

Ad Hoc Preparatory Working Group of Senior Officials
“Environment for Europe”
Open-ended Drafting Group

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THE FUTURE OF THE ‘ENVIRONMENT FOR EUROPE’ PROCESS

A note for discussion submitted by the Secretariat

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 is meant to facilitate discussions about the future of the ‘Environment for Europe’ process in the framework of negotiations of the Ministerial Declaration for the Belgrade Conference. In its current version, the paper attempts to take stock of the achievements of the ‘Environment for Europe’ process and to outline a range of options for the continuation of the process based on an initial discussion at the fourth meeting of the WGSO and on comments received from WGSO members by 15 June 2007. A more advanced version of the paper could serve as a document for a ministerial discussion at the Belgrade Conference.

I. FROM DOBRIS TO BELGRADE: MAJOR ACHIEVEMENTS¹

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 process has involved all countries of Europe, North America, Caucasian and Central Asian States, as well as international organizations and institutions including the European Commission, UNECE, the

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

United Nations Environment Programme (UNEP), the World Health Organization's Regional Office for Europe (WHO/EURO), the Organization 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), the European Environment Agency, as well as 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 non-governmental organizations (NGOs) active in the region to draw attention to their own agenda 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). The EAP Task Force has been playing an effective role in promoting environmental policy reform and capacity building in economies in transition, particularly in the preparation of national environmental action programmes, environmental financing and environmental management in enterprises. 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).

7. Also at Lucerne, the EfE process initiated the extension of the OECD programme of environmental performance reviews (EPR) to countries in transition. Since 1996, Central, Southeastern and Eastern Europe and Central Asia 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 Reviews have already been

carried out in Belarus (2005), Bulgaria (2000), Estonia (2001), Moldova (2005), Ukraine (2006), Serbia (2007) and Montenegro (2007).

8. 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, to better integrate environmental policies into sectoral policies and to strengthen cooperation with the international community.

9. 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 European Environment Agency (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") currently under preparation will be a policy-oriented, indicator-based report responding to the agenda of the Belgrade Conference. It will provide information on progress achieved since the Kiev Conference and serve as a basis for further action, awareness raising and communication.

10. 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 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.

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

12. Other important policy tools highlighted by the EfE conferences include the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) and the Strategy on Education for Sustainable Development (ESD). Their development and implementation have required cooperation and joint effort by various international organizations, and for the ESD Strategy, of two different ministries, thus contributing to the promotion of cross-sectoral activities and policy integration.

13. 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).

14. The preparations for and the organization of ministerial conferences have involved a number of key stakeholders like civil society organizations, local authorities, trade unions, and business and industry in the EfE process. A great number of environmental non-governmental organizations (NGO) 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 Eastern Europe, the Caucasus and Central Asia.

II. GOALS FOR THE FUTURE OF THE PROCESS

15. Ministers at the Kiev Conference agreed on the following goals for the future of the EfE process²:

- (a) To promote the achievement of policy objectives through regional and subregional cooperation on policy responses based on environmental monitoring and assessments, 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.

16. 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 represented in the region, other intergovernmental organizations, regional environment centres, non-governmental organizations and other major groups. It provides a valuable multilateral framework and a multi-stakeholder platform to strive for the achievement of the above goals through broad environmental cooperation, sharing of information and lessons learnt in the UNECE region.

² Kiev Ministerial Declaration, ECE/CEP/94/Rev.1, paragraph 66

III. ADAPTING THE EfE PROCESS TO A CHANGING GEO-POLITICAL CONTEXT

17. Since the beginnings of the EfE process back in 1991 the political and economic landscape of the UNECE region has changed significantly. The majority of the Central and Eastern European countries targeted by the EfE process have now joined the European Union. In addition, current Community policies (e.g. 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 European Union and EECCA and SEE countries.

