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**ENVIRONMENTAL MONITORING AND ASSESSMENT
FOR THE BELGRADE CONFERENCE**

Note by the secretariat¹

This note presents the background for and content of the contributions that the Working Group is expected to make to the working session on Monitoring and Assessment of the sixth Ministerial Conference “Environment for Europe” to be held in Belgrade in October 2007. The substance of this note will be reported by the secretariat to the Committee on Environmental Policy, at its thirteenth session, and to the Ad Hoc Preparatory Working Group of Senior Officials (WGSO) “Environment for Europe”, at its third session, in October 2006.

1. The Working Group on Environmental Monitoring and Assessment (WGEMA) is helping the European Environment Agency (EEA) to produce the *fourth pan-European assessment* for the Belgrade Conference. At its seventh session, the Working Group will review draft chapters of the Belgrade Assessment report and will provide the EEA with comments and guidance for the completion of the report and its transmission to the Conference. (The draft report is available at the EEA website <http://ewindows.eu.org/belgrade07>). At the same instance, the WGEMA is

¹ This document is being submitted on the above date because of processing delays.

expected to complete *a set of policy and guidance instruments* aimed at strengthening environmental observation and assessment capacities in Eastern Europe, Caucasus and Central Asia (EECCA).

I. MONITORING AND REPORTING BY ENTERPRISES

2. The preparation of pan-European environmental assessments, data collection for country environmental performance reviews and reporting under multilateral environmental agreements reconfirmed that substantial improvements in environmental monitoring and data collection by enterprises are needed in EECCA. The current situation is characterized by:

- (a) Shortcomings or contradictions in setting basic requirements for enterprise environmental monitoring in legislation;
- (b) Lack of coordination and communication between various environmental, health and statistics authorities at different levels in handling environmental data that are collected and reported by enterprises;
- (c) Lack of trust between public authorities and industry; and
- (d) Lack of a commitment by the general management of industries to environmental issues.

3. Strengthened efforts to eliminate these shortcomings and weaknesses will improve the monitoring of enterprise compliance with environmental regulations. It will also help to improve data collection in order to produce national state-of-the-environment reports and other assessments for decision-making. Furthermore, it will facilitate environmental reporting to the international community. Finally, increasing the quantity of environmental information produced by enterprises, improving the quality of this information and enhancing access to it by the general public will help to exert significant pressure on polluters to reduce their adverse environmental impacts.

4. In response to these needs, the WGEMA, in cooperation with other international entities – including the Secretariat of the Task Force for the Implementation of the Environmental Action Programme (EAP TF) for Central and Eastern Europe, Caucasus and Central Asia – launched the preparation of *Guidelines for Strengthening Environmental Monitoring and Reporting by Enterprises*. The *Guidelines* reflect the general need to make environmental protection a shared responsibility of different stakeholders and the goal of authorities to establish strategic partnerships with stakeholders. This can also be seen as part of the increased need for socially responsible behaviour by business and industry, especially in the environmental field.

5. The *Guidelines* are based on good practices developed in various parts of the UNECE region and take into account the requirements of relevant multilateral environmental agreements, such as the Protocol on Pollutant Release and Transfer Registers (PRTRs) to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, and supranational instruments such as EU Directive 96/61/EC on Integrated Pollution Prevention and Control. They cover the salient issues involved in establishing an effective modern system for environmental monitoring and reporting by enterprises, including (a) the legal basis, monitoring approaches and types, and cost issues; (b) the components of an enterprise monitoring programme; (c) quality assurance and control; (d)

record keeping and reporting; (e) data management by the public authorities; and (f) measures to promote enterprise monitoring and reporting.

6. Public authorities could use the *Guidelines* to introduce a framework for enterprise environmental monitoring requirements that would achieve a higher level of environmental protection. Industrial operators, meanwhile, would be able to develop and implement effective enterprise environmental monitoring programmes that have value added for them as well. Better enterprise environmental data collection would help the management to understand the effects of the company's environmental performance on profitability, market value and investment decisions. The *Guidelines* may also help in establishing similar or compatible conditions for business and industry throughout the region in their environmental monitoring and reporting, which would minimize impediments to investment and trade.

7. The English and Russian versions of the revised draft *Guidelines* were issued as document ECE/CEP/AC.10/2006/4/Rev.1. Once they have been agreed upon by the Working Group at its seventh session and thereafter adopted by the Committee on Environmental Policy, the *Guidelines* will be transmitted to the Belgrade Conference through the WGSO.

8. The endorsement of the *Guidelines* by the Ministers and their subsequent implementation would require strong commitments and close cooperation by all stakeholders, including governmental bodies at the national and subnational levels responsible for environmental policy and protection, public health, environmental monitoring, and monitoring of compliance with environmental legislation and regulations, as well as statistical agencies, business and industry and their associations, and civil society organizations. Representatives of EECCA countries in both the WGEMA and the WGSO could play an important role in raising the profile of the *Guidelines*, first and foremost in environment ministries, on the way to Belgrade. A multi-stakeholder dialogue in the form of a roundtable on enterprise environmental responsibility might be organized at the Conference.

II. INDICATOR-BASED ASSESSMENTS

9. Environmental indicators are a key tool for environmental assessment and reporting. Appropriately chosen indicators based on sufficient time-series data can show key trends, help describe causes and effects of environmental conditions, and make it possible to track and evaluate policy implementation.

