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**PROGRESS REPORT ON THE IMPLEMENTATION OF THE  
ENVIRONMENTAL PROGRAMME FOR EUROPE**

submitted by

the ECE Committee on Environmental Policy  
through the Ad Hoc Preparatory Working Group of Senior Officials

BACKGROUND DOCUMENT



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**ECONOMIC COMMISSION FOR EUROPE**

**COMMITTEE ON ENVIRONMENTAL POLICY**

**Fourth Ministerial Conference  
“Environment for Europe”,  
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**PROGRESS REPORT ON THE IMPLEMENTATION  
OF THE ENVIRONMENTAL PROGRAMME FOR EUROPE**

The Sofia Ministerial Conference endorsed the Environmental Programme for Europe (EPE) and invited the ECE Committee on Environmental Policy to screen the Programme in order to make proposals for concrete priority actions. The Ministers invited ECE, furthermore, to assess its implementation and report on progress at the next Conference in Denmark in 1998.

EPE was the first attempt to set long-term environmental priorities at the pan-European level. It intended to enhance the coordination of national and international efforts to improve environmental conditions and to promote the convergence of environmental quality and policies throughout Europe, as well as to make Agenda 21 more operational in the European context, particularly its provisions relating to the integration of environmental policy with other policies. Although it covered a broad range of issues and contains some 100 recommendations, the Programme was not considered to be exhaustive. It contained provisions allowing it to be updated, further developed and expanded in the light of the experience gained with its implementation.

In pursuance of the decisions by Ministers at Sofia, the Committee on Environmental Policy, at its third session in May 1996, took measures to implement the EPE and agreed on the assessment and reporting procedures for the Århus Conference. At its special session in March 1998, the Committee considered a draft EPE assessment report prepared by the secretariat and decided to submit it to the Conference as amended.

## **Introduction**

1. The present report presents the results of the work on priority EPE issues, as included by the Committee in its work programme, and provides information on the progress made in the activities under the auspices of ECE which are of direct relevance to specific EPE recommendations. It also contains proposals which the Committee decided to transmit to the Århus Conference for possible endorsement by the Ministers.

2. The present report represents a summary of several individual documents on the topics concerned. These documents are submitted to the Conference separately and include, *inter alia*, *Recommendations to Governments of ECE countries in transition on the application of economic instruments for better integrating environmental policy with sectoral policies; Recommendations to ECE Governments on encouraging local initiatives towards sustainable consumption patterns; Policy statement and Guidelines on Energy Conservation in Europe; Pan-European strategy to phase out leaded petrol; Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters; and Assessment report on the implementation of the ECE Guidelines on Access to Environmental Information and Public Participation in Environmental Decision-making*.

3. The Ministers at Sofia also requested the European Environment Agency (EEA) to compile and submit to the Århus Conference an update of "*Europe's Environment: The Dobris Assessment*". The outline of the "*Dobris + 3*" report coincides, to a great extent, with the EPE structure. The report is submitted separately to the Conference and it is, therefore, not referred to here.

## **I. RESULTS OF THE COMMITTEE'S WORK ON PRIORITY RECOMMENDATIONS IN THE EPE**

### **A. Economic instruments**

4. EPE called for the reporting at the pan-European level on the comparison and the harmonization of national environmental and resource use charges and taxes, through a joint endeavour between ECE and the Organisation for Economic Co-operation and Development (OECD). In response, the Committee on Environmental Policy organized a Workshop on the role of economic instruments in integrating environmental policy with sectoral policies jointly with OECD. At the invitation of the Government of the Czech Republic, the Workshop was held in Průhonice on 8-10 October 1997.

5. Its main purpose was to offer governmental officials from countries in transition practical advice on extending the use of economic instruments to improve the environmental performance of major economic sectors (i.e. industry, energy, transport and agriculture) and to promote an integrated approach to economic and environmental decision-making.

