



**Economic and Social
Council**

Distr.
GENERAL

ECE/CEP/AC.11/2007/23
24 July 2007

Original: ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON ENVIRONMENTAL POLICY

Ad Hoc Preparatory Working Group of Senior Officials
“Environment for Europe”

Fifth meeting
Geneva, 29 August 2007
Item 3 of the provisional agenda

THE FUTURE OF THE “ENVIRONMENT FOR EUROPE” PROCESS¹

Note by the secretariat

CONTENTS

	<i>Paragraphs</i>	<i>Pages</i>
Introduction	1	2
I. FROM DOBRIS TO BELGRADE: MAJOR ACHIEVEMENTS	2–15	2
II. GOALS FOR THE FUTURE OF THE PROCESS	16–17	5
III. ADAPTING THE “ENVIRONMENT FOR EUROPE” PROCESS TO A CHANGING GEO-POLITICAL CONTEXT	18–20	6
IV. THEMATIC PRIORITIES	21–25	6
V. REGIONAL/GEOGRAPHICAL FOCUS	26	7
VI. FINANCIAL ASPECTS	27	7
VII. INSTITUTIONAL ARRANGEMENTS	28–34	8

¹ The present document is submitted on the above date, as it was prepared following the discussion by the second meeting of the Open-ended Drafting Group for preparing the Draft Ministerial Declaration held in Geneva on 2 and 3 July 2007.

CONTENTS (continued)

	<i>Paragraphs</i>	<i>Pages</i>
A. Transferring the Environmental Action Programme Task Force Secretariat responsibilities from the Organisation for Economic Co-operation and Development to the Eastern Europe, Caucasus and Central Asia Region: Possible options.....	29-30	8
B. Options for the Project Preparation Committee after the Belgrade Ministerial Conference	31	8
C. Options for streamlining the preparatory process for EfE Ministerial Conferences	32-33	9
D. Ministerial Conferences/mid-term reviews.....	34	9
VIII. QUESTIONS FOR DISCUSSION	35	9

Introduction

1. This document was prepared by the secretariat following the request by the Working Group of Senior Officials (WGSO) at their fourth meeting; it was revised taking into account comments during the second meeting of the Drafting Group for the Ministerial Declaration and additional comments received from WGSO members by mid-July. It attempts to take stock of the achievements of the “Environment for Europe” (EfE) process and to outline a range of options for the future of the process. The paper is meant to facilitate discussions about the future of the EfE process in the framework of negotiations of the Ministerial Declaration for the Sixth Ministerial Conference “Environment for Europe”, to be held in Belgrade from 10 to 12 October 2007, and could serve as a background document for a ministerial discussion on the last day of the Conference.

I. FROM DOBRIS TO BELGRADE: MAJOR ACHIEVEMENTS²

2. The EfE process was launched in 1991 at Dobris Castle near Prague. The Dobris meeting marked a new departure for the region: helping the countries in transition from a centrally planned to a market economy to attain the level of environmental protection established in western democracies, and, at the same time, working to raise these standards throughout the region.

3. During the subsequent conferences in Lucerne, Switzerland, in 1993, Sofia, Bulgaria in 1995, Aarhus, Denmark, in 1998, and Kiev, Ukraine in 2003, the EfE process has involved all the countries of Europe and North America and the Caucasian and Central Asian States; international organizations and institutions, including the European Commission, the United Nations Economic Commission for Europe (UNECE), the United Nations Environment Programme (UNEP), the World Health Organization’s Regional Office for Europe

² This section is an updated version of the analysis provided in the document on the future of the process submitted to the Kiev Ministerial Conference (ECE/CEP/95, paras 1–11).

(WHO/EURO), the Organisation for Economic Co-operation and Development (OECD), the Council of Europe, the Organization for Security and Cooperation in Europe (OSCE), the World Bank, the European Bank for Reconstruction and Development (EBRD), the Regional Environmental Centers (RECs) and the European Environment Agency (EEA); and civil society organizations and other major groups.

