

Harmonization of Environmental Expenditure Information with OECD/Eurostat Standards: Kyrgyz Republic



Project Overview

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Project is implemented by:

- **OECD:** EAP Task Force
- **Government of the Kyrgyz Republic:**
Supervisory groups headed by senior officials from the Ministry of Ecology and Emergencies and the National Statistical Committee
- **Metroeconomica:** International and local consultants



Project Objectives

Immediate Objectives:

- Create more reliable environmental expenditure information in the Kyrgyz Republic consistent with the international standards and classifiers
- Provide information necessary for policy-making affordable for the Ministry of Ecology and the National Statistical Committee
- Conduct comprehensive assessment of existing information systems and provide advice on their further enhancement.

Existing Environmental Expenditure and Quality Control Information System

NSC KR

F No. 4-OS (425 ent.)
F No. 18-KS (4-5 ent.)

Arithmetic, logical,
subjective

Main Computer
Center (MCC)

Statistical
publications on the
state of environment,
additional studies

Collection of statistics

Quality control

Data processing

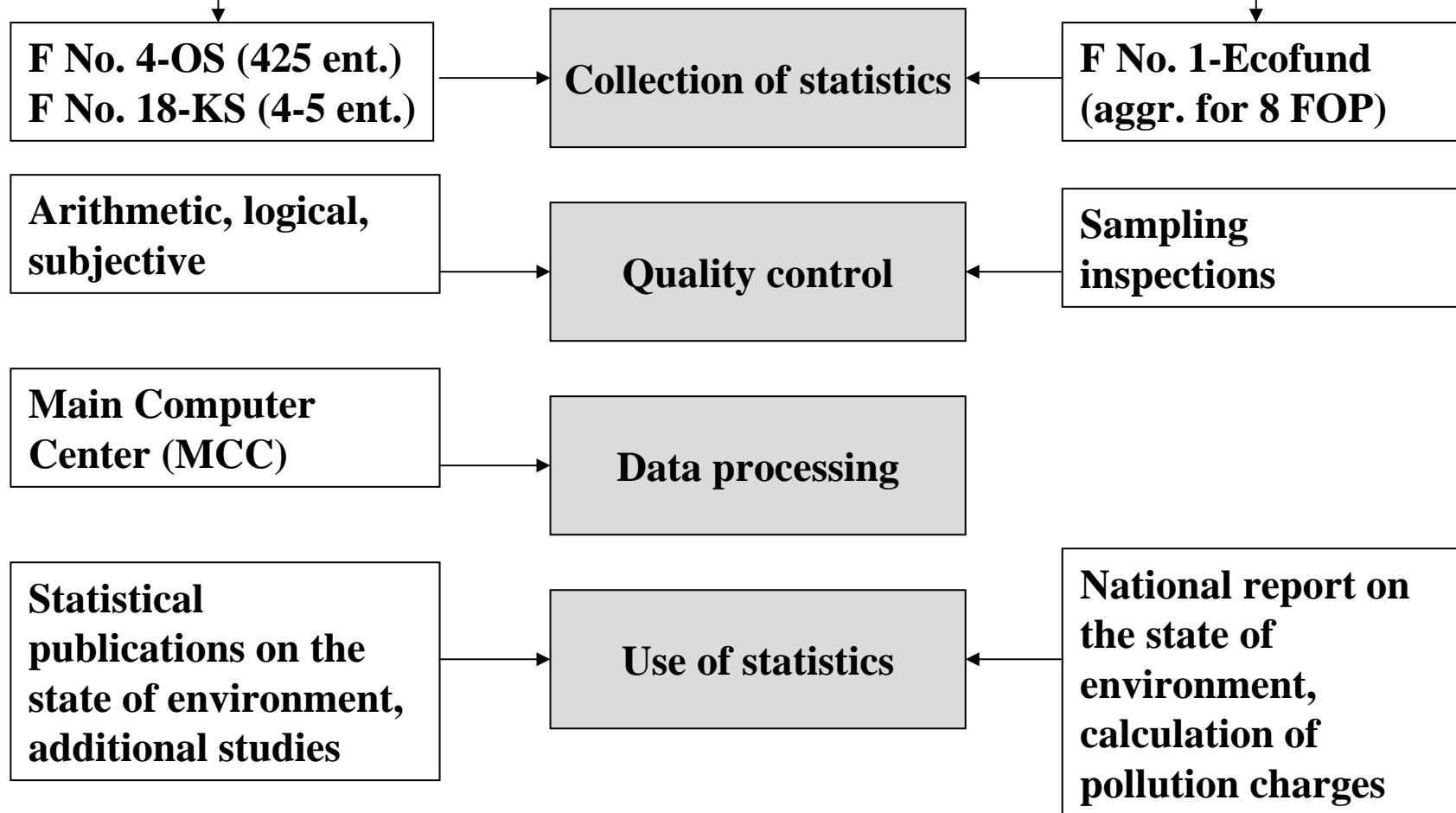
Use of statistics

MEE KR

F No. 1-Ecofund
(aggr. for 8 FOP)

Sampling
inspections

National report on
the state of
environment,
calculation of
pollution charges





Launching meeting took place on 8 July 2004 on the occasion of the project launch

A **Steering Committee** (SC) was set up, comprising 11 members, including OECD and Metroeconomica representatives. It is co-chaired by the MEE and the NSC management representatives.

The task of the SC is to monitor the progress of the project and to manage its consultants. The SC members also review the quality of the main reports and other outcomes of the project.



First meeting of the Steering Committee was held on 5 January 2005

Objective of the Steering Committee meeting: discuss and develop recommendations and proposals regarding the **draft Inception Report** prepared based on the first stage of the project by the international consultants (Metroeconomica) and local experts.

The meeting considered recommendations and proposals regarding the draft Inception Report and further implementation of the project.



Inception Report:

- Considers and analyzes existing information systems in Kyrgyzstan
- Evaluates existing systems, reliability of collected data and their compliance with the international OECD/Eurostat standards; evaluates possible problems faced
