roots of corruption are many. In developing countries, low salaries for civil servants increase the motivation to engage in corruption. Corruption also flourishes where the mechanisms of accountability and oversight are weak. The bribe-givers are not simply victims of greedy officials, but active partners in crime. On the World Bank's list of firms ineligible to receive Bank contracts due to fraud and corruption, more than half are based in the U.S. or the UK as of November 2002.

### ***Growth of Non-Governmental Organizations***

- n NGOs dedicated to promoting environmental protection have been at the forefront of democracy movements in many countries. Worldwide, the increasing number and influence of civil society organizations have been one of the hallmarks of environmental governance over the last decade. The Union of International Associations' record of NGOs has more than double to 47,000 from 1985 to 2000. They have largely been successful in demanding a seat at the table. In the United Nations, for example, 2,143 NGOs hold consultative status – compared with 928 in 1992.

### ***Information Technology and Connectivity***

- n The recent revolution in information and communications technologies has had profound effects on the environment movement. The Internet has made it easier for governments to provide information for its citizens. In the Indian state of Andhra Pradesh, for example, on-line property registration has reduced the time it takes to obtain a certified copy of a registered land title from days to a few minutes.

### ***The State of Environmental Governance Today***

- n Public demand for access remains unmet. A poll commissioned by The Access Initiative indicates that governments do not provide people with as much access to environmental information or opportunity to participate in environmental decision-making as their citizens would like.
- n Shifting responsibility for natural resource decision-making to the appropriate level is a work in progress. Cases of true decentralization are rare.
- n While governments are making decisions that affect the environment with a degree of openness and transparency that would have been unthinkable just a decade ago, there remains a gap between policy and practice.
- n One of the most basic explanations for the lack of progress in meeting the goals of the Rio Earth Summit is the continuing failure to integrate environmental thinking into mainstream economic and development decisions. At the national level, ministries of environment remain weak and at best operate on the margins of important policy decisions.
- n Nations have struggled to assemble a system of international environmental governance. Unfortunately, prodigious efforts at environmental diplomacy have largely failed to make serious headway against the world's most pressing environmental challenges..

- n *The bottom line:* On a global basis, our capacity to consistently make environmental decisions that protect ecosystems, are informed by public input, and equitably meet human needs is severely limited.

### **Chapter 3: Public Participation and Access**

This chapter presents the findings of the pilot assessment of The Access Initiative to measure the public's ability to participate in decisions about the environment. Nine countries were studied: Chile, Hungary, India, Indonesia, Mexico, South Africa, Thailand, Uganda, and the United States. The findings reveal common accomplishments and failures across countries in providing citizens with access to information, participation, and justice.

- n A coalition of 25 civil society groups, collectively called The Access Initiative, measured the public's ability to participate in decisions about the environment in nine countries.
- n The study was framed around the three elements of Principle 10 of the 1992 Rio Declaration:
  1. *Access to environmental information.* Researchers assessed how well governments perform in providing the following types of environmental information: information about day-to-day environmental quality, information about environmental trends over time, information about pollution from industrial facilities, and information about emergency situations and risks.
  2. *Access to decision-making affecting the environment.* Researchers examined how much opportunity the public has to influence: national policies and plans, provincial and local policies and plans, and the design of environmentally significant projects.
  3. *Access to justice and remedy.* Researchers scored countries on indicators of enforceable rights and legal standing, and a process for review of disputed plans and policies.

#### ***Assessment Findings: Overall***

- n Every country examined has sought in significant ways to broaden citizen participation in environmental decision-making, but still, people have only limited opportunity to participate in decision-making that affects their lives and ecosystems. Findings show that governments in the nine countries scored highest at providing their citizens with access to information. They rated lower at providing opportunities to participate in decisions that affect the environmental and generally lagged on the provision of access to justice. A truly effective and empowering system of access requires the strong, integrated practice of all three principles.
- n Figure 3.1 on pages 52-53 provides a detailed scorecard of assessment findings.

#### ***Assessment Findings: Access to Information***

- n The nine countries have strong laws providing access to information, but the implementation is rather weak. Mexico, South Africa, and Thailand have comprehensive laws dealing with access to information, including constitutional guarantees to access, and legislation that specifically addresses access to environmental information. In Thailand, more than 500,000 people used the Official Information Act in its first three years of existence. In the U.S., the public's use of the Freedom of Information Act continues to grow – with 2 million requests in 1999.
- n Access to information about air and water quality – key elements of a citizen's day-to-day environment – is mixed. In South Africa and the U.S., researchers found that information on drinking water quality is actively disseminated to the public. Information about pollution at industrial facilities is the hardest

information for the public to access, and is impossible to obtain in some of the countries. Only Hungary and the U.S. make such data public, but not in Mexico, South Africa, and Uganda. Corporate rights of privacy are typically treated as paramount to individual citizens' right to know about their environment.

- n Analyses of 13 emergency events – like large chemical spills and factory fires – reveal that access to information varied widely depending on the nature and scale of the emergency. One reason may be that large-scale disasters draw greater media attention, motivating authorities to provide more timely and more accurate information. One attention faces, the public has little or no access to information about the long-term impacts of most emergency events, regardless of their scale.

