GREEN Action Task Force

Draft Summary Record: 2017 Annual Meeting of the Task Force for the implementation of the GREEN Action Programme

26-27 October 2017, Almaty, Kazakhstan

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SUMMARY OF MAIN OUTCOMES AND DECISIONS TAKEN

DAY 1: Thursday, 26 October 2017

ITEM 1. Welcome and adoption of the draft agenda

1. Co-Chair Mr. Sadibekov welcomed the participants and introduced the meeting objectives, i.e. to: review activities implemented since the last Annual Meeting of the Task Force in November of 2016 under the current Programme of Work (2016-2018), identify possible synergies in work carried out by different partners, and discuss priorities for the future Programme of Work (2019-2020).

2. Ms. Kumi Kitamori, the OECD Secretariat, highlighted some recent achievements and ongoing projects of the GREEN Action Task Force (e.g. national policy dialogues on green economy in Kazakhstan, enabling policies for green investment in Georgia, a regional conference on green finance and investment in Brussels, inventory of energy subsidies in EaP countries, re-launch and launch of National Policy Dialogue on Water in Ukraine and Belarus, continued support to water management in Tajikistan and Kyrgyzstan, support to the development of green growth measurement framework in Armenia, Azerbaijan, Moldova and Kazakhstan). She requested that Task Force Members complete and return a questionnaire as an input for the development of a new Programme of Work for 2019-2020.

3. The Task Force adopted the Summary Record of the 2016 Inaugural meeting and the meeting agenda without any change.

ITEM 2. Infrastructure investment and the low-carbon transition

(A) Stranded assets? Implications of the transition away from the "brown" economy

4. The Task Force:
   • Welcomed Ms. Kumi Kitamori’s introductory presentation on stranded assets and implications of the transition away from the “brown” economy;
   • Agreed there is a need for continued cooperation including with local banks in EECCA countries on promoting low-carbon investments, inter alia by building on wider work by the OECD and UN Environment on financial climate risk disclosure;
   • Welcomed the EBRD’s statement that its Green Economy Transition Approach calls for 40% of its lending to be for green projects by 2030, and clarified that it has not financed a single coal project since 2013;
   • Noted the willingness of Task Force member countries to develop pilot projects on the low-carbon transition of the energy sector;
- Noted the need for Central Asian countries to prepare their energy sectors for the expected growth in energy demand, while ensuring that this growth be environmentally and socially sustainable and climate compatible;
- Agreed that the move to a greener economy is already creating stranded assets as well as risks of associated stranded labour in carbon-intensive industries;
- Noted the need to make a regional study on infrastructure investment and the low-carbon transition, to be considered for inclusion in the next Programme of Work.

**(B) Mobilising finance for greener transport**

5. The Task Force:
- Welcomed introductory presentation by Ms. Nelly Petkova, OECD, on the results of the projects on mobilising finance for greener transport in Kazakhstan and Moldova;
- Agreed that the transport is an important and growing cause behind deteriorating urban air quality in the region;
- Noted that public funds should play an important role in the transition to clean urban transport;
- Shared experiences (e.g. with gas, fuel quality, electric vehicles/EVs) from ongoing projects and policies on clean urban transport implemented in the EECCA region and in OECD countries (Moldova, Kazakhstan, Armenia, Slovak Republic, Norway, Belarus);
- Noted the importance of "electro-mobility" and the need to prepare the energy sector for this transition but recognised that EVs may still have negative impacts in countries where the major source of electricity is coal.

**(C) Increasing economic value of multi-purpose water infrastructure**

6. The Task Force:
- Welcomed the introductory presentation by Mr. Matthew Griffiths, OECD, on increasing the economic value of multi-purpose water infrastructure (MPWI);
- Agreed on the potential of reusing obsolete water infrastructure for other purposes;
- Welcomed the tangible results of the pilot project particularly with regard to crop production that could be replicated in other countries;
- Acknowledged the role that MPWI can play in addressing the water-food-energy nexus issues.