6. The Workshop examined the implementation of the polluter-pays and the user-pays principles in these sectors, focusing on the elimination or reform of sectoral subsidies which have an adverse environmental impact, and on the application of environmental charges and taxes. The practical aspects of these two approaches to the internalization of environmental costs into the prices of goods and services were analysed. Linkages with economic reforms in countries in transition to a market economy, were highlighted.

7. The Workshop identified various opportunities, provided by the economic and taxation reforms in countries in transition, for restructuring and removing subsidies detrimental to the environment. It also held that reducing distortionary taxes and adjusting tax systems could, in the medium and long term, bring about not only environmental but also economic benefits: higher economic efficiency thanks to fewer economic distortions and more efficient environmental protection. At a time of public finance deficits, environmental taxes can provide revenue to offset, at least in part, the revenue loss caused by lower labour-related taxes and charges.

8. The Workshop called for a further exchange of experience with the application of economic instruments for environmental policy, in particular through a joint OECD/ECE endeavour to compare, at the pan-European level, national environment-related charges and taxes in the transport and energy sectors. It prepared a set of Recommendations to Governments of ECE countries in transition on the application of economic instruments for better integrating environmental policy with sectoral policies. The ECE Committee on Environmental Policy welcomed the outcome of the Workshop and recommended the countries in transition to apply its findings. The Workshop's recommendations are submitted to the Conference in document ECE/CEP/45. The Workshop proceedings will be issued under document symbol ARH.CONF/BD.4.

#### **B. Local initiatives towards sustainable consumption patterns**

9. EPE recommended changes in consumption patterns and individual lifestyles through awareness raising, technical regulations and economic incentives. It furthermore encouraged the integration of environmental considerations into decision-making in all key sectors and the promotion of partnerships between ministries, non-governmental organizations (NGOs) and other major groups. In response, the Committee on Environmental Policy, in cooperation with the ECE Committee on Human Settlements, organized a Workshop on encouraging local initiatives towards sustainable consumption patterns. At the invitation of the Government of Austria, it was held in Vienna on 2-4 February 1998.

10. The Workshop brought together some 90 experts from ECE Governments, intergovernmental and non-governmental organizations to examine issues which have not received adequate attention elsewhere, namely practical experience with the promotion of local projects and programmes to raise public awareness about the environmental impact of individual consumption behaviour, steer consumers' choices towards environmentally sound goods and services, and further the sustainable use of energy, water, raw materials and land by individuals and communities.

11. The Workshop discussed in depth regulations, economic and fiscal instruments which encourage or impede local initiatives towards sustainable consumption; ethical, cultural or behavioural factors which facilitate or undermine their promotion; actors involved and partnerships between local and regional authorities, central Governments, and major groups; the effect of the initiatives on the environment, the local economy and employment; and the initiatives' multiplier effects.

12. The Workshop recognized that sustainable consumption required a process of awareness raising leading to a gradual change in attitudes at all levels of administration, and on the part of residents, the private sector and the business community. Conditions have to be created for motivating people to choose a lifestyle which minimizes the overall impact from a life-cycle perspective on natural resources and the environment. Furthermore, governments at various levels have to develop instruments to empower households to take effective action. Coordinated action is critical for steering patterns of demand, and thereby supply, towards sustainability. It requires coordination of spatial, economic and social policies and integrated decision-making. All levels of government should open up and create systematic and ongoing opportunities for citizen and community participation in order to resolve conflicts between various stakeholders and overcome objections to changing unsustainable consumption patterns.

13. The Workshop emphasized the importance of strengthening the capacity of local governments, especially in countries in transition, to support activities that encourage sustainable consumption. Encouraging local initiatives toward sustainable consumption patterns requires the local government to be in a position to address such issues as: spatial allocation of urban activities to minimize consumption of energy and water, reduce land consumption, and prevent or reduce adverse environmental impact without limiting economic activities; effective mixtures of regulatory instruments and market-based tools to achieve local environmental goals and economic and social targets; and integrated data collection and performance indicators. Assistance from central authorities, national agencies, environmental funds and external partners (bilateral donors and international financing institutions) could help to build such capacity.