#### ***Assessment Findings: Opportunities to Participate***

- n Majority of the laws in the nine countries surveyed exclude or restrict the participation of certain groups in environmental decision-making. They also do not require public participation in some sectors of the economy or for some development activities, such as the siting of forests or mining concessions. Generally, governments are not sufficiently proactive as seeking public input, thus the onus of initiating participation in a decision-making process is on the public.
- n The use of Environmental Impact Assessments has dramatically increased in most countries in the past 20 years. Although all the surveyed countries had provisions for public participation in EIAs, in practice, the public is not consulted early enough in the process. A separate analysis by The Access Initiative in 15 Latin American and Caribbean countries confirms that EIAs are not yet a consistent vehicle for meaningful public participation.

#### ***Assessment Findings: Access to Justice***

- n The lack of a systematic dispute resolution mechanism by an impartial judiciary or administrative review is the weakest element of the three access principles. Although countries have generally made much progress in establishing a range of legal rights, they are not defined adequately enough to be legally enforceable to give the public “legal standing” (the right to file a law suit or appear in court). The result is that the rights granted to the public in theory may not be effective in practice.
- n Legal costs are also prohibitively high for the general public in all the countries surveyed. In Chile, fees to register environmental cases can cost more than 50 percent of the average monthly income, and in Hungary, more than 20 percent. Even if fees are not a tremendous obstacle to justice, the complexity and length of the legal process become a burden, especially for rural poor and community organizations that lack time and resources.

#### ***Improving Access: What's Needed?***

- n Better access will require investments to increase the supply of information and opportunities to participate. Better access will also require greater demand for access rights from citizens, community organizations, and advocacy groups. Improved access is impossible without efforts by financial institutions to help nations apply the principles of good governance.

### **Chapter 4: Awakening Civil Society**

This chapter documents and analyzes the growing influence of civil society – a term encompassing voluntary, citizen-based groups that are autonomous from government and business. This trend is one of the most dynamic changes in environmental governance today, as civil society brings pressure to make environmental decisions more inclusive and representative. Innovation and change are often the result when individuals come together in the self-motivated activity that a robust civil society fosters.

## ***The Growth of Civil Society***

- n It was civil society groups that put environmental issues on the global agenda in the 1970s. Today, this sector is larger and more influential than before. By 1990, there were more than 100,000 groups working on environmental protection worldwide – most of them founded in the 1980s. A 1995 survey found that the combined expenditures of the non-profit sectors (excluding religious organizations) were \$1.1 trillion or 4.6 percent of the gross domestic product of these countries. More than 26 million people are employed or volunteer for nonprofits in Western Europe, the U.S., Japan, and Australia. The U.S. has as much as 2 million NGOs (not just in the environmental movement), 70 percent of which are less than 30 years old. In France, 60,000 NGOs were created in 1990 alone, compared to 15,000 in the 1960s. By the mid-1990s, about 1 million NGOs were operating in India; 210,000 in Brazil; 96,000 in the Philippines; and 11,000 in Thailand. Many thousands more are organized but not registered.
- n This growth of civil society groups can be attributed: growing volunteerism, growth of the Internet and cell phones which makes communications easier, growth in development funds channelled through NGOs, and international donors giving priority to aiding civil society groups. According to the UNDP (1992), more than \$7 billion in private and government aid to developing countries flow through NGOs, compared to \$1 billion in 1970. The USAID increased its support for civil society groups from \$56 million to \$230 million between 1991-1999.
- n The global trend to democracy has been a key contributor to the growth of civil society and the flowering of environmental activism worldwide. Just as democratization allows environmental organizations to thrive, sometimes environmental movements open the door to wider democratic and civil rights. In communist Central and Eastern Europe, environmentalism acted as a vehicle for nationwide rallies and an outlet for popular dissatisfaction with the government. Freedom of the press is an important determinant of civil society's ability to influence environmental decisions and encourage broader public participation. Greater media freedom often translates into more accurate and complete reporting, and more reliable information.

## ***The Diverse Roles of Non-Governmental Organizations (NGOs)***

- n Civil society groups play a multitude of roles that affect the environment directly or bear on environmental decisions:
  - o implementing programs and providing services
  - o educating and informing local communities and the broader public
  - o promoting participation and increasing equity
  - o serving as watchdogs for accountability
  - o working with the private sector
  - o joining in global environmental governance.
- n Civil society groups have become efficient implementers of environment and development programs. They open doors to broader citizen participation on environmental decisions at all levels. They create channels for participation by people typically excluded from decision-making. A vibrant civil society increases the demand for transparency and accountability of decision-makers in both government and business.
- n There is an increasing diversity in the diversity of civic activism on environmental issues. Though their objectives are not strictly “environmental,” groups that focus on poverty alleviation, human rights, rural development, women’s rights, and world peace are, increasingly collaborating with environmental groups to influence environmental decisions.

### *Civil Society is not Perfect*

- n For all the benefits that they offer, civil society groups do not always contribute to good environmental decisions. They are not immune from problems of legitimacy, transparency, and accountability – the same issues that NGOs often raise about governments and corporations.
- n NGOs may claim to represent the public interest or common good and are often credited with some moral authority. Yet, because of their diverse motivations and sources of funding, civil society groups aren't always legitimate or credible spokespersons for a broad public interest for the common good. Sometimes the public is appropriately sceptical of NGOs that are too closely identified with special economic or political interests.
- n Civil society groups are not always honest brokers. Indeed, worldwide, many groups do not have any formal accountability mechanisms such as elections, auditors or oversight committees. Often this is simply due to their small size, limited budget, and lack of capacity. But some do engage in corrupt practices, misallocating funds under the guise of community service.