4. The major driving forces of the EfE process have been:
 - (a) The engagement by countries in all parts of the region in a joint effort on a high political level to improve the environment;
 - (b) The engagement by international organizations and civil society organizations active in the region to draw attention to their own agendas in a unique cooperative setting;
 - (c) The ministerial conferences themselves, the organization of which has required the selection of the most demanding policy issues and tight deadlines for completing negotiations on new legal instruments for signature by Ministers and for producing substantive documentation;
 - (d) The strong ownership of the host country in preparing the Conference.

5. The agendas of EfE conferences have reflected the priority concerns of countries in the region and struck a balance between subregional and regional issues. The EfE process has evolved steadily into “the major long-term pan-European political framework” to discuss key policy issues, develop programmes, prepare legally binding instruments and launch various initiatives, including new institutional structures for the environment.

6. In response to the urgent need to promote policy reform, strengthen institutions and promote environmental investments in economies in transition, the Lucerne Conference adopted the Environmental Action Programme (EAP) for Central and Eastern Europe and established an EAP Task Force and a Project Preparation Committee (PPC). Since the 1998 Aarhus Ministerial Conference, the EAP Task Force has concentrated on supporting the countries of Eastern Europe, Caucasus and Central Asia (EECCA) in the areas of water supply and sanitation, environmental finance, and environmental policies and institutions. The PPC has been instrumental in mobilizing and channeling external financing to resolve priority environmental problems in countries in transition, as well as in ensuring coordination among clients, host Governments, donors and international financial institutions (IFIs). Since the 2003 Kiev Ministerial Conference, the EAP Task Force and the PPC have met jointly and have a common Bureau and membership.

7. At Kiev, the Environment Ministers adopted the Environment Strategy for the countries of EECCA, and invited the EAP Task Force to lead the efforts to facilitate and support the achievement of the objectives of the Strategy. A report assessing progress made in achieving seven objectives of the Environment Strategy is being prepared by the EAP Task Force and will serve as a basis for discussions at the 2007 Belgrade EfE Conference. It complements the EEA pan-European assessment report by focusing on the policy actions taken by the EECCA countries.

8. At Lucerne, the EfE process initiated the extension of the OECD programme of environmental performance reviews (EPRs) to countries in transition. Since 1996, Central European, South-East European (SEE), and Eastern European, Caucasian and Central Asian countries have been reviewed by UNECE, in addition to a few countries in transition that were reviewed in cooperation with OECD. The EPR Programme has begun its second round of reviews. Second EPRs have already been carried out in Belarus (2005), Bulgaria (2000), Estonia (2001), Moldova (2005), Ukraine (2006), Serbia (2007) and Montenegro (2007).

9. The reviews have made it possible not only to assess, through the international review mechanism, the effectiveness of countries' efforts to manage the environment, but also to offer the Governments concerned tailor-made recommendations on how to reduce the overall pollution burden, how to better integrate environmental policies into sectoral policies, and how to strengthen cooperation with the international community.

10. The publication of periodic pan-European assessment reports on the state of the environment is another achievement of the EfE process. The reports that were produced by the EEA in 1995, 1998 and 2003 helped to identify major threats and challenges for the development of regional environmental policies. The fourth report ("The Belgrade Assessment") is currently being published as a policy-oriented, indicator-based report responding to the agenda of the Belgrade Ministerial Conference. It will provide information on progress in the state of the environment achieved since the Kiev Ministerial Conference and serve as a basis for further action, awareness raising and communication.

11. The EfE ministerial conferences have adopted and signed a number of important legally binding instruments promoting environmental protection and sustainable development in the region. These include the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters and the Protocols on Heavy Metals and on Persistent Organic Pollutants adopted in Aarhus in 1998. During the Kiev Ministerial Conference, three new Protocols to UNECE Conventions were adopted and opened for signature, the Protocols on Strategic Environmental Assessment, Civil Liability, and Pollution Release and Transfer Registers. Furthermore, the Governments of all seven countries of the Carpathian region adopted the Framework Convention on the Protection and Sustainable Development of the Carpathians.

12. Environmental agreements developed under the EfE process complement and strengthen the environmental legal infrastructure in the UNECE region that has been built by the UNECE conventions on air pollution, environmental impact assessment, transboundary waters and industrial accidents³. The environmental legislation that has been undertaken within the EfE process has added value to UNEP global initiatives (e.g. on persistent organic pollutants), and European Union (EU) legislation (e.g. on public information and participation).