14. The Workshop called for an exchange of experience, through a pilot ECE project, on joint undertakings between central and local governments which encourage environmentally sound urban and regional transport management, energy conservation and the use of sustainable sources of energy in cities, increased demand and supply of locally produced environmentally sound products and services (e.g. organic agriculture and eco-tourism), and public participation in local decision-making. The ECE Committee on Environmental Policy welcomed the outcome and the recommendations of the Workshop and decided to submit the latter for information to the Århus Conference. These Recommendations to ECE Governments on encouraging local initiatives towards sustainable consumption patterns are contained in document ARH/CONF/BD.3. The Workshop proceedings will be published by the Government of Austria.

**C. Energy conservation in Europe**

15. EPE contained a series of recommendations to improve energy efficiency and renewable energy use in the region. For instance, it called for action to ensure that all European countries reach a high level of energy efficiency by the year 2010. A group of governmentally designated experts with both environmental and energy expertise under the leadership of Denmark, was established jointly by the ECE Committees on Environmental Policy and on Sustainable Energy to prepare guidelines and supporting documentation on energy conservation in Europe.

16. Work on the energy conservation initiative, in which the Energy Charter Secretariat, the International Energy Agency and other international organizations have actively participated, has led to the preparation of background papers (a report on energy efficiency and a national study of the Russian Federation), the compilation of some 50 case studies and 55 country reports, and the development of guidelines on energy conservation in Europe, including a proposal for a policy statement. The guidelines address strategic, organizational, economic, regulatory and technological aspects of energy efficiency policies. The policy statement and the guidelines will be submitted to the Conference under document symbols ECE/CEP/47 and Addendum 1, respectively.

**D. Strategy to phase out leaded petrol**

17. EPE also called for measures to promote unleaded petrol and to reduce the lead content of petrol with the aim of phasing out lead from petrol. An open-ended task force was established by the Committee under the leadership of Denmark, to prepare a proposal for a strategy to phase out leaded fuel in Europe. The strategy is submitted to the Conference under document symbol ECE/CEP/44.

**E. Guidelines on Access to Environmental Information and Public Participation in Environmental Decision-making and draft convention**

18. EPE invited ECE to review the implementation of the ECE Guidelines on Access to Environmental Information and Public Participation in Environmental Decision-making endorsed by the Ministers at Sofia. In addition, the Ministers at Sofia called for a regional convention on public participation to be drawn up with the involvement of NGOs.

19. In January 1996, the Committee on Environmental Policy established the Ad Hoc Working Group for the preparation of a draft convention on access to environmental information and public participation in environmental decision-making. The draft convention is submitted to the Conference for adoption and signature under document symbol ECE/CEP/43.

20. The Regional Environmental Center (REC) in Budapest, in cooperation with other environmental NGOs (European Environment Bureau (EEB) and a group of experts from the newly independent States (NIS)), undertook the preparation of reports on public participation in fifteen central and east European countries, five newly independent States of the former Soviet Union and in

eleven west European countries. These country reports cover the issues of the Guidelines' implementation and lead to the preparation of subregional and regional reviews on public participation for submission to the NGO session of the Århus Conference.

21. Following the recommendation by the Bureau of the Committee on Environmental Policy, the ECE secretariat will draft an evaluation report on the Guidelines' implementation, on the basis of the above-mentioned reviews and in cooperation with REC and the NGOs concerned. The draft will be circulated among the member Governments for comments. The revised report will be submitted to the Århus Conference under document symbol ECE/CEP/46.

## **II. PROGRESS MADE IN THE ACTIVITIES UNDER THE AUSPICES OF ECE WHICH ARE OF DIRECT RELEVANCE TO SPECIFIC EPE RECOMMENDATIONS**

### **A. Compliance and enforcement**

22. EPE encouraged the ratification of, and ensuring compliance with, international legal instruments on the environment of relevance to the ECE region, in particular the recent ECE environmental conventions and protocols. The ECE environmental conventions, in turn, cover a number of the items included in the EPE recommendations. The following progress has been made since the 1995 Sofia Ministerial Conference.