18. Political as well as economic developments have greatly varied within the EECCA and SEE sub-regions, and progress across countries and environmental policy areas has been uneven. This situation calls for an increased focus on sub-regional initiatives and partnerships, tailored to the specific needs of the EECCA sub-regions, 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 co-operation with donors.³

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

IV. THEMATIC PRIORITIES

20. During the preparations for the Belgrade 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.

21. Future thematic priorities should take into account the specifics of the UNECE region, such as its vulnerability to climate change, biodiversity loss, exposure to new chemicals, health threats, possible risks to human security, and unsustainable consumption and production patterns. The themes of environmental governance and water supply and sanitation, especially in a transboundary context, have been identified as priority sectors for future cooperation by the EAP Task Force.

³ cf. Executive Summary of the Report on Progress in Environmental Management in Eastern Europe, Caucasus and Central Asia, submitted by the EAP Task Force.

22. At its sixty-first session in February 2006 UNECE adopted the work plan on UNECE reform⁴ with the following priorities for the ECE Environment subprogramme: member States' implementation of their decisions and commonly agreed goals, including those made in the Environment for Europe process, the EECCA Strategy, and the UNECE Environmental Conventions; strengthening work on Environmental Performance Reviews and 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 ECE's environment subprogramme, the priorities adopted by UNECE governments might provide a good indication for a needs-based priority setting.

23. 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 European Environment Agency in cooperation with 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

24. 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.

VI. FINANCING ASPECTS

25. Stable adequate and predictable funding is vital for the functioning of the EfE process, for its organizational aspects as well as for the operational activities. The preparatory processes for the ministerial conferences and the conferences themselves have relied so far on voluntary contributions by member States. The 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 programs and strategies aimed at providing assistance to EECCA countries in the field of the environment. Stronger interest of donors might be triggered through firmer commitments by EECCA countries.

⁴ E/ECE/1434/Rev.1, paragraphs 31, 32.

VII. INSTITUTIONAL ARRANGEMENTS

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

Transferring the EAP Task Force Secretariat Responsibilities from OECD to the EECCA Region: Possible Options

27. Ministers at the Kiev “Environment for Europe” Conference in 2003, 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 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”.

28. A working group comprising a representative of the EAP Task Force Secretariat, a representative of EECCA RECs, a representative of the Netherlands, a representative of Moldova and a representative of NGOs considered this issue and submitted a note to the fourth meeting of the WGSO for consideration in its discussion of the future of the Environment for Europe process. The note proposes the following options for transferring the EAP Task Force secretariat functions from OECD to EECCA RECs: an immediate transfer of all responsibilities to EECCA RECs; business as usual: OECD continues to serve as the EAP Task Force Secretariat; a step-by-step transfer, accompanied with further capacity building and regular reviews to adjust the transition strategy. The WGSO held an extensive discussion of the issue, with most governments cautioning against an immediate transfer of all responsibilities to the EECCA RECs. It was decided that further discussions were needed and should be held in a meeting of the Bureau of the EAP Task Force on 4 July.

29. The European Commission informed the fourth meeting of the WGSO that the present financial support provided to the EAP Task Force Secretariat within OECD will not continue after the Belgrade Conference. Any decision on the continuation of the Secretariat’s activities beyond Belgrade should therefore take into account the need for new sources of funding.

Options for the PPC after the Belgrade Ministerial Conference

30. 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 should 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 the future of the PPC, adding that the PPC should continue to coordinate with other partners including the World Bank and EC, even if it is internalised 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.

Options for streamlining the preparatory process for EfE Ministerial Conferences in the Committee on Environmental Policy (CEP) and the Working Group of Senior Officials (WGSO)

31. Ministers at the Kiev Conference invited the CEP to monitor the outcomes of the Kiev Declaration, to consider reflecting the relevant commitments of the Kiev 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 Working Group of Senior Officials 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 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. Partners in the process might want to consider if this two-tier system should be continued when preparing the next EfE conference, if the respective responsibilities of the two bodies could be adjusted to avoid overlaps or if the two bodies should be merged.

32. 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.

Ministerial Conferences/mid-term reviews

33. Provided that governments decide that the EfE process should continue after the Belgrade Conference, they might consider if the periodicity of every 4-5 years for the Conferences is still appropriate. A mid-term review after 2-3 years of decisions taken at the Belgrade Conference might help to maintain the political momentum between conferences.