### *Conditions for NGOs to be effective*

- n Governments generally have moved away from outright hostility towards environmental activism or civic organizations. However, in the developing world, many countries lack an adequate frameworks or laws and regulations that would enable, rather than restrict the operation of NGOs. Many routinely use a variety of coercive tactics to control civil society groups. India, for example, restricts the amount of funds NGOs can receive from foreign donors. China requires NGOs to have a sponsoring institution, fewer than 50 members, and a minimum level of financial resources. In Rwanda, an NGO cannot exist for more than three years.
- n In order to survive and thrive, civil society groups must eventually enlist local support and involvement. They must establish roots in their local communities, engaging local interest and acceptable, and securing financial support. Access to a diversified base of support – local, national, and self-generated income – is a key to NGO sustainability and autonomy.
- n Many of the NGOs working on environmental issues today were born of the democratic revolution and the economic changes of the past two decades. The challenge today is to support these new organizations as they develop the necessary skills to become effective, well-managed, and self-sufficient. Their legitimacy will depend on their ability to develop sophisticated strategies, to offer substantive knowledge and organization skills, to better measure their own performance, and to better forge connections with each other and with other stakeholders.

### **Chapter 5: Decentralization: A Local Voice**

This chapter describes the process of decentralization – the transfer of powers or responsibilities from a central government to local institutions – which goes directly to the question of who gets to make decisions about natural resources. The chapter describes the process of decentralization underway in many countries, and analyzes the conditions under which it is likely to lead to improved social and environmental outcomes. It also discusses privatization, a process which is often mistakenly confused with decentralization.

- n The goal of decentralization should be to achieve an appropriate level of local input within a solid framework of national environmental policy. The challenge lies in finding the right mix of local and national powers and responsibilities to achieve sustainability.

- n Local institutions that receive new natural resource management authority under decentralization can include: elected local authorities; agents from the government ministries of environment, forest, wildlife, or natural resources; and user groups like agricultural cooperatives.
- n Under the right conditions, decentralization can create ways for local people to negotiate common environmental goals with state authorities. However, it does not eliminate the role of the central government in resource management decisions. It enhances political stability by satisfying citizen demands for greater participation.

### ***Waves of Decentralization Around the World***

- n Decentralization is now the centrepiece of policy reforms around the world. A 1999 World Bank study reveals that some 95 percent of democracies now have elected regional and local governments, and countries everywhere are devolving administrative, fiscal, or political powers to tiers of government below the national level.
- n The first wave of decentralization swept developing countries in the late 1980s to the early 1990s. It was not specific to natural resources; rather they were responses to economic crises. Central governments looked to transfer some planning and service delivery functions to local governments and donors were eager to underwrite the experiment. In other countries, like South Africa, Uganda, Sri Lanka, Ethiopia, Colombia, and Bosnia-Herzegovina, governments turned to decentralization to promote greater unity and gain grassroots support in the face of emerging ethnic and geographic divisions.
- n The second wave of decentralization started taking place from the mid-1990s, largely due to the efforts of numerous donor agencies. Many of the policies and programs were targeted at specific environmental and social sectors, rather than local democratization more broadly. For example, river basin committees were established in Thailand while Uganda established forest and wildlife management groups.

### ***Criteria for Effective Decentralization***

- n Ideally, effective decentralization reforms help balance central government oversight and regulation with local input and empowerment. It must meet the following criteria:
  1. It must result in transfer of meaningful powers – including fiscal power to a local institution;
  2. The institution to which power is transferred must be representative of the local public in its diversity – and not just elite interests – and have a broad knowledge of local resources and people’s dependencies on them;
  3. The local public must be able to hold the institution accountable through elections, hearings, or other democratic means;
  4. The fiscal and regulatory incentives must be in place to promote sustainable management of natural resources over the long term.
- n Meeting all four criteria is not easy. The biggest hurdle is assuring the accountability of those to whom authority is transferred. The key question is whether they have to answer to the people immediately affected by their decisions. In many instances, the answer is no. Local staff of a government ministry answers to their bosses in the capital. A local NGO may answer only to its members, which is a subset of the entire community. To empower local citizens, power must be devolved to a democratically elected local body – an institution that citizens can hold responsible for its decisions – so that they can effectively broaden public participation and bring about a more equitable management of natural resources.

- n To date, the results of decentralization efforts have been mixed. Decentralization clearly can be good for environmental stewardship, livelihoods, and local empowerment, but only if done properly – and that is rare. Here are some of the obstacles to effective decentralization:
  1. Decentralization reforms often enable only limited involvement of citizens in environmental governance. In Senegal, 1998 forestry laws grant rural councils the right to manage local forests, but the Forest Service still makes the most critical decision as to whether a forest surrounding that community will be cut or not.
  2. Decentralization works best when the central government cedes responsibility to an institution that must answer to the people, and is subject to enforcement or sanctions for poor performance, and will be obliged to explain or justify its actions. A good example of this is the 3,000 locally-elected forest councils in the Kumaon district of the Indian state of Uttaranchal in the Himalayas.
  
