Committee of the Permanent Representatives
Subcommittee meeting
Nairobi, 22 April 2025
13:00 – 16:00 (GMT+3)
Hybrid meeting
Conference Room 4 (in person)
and Microsoft Teams (online)

Agenda item 2: Development of a medium-term strategy for the period 2026-2029 and a draft programme of work and budget for the period 2026-2027

This background note, entitled "*Situation analysis for the UNEP Medium-Term Strategy for 2026-2029"* has been developed by the Secretariat. Following the presentation, the Committee is invited to take note of the briefing and engage in an exchange of views with Committee members and the Secretariat.

Situation analysis for the UNEP's Medium Term Strategy 2026-2029

The environment continues to deteriorate: Greenhouse gas emissions and associated climate instability; desertification, drought and land degradation and biodiversity loss; and pollution and waste are harming planetary, human and economic health. The drivers of these issues are interrelated and reinforcing, affecting the most vulnerable amid widening inequality. These environmental challenges come against a backdrop of rapid social and technological changes, increased forced migration and conflict, geopolitical instability, misinformation and decreasing trust in institutions. However, positive developments across the globe suggest that the world can emerge from these crises, with the right ambition and action.

The climate is warming and becoming increasingly unsafe. In 2023, concentrations of methane, CO_2 and N_2O reached their highest levels in 800,000 years.[1] The past ten years broke records, with an average of 1.34-1.41°C above pre-industrial temperatures. Glaciers are in retreat, sea ice is melting faster, and ocean acidification continues.[1] The frequency and intensity of extreme weather is also increasing, claiming lives, damaging property and causing forced migration.[2] While the estimated adaptation costs for developing countries range from US$215 billion to US$387 billion per year, finance is slow to materialize.[3]

The economic cost of desertification, drought, land degradation, and the dependence of nature. Up to 40% of the planet's land is degraded, threatening roughly half of global GDP (US$44 trillion)[9]; an additional estimated four football fields are lost every second.[10] Desertification, drought, and land degradation cost the global economy US$878 billion every year.[11] Desertification and drought and affect an estimated 213 million people, most of whom reside in developing countries.[12] Freshwater species are being lost at a faster rate than those on land[4] with an estimated 24% of freshwater fish at risk of extinction.[5] Rising temperatures threaten our coral reefs, 70-90% of which are expected to die off with just 1.5C of temperature rise.[6] Tropical primary forest loss persists, but some countries have shown that the deforestation rate can be slowed significantly with political will to make forests less vulnerable to depletion from farms, mines, infrastructure or other economic activities. Fires drive tree cover loss outside the tropics.[7] Biomass harvesting in agriculture and forestry accounts for 90% of land-based biodiversity loss and water stress.[8]

An estimated 9 million people die each year from pollution, predominantly air pollution.[13] There is growing exposure to emerging contaminants in food and other products, with uncertain consequences. These include microplastics, nano chemicals, endocrine disrupting chemicals, pesticides and persistent organic pollutants. Municipal solid waste is projected to rise from 2.1 billion tonnes in 2023 to 3.8 billion tonnes in 2050, underscoring the urgent need for circular approaches.[14] Electronic waste is increasing five times faster than recycling efforts.[15] Poor waste disposal practices are costing an estimated US$361 billion annually.[14] Antimicrobial resistance is mounting, with releases to the environment from agriculture, pharmaceuticals, manufacturing, healthcare and municipal waste being key transmission pathways.[16]

In contrast, many actions have led or are leading to positive environmental outcomes. The adoption of the Kunming-Montreal Global Biodiversity Framework and the Global Chemicals Framework provide optimism for biodiversity conservation, ecosystem restoration, chemicals management and sustainable resource management. The Land Degradation Neutrality targets of the UNCCD and its Fund provide for land rehabilitation. The Great Green Wall initiative aims

to restore 100 million hectares of land in the Sahel.

Environmental solutions are also economic ones. Decarbonisation initiatives have created jobs, with the renewable energy sector now employing millions globally.[17,18] Investment in the low-carbon energy transition worldwide grew 11% to a record US$2.1 trillion in 2024. The relative cost of power from renewables is cheaper[19] than fossil fuel-based electricity in many areas.[20] The availability of solar and wind options in rural areas is assisting in decarbonisation and electrification – essential to reach the 750 million people without electricity and help bridge the digital divide.[18]

Multilateral action and interagency solutions work. Controlling ozone-depleting substances under the Montreal Protocol has allowed the ozone layer to slowly heal. The Stockholm Convention has seen POPs levels decline in the environment and people. Waste to energy projects and single-use plastics bans have been deployed and can be expanded upon. Efforts towards a circular economy are paying off to reduce waste. Likewise, efforts through the UN interagency One Health approach to combat antimicrobial resistance have advanced.