**(D) The Belt & Road Initiative: Implications for Eurasia**

7. The Task Force:
- Welcomed the introductory presentations by Ms. Kumi Kitamori, OECD, Mr. Vincent Benezech, OECD/ITF and Mr. Rowan Palmer, UN Environment, on the Belt & Road Initiative and its implications for Eurasian region;
- Recognised the potential economic benefits of the BRI for the region as well as the possible negative environmental footprint it might have;
- Acknowledged that BRI investments are not only in energy and transport infrastructure but also for industrial parks;
- Highlighted the opportunities BRI could provide for the transition to a greener economy if infrastructure investment projects are implemented in environmentally and socially responsible manner via due public consultation;
- Agreed on the importance of supporting national capacity in the Eurasian countries by making use of existing international Conventions and Principles (e.g. Espoo, Aarhus and Helsinki Conventions of the UNECE, Responsible Business Conduct/MNE Guidelines, Principles on Infrastructure Governance of the OECD) as well as linking to the BIG-E, SDGs and Paris Agreement;
- Underlined the importance of “soft” supporting policies including e.g. comprehensive transport planning (road, aviation, rail), trade facilitation, customs, and visas.

ITEM 3: “Batumi talk show: scoring SDGs through action on green economy”

8. The Task Force:
- Welcomed the interventions by Ms. Natalia Alekseeva, UN Environment and Mr. Nicholas Bonvoisin, UNECE, on sharing experience from implementing the Batumi Initiative on Green Economy (BIG-E) commitments;
- Noted the information provided by Georgia, Kazakhstan, Moldova, Switzerland, CAREC and the Turkmen office of the Interstate Committee on Sustainable Development on the implementation of BIG-Es.

ITEM 4: Strengthening water management and increasing productivity of key sectors (including agriculture)

(A) Highlights of the implementation of the 2016-2018 Programme of Work

9. The Task Force:
- Welcomed the presentation by Mr. Matthew Griffiths, OECD, who presented the progress made in implementation of the 2016-2018 Programme of Work;
- Noted the lack of funds for future projects in Central Asia and encouraged the Task Force member countries to consider this issue;
- Welcomed the joint work of the OECD and UNECE under the EUWI and EUWI plus.

(B) Using economic instruments and analysis for improving water and land productivity and achieving policy coherence

10. The Task Force:
• Welcomed the presentation by Mr. Alexander Martoussevich, OECD, and Mr. Karl Anzelm, Head of the South Kazakhstan Hydrogeological Agency on using economic instruments and analysis for improving water and land productivity and achieving policy coherence;

• Noted the comments made by countries and partner organisations, in particular:
  o The possibility of replication of the project in other countries and its affordability.

(C) Measuring and improving water security

11. The Task Force:

• Welcomed the presentation by Mr Abdybai Dzhailoobaev, Manager of the National Water Partnership of Kyrgyzstan on measuring and improving water security;

• Noted the comments made by countries and partner organisations, in particular:
  o The possibility of replication of the project in other countries and its affordability;

(D) Energy, food and water Nexus

12. The Task Force:

• Welcomed the presentations by Mr. Massimo Cozzone, Senior Officer of the Ministry for the Environment Land and Sea of Italy and Ms. Saltanat Zhakenova, Project Manager of CAREC on the energy, food and water Nexus.

ITEM 5: Sharing information on planned activities

13. The Task Force:

• Welcomed the presentation by Mr. Shukhrat Ziyaviddinov, OECD, on findings of the mapping exercise carried by the OECD on country and IFI activities, and the presentation by Mr. Nicholas Bonvoisin, UNECE, on the mapping of activities by international organisations in support of greening the economy in the pan-European region;

•Welcomed the joint work by the OECD and UNECE and recognised that the two mapping exercises complement each other;

• Noted the comments on this mapping exercise, in particular:
  o Its role in helping to identify gaps, establish synergies, avoid duplication, inform policy makers, and improve the visibility and impact of development cooperation activities;
  o Different views expressed by members on the frequency of updates of such documents (e.g. annually versus every two years);
  o The need to make the findings available on the GGKP website;
Suggestion to make the document more user-friendly, subject to resource availability.