- n The other critical elements of effective decentralization are:
  1. A balance between central government authority and local empowerment. Many institutions, however, are ill-prepared for the challenge of citizen participation. An analysis of the forestry sectors in India, Sri Lanka, and Zambia suggests that this is difficult to achieve.
  2. Decentralization must respect ecosystems. Ecosystems span many jurisdictions and countries. Central governments must coordinate these efforts, otherwise decentralization reforms will fail to benefit from a larger, ecosystem-based view of environmental management. China failed to do this when it initiated a series of reforms in the Baoshan region of Yunnan Province, thus worsening environmental degradation.
  3. Security of tenure over resources is an essential ingredient of community-level conservation. If the central government can easily revoke resource management rights, local citizens have less incentive to invest in soil fertility, watershed protection, or any other long-term conservation measure.

### ***Privatization is not Decentralization***

- n Privatization – or the sale of public assets such as a water utility to the private sector – is becoming more common worldwide. Natural resources are often the assets targeted for sale, especially in developing nations. For example, the World Bank estimates that 40 percent of the \$44 billion in revenues that developing country governments raised in 1999 come from the sale of state-owned petroleum, mining, agriculture, and forest assets.
  
- n Decentralization is often an impetus for privatization, but the two should not be confused. In the natural resources sector, much privatization takes place incorrectly in the name of decentralization. If done well, decentralization and increase public input into local governance, but privatization often leads to greater public exclusion from resource decisions since it shifts ownership – and therefore control – to corporations and other actors that do not have to answer to the general public.
  
- n Critics of privatization question whether its promised efficiency gains are ever realized in practice. When politically connected and powerful multinational corporations take over the provisions of public services, governments may not be able to enforce competition or appropriately regulate these companies. Water privatization experiences in Bolivia, Buenos Aires, and Manila have convinced social advocates that privatizing such basic social services is inherently problematic. The result may be higher prices for basic services, a lack of attention to environmental impacts, and a lack of commitment to public goals. These in turn, may evoke a social backlash against privatization.
  
- n While evidence is still limited, experience from the electricity sector suggests that environmental concerns tend to get a short shrift in privatization efforts. Economic reforms, like privatization, have often arisen in closed processes. A more open and democratic process of economic governance that

allowed for broad debate about the goals of reforms would substantially raise the potential for incorporating social and environmental goals into privatization reforms.

## **Chapter 6: Driving Business Accountability**

This chapter addresses the changing role of business in environmental governance. It describes the corporate community's response to calls for greater openness and accountability, including voluntary "sustainability reporting" and codes of conduct. It analyzes the potential of investors and consumers to drive improved corporate performance, and asserts the continuing importance of government regulation.

- n Business decisions have ever-greater reach as companies globalize and national resources are privatized. Better environmental governance simply isn't possible without business on board. That means sharing information with stakeholders, making decisions in an open and transparent process rather than behind closed boardroom doors, and actively seeking investments that can benefit both the environment and the bottom line.
- n Today more than 65,000 corporations are transnational; they also control 850,000 affiliates. Between 1990 and 2000, the top 100 TNCs increased their sales from \$3.2 trillion to almost \$4.8 trillion, and they employed a total of 54 million people by 2001.
- n TNCs are considered both global and local citizens. In theory, they are accountable for numerous constituencies but are often perceived as having little accountability except to their shareholders -- though they undeniably bring benefits to local communities. Local communities, however, continue to worry about them fearing that these global companies will use their power to evade national regulatory requirements, engage in unfair labour practices, or damage the local environment. In addition, they are concerned about the trend to towards the privatization of natural resources.

### ***The Importance of Information Disclosure***

- n Business transparency and accountability are prerequisites for better environment governance. As with government, one of the most potent tools to driver greater business accountability is public access to information. Public disclosure is the face of a new and more participatory approach to regulating the environmental performance of business. Public disclosure prevents corporations from relying on invisibility to avoid accountability.
- n Greater information disclosure on the part of business can help address some of the weaknesses of traditional approaches, empowering civil society and local groups to join in the regulatory processes. Disclosure tools – like the Toxics Release Inventory and the Global Reporting Initiative work because they empower the public to hold businesses accountable for their environmental performance. Just as importantly, disclosure offers potential benefits to business.
- n No business wants to be known as a big polluter. The most famous of these tools is the Toxic Release Inventory (TRI) of the U.S., though Canada, Netherlands, Norway, and the United Kingdom all have at least a decade of experience operating comprehensive pollution registers like the TRI. It is a plant-by-plant accounting of industrial pollution that the government makes publicly accessible via the Internet and published reports. In the US, it is instrumental in cutting industrial pollutants of chemicals it tracks, by 48 percent of 1988 to 2000.
- n Since the 1980s, thousands of companies have voluntarily issued reports on their environmental performance or have commission environmental audits of its operations. Globally, 7000 to 10,000 corporations now publish environmental reports. Forty-five percent of the 250 largest companies

produce such reports (although not exclusively on the environment). On the positive side, evidence shows that some voluntary measures have helped reduce pollution, increase company eco-efficiency, or boost competitiveness in the market. But in practice, voluntary initiatives have several weaknesses that limit their ability to drive better environmental performance in a bigger scale.