#### **1. Convention on Long-range Transboundary Air Pollution**

23. The Parties to the 1979 Convention on Long-range Transboundary Air Pollution have, with the assistance of the secretariat, coordinated and integrated all work elements under the Convention to streamline and strengthen the institutional framework within which all activities are carried out. Following its success in developing and implementing the five existing protocols, the Executive Body of the Convention agreed to prepare three new ones: on persistent organic pollutants, on heavy metals, and on nitrogen oxides and related substances. In doing so, the Executive Body is paying full attention not only to environmental effects but also to human health risks, and aims to find cost-effective regional solutions to these problems. The first two protocols are expected to be adopted and signed at Århus. The third, on nitrogen oxides and related substances, has a multi-pollutant, multi-effect approach, which requires much scientific input, and is envisaged for 1999.

24. In recognition of the continuous need to adapt to evolving issues, the Executive Body, at its fifteenth session in 1997, identified two main priorities for the future: review and extension of existing protocols; and implementation of and compliance with existing agreements. Three core activities were identified as crucial for the programme: effect-oriented activities, long-range atmospheric transport monitoring, and integrated assessment modelling.

25. While currently bringing together forty-three Parties for regional cooperation, the Executive Body also shares its experience with the rest of the world, as called for in Agenda 21. The strong links

between science and policy in its work and its proven track record in the regional context explain the interest in such an extension. This is particularly true of its experience on persistent organic pollutants, which is seen as a stepping stone for a global legally binding agreement, to be prepared under the auspices of the United Nations Environment Programme (UNEP). The ECE secretariat is actively taking part in this process.

2. Convention on Environmental Impact Assessment in a Transboundary Context

26. The Convention, adopted at Espoo (Finland) on 25 February 1991, entered into force on 10 September 1997. The first meeting of the Parties took place, at ministerial level, in Oslo, from 18 to 20 May 1998.

27. This Convention is the first multilateral treaty to specify the procedural rights and duties of Parties with regard to transboundary impacts of proposed activities and to provide procedures, in a transboundary context, for considering environmental impacts in decision-making. It stipulates the obligations of Parties to assess the environmental impacts at an early stage of planning. The Convention prescribes measures and procedures to prevent, control or reduce any significant adverse effect on the environment, particularly any transboundary effect, likely to be caused by a proposed activity or any major change to an existing activity. It stipulates the type of environmental impact assessment that has to be undertaken for a proposed activity planned by one Party, which is likely to have a significant transboundary impact within an area under the jurisdiction of another Party.

28. The Meeting of the Signatories, open to all ECE member countries, reviewed the actions taken by Signatories to implement the Convention pending its entry into force. The Signatories considered legal, administrative and methodological aspects of its practical application, and discussed ways and means of strengthening the capability of future Parties, particularly countries with economies in transition, to comply with its obligations. ECE member countries are making the necessary arrangements to implement the provisions of the Convention at the subregional level, in particular through bilateral and multilateral agreements or other arrangements of relevance to this Convention. A number of existing bilateral and multilateral agreements are also being used to implement the Convention.

3. Convention on the Protection and Use of Transboundary Watercourses and International Lakes

29. The Convention, which was adopted at Helsinki on 17 March 1992, entered into force on 6 October 1996. The first meeting of the Parties to the Convention was held in Helsinki from 2 to 4 July 1997, at the invitation of the Government of Finland.

30. The Parties have committed themselves to fully implementing and further developing the Convention. They agreed to take all possible steps to achieve, before their second meeting in the year 2000, substantive progress in their five priority programme areas: joint bodies; assistance to countries with economies in transition; integrated management of water and related ecosystems; land-based pollution control; and water supply and human health. Cooperation on transboundary waters will also

help to improve the management of internal waters and ensure consistency in the protection and use of both internal and transboundary waters. The Parties will ensure the protection and sustainable use of transboundary waters by cooperating closely at the regional, subregional, national, provincial and local levels, and by delegating relevant activities to the lowest appropriate level. In addition to assistance on legal issues, the implementation of field projects on monitoring and assessing transboundary waters in 12 countries in transition, and the improvement of laboratory management and accreditation procedures are major activities, carried out by task forces.

