ENVIRONMENT DIRECTORATE
ENVIRONMENT POLICY COMMITTEE
TASK FORCE FOR THE IMPLEMENTATION OF THE ENVIRONMENTAL
ACTION PROGRAMME FOR CENTRAL AND EASTERN EUROPE, CAUCASUS
AND CENTRAL ASIA

Draft Summary Record: 2015 ANNUAL MEETING OF THE EAP TASK FORCE

7-8 October 2015
Tashkent, Uzbekistan

Contact(s):
Kumi KITAMORI, Head of Division, Kumi.KITAMORI@oecd.org, +(33-1) 45 24 92 02
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1. The Annual Meeting of the Task Force for the implementation of the Environmental Action Programme (EAP Task Force) was held on 7-8 October 2015 in Tashkent, Uzbekistan. It was hosted by the State Committee for Nature Protection of Uzbekistan. The meeting was co-chaired by Mr. Jürgen Keinhorst (Germany) and Mr. Teimuraz Murgulia (Georgia).

Wednesday, 7 October 2015

1. Welcome and approval of the draft Agenda

2. The Task Force:
   - Took note of the opening statement by Mr. R. Fayziev, First Deputy Chairman of State Committee for Nature Protection of Uzbekistan, in which, among other things, he confirmed his country’s continued interest in participating in the work conducted under the EAP Task Force umbrella;
   - Took note of the Summary Record of the 2014 annual meeting of the EAP Task Force [ENV/EPOC/EAP/M(2014)3].

2. Introduction session: “Environment for Europe” Ministerial Conference (Batumi, June 2016) -- contributions from the EAP Task Force

3. The Task Force:
   - Noted the update by Georgia on the preparations for the “Environment for Europe” Ministerial Conference;
   - Took note of presentations by Ms. Martin Rohn-Brossard (Switzerland), Ms. Nina Schneider (UNEP) and Ms. Maria Teresa PISANI (UNECE), in particular the Pan-European Green Economy Strategic Framework and the Batumi Action Plan for Cleaner Air as planned outcomes of the Batumi Ministerial Conference;
   - Took note of the Secretariat's proposal on possible contributions by the EAP Task Force to the next “Environment for Europe” Ministerial Conference (Batumi, 8-10 June 2016) as presented in the document [ENV/EPOC/EAP(2015)7REV];
   - Welcomed the plans for the OECD presence at the Director level during the plenary sessions of the Batumi Conference;
   - Agreed to organise side event(s) and have the OECD/EAP TF stand.

3. Access to private finance for green investments

4. The Task Force:
   - Took note of Ms. Nelly Petkova's (OECD) presentation on the project on access to private finance for green investments, which outlined the context and objectives of the project;
   - Noted the presentation by Matthew Savage (Oxford Consulting Partners) which outlined the preliminary results of the review of the experience of the Export-Import Bank of Ukraine (Ukreximbank) with financing green investments in the corporate and industry sector in Ukraine. Ukreximbank currently holds the largest portfolio of IFI-supported environmental credit lines, and has developed substantial in-
house capacity to identify, appraise and finance green investments, particularly industrial energy efficiency projects;

- Discussed the role of governments and public policy in creating demand for green investments and providing stronger incentives for domestic commercial banks to invest in green projects;
- Took note of the interventions by the EAP Task Force members, including on the need to pay attention to social aspects, Germany’s support for Ukraine to design a financial mechanism to reallocate savings from reduced energy subsidies to support investments in energy efficiency, and Azerbaijan’s efforts to enhance energy efficiency to support the shift to a green economy.