- n Overall, however, environmental reporting by businesses has not come close to its potential as an accountability tool. Although such reports are becoming more detailed and longer, the quality of reporting still needs to be improved so that the information is more relevant and understandable. Such reports are also presented in different formats that they are difficult to compare with others. The issue of credibility of company environmental reports is serious enough that more than 30 organizations worldwide have not developed environmental reporting guidelines. One of the best known is The Global Reporting Initiative which offered both general reporting principles and specific guidance to different business sectors so that reports are more standardized, rigorous, and consistent..

### ***Codes of Conduct – A Limited Role***

- n In the last two decades, corporations have also adopted codes of conduct that publicly spell out general rules of corporate behaviour on a range of social and environment issues. However, they are often too broad and lack any targets. For example, fewer than 40 of the 587 corporate action plans submitted to Canada's Voluntary Challenge and Registry for greenhouse gases contained targets for reduced emissions. The codes tend to cover only a limited number of industry sectors and within those sectors, a limited number of companies – often those with controversial practices.
- n A 2000 survey by the OECD, for example, found that corporate codes of conduct focusing on the environment are concentrated in the chemical industry, the oil industry, the forestry sector, and the mining sector – industries with significant and visible environmental impacts and hazardous processes. The survey also found out that one of the most significant shortcomings of codes is the lack of independent performance monitoring. Only 10 percent of the 246 codes surveyed by the OECD had it. To be credible, codes of conduct must contain the means for monitoring the performance of the companies who adopted them, preferably an independent party.

### ***The Roles of Investors and Consumers***

- n One of the newest and most progressive approaches to greater corporate environmental accountability is direct intervention of consumers, investors, and civil society groups in business affairs. A prime example is socially responsible investing (SRI). A common approach to SRI is to positively or negatively screen companies – either they weed out companies whose practices are perceived to be harmful to people or the environment, or to seek out companies which offer solid returns yet are leaders in social and environmental performance. Another approach is to marshal shareholder power to actively press for change at the highest level of corporate decision-making through proxy resolutions during annual meetings. Shareholder pressure, for example, convinced Mitsubishi Corporation to abandon plans for a salt factory in the Gulf of California, Mexico, which would have destroyed a calving site for grey whales. In 2002 alone, a record of 19 shareholder resolutions was filed with major companies on the topic of climate change. SRI was once seen only as a means of doing good, but today, proponents stress that it is also a smart investment.
- n Informed consumers can be a powerful force for better environmental governance. A 2001 poll reveals that 79 percent of consumers take corporate citizenship into account when making their purchasing decisions. To meet this need, some independent organizations and governments have begun to certify and eco-label goods produced using sustainable practices. Since West Germany launched the first environmental labelling program – the Blue Angel – in 1978, eco-labelling initiatives have emerged in more than 24 countries. This program is credited with reducing the amount of household paint solvents entering the waste stream by 40,000 tons in West Germany. In developing countries, this has eco-

labelling has led to a significant reduction in the use of fertilizers and pesticides in the cut flower industry.

### ***The Way Forward***

- n First, businesses themselves must begin to more fully embrace the business rationale for information disclosure. Greater attention to quantifying the benefits of transparency to the bottom line will likely be the only way to bring other businesses on board. Second, there must be more dynamic engagement of businesses with their neighbours and other stakeholders – either through community advisory panels and other business-public partnerships. Finally, government regulators and policy-makers must play their part. Government regulation is the vital background against which all disclosure – mandatory or voluntary – takes place.

## **Chapter 7: Governing at the Global Scale: International Environmental Governance**

This chapter analyzes the strengths and weaknesses of the current system of international environmental governance. It describes the institutional architecture for global environmental management, and the challenge of integrating the environment into international trade and finance. It also describes how new players and “partnerships” are altering the landscape of environmental governance at the global level.

- n There is no global government or a central institution with sufficient authority to craft strong environmental protections at the global level and insist on compliance. The need for a coherent system of international environmental governance is clear. But constructing such a system, and maintaining its effectiveness in the face of the many competing interests of nations, has proven exceedingly difficult.
- n Global environmental threats disproportionately harm the poor – and the poorest countries -- because they undermine the natural resource base on which many poor people directly rely for their food and livelihoods. Poverty reduction is therefore closely linked to sound management of the environment at local, national, regional and global levels.

### ***The Current System of International Environmental Governance***

- n What we have is a loose system of global environmental governance. It reflects the strengths and dysfunctions of global politics, and shows the difficulty of inspiring effective cooperation among the fractious community of nations – even on environmental matters that all agree require common action. The international environmental governance regime has fallen short in many respects. Even internal UN assessments have concluded that the system is fragmented. In many instances, international negotiations produce agreements with ambitious goals but without realistic means of implementing or financing them.
- n The current system of international environmental governance consists of three basic elements:
  1. The collection of intergovernmental organizations such as the UN Environment Programme, the UN Development Programme and the World Bank. These organizations, controlled by UN member nations or donor countries, are charged with formulating and international agenda that will protect the environment and promote sustainable development.
  2. The framework of international environmental law that has evolved over the last century or so. This includes such treaties such as the Framework Convention on Climate Change or the more recent Stockholm Convention on Persistent Organic Pollutants. Signatory countries collectively

take joint action on different environmental problems with each nation responsible for action within its own borders.