31. As some 120 million Europeans still do not have access to safe drinking water, Parties to the Convention, ECE, the Regional Office for Europe of the World Health Organization and UNEP are jointly preparing an international instrument to prevent, control and reduce water-related disease. It will be submitted for adoption at the 1999 London Ministerial Conference on Environment and Health. The first intergovernmental negotiations were held in Budapest from 11 to 13 February 1998.

#### 4. Convention on the Transboundary Effects of Industrial Accidents

32. The Convention, which was adopted at Helsinki on 17 March 1992 and is not yet in force, is the first legally binding instrument for the prevention of, preparedness for and response to industrial accidents under which international cooperation promotes national policies and strategies in the ECE countries to reduce the risk of industrial accidents, including those capable of causing transboundary effects. It encourages especially countries in transition to develop completely new or modify existing legislation concerning industrial accidents, particularly those with potential transboundary impacts. The implementation of such legislation and regulations, including practical safety measures, are improving overall industrial safety, which is an integrated part of sustainable development, in the ECE region.

33. To improve communication between ECE countries in the event of an industrial accident and respond promptly to industrial accidents and minimize their possible adverse effects, including their transboundary effects, a UN/ECE Industrial Accident Notification System has been developed and tested by several countries during simulation exercises. The system has proved to be an effective, useful and practical tool for communication and mutual assistance.

34. An institutional and administrative structure for the application of the Convention is being set up as countries in transition are moving towards a market-based economy and going through political, legislative, economic and financial changes. To facilitate its implementation by countries in transition and strengthen their capacities to develop and promote safety technologies and safety management, training and education, and set up a network of national centres, two ECE coordinating centres have been established. They organize international workshops, consultations, etc. on the subject of industrial accidents and serve as international sources of information on industrial accidents in the ECE region.

**B. Regional Conference on Transport and the Environment**

35. EPE contains a series of recommendations concerning the integration of environmental policy with transport policy. An explicit reference is made in EPE to the Regional Conference on Transport and the Environment. This Conference was convened under the auspices of the United Nations Economic Commission for Europe from 12 to 14 November 1997, in Vienna, at the invitation of the Austrian Government and the City of Vienna. Its Declaration, Programme of Joint Action and Resolution reflect the conclusion of the debates and its main decisions. The Conference invited ECE member Governments at the national level and ECE at the international level, in cooperation with other international organizations, to promote the objectives and measures contained therein.

36. The Programme of Joint Action is approved for a period of ten years. As the member States of ECE participating at the Conference are responsible for implementing and monitoring this Programme, they should support activities to this end and closely cooperate with each other, with the ECE bodies and with other organizations involved. Member States should report to the Principal Subsidiary Bodies of ECE on their activities and progress in implementing the Programme.

37. A Joint Meeting on Transport and the Environment will be regularly convened within ECE, in particular to prepare progress reports for ECE. These will serve as a basis for the dialogue on cross-sectoral concerns and activities. ECE will, in turn, present these reports to the Ministerial Conferences in the framework of the "Environment for Europe" process and other relevant high-level meetings.

38. ECE is also invited to organize a mid-term review in the year 2002 so as to assess the progress achieved and the difficulties met in implementing the Programme of Joint Action. It should also give guidance for further work up to the year 2007, including the preparation of the final review and a possible further follow-up.

