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EU4Environment

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine

EU4ENVIRONMENT VIRTUAL COUNTRY CONSULTATIONS

REPUBLIC OF MOLDOVA

Friday, 29 May 2020

Start: 14h Brussels/Paris time - 15h Chisinau time
End: 15h30 Brussels/Paris time - 16h30 Chisinau time

Summary Record

Action implemented by:



Summary record

Item 1. Welcome by the Chair of the meeting

Mr. Michael Rupp, Team Leader, opened the meeting and welcomed the participants on behalf of the European Commission. He emphasised the European Union's comprehensive support to the Eastern Partnership (EaP) countries to address the COVID-19 challenges, including an expeditious contract concluded with the World Health Organization to deliver personal protective equipment, diagnostic tests, and other necessary equipment and technical support to the EaP countries, including Moldova. Mr. Rupp emphasized also strong EU position that every recovery should be "green" and reconfirmed that green, environment and climate remain important on the EU agenda, referring to the new communication on the EaP Strategy adopted in March 2020.

Mr. Rupp pointed out the importance of these consultations on EU4Environment with the Republic of Moldova in the challenging times of the COVID-19 pandemic and welcomed this opportunity to provide an update on the EU4Environment activities and to better align work with the country priorities.

Item 2. Update on in-country situation

The participants took note of:

- Ms. Lilia PALII, State Secretary for Economy, Ministry of Economy and Infrastructure (MEI), intervention in which she expressed her appreciation to participate in this consultation and highlighted its importance to exchange on "state of play" under EU4Environment and coordination of activities. She also highlighted that:
 - COVID-19 pandemic is an unprecedented challenge for the entire world, and the Republic of Moldova was not an exception;
 - The virus spread slowed down in the Republic of Moldova, but the pandemic continues to have an impact on the national economy: according to the recent macroeconomic forecast Moldova's GDP is expected to decline by 3%, however GDP in 2021 is expected to increase by 4-5%;
 - A comprehensive set of economic measures was adopted by the Government to mitigate the impacts. This include, for example postponing declaration and income tax; reducing VAT rate from 20% to 15%; offering VAT payers to request a refund; suspending state inspection visits during the state of emergency or introducing subsidies for business to payrolls and refunding social contributions in a fixed amounts for enterprises;
 - All State programmes dedicated to support business continue, including a number of new initiatives led by ODIMM such as SMEs digitalisation programme and service to answer questions on business activities during the state of emergency;
 - Ministry of Economy and Infrastructure post-COVID-19 economic measures include green recovery measures and in particular a new programme for greening SME that will provide methodological and financial support to unlock green opportunities for SMEs over the next 3 years.
- Mr. Maxim POPOV, State Secretary for Environment, Ministry of Agriculture, Regional Development and Environment (MARDE) intervention in which he welcomed the participants and highlighted:
 - Importance of timely communication for the efficient EU4Environment implementation in the particular conditions of the COVID-19 pandemic;
 - The restrictions introduced due to COVID-19 which included: the imposition of the state of emergency in the Republic of Moldova on 17th of March till 15th of May; public health emergency till 30th of June; and restrictions on air travel till 30th of June (though railway and cars communication was opened on 26th of May, under condition of respecting sanitary measures);
 - The Government's determination of the implementation of the National Strategy "Moldova 2030" which includes promotion of the environmental priorities (its Chapter 10 includes key environment objectives and indicators, ensuring fundamental right to the health and safe environment, promotion of green and circular economy, and meeting related environmental SDGs);
 - The Government's continued efforts to implement timely activities approved in the Plan of Action for 2020-2030, including actions in the field of waste management, extended producer responsibility, green economy promotion, air quality, industrial emissions, environmental impact assessment, biodiversity conservation;
 - Plans to introduce more efficiency in terms of use of energy and resources, reduced pollution and ensuring public health to promote the local companies to become more sustainable and competitive.

Decisions and follow up:

The participants:

- Took note of the ongoing responses to the COVID-19 crisis in the Republic of Moldova and agreed to support them through the EU4Environment activities;
- Agreed to continue ensuring timely communication on the Programme implementation and coordination on the activities.

Item 3. Update on past and on-going EU4Environment activities and plans for the rest of the year

The participants took note of:

- Updates on the implementation of activities under the Republic of Moldova Work Plan by the Implementing Partners:
 - Result 1 (UNEP, UNECE) – see Slide 2-3;
 - Result 2 (UNEP, UNIDO) – see Slides 4-5;
 - Result 3 and 5.3 (OECD) – see Slides 6-7.

