

Progress in Reforming Environmental Policies, Regulations, and Institutions in EECCA

Kiev, 18 May 2006

Aim of this presentation

- **Introduce activities under Objective 1 of the Strategy**
- **Identify possible key messages for the Belgrade report**
 - Achievements
 - Challenges
 - Driving forces
- **Serve as a basis for discussion**
- **Views expressed represent a personal opinion**

Strategic Areas

- **Second Generation of Environmental Planning**
- **Regulatory Framework**
 - Environmental standards
- **Policy Instruments**
 - Impact assessment and permitting
 - Natural resources taxes, subsidies, and pollution charges
 - Damage compensation and insurance
- **Implementation**
 - Compliance promotion
 - Compliance monitoring and administrative enforcement
 - Judicial enforcement
- **Institutions**
 - Interagency cooperation
 - Institutional capacity
 - Better technical assistance

Progress in EECOA: Achievements

- **Increasing emphasis on sustainable development and consideration of environmental matters within development strategies**
- **Second cycle of regulatory development and attempts to streamline legislation**
- **Growing understanding of the need to make regulatory requirements feasible**
- **More importance attributed to policy implementation and law enforcement**
- **Adoption of integrated permitting and inspection**
- **Introduction of innovative instruments, e.g. SEA or industry ratings**
- **More transparent institutions**
- **“Greening” of export-oriented companies**

Progress in EECCA: Barriers

- **A gap between political declaration and the reality of environmental management**
- **Ad-hoc (often donor-driven) policy making and incoherent regulatory framework**
- **Weak environmental authorities with limited resources**
- **Institutional “reform” reduced to changes in organisational charts**
- **Low capacities at the sub-national level**
- **Poor horizontal and vertical coordination**
- **Lack of incentives for the regulated community to comply with environmental legislation**
- **Insufficient accountability**