3. The financing mechanisms, like the Global Environmental Facility, which build capacity to carry out treaty commitments, supplement national efforts towards sustainable development in poorer countries, and to support the UN agencies and treaty secretariats.

### *Strengths and Weaknesses of the Current System*

- n The record of governance this loose global regime has compiled is decidedly mixed. On the positive side, the international community has clearly accepted the environment as a key topic in global affairs. Its ineffectiveness, however, become very apparent when compared to the evolving system for international governance of trade and investment by the World Trade Organization. To be fair, the international environmental governance system is still a work in progress, especially since most of it has come into being only in the last 30 years.
- n Even if it is not as effective, this international environmental governance system has demonstrated that it can mobilize scientific and legal talent to expand our understanding of environmental issues and build impressive regimes as the Montreal Protocol, the Convention on Biological Diversity, and the Convention to Combat Desertification. Both convening governments and setting guidelines or standards are special strengths of the current system.
- n The system's weakness stems from the virtual impossibility of coordinating a complex set of actors to act in synchrony all the time. According to an internal UN study, the results are gaps in international policy, fragmentation of effort, and sometimes competing or incoherent decision-making structures.
- n Its weakness also stems from the weak support for existing institutions and oversight mechanisms. UNEP, for example, has seen its contributors decline from 73 in 1998 to 56 in 2000, though the number is rising again. At the same time, however, contributors have increasingly earmarked their money for special projects. For 200-2001, UNEP's core and earmarked sources total just over \$200 million – an amount higher than in the past but still dwarfed by the environmental resources of the World Bank, the UNDP, the GEF, or even some environmental NGOs. The bottom line for the global environmental is that resources are tight, making reform of international environmental governance even more difficult.
- n A third source of its weakness stems from the fact that decisions that govern production, trade and investment often pay inadequate attention to protecting the environment and human needs. The World Bank has tried to do this, a process called mainstreaming, but its success has been limited. According to its own assessments, there is still considerable ambivalence about incorporating environmental considerations into its lending.
- n Over 500 separate environmental treaties currently exist, even though many (over 300) concern regional issues such as regional fisheries and have a limited set of signatories. Some 60 percent of these treaties were signed since the 1972 Stockholm Conference on the Human Environment. These treaties are clustered into five areas: biodiversity, atmosphere, land, chemicals and hazardous wastes, and marine issued.
- n From the 1970s to the 1980s, most of the treaties were usually limited to single issues. Since the mid-1980s, attention shifted to broader treaties that provided frameworks for action on global topics like climate change and biodiversity loss. Although these treaties are legally binding instruments, international mechanisms to settle disputes arising from them remain weak, including their implementation. However, without these treaties, the international community would be far less environmentally mobilized, and ecosystems are even greater risk.

- n The Global Environmental Facility, established in 1991 by the member countries of the Organization for Economic Cooperation and Development, is an important innovation in funding environmental programs. It is designed to support projects with global environmental benefits, rather than projects that serve national development goals. Quite apart from its financing role, the GEF is significant from a governance perspective because it has become one of the most transparent international organizations, with independent reviews conducted every four years. According to its most recent review, GEF-supported projects have produced significant results aimed at improving global environmental problems.

### ***Needed Reforms***

- n Strengthening the current system of international environmental governance will require a mix of incremental and more fundamental reforms. Common to nearly all these reforms is the recognition of the need for great coordination and coherence among the multitude of existing international organizations that have environmental responsibilities.
- n The UN Environmental Programme, which holds the UN mandate as the leading global environmental authority, must be strengthened. One suggestion has been to bring all UN organizations with substantial environmental responsibilities under the aegis of UNEP. Another is to upgrade UNEP from a UN program into a full-fledged specialized agency complete with a new redefined mandate and funded from assessed contributions from UN members. However, a necessary part of any attempt to strengthen UNEP is more substantial and reliable funding, otherwise the mismatch between its mandate and its budget will continue to be a significant obstacle to its effectiveness.
- n The UN Commission on Sustainable Development, which is tasked with monitoring the implementation of Agenda 21 from the 1992 Rio Earth Summit, has clearly failed to become the catalyzing influence for sustainable policy that many of its founders envisioned. Making good its mission will require refocusing its efforts so that it plays a more practical role in monitoring commitments that nations have made and reviewing progress in achieving agreed goals.

### ***The Challenge of Integrating Environment into International Trade and Finance***

- n The most crucial environmental decisions often come from international trade and finance. If a country's ability to regular pollution and exploitation of natural resources is already weak, international trade can amplify existing problems. The strength of the global trading regime could benefit the environment but only if trade rules and environmental policies can be made to support each other.
- n One source of inherent conflict between modern trade practices and environmental laws is the concept of "discrimination." Free trade practices rely on the idea that countries should not discriminate against the products of other countries on the basis of where or how the product was produced. This, however, runs counter to basic premise of many international environmental policies: that countries should discriminate against products and processes that harm the environment, and favour those that minimize harm.
- n Another source of conflict involves the ambiguous relationship between trade rules and environmental treaties. Over 30 environmental treaties place some type of restriction on international trade, most as enforcement mechanisms. No dispute over an environmental treaty has been brought before the WTO but threats have been made, particularly against CITES.
- n As with the global system of trade rules, international investment rules have developed without reference to their environmental consequences. This could undermine environmental management regimes at both global and international levels – for example, strengthening the rights of investors could come at the expense of national-level protection.