- Provides an overview of environmental expenditure information developed by the OECD/Eurostat and related projects implemented in EECCA
- Conducts a survey of 20 industries
- Formulates concrete proposals to reform and improve existing information systems



Main Methodological Differences between the Kyrgyz Republic and OECD/Eurostat Information

- Continuous record-keeping in the KR versus sample surveys
- Definition of environmental expenditure similar to PPC (pollution prevention and control) is not used in the KR
- Environmental expenditure is interpreted more broadly than PPC and includes some expenditure related to management of environmental resources.
- No regular detailed reporting on government expenditure is in place in the KR



Recommendations to Reform and Enhance Existing Information System

- Convert to Classification of Environmental Domains based on OECD/Eurostat system in order to fill data gaps and eliminate differences in definitions
- Data collection by sector of economy is feasible given common features of the classifications used by the OECD/Eurostat and the KR
- Convert to statistical reporting “by expenditure type” consistent with the OECD/Eurostat methodology
- Introduce reporting based on abater and financier principle
- Analyze to what extent the reforms could be consistent with the definitions of the environmental pollution expenditure accounts (EPEA) within the framework of the European SERIEE system.
- Develop public sector data collection techniques at the level of oblasts and local administrations
- Improve coverage by statistical reporting to include industries which have no environmental funds, but are engaged in environmental activities



Current Project Implementation Phase

- Development of new report forms and guidelines on filling them out
- Procedural guidelines on the collection, verification, processing, and dissemination of environmental expenditure information
- Computer tools for environmental expenditure information and respective user manual
- Training on developments in methodology and definitions for the NSC and the MEE of the KR
- Implementation of the first data collection and processing cycle
- Revision of data collection and processing procedures

Proposed Project Implementation Time Schedule

Month	1/2005/	2/2005	3/2005	4/2005	5/2005	6/2005	7/2005	8/2005	9/2005
Development of report forms and procedural guidelines									
Computer tools and manual									
Training for NSC and MEE staff									
First data collection and processing									
Revision of procedures									
Draft reports									
Final reports									
Regional workshops									