13. Other important policy tools highlighted by the EfE conferences include the Pan-European Biological and Landscape Diversity Strategy (PEBLDS), the Environmental Programme for Europe, and the Strategy on Education for Sustainable Development (ESD).

³ The Convention on Long-range Transboundary Air Pollution, the Convention on Environmental Impact Assessment in a Transboundary Context, the Convention on the Protection and Use of Transboundary Watercourses and International Lakes, and the Convention on the Transboundary Effects of Industrial Accidents.

Their development and implementation have required cooperation and joint efforts by various international organizations, and for the ESD Strategy, of two different ministries at the national level, thus contributing to the promotion of cross-sectoral activities and policy integration.

14. Coordination has also been established between the EfE process and other pan-European ministerial processes such as environment and health, transport and environment, and the Ministerial Conference on the Protection of Forests in Europe (MCPFE).

15. The preparations for and the organization of the ministerial conferences have involved a number of key stakeholders such as civil society organizations, local authorities, trade unions, and business and industry in the EfE process. A great number of environmental non-governmental organizations (NGOs) participating in the process organized themselves in the Environmental NGO Coalition, which later evolved into the broader European ECO-Forum. The EfE process initiated the establishment of new RECs in EECCA.

II. GOALS FOR THE FUTURE OF THE PROCESS

16. Ministers at the Kiev Ministerial Conference agreed on the following goals for the future of the EfE process⁴:

- (a) To promote the achievement of policy objectives through regional and subregional cooperation on policy responses based on environmental monitoring and assessment, integration with sectoral policies, and governance, including the involvement of civil society, business and industry, and other major groups;
- (b) To strengthen the implementation of environmental instruments to which countries are party, including regional conventions and protocols, and to encourage efforts to improve their efficiency, effectiveness and coherence;
- (c) To improve cooperation between the regional programmes of United Nations bodies and organizations and other international organizations and institutions;
- (d) To mobilize financial resources from all sources, inter alia, from Governments, IFIs, donors and the private sector, to support the implementation of regional environmental instruments and subregional initiatives including capacity-building;
- (e) To support interregional cooperation and links with the global environmental governance structure, where this adds value;
- (f) To contribute to UNECE regional implementation of global sustainable development process;
- (g) To improve and strengthen monitoring and assessment in the region.

17. These goals continue to be relevant. The EfE process remains a unique partnership of the member States within the UNECE region, organizations of the United Nations system active in the region, other intergovernmental organizations, RECs and other major groups. It provides a valuable multilateral framework and a multi-stakeholder platform for broad horizontal

⁴ Kiev Ministerial Declaration, ECE/CEP/94/Rev.1, paragraph 66.

environmental cooperation, for sharing of information and lessons learned, and for providing political guidance towards environmental protection and capacity-building as a pillar of sustainable development in the UNECE region.

III. ADAPTING THE “ENVIRONMENT FOR EUROPE” PROCESS TO A CHANGING GEO-POLITICAL CONTEXT

18. Since the beginnings of the EfE process back in 1991 the political and economic landscape of the UNECE region has changed significantly. Many Central and Eastern European countries targeted by the EfE process have now joined the European Union. In addition, current Community policies (e.g. the European Neighbourhood Policy, the Stabilisation and Association Process, the EU-Russia Permanent Partnership Council, and the emerging EU-Central Asia Partnership) provide new opportunities for closer cooperation between the EU and the EECCA and SEE countries.

19. Political as well as economic developments have greatly varied within the EECCA and SEE subregions, and progress across countries and environmental policy areas has been uneven. This situation calls for an increased focus on subregional initiatives and partnerships, tailored to the specific needs of the EECCA subregions, groups of countries or individual countries. At the same time, the need remains for an EECCA-wide mechanism to exchange information and good practices in areas of common interest, and to facilitate dialogue and cooperation with donors.⁵

20. A variety of institutional mechanisms and instruments exist in the UNECE region to address specific environmental issues. While through its many partners the EfE process offers an excellent framework for the promotion of synergies, to avoid overlaps it should focus on issues that are not already addressed by other instruments or processes.