10. EECCA countries today prepare various types of environmental assessments and reports, each with its own scope, level of detail and periodicity. Most are of a descriptive nature. When indicators are used, they frequently represent bulky figures in tons and cubic metres that do not help decision makers or the general public to understand the causes and effects of environmental conditions, to link these with economic and social developments, to assess the cost-effectiveness of policy implementation or to make comparisons with other countries.

11. The *Guidelines for the Preparation of Governmental Reports on the State and Protection of the Environment* that were prepared by the WGEMA and endorsed by the fifth Ministerial Conference in Kiev provided EECCA countries with helpful methodological guidance for

improving their production of government reports on the status and protection of the environment, especially with regard to the supportive legal and institutional framework, and the reports' basic structure. Although the *Guidelines* stressed that the production of environmental reports must be based on indicators, they stopped short of offering specific recommendations in this regard and recommended the use of internationally developed series of indicators.

12. The active involvement of EECCA countries in the preparation by the EEA of indicator-based environmental assessment reports for "Environment for Europe" conferences triggered the interest of these countries in the development of an internationally agreed set of indicators that would reflect the specific circumstances of the subregion. Consequently, EECCA experts within the WGEMA, in close cooperation with the EEA, selected a core set of environmental indicators for application in EECCA.

13. To make the core set of EECCA environmental indicators operational, the WGEMA agreed to prepare practical guidelines for their application. The resulting *Guidelines for the Application of Environmental Indicators* cover 35 indicators that were classified by EECCA countries as top priority from the viewpoint of both national and international requirements, as understandable to the public, and as supported, to the extent possible, by international methodological guidance. Their presence on other international indicator lists was an important additional selection criterion.

14. The *Guidelines* highlight the importance of the environmental issue for which a given indicator has been designed; make reference to international targets that the indicator should concretize; specify requirements for measurements and data collection to support the indicator; and provide references to internationally agreed methodologies, monitoring standards, calculation methods, databases, useful literature and Internet sites.

15. The consolidated text of the *Guidelines* is available at http://www.unece.org/env/europe/monitoring/landRPr3_en.html. A workshop that the WGEMA is organizing in Donetsk on 31 October – 2 November 2006 will review this text and prepare a revised one (to be issued for the seventh session of the WGEMA as document ECE/CEP/AC.10/2006/17). It will also prepare practical guidance for moving from the production of conventional (descriptive) environmental reports to reports that are based on indicators, especially those included in the *Guidelines*.

16. The *Guidelines on Indicator-based Environmental Reports in EECCA* (to be issued for the seventh session as document ECE/CEP/AC.10/2006/16) would provide the relevant public authorities at the national and subnational levels with methodological guidance on how to improve environmental assessments and reporting by using the core set of indicators supplemented by additional country-specific indicators. They would include recommendations for the report-development process, including the development of indicators and their presentation in the form of maps, graphs and diagrams, the use of the DPSIR (driving forces-pressures-state-impact-responses) framework as an analytical tool, comparisons with similar indicators of other countries, and the use of information technologies.

17. The Working Group has already prepared policy *Recommendations on the Adaptation of National Systems for Environmental Monitoring and Data Collection pursuant to the Guidelines*

for the Application of Environmental Indicators in Eastern Europe, Caucasus and Central Asia (ECE/CEP/AC.10/2006/2, annex). These policy recommendations address the legal and regulatory bases, institutional arrangements, training of experts, information management, access to and publication of data, and international cooperation issues.

18. Should the WGEMA agree on the text of *Guidelines on Indicator-based Environmental Reports in EECCA* coming from Donetsk, it might consider complementing the above-mentioned policy recommendations with additional text encouraging Governments of EECCA countries to implement these in addition to the *Guidelines on the Application of Environmental Indicators*. By recommending that EECCA Governments implement the *Guidelines on Indicator-based Environmental Reports*, the policy recommendations would supersede the Kiev *Guidelines for the Preparation of Governmental Reports on the State and Protection of the Environment*.

19. The policy recommendations supported by the two sets of *Guidelines* would help EECCA countries to, *inter alia*:

- (a) Adapt national systems of monitoring and data collection to reflect international standard classifications and reporting requirements;
- (b) Use the internationally agreed core set of indicators as a policy tool to help in establishing environmental targets and monitoring their implementation as well as measuring overall progress in environmental conditions and performance;
- (c) Make their national environmental assessments comparable with each other and with those of other UN member countries, and with the EEA and its members; and
- (d) Provide data for future pan-European environmental assessment reports.

20. Once agreed upon by the WGEMA in November 2006, the texts of the policy recommendations and the two sets of *Guidelines* would be submitted to the Committee on Environmental Policy for adoption, with a recommendation to transmit the policy recommendations through the WGSO to the Belgrade Conference for endorsement. The two sets of *Guidelines* would be issued as publications in English and Russian and circulated at the Belgrade Conference.

21. The endorsement of the policy recommendations by the Ministers would send a strong political message to public authorities responsible in EECCA for environmental monitoring and protection; public health; sustainable use of water, land, forest and other biological resources; energy, transport and housing policies; and statistics, that they should ensure, in full coordination, data collection on the core set of EECCA indicators, the use of these indicators in environmental assessments and the publication of indicator-based reports. At the Monitoring and Assessment session at the Belgrade Conference, EECCA Ministers might be invited to present their views on how these challenging tasks could be successfully implemented through cooperation and partnerships.