DAY 2: Friday, 27 October 2017

ITEM 6. Special Roundtable: Institutional capacity for cross-ministerial policy coordination for green growth

14. The Task Force:

- Welcomed the introductory presentations by Mr. Krzysztof Michalak, OECD, and Ms. Natalia Alekseeva, UN Environment, on inter-ministerial policy dialogues on priority aspects of greening the economy at the national level, and support to the development of country-level green growth strategies;
- Noted the presentations by Ms. Lilia Palii, General Secretary of the Government of Moldova, Ms. Irma Kavtaradze, the Deputy Minister of Economy and Sustainable Development of Georgia and Ms. Aliya Shalabekova, Director of Green Economy Department of the Ministry of Energy of Kazakhstan on inter-ministerial committees and processes on Green Economy or Sustainable Development that have been established in their countries;
- Noted that the reorganisation of the Moldovan government structure (number of ministries reduced from 16 to 9) was driven in part by the need to rationalise public budget and attract highly skilled staff; welcomed that the Green Economy Action Plan includes energy efficiency, organic agriculture, regional development/construction, transport and SME development;
- Welcomed the recent establishment of an inter-Ministerial group on green economy and progress made by Georgia in the development of its Green Growth Strategy with a focus on construction, tourism and one additional sector (to be determined); noted the difficulties in securing and retaining skilled staff and the suggestion that project-based fixed-term experts assisted via donor support could be very useful;
- Noted Kazakhstan’s policy coordination mechanism built on the Council on Green Economy established by the President and chaired by Prime Minister, and that its 2013 Green Economy Concept around seven pillars (water, agriculture, energy, air pollution, waste management, energy efficiency, ecosystems management) is now being updated;
- Welcomed Ukraine’s the Reform Support Teams of young professionals with competitive salary to support as advisors inside Ministries funded by the EBRD; noted that Ministry of Environment and Ministry of Energy have had fruitful consultations on environment and climate, and the Energy 2035 Strategy;
- Noted that Belarus, as done in Kazakhstan, raised the green economy issue to the highest level of government to ensure cross-ministerial policy coordination, and adopted a national strategy with priorities including elector-mobility, smart cities, energy efficiency, reduction of energy intensity of GDP, renewables, organic products, sustainable production/consumption, and ecotourism;
• Noted Norway’s experience with its Expert Committee on Green Competitiveness, which involves the business sector and civil society; this resulted in road maps and recommendations for low-carbon actions including for processing industry, commercial transport operators, maritime sector, construction and real estate, leading to a National Report on Green Competitiveness;

• Welcomed Kyrgyzstan’s effort to develop a comprehensive strategy for inclusive green economy, addressing fiscal policy, subsidies, public procurement and other incentives as a follow-up to the National Green Economy Strategy (2013-2017) supported by PAGE; noted the current priority to engage the private sector, and request for OECD support to review ways to mobilise finance (national budgets, international financing mechanism);

• Welcomed the Bratislava Green Economy Process, a new platform set up with academia, civil society, business start-ups, and public administration established on the occasion of the EU Presidency of the Slovak Republic, and its aspiration to become the hub on circular economy, working with IGOs; noted the country’s Environmental Institute for analytical capacity and the need for a cross-ministerial dialogue platform to liaise with Economy and Finance Ministries;

• Noted that Finland has a 24-year history with a multi-stakeholder commission on sustainable development; welcomed a national implementation plan (2017) on SDGs with key themes of carbon neutrality, resource wisdom and equality, with some 40 Indicators under 10 baskets; that Finance Ministry is discussing ‘SD budgeting’ with other ministries; and the “society’s commitment to sustainable development” whereby some 700 public commitments have been made by companies, schools, municipality and also individuals.

ITEM 7. Environmental policy and regulatory tools for green economy

(A) Highlights of the implementation of the 2016-2018 Programme of Work

15. The Task Force:

• Welcomed the presentation by Mr. Krzysztof Michalak, OECD, on highlights from the implementation of the 2016-2018 Programme of Work, linking reform of environmental regulations with the economic growth in Kazakhstan;

(B) Balancing environmental regulations and economic growth

16. The Task Force:

• Welcomed progress made by Kazakhstan on reforming environmental regulations and encouraged the administration to pursue the reform together with stakeholders, including through a new project that will be implemented in 2018-19 on the introduction of the Polluter Pays Principle in with the OECD.