IV. THEMATIC PRIORITIES

21. During the preparations for the Belgrade Ministerial Conference partners agreed that the future process should be needs-driven and focus on delivery and implementation. There is also a common understanding that the focus should shift from the development and adoption of new legally binding instruments to the ratification and implementation of existing ones.

22. While the future process should be kept open for all pan-European issues for which it can provide added value, it should take into account that developments in EECCA countries and subregions do not follow a common pattern. An increasing concentration on subregional and national approaches appears necessary.

23. Environmental governance in terms of strengthening environmental institutions and policy instruments in the UNECE region should be further developed by enhancing environmental monitoring, raising public awareness of environmental issues, improving environmental decision-making and management, and strengthening environmental education within the context of education for sustainable development. Integration of environmental

⁵ cf. Executive Summary of “Policies for a Better Environment: Progress in Eastern Europe, Caucasus and Central Asia, submitted by the EAP Task Force.

policies into other sectoral policies and the mainstreaming of environmental issues in general policy documents need to be promoted, particularly in EECCA countries.

24. At its sixty-first session in February 2006, UNECE adopted the work plan on UNECE reform⁶ with the following priorities for the UNECE Environment subprogramme: member States' implementation of their decisions and commonly agreed goals, including those made in the EfE process, the EECCA Strategy, and the UNECE Environmental Conventions; strengthening work on EPRs and on environmental monitoring and assessment; further capacity-building and workshops at subregional levels. While recognizing that the EfE process comprises many more partners and activities than the UNECE Environment subprogramme, the priorities adopted by UNECE Governments might provide a good indication for a needs-based priority-setting.

25. There is a need to further improve the indicator-based environmental assessments and monitoring capacities in the region. The series of pan-European assessment reports on the state of the environment produced by the EEA in cooperation with UNECE and other partners should be continued for the next conference. The UNECE Working Group on Monitoring and Assessment (WGEMA) has provided valuable support to EECCA and SEE countries in improving their national data production capacities and their links to policy design. As much more needs to be done to make monitoring an effective instrument in environmental policy-making in these sub-regions, the WGEMA should be accorded a continued mandate for its work.

V. REGIONAL/GEOGRAPHICAL FOCUS

26. While maintaining the UNECE-wide scope of the EfE process, the focus for future activities should mainly be on EECCA and, as appropriate, on SEE countries, based on the needs identified by them. Duplication of structures and activities should be avoided. Future project-related activities and capacity-building measures within the EfE process should be based on major environmental and development needs with a concentration of efforts on those areas that are not entirely addressed by existing instruments, processes or programmes. To ensure that activities correspond to needs, EECCA countries in particular should more clearly define their needs and provide the necessary national frameworks for effective cooperation.

VI. FINANCING ASPECTS

27. Stable, adequate and predictable funding is vital for the functioning of the EfE process, for its organizational aspects as well as for its operational activities. The preparatory processes for the ministerial conferences and the conferences themselves have relied so far on voluntary contributions by member States to compliment a regular UNECE budget. Implementation of decisions taken at the conferences also frequently requires financial support from donors. As financial resources are limited and unlikely to grow significantly, donors should further strengthen the coordination of their activities and continue to build synergies among programmes and strategies aimed at providing assistance to EECCA countries in the environment. field. Stronger donor interest might be triggered through firmer commitments by EECCA countries.

⁶ See document E/ECE/1434/Rev.1, paragraphs 31 and 32.

VII. INSTITUTIONAL ARRANGEMENTS

28. The structure and institutions of the EfE process were established in its early stages, mainly as a result of the 1993 Lucerne Ministerial Conference. Partners may want to consider the following issues.

A. Transferring the Environmental Action Programme Task Force Secretariat responsibilities from the Organisation for Economic Co-operation and Development to the Eastern Europe, Caucasus and Central Asia Region: Possible options

29. Ministers at the 2003 Kiev Ministerial Conference, in reference to the EAP Task Force, indicated that, at their next conference in 2007, “we will consider opportunities to relocate the secretariat functions to Eastern Europe, the Caucasus or Central Asia”. The Fifth Joint Meeting of the EAP Task Force and the PPC in March 2007 concluded that “the OECD secretariat [should] be invited to continue to support the work of the EAP Task Force, but that a mechanism should be developed whereby the secretariat functions could be gradually transferred to EECCA RECs”.