During the discussion the participants noted:

- Proposal from MEI on the structure and implementation of Activity 2.1.2 to serve the objectives of the Program on Greening SMEs, use of institutional potential of ODIMM and of the existing and planned Business Incubators in regions to be considered in order to ensure the sustainability of the National Implementing Partner and of the Resource Efficient and Cleaner Production Clubs. Expression of interest from the Organization for Small and Medium Enterprises Sector Development (ODIMM) to be involved in light of plans to launch a new SME greening support programme and the readiness of its networks to support the implementation of this component;
- Support by the MARDE for tasks and the implementation timeline of Activity 2.3.1 (transposition of regulation on eco-labelling); and its proposal to follow up with UNEP to develop a national programme and action plan on waste management expected to start in the second part of 2020 as part of the Government Action Plan for 2020-2030;
- Request from the MARDE to be part of regional activities on the Extended Producer Responsibility and confirmation from UNEP that the EPR exchange sharing sessions will be organized in all six EaP countries, including the Republic of Moldova, towards end 2020 and in 2021;
- Proposal from the MARDE to focus the support under Activity 3.1. and 3.2 on the transposition of the 2004 EU Directive on Environmental Liability, as included in the country initial proposal;
- Information from the MARDE on its recent work to develop new regulations for the operations of the National Ecological Fund, as well as working on personnel and structure, in close cooperation with the Ministry of Finance, with a purpose to make it as a distinct division within the Ministry, and in this context, request for EU4Environment to support the strengthening the National Ecological Fund (including development of an operational manual, project evaluation and monitoring progress, indicators criteria, quality control and performance, personnel training as well as online tools for transparent application, project selection and selection monitoring);
- Request from the MARDE for support to the Environmental Agency under Activity 3.4, in particular a possibility to provide a local expert to support daily operations of the Agency in selected areas, especially permitting, and OECD's readiness to discuss the details of such expert support after the meeting;
- Request from the MARDE to support an update of the 2017 green growth indicators report for 2020, as initially proposed by the country, while defining new indicators and publishing online data for 2021-22, and an interest from the MEI to participate in this work (Activity 5.3), in light of its own microeconomic forecast analysis, and wiliness to learn from the international experience on measuring greening economic growth;
- Request from the MARDE for support in the field of forest management, in particular as a priority with reform of the Agency Moldsilva, responsible for state policy in forestry as well as the intervention from the EC that a contract between the EC and the World Bank under EU4Environment is temporary on hold due to on-going negotiations of a wider EC-WB framework agreement, and related legal issues.

The participants took also note of the intervention by Ms Iulia COSTIN, General Director of ODIMM, in which she highlighted:

- Launching the National Greening SMEs programme which focuses on supporting the SMEs sector development and was elaborated to align with the SMEs Act for Europe as well as to respond to the national needs outlined in the Government document;
- Collaboration with OECD/UNIDO/and the Clean Technology Centre of Ireland as an important contribution to achieving the SME Greening Programme results. She emphasized that the programme involves a number of activities and integrated approach to promote support and develop capacity of SMEs to adapt the best international practices of greening production process and provision of services;

- The development of the self-assessment tool that aims to bring more autonomy in the reporting process of impact indicators according to the Programme and engage businesses in greening their activities;
- Creation and development of the experts network, which will connect the local public authorities, RECP clubs and other local promoters of SMEs greening. The important element is the elaboration of methodological materials for consultants and experts on providing support for SMEs in the process of green actions implementation;
- The development of ODIMM's web page on greening SMEs programme and a business platform on green component, which includes sub-pages dedicated to specific subjects (such as resource efficiency, energy, water, waste management system, international success stories, eco innovation, technologies development);
- Expression of interest for support from the Activities 2.1.2, 2.1.4, 2.1.5 and 3.1.2 of EU4Environment which contribute to the development of capacity of SMEs to adapt practices of greening production process and provision services;
- Expectations that the following results will be achieved: quality standards based on which it would be possible to evaluate quality of services provided by the experts to the SMEs; elaboration of methodological materials for consultants/experts on providing support for SMEs; connecting representatives of network to international training activities for the transfer of new technologies; organisation of annual meetings on specific topics to support SMEs in greening production and provision of services, participation of the foreign consultants; elaboration of the guidelines and brochures on economic benefits;
- Interest to continue taking over good practices from the Clean Technology Centre of Ireland, including analysis of current situation of greening SMEs and possibility to meet requirements for products, eco-labelling, alignment with standards.