• Welcomed the UNECE’s Environmental Performance Review of Kazakhstan in 2018 and possible contribution to it by the OECD;

• Agreed on the importance of environmental impact assessment (EIA) procedures as well as strategic environmental assessments (SEAs) and welcomed relevant
policies adopted in several countries e.g. Georgia, Ukraine, and Moldova. A similar strategy is under consideration in Armenia:

- Welcomed Kyrgyzstan’s announcement to develop a Green Economy Strategy and noted the willingness of international partners to support this work;
- Noted that the classic models of ‘environmental funds’ of the 1990s are no longer valid today and that it is more important consider using public budget, including from revenues form environmental charges, for leveraging private finance; called on the GREEN Action Task Force to review different types of ‘environmental’ funds in the context of green finance strategies.

(C) Green public procurement

17. The Task Force:

- Welcomed the presentation by Ms. Natalia Alexeeva, UN Environment, on green public procurement (Sustainable Public Procurement);
- Noted progress made in EECCA countries on setting up green public procurements strategies and practices and noted examples of good practices from Scandinavian countries on sustainable consumption and the circular economy.

(D) Green growth and the mining sector

18. The Task Force:

- Welcomed the introductory presentation by Mr. Guy Halpern, OECD, on the planned new work on green growth of the mining sector;
- Noted the importance of this issue for the region and the need to reflect relevant work integrated into the various programmes of UNECE and UN Environment (e.g. International Resource Panel and ‘Extractives Hub’; mercury site assessment training, EIAs and SEAs, Aarhus Convention, Minamata Convention, some eight recent UNECE EPRs addressing mining);
- Noted other relevant work in the region, e.g. by GIZ, on mineral resources sector modernisation, environmental and social standards, and conflict minimisation approaches with local communities;
- Noted progress with the reform of the legislation on mining waste that was completed in 2017 in Armenia;
- Acknowledged that if used right, modern technologies in mining that help to reduce negative environmental impacts (e.g. energy consumption, air pollution) could contribute to raising productivity and export while not necessarily increasing environmental impacts;
- Agreed on the proposed plans for the project implementation by the OECD as outlined in the document.

ITEM 8. Education, communication and public awareness for green growth

19. The Task Force:
• Welcomed the presentations by Ms. Mariam Abisheva, the Aarhus Centre (Kazakhstan) and Ms. Tatiana Shakirova, CAREC, on Education, communication and public awareness for green growth;

• Noted the example of good practice from the Slovak Republic with the recently launched Green Education Fund, funded by corporate donors and the government and implemented by Slovak State Environment Agency, to provide micro grants for initiatives in areas such as green mobility and green innovation; welcomed an opportunity to learn about outcomes at a future meeting of the Task Force;

• Noted the importance of education, communication and public awareness and suggested to continue the partnership among organisations working in this field;

• Suggested to continue efforts in integration of this issue in the programmes of relevant Universities.

ITEM 9. Towards the 2019-2020 programme of work

20. The Task Force:

• Welcomed the presentation by Ms. Kumi Kitamori on the initial feedback received from Task Force members through the questionnaire on the future Programme of Work;

• Noted the lack of funds to continue work on water in Central Asia and encouraged Task Force member countries to extend their support;

• Requested the Secretariat to prepare a draft Programme of Work for 2019-20 for discussion at the 2018 Annual Meeting of the Task Force in October 2018, after consultation with the Bureau at its meeting in April 2018.

ITEM 10. Other business and closing remarks

21. The Task Force:

• Welcomed the proposal of the Slovak Republic to host the next Annual Meeting of the Task Force in Bratislava, and to invite countries of the Visegrad Group of which the Slovak Republic will be chair;

• Agreed to hold the Annual meeting of the Task Force on 22-23 October 2018 in Bratislava, the Slovak Republic;

• Thanked the participants for their contribution to the discussion and the Government of Kazakhstan for hosting the meeting.