Driving Forces

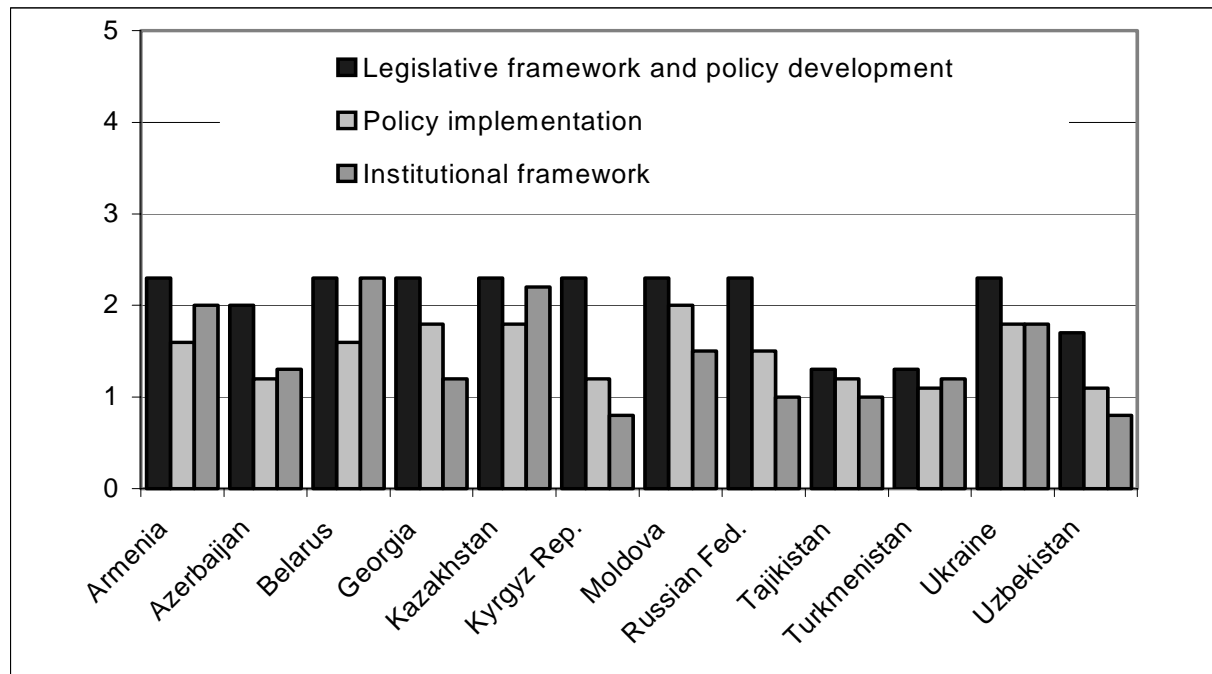
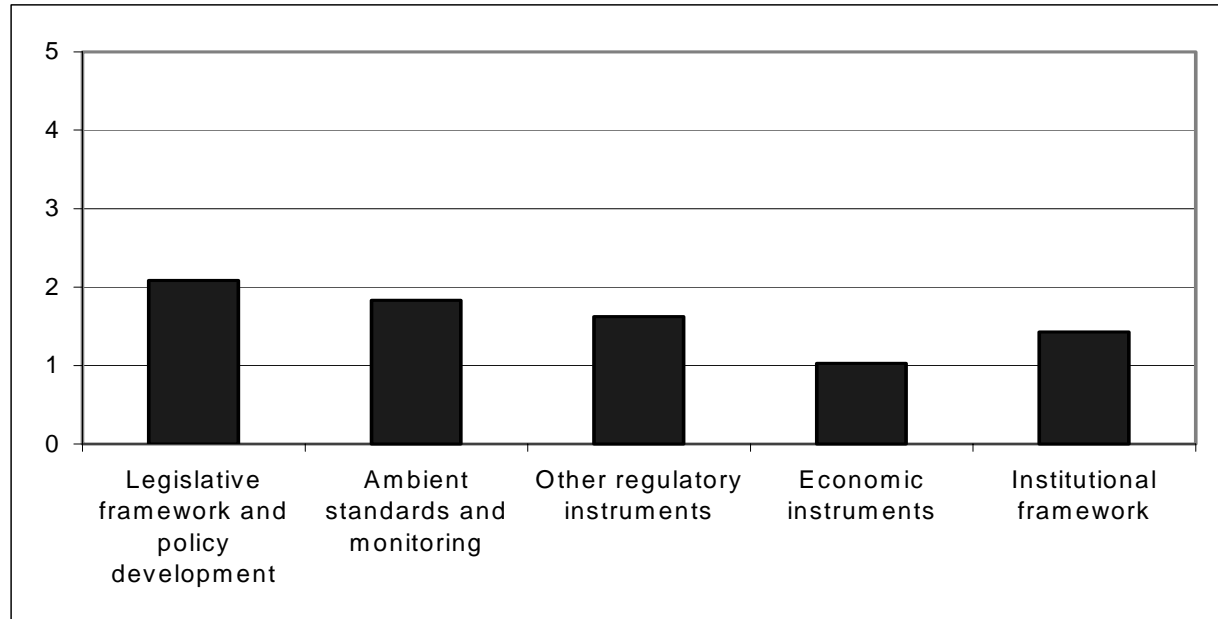
- **The need to prevent economic losses due to mismanagement of the environment**
- **Demands from the civil society**
- **European integration and convergence with the EU environmental directives**
- **New political leadership in environmental ministries**
- **Trade and investment, in particular when partners are from countries with higher environmental standards**
- **Public sector reform and introduction of new tools of management, e.g. performance-oriented budgeting**

Proposed Mechanisms of Progress Assessment

- **Dialogue with governmental and non-governmental stakeholders**
 - Meetings, including the annual REPIN meeting
 - Personal communication
 - E-discussions
- **EECCA Strategy Assessment Questionnaire**
- **Quantitative indicators and Policy Rating**
- **Assessment of progress with implementation of the “Guiding Principles for Reform of Environmental Enforcement Authorities”**

Possible quantitative indicators

- **Number of enterprises operating under the integrated/consolidated permitting system out of total identified;**
- **Compliance rates: percentage of enterprises in compliance with environmental permits and other requirements in selected sectors;**
- **Number of enterprises actively participating in information-based schemes/seeking compliance assistance;**
- **Amount of pollutants reduced through enforcement;**
- **Number of environmental agency staff trained per year.**



RESULTS OF 2004 RATING

Case studies

- **Environmental standards (Moldova)**
- **Integrated Permitting (Georgia, Kyrgyzstan, Ukraine)**
- **Economic Instruments (Armenia, Russia)**
- **Funding of Enforcement Agencies (Kazakhstan)**
- **Compliance Promotion (Russia, Ukraine)**
- **Strengthening Enforcement Agencies (Georgia, Kazakhstan)**

Discussion Points

- **Are all messages identified in this presentation valid?**
- **Has there been significant progress/regress in any area identified by the strategy? If not, what is hindering progress?**
- **How can information gathering be improved to assess progress with strategy implementation? What kind of quantitative information could be collected to reflect progress?**