



OECD'S WORK RELATING TO UNECE'S COMMITTEE ON SUSTAINABLE ENERGY

**Cooperation and coordination with other
intergovernmental and non-governmental organisations**

UNECE Committee on Sustainable Energy

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Outline

- Current areas of cooperation between the OECD and the UNECE.
- OECD work for the **Joint Working Party of Trade and Environment Experts (JWPTE)**: possible future areas of cooperation?



The Environmental Action Programme (EAP)

- OECD's environmental cooperation with the UNECE dates back to the early 1990s when the EAP was developed as part of the “**Environment for Europe**” process.
- The EAP Task Force, which emerged from this process and which is located within the OECD Environment Directorate, was asked to oversee the implementation of the EAP, initially in Central and Eastern Europe and, after 2000, in the countries of Eastern Europe, Caucasus and Central Asia (EECCA), which include 12 former Soviet Union Republics (**Armenia, Azerbaijan, Belarus, Georgia, the Kyrgyz Republic, Kazakhstan, Moldova, Russia, Ukraine, Uzbekistan, Tajikistan, Turkmenistan**).
- The EAP Task Force was established to help the EECCA countries reform their environmental policies and institutions in line with good international practices and promote the integration of environmental considerations into mainstream economic, social and political processes.



EAP: Current strands of work

- **Water:**

- The OECD/EAP Task Force and the UNECE have been jointly conducting the “National Policy Dialogues (NPDs) on integrated water resources management (IWRM) and water supply and sanitation (WSS)”, which have been financially supported by the EU. The UNECE is the strategic partner supporting the policy dialogue processes on IWRM, while the OECD is the strategic partner for WSS and all financial aspects of IWRM.
- The European Union Water Initiative (EUWI), launched at the World Summit on Sustainable Development in Johannesburg in 2002, relies on the NPDs as the main operational instruments of the EUWI EECCA Component. Since 2006 the EUWI NPDs have been carried out by UNECE/OECD partnership in nine countries: [Armenia](#), [Azerbaijan](#), [Georgia](#), [the Kyrgyz Republic](#), [Kazakhstan](#), [Moldova](#), [Ukraine](#), [Tajikistan](#), [Turkmenistan](#).

- **Green growth:**

- OECD is currently discussing a project (“[Greening Economies in the Eastern Neighbourhood](#)”), which will be jointly developed over the next 4 years by several partners, including the UNECE. The project will be financially supported by the EU and implemented in 6 countries: [Armenia](#), [Azerbaijan](#), [Belarus](#), [Georgia](#), [Moldova](#), [the Ukraine](#).
- The overall objective of the project is to help these countries move towards a green economy by decoupling economic growth from environmental degradation and resource depletion. Some of the main work streams of the OECD, as part of this project, cover energy subsidies and climate change, environmental taxation, and green growth indicators. The project is expected to be launched in early 2013.



Trade & Environment (T&E) at the OECD

- **Joint Working Party on Trade and Environment (JWPTE)** has 20 years of experience in working on the interface between trade policies and environmental policies.
- Strands of work include
 - Regional trade agreements and the environment;
 - Illegal trade and in environmentally sensitive goods;
 - Trade and climate change (**cross-border trade and electricity; domestic incentive measures with possible trade implications**);
 - Environmentally harmful subsidies (**inventory of estimated budgetary support and tax expenditures for fossil fuels**; international approaches to collective action on environmentally harmful subsidies).



Inventory of estimated budgetary support and tax expenditures for fossil fuels -- 2013

- A first version of the OECD's *Inventory* (24 OECD countries) was released in October 2011 and distributed in **Cannes at the G20 Summit**. This information also fed into other reports to the **G20**, including a joint report by **the IEA, the OECD, OPEC and the World bank on energy subsidies**. A new version covering all OECD countries and many sub-national jurisdictions has just been finalised and it will be released in early 2013.
- Prior to the release in 2011 of the **OECD's *Inventory of estimated budgetary support and tax expenditures for fossil fuels***, the only information available on fossil-fuel subsidies was that collected by the IEA and a few NGOs. IEA estimates are calculated using a “price-gap” approach, which estimates subsidies based on the difference between the domestic price for fossil fuels and an international reference price. This results in most OECD countries not being covered since they tend to have domestic prices that are often above market reference prices. The OECD approach to identify, document, and estimate support measures is based on going through budgetary documents.
- Work is planned to **extend the coverage** to selected non-member countries and to investigate other types of support measures such as concessional loans, loan guarantees, and equity injections. Also, the **European Commission** is currently extending the exercise to 6 non-OECD EU countries using the methodology developed by the OECD.
 - EECCA countries next?



Thank you!

For more information:

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