4. Creating market incentives for greener products

5. The Task Force:

- Took note of Mr. Brendan Gillespie's (independent consultant) presentation which introduced the policy manual, “Creating market incentives for greener products”. Mr. Gillespie then summarised recent OECD work on extended producer responsibility (EPR), one of the four instruments examined in the policy manual. A review of OECD country experience with EPR schemes, including updated guidance, will be available in Q2 2016;
- Suggested that translating the report into Russian could help to disseminate the results of this work to the region covered by the EAP Task Force;
- Noted the presentation by Ms. Manuela Gheoldus (Bio-Deloitte) who presented the results of a review of EPR schemes within the EU. The presentation was largely consistent with findings of the OECD study, notably on the need for better reporting and greater transparency;
- Raised the issues related to the spatial coverage of EPR schemes, including the importance of sufficient population density to ensure their financial viability and the limited use of voluntary rather than mandatory approaches;
- Noted that the framework set out in the policy manual, “Creating market incentives for greener products” had been applied in two countries, Moldova and Ukraine. The resulting studies included recommendations on both product taxes and EPR;
- Took note of Mr. Fedorenko's (Ukraine) presentation on the findings regarding EPRs in his country. Mr. Fedorenko informed about several laws and regulations that had been adopted regarding EPRs for a range of products such as packaging, waste oil, end-of-life vehicles, tyres and batteries. However, the results achieved were limited and the pilot study recommended that additional legislation was required, reflecting the EPR principles embodied in EU Directives, and covering the same product groups;
- Noted the presentation by Ms. Vera Mustafina from "KazWaste", a waste management association of Kazakhstan, which informed about the current status of implementation of EPR principles in Kazakhstan;
- Recognised that carrying out similar case studies in Central Asian countries would be useful, dependent on the provision of sufficient resources as well as country demand, and noted EAP Task Force members' comments on relevant country and regional experiences including Georgia's need for pilot projects to accompany its new regulations on waste.

5. Progress report and planned activities: Policies for greening growth

6. The Task Force:

- Took note of the Secretariat report on progress made on "Policies for Green Growth" part of the work programme since November 2014, the activities planned for 2016 and the current budgetary situation for this part of the programme reflected in the document [ENV/EPOC/EAP(2015)13];
- Welcomed the organisation of side event on energy subsidies in the EaP countries during COP 21 planned for 8 December 2015 in Paris;
Took note of the positive feedback expressed by the Task Force members on the EAP Task Force work conducted in the EECCA countries, stressing the importance of the projects on greening small and medium sized enterprises, energy subsidies, green growth indicators and access to finance for green investment;

Expressed gratitude to Germany, Kazakhstan, the Netherlands, Norway, Switzerland and the European Union for their financial support which allows the implementation of all activities planned in this part of the work programme for October 2015-September 2016.

Thursday, 8 October 2015, starting at 09:00

6. **Benefits of trans-boundary cooperation on water management**

7. The Task Force:

- Welcomed the feedback from the special session on water resource management held prior to the Task Force meeting on 6 October 2015 for Uzbek counterparts and interested donors;
- Noted the presentation by Ms. Tamar Aladashvili (Georgia) and Ms. Tatiana Efimova (OECD) which presented the results and lessons learned from the project that evaluated the benefits of transboundary cooperation in the shared river basin of Kura river in Georgia and Azerbaijan;
- Took note of the UNECE’s comment on the need to adjust some tables in a final version of the report;
- Took note of the interventions by the EAP Task Force members on the challenges with data availability and the need for better flow of information;
- Recognised the importance and relevance of trans-boundary cooperation for the entire region and value added of such co-operation.

7. **Water Supply and Sanitation in Small Towns and Rural Areas**

8. The Task Force:

- Noted a presentation from Ms. Assel Akkushkarova (Kazakhstan) and Mr. Alexander Martusevich (OECD) who presented the results of a project that assessed existing business models for water supply and sanitation in small towns and rural areas in Kazakhstan and recommended a wider use of the Rayon Vodocanal (water utility) model jointly with several complementary models (community-based management and small-scale private operators of rural water supply and sanitation systems), and Rayon master plan for water supply and sanitation as a key planning document;
- Took note of the interventions by the EAP Task Force member, especially those by the EECCA countries and partner organisations active in the region, including on the challenges related to issues such as administrative and operative boundaries and tariff setting that addresses both cost recovery and water use efficiency;
- Supported the possibility of extending the analysis to other EECCA countries, should there be demand from countries and funding availability.