**C. Environmental performance reviews**

39. EPE urged ECE to continue its efforts to establish a system of national environmental performance reviews (EPRs) for the entire ECE region. In preparing its full-fledged programme of EPRs, the ECE Committee on Environmental Policy prepared reviews of Belarus, Bulgaria and Poland in cooperation with OECD. Furthermore, ECE undertook reviews of Estonia, the Republic of Moldova and Slovenia on its own. The reports on Lithuania and Latvia are nearing completion and will be submitted to the Committee on Environmental Policy in September 1998. Croatia and Ukraine have been included in the list of reviews in 1999. Finally, Armenia, Kyrgyzstan and Romania have expressed their wish to be reviewed in the near future, and their requests are being assessed. The reviews of Albania and Kazakhstan have been suspended.

40. The EPR work has already highlighted a number of common issues that require solution in the European transition process. For example, integrating environmental parameters into agricultural policies is proving to be a major hurdle. (Agricultural policies are themselves also a problem area for

economic development.) Perhaps the most evident concerns relate to environmental health, particularly in connection with drinking-water supply in rural areas. Environmental health has also become a public concern in countries in transition.

41. There are other problems, for instance in adapting natural resource use to market economy conditions. The gradual increase in energy prices, at a rate that nevertheless complies with social policies, and the introduction of water meters are often very thorny issues. Another outstanding political issue is the enforcement of new environmental standards. While the old standards were often more stringent - and better accepted - than the proposed new ones, they were not enforced.

42. The institutional framework for environmental policy and management is taking shape with considerable difficulty. One major stumbling block is the economic depression of the countries in transition: putting any environmental concern high on the political agenda often requires a brave effort. Secondly, the devolution of decision-making to regional and local levels that is implied by a market economy - although needed to varying extents in the different transition economies - obviously gives rise to considerable discussion. Finally, routines for effective cooperation over cross-sectoral issues like environmental problems need time to develop. It is partly for these reasons that deliberate policies to promote the introduction of cleaner technologies during future economic recovery are only slowly emerging.

43. The progress in the EPR programme of ECE makes it possible to envisage an advanced discussion of the general lessons that were learnt during the overhaul of environmental policy and management in transition conditions.

#### **D. Capacity building**

44. EPE called on ECE and others to promote and strengthen capacity-building activities in all European countries and particularly in countries in transition. In line with this recommendation, the ECE secretariat has expanded its services and operational activities in this field, through the ECE Regional Advisory Services Programme.

45. This Programme acts as a fieldwork-oriented catalyst for the transition to a market economy. Advisers consult directly with national policy makers on development issues and policies to encourage the implementation of best practices. Their activities are demand-driven. The advisers promote a better integration of the countries in transition in the regional economy through the application of ECE norms and standards in transport, energy and industrial development, trade and environmental protection. They assist in capacity building, project preparation and in developing links with the private sector and financing and donor organizations. New subregional initiatives in South-east Europe (SECI, Southeast European Cooperative Initiative) and in Central Asia (SPECAs, a joint ESCAP/ECE special programme) will draw heavily on the experience of the regional advisers. It should be emphasized that the Regional Advisory Services Programme is neither a financing agency nor an executing agency. Its purpose and function are initiating and catalytic.

46. The priorities of ECE operational activities are to provide assistance in developing human resources and building institutional capacities for the implementation of ECE policies, legal instruments and guidelines. The assistance for the environment has focused on water management and protection, prevention of industrial accidents and response to them, cleaner/safer industrial production, best agricultural practices, environmental impact assessment and EPRs.

47. The main means of assistance have included the preparation of or contribution to topical (training) workshops; assistance and advice on project proposals; assistance in finding sponsors (both multilateral and bilateral); and advice on the execution of projects. The advisory assistance has covered, for instance, the initiation, preparation, facilitation of, or follow-up to, several capacity-building events, and the necessary resource-raising.

48. Capacity-building events were in general co-sponsored by the host country and by one or more institutions or countries. In total, advisory assistance was provided for more than 20 workshops and similar events with a total participation of more than 1000 persons. Depending on the event, all major groups have participated, including government officials, politicians, representatives of local and regional governments, business and NGOs. The follow-up to training workshops includes the drawing-up of recommendations and project proposals which can be submitted to financial institutions for support.

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