Decisions and follow up:

The Participants agreed to:

- Continue to implement the activities as envisaged in the Work Plan and in line with the agreed timeline, using alternative modes of operation (virtual communications/meetings and engaging local consultants);
- Follow up on bilateral basis on individual activities and include them as much as possible in the Work Plan (Activity 2.1.2 - 2.1.6 – UNIDO on RECP in line with SMEs greening programme; Activity 2.3.1 – UNEP on eco-labelling and waste management; EPI regional activities; Activities 3.1 and 3.2 – OECD on environmental liability; Activity 3.3 – OECD on Ecological Fund; Activity 3.4.2 – OECD on expert support to the Environmental agency; Activity 5.3 – OECD on green growth indicators, with MARDE and MEI and Result 4: address an urgent need for support on forest management.
- Receive updates from the EC on the status of the EC/World Bank contract (Result 4).

Item 4. Preparation for the EU4Environment Regional Assembly meeting

The participants took note of:

- Update by the OECD on coordination activities, including a round of the virtual consultations with the six EaP countries in May and June 2020, and proposed options to hold the next Regional Assembly, as in Slide 9 of the Presentation;
- Discussions to move forward on activities and maintain the date of the Regional Assembly as planned on 22-23 September 2020 in a virtual form, and consider in-person meeting for November-December 2020;
- Update from the EC on:
 - the organisation of the EaP Panel on Environment and Climate in the virtual format to prepare the Ministerial Conference (2 sessions: 1st session possibly on 24 June); the invitation will be circulated shortly;
 - the organisation of the EaP Environment Ministerial on 7 October 2020, possibly in a virtual format (subject to further discussion and confirmation) with green finance as one of the agenda items which will also be discussed at the Panel meeting;

Decisions and follow up:

The participants agreed to:

- Keep the dates of the second Regional Assembly meeting as planned on 22-23 September 2020 in a virtual format; and consider organising the in-person meeting in November-December 2020, subject to lifting of the travel restrictions;
- Contribute to the preparations for the upcoming EaP Panel and Ministerial meetings.

Item 5. Communication (Result 5.2) and coordination with other projects

The participants took note of:

- Update by the OECD on communication activities, as shown on Slide 10 of the Presentation;
- EC information on the OPEN communication campaign for the World Environment Day (WED), which will run from 1 to 5 June 2020;
- Invitation to subscribe to the Newsletter and share with the colleagues.

Decisions and follow up:

The Participants agreed to:

- Continue implementing the communication activities, as envisaged in the Work Plan;
- Continue paying particular attention to comply with the EU's visibility requirements;
- Provide inputs to the OPEN WED's campaign by the Partners;
- Promote the wide subscription to the EU4Environment Newsletter.

Item 6. Progress on administrative issues (Result 5.1)

The participants took note of:

- Update by the OECD on the Action Registration, National Action Coordinator (NAC) and the National Implementing Committee (NIC);
- Information by OECD that the requirements for the Programme registration are less restrictive in the Republic of Moldova than in some other countries and that the registration procedure is now fully completed;
- Gratitude expressed by the Partners to Mr. Andrei Isac, National Action Coordinator (currently, on a long-term contract with UNEP), for his support;
- Operations of the Inter-Ministerial working group on green economy, established under EaP GREEN which functions as the National Implementing Committee for EU4Environment, and general agreement to continue with this good mechanism.

Decisions and follow up:

The participants agreed to:

- Take a note that the registration is completed in the Republic of Moldova;
- Continue with the current working arrangements for NAC and NIC.

Item 7. Other issues and closure

- Ms. Lilia PALII, State Secretary for Economy and Mr. Maxim POPOV, State Secretary for Environment, thanked the EU and Implementing Partners for the long-standing cooperation and expressed their wish for the successful implementation of the EU4Environment Programme;
- Mr. Michael Rupp, EC/DG NEAR briefly summarised the key outcomes of the meeting (challenging environment, valued contribution of the EU4Environment Programme, agreement on running the virtual RA meeting, followed by a physical meeting towards end 2020; taking notes on NAC/NIC arrangements) and thanked the participants for the discussion and closed the meeting.

Decisions and follow up:

- OECD will prepare and circulate a draft Summary record for comments.

