

# EAP Task Force

## Document 12

### **Joint Meeting of the EU Water Initiative's EECCA Working Group and the EAP Task Force Environmental Finance and Water Networks**

*29 March –1 April 2005, Chisinau, Moldova*

**CONFERENCE OF ENVIRONMENT MINISTERS  
FROM EASTERN EUROPE, CAUCASUS AND CENTRAL ASIA  
AND THEIR PARTNERS  
TBILISI, GEORGIA  
21-22 OCTOBER 2004**

**Summary by the Conference Chair,  
Ms Tamar Lebanidze  
Minister of Environment Protection and Natural Resources of Georgia**

*Participants are invited to take note of the document and to comment on the appropriateness of using a similar format for the output of the Moscow Ministerial Conference.*

*ACTION REQUIRED: For information and discussion.*

The Georgian government was honoured to host this meeting of Ministers of Environment of Eastern Europe, Caucasus and Central Asia (EECCA) countries and their Partners in Tbilisi on 21-22 October 2004. Following the decision of Environment Ministers at the Kiev “Environment for Europe” Ministerial Conference, we met to discuss how we could strengthen efforts to achieve the objectives of the EECCA Environment Strategy. More than 150 representatives from all stakeholders participated.

### **Focusing on achieving results**

I believe our meeting has given a new impetus to implementation of action programmes and partnerships for improving the state of environment and the quality of life of citizens in the countries of EECCA. Partners have recognised that much remains to be done, but we have reaffirmed our commitment to achieving the objectives of the EECCA Environment Strategy – a strategy that EECCA countries initiated, and for whose implementation we bear the main responsibility. The current environmental situation in the region demands it.

The Georgian Prime Minister, Mr Zhvania, opened the meeting by emphasizing the challenges that transition countries like Georgia face: we must re-build the economy including the system of public finance, establish the rule of law, fight corruption, and fundamentally reform our institutions. In this context, Governments must recognise the high costs that our peoples will bear if we do not adequately address environmental issues, and mobilise public support for this goal. He also stressed that environment was not just an issue for Environment Ministries but for the government as a whole. The World Bank representative reinforced the importance of mainstreaming environment in national decision-making.

To achieve results, EECCA countries need to address existing barriers and take advantage of new opportunities. Only one year has passed since the adoption of the Strategy so it is difficult to assess the Strategy’s impact, but it is clear that our countries need to renew our current efforts if the Strategy objectives are to be achieved.

### **Facing a cross-roads**

Environmental degradation in our region is serious, and the consequences are not limited to our sector: environmental degradation has important links to human health, poverty, economic growth and protection of our natural heritage. While different countries face different problems, across the region problems keep worsening due to the deterioration of environmental infrastructure and the pressures associated with renewed economic growth. Analytical work undertaken by OECD and other organisations offers a clear picture of the worrying situation. Environment does not receive the priority it deserves in national decision-making, and EECCA Environment Ministries should present stronger arguments to support their case.

Several new opportunities are emerging. Renewed economic growth provides room for additional national investment efforts on environmental protection. EU enlargement could become a beneficial influence, for the new neighbours, including through knowledge transfer from countries that share historical traits with our region – TACIS support for tailored convergence with EU environmental standards provides an example. The new international development agenda (including the Millennium Development Goals, MDGs) potentially offers an important lever for promoting policy integration – Denmark provided us with some valuable recommendations on how we might work more effectively to achieve the water-related MDGs within the framework of the EU Water Initiative, and the European Commission underscored the importance of the active participation of EECCA countries in the next phase. Environment can also provide opportunities for co-operation between countries where tensions exist. I hope that there will also be increased opportunities for cooperation within the Kyoto Protocol.

I believe that the EECCA Environment Strategy itself provides an important opportunity for our countries. Since 2002, more than 300 environmental partnerships have been elaborated that are related to this initiative. We heard of many experiences, but we need to analyse them and draw lessons on what works well and less well. We also need to identify gaps where further efforts are needed. Agriculture and forestry, and more generally, sectoral integration are areas that require further attention.

Some of our countries have taken significant measures to reform environmental policies and mobilise financial resources for environmental issues, in some countries comparable to OECD countries as a percentage of GDP. However, most is from public budgets. Better enforcement of environmental regulations is needed to provide the incentives for greater expenditures by the private sector. More innovative approaches for mobilising finances are also needed, and we heard about efforts by Georgia and the Kyrgyz Republic to develop debt for environment swaps. The US emphasized the importance of accessing local capital and financial markets.

At the same time EECCA countries recognised that additional finance without policy and institutional reform would probably lead to a waste of resources. EECCA Environment Ministers recognised that we must build the institutional capacity to tackle our problems ourselves. The need to identify fewer and clearer priorities and set realistic targets, for our own needs and to identify opportunities for partnerships, was a recurrent theme in the Conference. In this connection, the Environment Minister of Moldova and some of his colleagues suggested a hierarchy of priorities: (i) mitigating risks of a global nature that affect all EECCA countries, including climate change; (ii) reducing impacts on human health and the environment; (iii) protecting biodiversity, (iv) reforming legal frameworks, and (v) promoting environmental education.

### **Leading a joint effort**

Sustainable development is a joint responsibility for all members of society – not only governments. Nevertheless, EECCA Environment Ministers recognised that we must show more leadership in this regard. We must also do more to implement the conclusions of the 2002 Johannesburg World Summit on Sustainable Development that called for multi-stakeholder partnerships to address critical challenges. The US provided us with some examples of the benefits that are being gained through the implementation of this approach in the EECCA region. However, Azerbaijan reminded us that partnerships were not a panacea or substitute for governmental action.