- n The greatest share of international finance flows through private channels. It is estimated that such flows from the US alone reached \$579 billion in 2000, mostly to other industrialized countries. The steep rise in international financial flows has outpaced the ability of many countries to put policy and regulatory frameworks in place that would integrate environmental considerations in such investments. Many such investments affect global ecosystems for which governance regimes are also not in place.
- n Although the volume of funds flowing through public international financial aid agencies is dwarfed by the private sector, it has a significant influence on the character of private investments. Overall, recent progress in integrating environmental sustainability and public participation into the operations of public international financial institutions has been positive, but slow. Less progress has been made in ensuring consistent implementation of such policies and in mainstreaming environmental considerations into all policy and lending decisions.

### ***The Role of Partnerships***

- n In recent years, partnerships between public and private institutions as well as coalitions of NGOs, have become a favoured UN strategy to motivate concrete action on many environmental problems. Partnerships are controversial because of the apprehension that they could come to substitute for governmental commitments, allowing governments to abdicate responsibilities that are more properly the functions of the state. Without proper transparency and accountability, partnerships might become vehicles for the infusion of inappropriate corporate money and influence into the United Nations.

## **Chapter 8: A World of Decisions: Case Studies**

This chapter provides case studies ranging from the struggles of an indigenous community in South Africa to the nascent efforts toward environmental democracy in Iran. They explore why it is so difficult to make inclusive and effective decisions about ecosystem use. They also demonstrate the infinite human creativity, adaptation, and experimentation that can bring success. Achieving more equitable and sustainable use of ecosystem goods and services demands patience and a deep understanding of local circumstances, as well as an appreciation of the broad principles explored throughout this report.

### ***Mind Over Mussels: Rethinking the Mapelane Reserve***

- n This case study tells the story of how the Sokhulu people in Kwazulu-Natal Province in South Africa regained their ancestral rights to harvest mussels in an area that was made into a nature reserve. With the establishment of the Mapelane Nature Reserve, local people were called thieves and poachers, and driven to harvest what they could under the cover of darkness. Eventually, a co-management solution was found, which vested authority on both the indigenous community and park officials. Using a combination of traditional and modern methods – including no harvesting over a three-month period – the villagers are well on their way to sustainably harvesting the mussels.
- n The conflict between the Sokhulu people and park authorities echoes similar clashes around the world where the rights of indigenous communities to harvest their resources have been violated by outsiders. Critical to the solution is the establishment of a forum where the community and other stakeholders can meet and negotiate common goals. Also critical is a credible appraisal of the resource and its current use. At the heart of the solution is a group like the Joint Mussel Management Committee that is respected by the community and has legal standing with the government.

### ***The New Iran: Toward New Environmental Democracy***

- n In recent years, reformist politicians have begun a decentralization drive, handing more power and administrative functions to local government bodies. This case study examines the transformation that has occurred in the village of Lazoor, some 75 miles east of Tehran, as a result of community involvement in decisions that govern the use of land and water in rural Iran. Since the experiment started four years ago, the residents have built 432 small dams to control flooding, miles of irrigation canals, and planted more than 7,000 fruit trees. Alongside these improvements, women became involved in the decision-making, a rarity in an Islamic state. It was also the first time in Iran that people tried using participatory planning for natural resource management.
- n Clearly the early years of Iran's transition from a bureaucratic, centralized control of natural resources to a situation in which people play a leading role in preserving their own surroundings have not been entirely smooth or easy. Although the trend in Iran so far is towards granting only limited powers and resources to local people, the results have been positive. It has delivered ecological benefits the improved dialogue between the government and the people.

### ***Ok Tedi Mine: Unearthing Controversy***

- n The environmental and human tragedy that is still unfolding at the Ok Tedi mine in Papua New Guinea raises fundamental questions about the governance of natural resources. These questions concern the balance of power between inexperienced, cash-poor governments and powerful multinational industries; the provision of and access to information that is technical in nature; communication across language and cultural barriers; and the need for institutional structures that allow for effective complaint and redress when things go wrong. Such issues are directly relevant to the global mining industry's ongoing efforts to reduce its adverse social and environmental impact and to be more accountable for its actions.
- n The mining industry has rapidly consolidated in the last 20 years, creating companies that are larger than some national economies. A few giant mining transnationals based in Australia, the United States, and the UK now dominate the market. They include Ok Tedi's BHP Billiton, Rio Tinto, Placer Dome, Newmont, Freeport, and Anglo American. These companies wield enormous power, especially in developing countries anxious to generate revenues from natural resources exploitation.

