

## Round Table Financing for environment and development

UN Commission on Sustainable Development - Side Event  
Tuesday, 19 April 2005, 6:15-7:45 PM

### Main speaker:

Camilla Toulmin (IIED, Director)

### Panellists:

Kiyo Akasaka (OECD, Deputy Director-General )

Laura Tlaiye (World Bank Environment Department, Sector Manager)

Marie-Claire Cordonier Segger (Centre for International Sustainable Development Law, Director)

### Chair person:

Charles McNeill (UNDP, Environment Programme Team Manager)

Environmental policy has evolved throughout the developed and developing world following the Rio Summit and under the influence of MEAs and other multilateral programmes. Many countries have set up public institutions to manage the environment, developed legislation and adopted National Environmental Action Plans, as well as strategies centered on specific fields, such as biodiversity or climate change. Much of this work in developing countries (DCs) has been supported by financing from the international community. Yet DCs continue to encounter great difficulties in financing new projects, to take part and contribute to the life of MEAs and programmes, in particular in building capacity to develop and implement the necessary legislation.

DCs continue to rely on multilateral co-operation and access to international financial resources to implement projects related to environmental protection and the implementation of the MEAs. Compared to these needs, the financial resources available at national level are still very modest and mechanisms to raise revenue through application of the “polluter pays” principle remain very limited. At the international level, the relatively restricted financing available comes from several sources: multilateral organizations, such as the United Nations, the World Bank and Regional development banks, and financial mechanisms like the Global Environment Facility and those associated with various MEAs. Bilateral agencies, the national budgets of DCs, NGOs, private foundations and FDI constitute other sources.

A full assessment of financing for DCs to protect and manage the environment needs to take account of how best to meet the objectives of different MEAs, the relevant Millennium Development Goals, the Conference of Monterrey and the Earth Summit. Efforts to strengthen financing mechanisms to achieve environmental goals will require :

- a set of global targets and framework for action
- strengthening of local/national processes to identify priorities
- to engage civil society and the private sector
- to develop innovative mechanisms (MES etc)
- to address the broader international architecture (investment, trade, taxation, accounting)
- to strengthen alternative mechanisms for channelling funds.

The round table will discuss methods for more effective mobilization of funds and the use of diverse economic instruments (taxation, new markets, tradeable rights, etc.) intended to support environmental investment and action at multiple levels.