30. The Bureau of the EAP Task Force and the PPC met on 4 July 2007 and recommended that the future programme of work of the EAP Task Force should focus on water supply and sanitation and environmental policy and institutional reform⁷. It also agreed that the OECD should be invited to continue to provide the secretariat for the EAP Task Force, but that some of these functions should be gradually transferred to EECCA RECs. The Bureau would oversee this transition, which would subsequently be assessed at the proposed mid-term review of the EfE process. The EAP Task Force secretariat was requested to prepare a draft programme of work for 2008, specifying activities that would be undertaken by the OECD and the EECCA RECs, with each concentrating on their areas of comparative advantage, and to circulate this draft programme of work for information to the members of the EAP Task Force prior to the Belgrade Ministerial Conference. The European Commission informed the Bureau that it would no longer serve as a Co-Chair of the EAP Task Force from the side of the donors after the Belgrade Conference.

B. Options for the Project Preparation Committee after the Belgrade Ministerial Conference

31. A review of the PPC was conducted during 2006 in order to identify options for how the PPC might continue to operate after the Belgrade conference. The synthesis report set out two broad options for the PPC: one in which the PPC would work with a number of IFIs supported by a new multi-donor fund (Scenario 1); and another in which the PPC would be mainstreamed into EBRD after the Belgrade Conference, subject to the approval of EBRD management and Board of Directors (Scenario 2). Under both of these scenarios, an option would be kept open for interested donors to continue to fund conventional PPC Officer positions. During discussions both at the Joint meeting of the EAP Task Force and the PPC in March 2007 and at the fourth meeting of the WGSO, delegates broadly agreed that Scenario 2 was a more realistic model for

⁷ At the time of writing, this summary is drawn from the draft summary record of the Bureau meeting of the EAP Task Force/PPC.

the future of the PPC, adding that the PPC should continue to coordinate with other partners including the World Bank and the European Commission, even if it is internalized within EBRD. PPC donors were also asked to coordinate with their respective EBRD Directors to ensure that the final recommendations on the future of the PPC are fed in at Board level.

C. Options for streamlining the preparatory process for EfE Ministerial Conferences in the Committee on Environmental Policy and the Working Group of Senior Officials

32. Ministers at the Kiev Ministerial Conference invited the Committee on Environmental Policy (CEP) to monitor the outcomes of the Kiev Ministerial Declaration, to consider reflecting the relevant commitments of the Kiev Ministerial Declaration in its work programme and to assist them in assessing progress in the implementation of environmental commitments of the UNECE region emanating from the Johannesburg Declaration on Sustainable Development and the Plan of Implementation as well as the UNECE Regional Preparatory Meeting for WSSD. The preparations for the Belgrade Conference were entrusted to the WGSO established at the eleventh session of the CEP. During the preparatory process CEP and WGSO have met back to back, with preparations for the Belgrade Ministerial Conference also on the agenda of the CEP. While the CEP had an important role to prepare certain UNECE inputs for the conference, this has also led to some overlap in discussing overall preparation, especially as many countries are represented by the same delegates in the two bodies. The mandate of the CEP could be revised with a focus on the strategic coordination of the EfE process. The CEP could serve as the intergovernmental body for the preparation of future ministerial conferences.

33. It should be noted that the structure of the EfE process as an open multi-stakeholder process and the strong role of the host country are important factors for its success. Both characteristics should and could be maintained if the preparatory process were to take place in the form of an EfE segment within the CEP meeting: this segment could be chaired by the host country of the next conference, and the terms of reference of the CEP could be revised to provide for the same multi-stakeholder participation as in the WGSO.

D. Ministerial Conferences/mid-term reviews

34. Governments may agree to keep the periodicity of every four to five years for the Conferences. A mid-term review within the CEP after two to three years might help to maintain the political momentum between conferences and to keep the process on track.

VIII. QUESTIONS FOR DISCUSSION

35. The following questions may merit discussion by Ministers at the Belgrade Conference:
- (a) How can the different partners contribute to making the EfE process more focused and needs-driven?
 - (b) What should be the future horizontal and thematic priorities for the EfE process?
 - (c) How could the financial burden of future conferences be eased?
 - (d) How could the preparatory process be rationalized?