### ***Earth Charter: Charting a Course for the Future***

- n The Earth Charter is a set of 16 overarching ethical principles and 61 supporting principles launched in June 2000 in The Hague, Netherlands. It represents an attempt to codify norms of good governance in a statement of universal application. It is a unique document in terms of its ambitions and in its mode of development. The Earth Charter grew out of ideas and opinions expressed by thousands of individuals; it was not managed by an inter-governmental process or body, nor does it yet have any official status. It is something new in global governance: a public expression of the beliefs and values that should, ideally, govern decision-making for the benefit of humans and the rest of the living world.
- n The Earth Charter's legitimacy stems from an extensive participation and consultation process around the world. Its credibility stems from the effort of the Earth Charter Commission to build consensus among all parties. However, some parties consider it irrelevant since it has no legal status and has no powers of enforcement. The Charter's lack of specificity makes it hard to translate aspirations into practical actions.

### ***Women, Water and Work: The Success of the Self-Employed Women's Association***

- n In the villages of the desert district of Banaskantha in Gujarat, India, local women have taken control of the key resource they need for their livelihoods and their families' survival: water. They have demonstrated how water resources can be governed efficiently for economic and ecological gains. In these areas, agricultural productivity has increased, out-migration in times of drought has substantially

declined, and animals and birds have returned to rejuvenated habitats. In a society that is patriarchal and dominated by the state, this has not been an easy task.

- n Guided by their all-women trade union, the Self-Employed Women's Association (SEWA), the women have established innovative grassroots governance structures and effectively linked them to mainstream government agencies. For rural women, economic benefits often depend on the health of their natural resources. SEWA's work has shown that rural communities are motivated to rebuild their environmental bases only if they see some tangible economic benefit in doing so.

## **Chapter 9: Toward a Better Balance**

This chapter provides a synthesis of approaches to better environmental governance based on the analyses presented in the preceding chapters. It concludes that achieving improved environmental governance requires at least five steps: adopting environment management approaches that respect ecosystems; building the capacity for public participation; recognizing all affected stakeholders in environmental decisions; integrating environmental stability in economic decision-making; and strengthening global environmental cooperation.

- n To match human needs with the Earth's biological capacities, governance structures must adapt to innate constraints of living ecosystems. An ecosystem approach includes explicit consideration of people's needs for food, shelter, employment, and all the varied economic and spiritual benefits derived from nature. To do this, we must integrate social and economic goals with biological information about the functions and limits of ecosystems. Environmental governance must negotiate this difficult integration by giving each stakeholder a voice without losing track of what the ecosystem itself is saying about its capacity for alteration and human use. It demands an equal role for social science – tracking the social outcomes of decisions in order to maintain a focus on equity. In practice, a variety of new institutional and economic arrangements will be needed to connect people with the ecosystems they depend on, to the benefit of both.
- n Reformulating methods of natural resource management to respect ecosystems depends on vigilant application of the principles of access and participation. Public participation means not only wide participation in decision-making but also effective representation, judicial redress, and other mechanisms that enable meaningful, democratic environmental governance. Public participation provides the best means to negotiate trade-offs equitably and to make sure the goals that drive the daily actions of natural resource agencies reflect the priorities of the community of stakeholders. Empowering civil society groups as environmental stewards thus means more than just official tolerance. It implies active support for partnerships between these groups, government agencies, and businesses. Nonetheless, as civil society groups gain more influence, they must practice the same good governance principles of transparency and accountability that they demand of governments and businesses.
- n Public acceptance of environmental management decisions – and greater fairness in those decisions – will only emerge if a broader approach to environmental standing takes root. One useful model might be the “rights and risks” approach recently put forward by the World Commission on Dams. In this approach, anyone holding a right (such as a water right) or a risk from a proposed action (such as displacement by a dam) must have the opportunity to participate in the decision-making process. It is also important to recognize the standing of those who can speak for the ecosystem itself – whether they are scientists, natural resource managements, or members of civil society groups working on environmental issues.
- n To make progress in reversing environmental decline, governments and businesses – not just natural resource agencies – must accept environmental sustainability as a principal mandate. This means assessing how each policy and investment strategy will affect equity and the environment. In privatizing natural resources for example, governments must make sure to transfer responsibility for environmental

stewardship and equitable service along with control. Fully incorporating sustainability into business thinking will take time, but embracing standardized procedures for measuring environmental performance – and relating this to financial and social performance – is a critical first step. Negotiating forums like the World Trade Organization must explicitly recognize environmental protection as a shaping factor in trade and investment policies – making sure these policies are consistent with current international environmental agreements and national environmental laws.

- n Despite the lack of a strong central institution for international environmental management, improved integration of environmental efforts at the global level is possible even within the arrangement of existing treaties and institutions. Stressing the link between poverty and the environment will be important in strengthening global environmental governance. This will require increasing global commitment to environment monitoring and threat assessment, as well as a concerted effort to harmonize and strengthen international environmental treaties. However governments decide to strengthen global environmental institutions, the key lies in the greater use of multi-stakeholder processes to give voice to civil society groups and businesses and building consensus on contentious issues.
  
- n Good governance is on the world agenda today as never before. The future lives in the decisions we make now. Moving toward greater transparency and accountability in our decision-making, toward more equity and participation in our environmental choices, is the way we make better decisions for the Earth.

### **Data Tables**

The data tables for *World Resources 2002-2004* are also available online at <http://earthtrends.wri.org> or through the WRI Newsroom, <http://newsroom.wri.org>. New tables on governance appear for the first time in this edition. The tables are available in the Media Preview section from July 4 – 10. Registration is needed, but it is easy.