Agenda

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|---------------------------|---|--|
| 14:00-14:05
(5 min) | 1 | Welcome by the Chair of the meeting <ul style="list-style-type: none">○ Mr. Michael Rupp, EC/DG NEAR |
| 14:05 - 14:15
(10 min) | 2 | Update on in-country situation <ul style="list-style-type: none">○ Short presentations on the current situation by the National Focal Points (NFPs), the post COVID-19 recovery plans and their potential impacts on greening the economy<ul style="list-style-type: none">● Ms Lilia PALII, State Secretary for Economy and NFP at MEI (TBC)● Mr. Maxim POPOV, State Secretary for Environment and NFP at MARDE (TBC) |
| 14:15 - 14:55
(40 min) | 3 | Update on past and on-going EU4Environment activities and plans for the rest of the year <ul style="list-style-type: none">○ Presentations by Implementing Partners (see a PPT presentation)<ul style="list-style-type: none">● Result 1 (UNEP and UNECE)● Result 2 (UNIDO)● Result 3 and 5.3 (OECD)○ Reactions from the country NFPs after each result: feasibility of using alternative modes of operation (ex. virtual meetings, web-based trainings, use of local consultants), and maintaining/postponing/advancing activities. More in-depth discussions could be carried out on a bilateral basis after the consultation. |
| 14:55 - 15:05
(10 min) | 4 | Preparation for the EU4Environment Regional Assembly meeting <ul style="list-style-type: none">○ Presentation of the proposed options by OECD (see a PPT presentation)<ul style="list-style-type: none">● Maintaining the planned date for the Regional Assembly in the week of 21 September 2020 (suggested 22-23 September) as a virtual meeting by Zoom (e.g. 3 hour morning sessions over two days)● an in-person meeting after travel restrictions are lifted, possibly November-December in Kyiv, Ukraine○ Reactions from the country |
| 15:05 - 15:15
(10 min) | 5 | Communication (Result 5.2) and coordination with other projects <ul style="list-style-type: none">○ Presentation by OECD (see a PPT presentation)○ Reactions from the country |
| 15:15 - 15:25
(10 min) | 6 | Progress on administrative issues (Result 5.1) <ul style="list-style-type: none">○ Presentation by OECD on the Action Registration, National Action Coordinator and the National Implementing Committee○ Reactions from the country |
| 15:25 - 15:30
(5 min) | 7 | Other issues and closure <ul style="list-style-type: none">○ Mr. Michael Rupp, EC/DG NEAR |

List of participants

Government representatives		
Ministry of Agriculture, Regional Development and Environment	Mr. Maxim POPOV State Secretary for Environment EU4Environment National Focal Point	
	Ms. Maria NAGORNII Head of pollution prevention and environmental assessment policy division EU4Environment Technical Focal Point	
Ministry of Economy and Infrastructure	Ms. Lilia PALII State Secretary for Economy EU4Environment National Focal Point	
	Ms. Tatiana PIRGARI Senior consultant, economic policies and business environment department EU4Environment Technical Focal Point	
	Mr. Silviu NEGHINA Senior consultant	
	Mr. Vasile VULPE Head of Economic Policies and Business Environment Department	
Organization for Small and Medium Enterprises Sector Development (ODIMM)	Ms Iulia COSTIN General Director	
	Mr Constantin TURCANU Head of Division on assessment, innovation and training	
National Action Coordinator and Partners' focal points		
EU4Environment National Action Coordinator	Mr. Andrei ISAC	
United Nations Sustainable Development Group (UNSDG)	Ms. Laura FIOROTTO. RCO Team Leader/Main Office	
European Commission and EU Delegation		
EC/DG NEAR	Mr. Michael RUPP Team Leader Connectivity	
	Ms. Angela BULARGA International Aid / Cooperation Officer	
EC/DG ENV	Andrzej JANUSZEWSKI	
EU Delegation in the Republic of Moldova	Ms. Mia DUBOIS- BOUSSAID Attaché – Project Manager	

Mission of the Republic of Moldova to the EU	Ms Aliona BALAN Second Secretary	
Implementing Partners		
UNEP	Ms. Rie TSUTSUMI Project Coordinator	
	Mr. Alex LESHCHYNSKY Technical Officer – Eco-innovation	
	Ms. Lesya Nikolayeva Technical Officer	
	Ms. Irina Davis Project assistant	
UNECE	Mr. Leonid KALASHNYK Project Coordinator	
	Ms. Elena KASHINA Programme Management Assistant	
UNIDO	Ms. Carolina GONZALEZ MUELLER Project Manager	
	Ms. Tatiana CHERNYAVSKAYA Project Coordinator	
OECD	Mr. Krzysztof MICHALAK Senior Action Coordinator	
	Ms. Irina BELKAHIA Assistant Action Coordinator	
	Ms. Maria DUBOIS Communications officer	
	Mr. Jonathan WRIGHT Project Assistant	
	Ms. Nelly PETKOVA Policy Analyst	
	Mr. David SIMEK Policy Analyst	
	Mr. Guy HALPERN Policy Analyst	
	Ms. Isabella NEUWEG Policy Analyst	
World Bank	Irina GUBAN	