Investment in natural systems that sustain humanity is paramount. Over half of global GDP depends on nature, with ecosystem services valued at approximately US$125-140 trillion per year.[21] Yet investments in nature-based solutions are only around US$200 billion per year, while finance flows to activities that harm nature are over 30 times larger.[22] To meet global targets on climate, nature and land, flows to nature-based solutions must reach US$542 billion per year by 2030 and US$737 billion by 2050.[22]

Moving to circular and resource-efficient economies is essential for a healthy planet and equality. Low-income countries account for only one-sixth of global material consumption and produce only one-tenth the greenhouse gases of their high-income counterparts. Meanwhile, upper-middle-income countries have more than doubled resource use over the past 50 years, driven by infrastructure development and the shift of resource-intensive industries from high-income nations.[8]

Technological advances are putting serious pressure on the environment. Actions to enhance electrification, the energy transition, digitalization and frontier technologies are transforming economies and societies, while the increasing demand for energy and resources is placing pressure on environments and communities. The computing power required for AI is projected to increase by more than a million times over the next few years.[23] Metals and minerals are particularly critical to this transformation and to the clean energy transition. Rare earth element demand is expected to grow fourfold by 2040.[18] The world needs best practice and just transitions to prevent further degradation of the environment and to support communities, while ensuring a sustainable supply of metals and minerals.

The challenges are clear, as are many of the solutions. Responding to these integrated crises requires integrated solutions that bring benefits for people and planet. While many of the solutions are at hand, the political will and financial resources must step up to match them.

Reference:

1. WMO (2024). State of the Global Climate Report.

2. IPCC (2022). The 6th Assessment. Impacts Adaptation and Vulnerability.

3. UNEP (2023). Adaptation Gap Report: Underfinanced, Underprepared – Inadequate investment and planning on climate adaptation leaves world exposed.

4. IPBES (2024). Summary for policymakers of the thematic assessment of the interlinkages among biodiversity, water, food, and health.

5. Sayer, C.A., Fernando, E., Jimenez, R.R. *et al* (2025). One-quarter of freshwater fauna threatened with extinction. *Nature* 638, 138–145.

6. WWF (2024). Living Planet Report 2024 – A System in Peril.

7. Forest Pulse: The Latest on the World's Forests. Global Forest Review, 2024, update 8. Washington, DC: World Resources Institute. Available online at https://research.wri.org/gfr/global-forest-review.

8. UNEP (2024). Global Resources Outlook 2024: Bend the Trend – Pathways to a livable planet as resource use spikes.

9. UNCCD (2024). Global Call for Land's Sustainable Future.

10. UNCCD (2022). Global Land Outlook.

11. UNCCD (2024). Investing in land's future: Financial needs assessment for UNCCD.

12. Burrell, A.L., Evans, J.P., and De Kauwe, M.G. (2020). Anthropogenic climate change has driven over 5 million km^2 of drylands towards desertification. *Nat Commun* 11, 3853.

13. LANCET (2024). Our environment, our health. *The Lancet Public Health,*9(7), e411.

14. UNEP (2024). Global Waste Management Outlook.

15. UNITAR, ITU and Foundation Carmignac (2024). The Global e-waste Monitor 2024.

16. UNEP (2023). Bracing for Superbugs.

17. ENA (2024). Renewable Energy and Jobs.

18. IEA (2024). World Energy Outlook 2024

19. Purely from the cost of generation, renewable energy is relatively cheaper than electricity produced using fossil fuels. However, when including affordability as a consumption issue, the intermittency of renewable energy may require storage to ensure a reliable supply. As such, the cost of supply may not be as cheap in comparison.

20. UNEP-CCC (2024) and Climate Technology Centre and Network (CTCN). Climate Technology Progress Report 2024: Unleashing Renewable Energy for Ambitious NDCs.

21. OECD (2019). Biodiversity: Finance and the Economic and Business Case for Action. Ecosystem services refer to those delivered by biodiversity, such as crop pollination, water purification, flood protection and carbon sequestration.

22. UNEP (2023). State of Finance for Nature.

23. Zhu, S., Yu. T, Xu T., Chen, H., Dustdar, S., Gigan, S., Gunduz, D., Hossain, E., Jin, Y., Lin, F., *et al.* (2023). Intelligent Computing: The Latest Advances, Challenges, and Future. *Intelligent Computing,* 2, 0006.