8. **Progress report and planned activities: Strengthening water management**

9. The Task Force:

- Took note of the Secretariat report on progress made in implementing the “Strengthening Water Management” part of the EAP Task Force work programme since November 2014, the activities planned
for 2016 and the current budgetary situation for this part of the programme reflected in the document [ENV/EPOC/EAP(2015)13];

- Took note of the positive feedback expressed by the Task Force members on the EAP Task Force work conducted in the EECCA countries, stressing the importance of the projects on water management, water sanitation and transboundary issues;
- Noted the concern of the Secretariat about the funding of the projects in the Central Asian region and in Uzbekistan in particular, after June 2016;
-Expressed gratitude to Germany, Finland, Kazakhstan, Norway, Switzerland and the European Union for their financial support which allows the implementation of all activities planned in this part of the work programme for 2015 and their commitment to continue the funding in 2016.

9. Highlights of ongoing and planned work by RECs

10. The Task Force:

- Noted the presentation by Ms. Ludmilla Kiktenko from Central Asian Regional Environmental Centre (CAREC) which shared information on projects that are synergetic with the OECD-implemented work programme;
- Welcomed CAREC's work during 2015 and the plan to organise a side event and a stand during Batumi Ministerial Conference;
- Took note of the sustainable financial situation of CAREC, which is due to the support provided by the governments of Germany, Norway, USA and others;
- Took note that the representatives of other Regional Environment Centres were not able to attend the meeting.

10. The EAP Task Force beyond the 2016 “Environment for Europe” Ministerial Conference

11. The Task Force:

- Took note of the introduction by the Secretariat on the possible future directions of the EAP Task Force as presented in the updated document ENV/EPOC/EAP(2015)7/REV;
- Noted the intervention by Ms. Kumi Kitamori (OECD), who presented possible options for the future orientation of work, including possible "re-branding", in light of expected outcomes on the theme of "greening the economy in the pan-European region" and other policy priorities;
- Recognised the importance of the work done by the EAP Task Force, its value-added in the region and supported extension of its mandate beyond the Batumi Conference;
- Agreed on the need to "re-brand" the EAP Task Force in line with the increased emphasis on green growth, and the need to reinforce political support for its work; The EAP Task Force members suggested the following options: "Economy-Environment Action Programme (EAP)" and “GREEN (Greening the Economy-Environment Nexus) Action Programme”;
- Suggested that the future orientation of the programme maintain its economics and financing focus, and continue the ongoing work in the three broad areas of environmental policy reforms (including greening industries and green growth indicators), green finance and investment, and water policies for green growth as outlined in paragraph 11 of ENV/EPOC/EAP(2015)7/REV;
- Considered addressing new issues and extending the scope of current work, e.g. air pollution and health linkages to follow up on the Batumi Action Plan on Air, greening of industries including the extractive sector, and policy tools for recycling/circular economy;
- Took note of the need to continue to support countries in Central Asia and the importance of the regional aspect (peer learning among countries) of the programme in addition to country-specific activities;
- Suggested to help the countries in the region to make progress towards relevant SDGs under the 2030 Development Agenda;
- Agreed to take a final decision on the new name and programme areas during the meeting of the extended Bureau scheduled on 22 February 2016 in Geneva, and present those decisions during the special session of the UNECE Committee on Environmental Policy meeting to be held back-to-back.
11. Closing remarks

12. The Task Force:

- Agreed to hold a meeting of the extended Bureau of the EAP Task Force in Geneva on 22 February 2016, the day before the special session of the UNECE Committee on Environmental Policy meeting scheduled for 23–26 February 2016 which will discuss the preparations to the Batumi Ministerial Conference;
- Suggested to hold a post-Batumi Annual meeting of the EAP Task Force (possibly under a new name) in autumn 2016;
- Thanked the participants for their contribution to the discussion and the meeting organizers for hosting the meeting.