In this regard, we welcome the increasing activity of the NGO community in the region. They have been instrumental in developing the EECCA Environment Strategy. NGOs were involved in 25% of the environmental partnerships implemented since 2002. They submitted a stimulating and challenging paper for our discussion. EECCA Environment Ministers recognise their capacity and respect their role. We share their concern about unjustified restraints on their activities. We must continue improving the way in which we work with them. We hope that we can work together on reaching out to other stakeholders – including line ministries, non-environmental NGOs and the private sector. At the same time, it was pointed out that if NGOs were to be sustainable in the long-term, they need to strengthen their base in popular support and become less dependent on financial support from governments and donors.

EECCA Environment Ministries also recognised that the involvement of the private sector in environmental management has been too limited. Our relations have often been too confrontational. At the same time, we heard of examples where private companies have taken advantage of lax environmental enforcement, rather than complying with international standards. EECCA countries must develop new ways of working, and new partnerships, with the private sector to ensure compliance with environmental standards. The adoption of clear and reasonable environmental standards is important both for environmental protection and business activity. The participation of the private sector in our meeting, the

first structured dialogue between EECCA Environment Ministers and the private sector, is an important first step.

Participants recognised the important role that RECs are playing in supporting multi-stakeholder cooperation, capacity building and knowledge transfer. EECCA and partner countries encouraged the RECs to play a more active role in supporting EECCA countries to achieve the objectives of the EECCA Environment Strategy. The European Commission urged both sets of countries to renew their political support for RECs in this regard.

### **Overcoming barriers to enhanced East-West co-operation**

EECCA countries very much appreciate the participation of partner countries in the Conference. We are particularly indebted to Mr van Geel, from the Netherlands who is currently President of the EU Council of Environment Ministers. In his opening remarks he reminded us of the value of the “Environment for Europe” process which is unique because of its pan European, participatory character. EECCA countries look forward to working more closely with EU members through the new cooperation instruments that the EU is developing, and through the transfer of know-how and experience, especially from the new Members with whom we share some common historical experiences. EECCA countries also warmly welcomed the positive cooperation of partner countries that are not EU members, particularly Norway, Switzerland and the US.

Our meeting put special emphasis on capacity building. Ministers stressed that countries value knowledge transfer and institutional strengthening above financial aid. One practical way of working together is through “twinning”. In this connection, participants welcomed the new initiative announced by the European Commission to establish a twinning programme within the framework of TACIS. The new programme, which should be underway by early 2005, will provide government-to-government support for institutional, legal and administrative reform, without involving private consultants. This approach proved very effective for the new Members of the EU.

Other approaches include participation in international networks, and the elaboration and dissemination of international guidelines and best practices. Demonstration projects also have an important role to play to facilitate knowledge transfer through “learning by doing”.

EECCA countries must do more to overcome barriers to enhanced co-operation, including the low priority assigned to environment in national development strategies; low project management capacity; and corruption. We also heard that donors could do more to improve the effectiveness and coordination of their assistance programmes.

### **Taking full advantage of regional and sub-regional co-operation**

By providing support for mutual “learning by doing”, EECCA-wide co-operation provides effective and efficient support for the reform of environmental institutions and policies. EECCA countries appreciate the support provided by the EAP Task Force, the PPC, UN agencies (including work related to Conventions) and other international bodies to support the achievement of specific EECCA Environment Strategy objectives.

Sub-regional co-operation also provides opportunities for achieving the objectives of the EECCA Environment Strategy. The Strategy emphasizes the importance of transboundary environmental issues. Disputes over natural resource use and management between countries can fuel existing regional tensions. At the same time, environmental issues can often offer a “soft” entry point for sub-regional co-operation when other topics and issues are too politically sensitive. By engaging in targeted sub-regional

environmental co-operation we can contribute to improve security for our citizens, cost-effectively achieving shared environmental goals, and open new avenues for promoting policy integration. More effective approaches need to be developed to overcome institutional and financial obstacles to sub-regional cooperation, perhaps including the establishment of regional funds. We appreciate the work of the Regional Environment Centres and international organisations in supporting sub-regional co-operation, as well as the UNEP/OSCE/UNDP Environmental Security Initiative.

### **Moving forward**

The bottom-line is that EECCA countries must take the main responsibility and ownership for implementation of the EECCA Environment Strategy. We must build on our existing strategies and programmes but we recognise the need to set clearer and more realistic priorities and, as far as possible, targets and timetables – to encourage good environmental governance within our countries and to provide guidance to our partners on where we might most usefully develop partnerships. We will work closer with other sections in society – being realistic on what can be achieved, and respectful on the needs of the different partners. We will renew our efforts in engaging other ministries in our common quest for sustainable development.

I am confident that we have the basis for achieving significant progress by the time of the next “Environment for Europe” Conference, in 2007. To help us in this regard we call upon the EAP Task Force to continue its efforts to facilitate and support the achievement of the objectives of the EECCA Environment Strategy, and to develop a programme of work to this end in light of our discussion. I would also invite the PPC, Facilitating Organisations and RECs to assess how they could strengthen their efforts to support EECCA countries to achieve specific objectives of the EECCA Strategy.

Finally, I propose to transmit my summary of the Tbilisi Conference to the UNEP Working Group mandated to prepare an Intergovernmental Strategic Plan for Technology Support and Capacity Building. The EECCA Environment Strategy outlines the key objectives and areas for action for which we require technology support and capacity building.