

## **World Bank Proposals of category II documents to be submitted to the 6th Environment for Europe Conference in Belgrade**

The World Bank intends to submit three category II documents to the 6<sup>th</sup> Environment for Europe Conference in Belgrade. Their working titles are:

1. “Integration of Environment into Agriculture and Forestry in Selected ECA Countries”
2. “Mainstreaming Environment into Economic Growth: A Strategy for the Europe and Central Asia Region” (ECA).
3. “Monitoring what Matters: Tailoring water, sanitation and environmental sustainability targets and indicators to ECA Conditions.”

### **Proposal I. Mainstreaming environment into forestry and agriculture policies and operations**

The proposed report will review successful experiences and lessons learned of transition countries of the Eastern Europe, Caucasus and Central Asia region (EECCA) and low income SEE countries in integrating environmental considerations into forestry and agriculture policies and operations. It will also develop good practice guidelines for environmentally sustainable agriculture and forestry practices in the region.

This work will be used to help environmental ministries collaborate more effectively with forestry and agriculture agencies. The report is building upon a joint NGO – Ministerial Session on Environmental Policy Integration held at the Kyiv Fifth Environment for Europe Conference. It reviews progress made in integration policy integration in EECCA countries and explores how the countries, sometimes with assistance of the World Bank, have been working together to overcome the challenges raised at Kiev conference. Therefore this work is seen as an integral part of the Environment for Europe process, as well as a contribution to setting long-term environmental priorities at the pan European level, and making these priorities more operational not only to Environment Ministers but also to other Government agencies. This work will help catalyze new partnerships between the governments, private sector, civil society and international financing institutions.

More specifically, the proposed paper will include a summary report, or *Guidance Note*, describing approaches to measuring success in mainstreaming environmental considerations into forestry and agriculture in the countries. The summary report will also include:

- An overview of the lessons learned and successes in donor and government programs;

- Short country reports (one page for the country reviews and one page summary for potential donors/IFIs involvement);
- Regional indicators to allow for comparability between countries;
- Conclusions, implications for development activities, and recommendations for possible policy improvements and investments in Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Rep., Moldova, Tajikistan, and Uzbekistan;
- Capacity building of environment ministries in engaging forestry and agriculture sectors through active country level participation.

**Session to which this document will contribute:**

The report will complement the Category II document on sustainable consumption and production patterns proposed by the Government of Sweden and UNEP. Therefore we believe that it can be a contribution to the session on *Sustainable Consumption and Production* (In the “Partnerships” block).

**Proposal II: Mainstreaming the environment into economic growth: a strategy for the ECA region.**

The proposed report will identify and disseminate best practices that support and promote mainstreaming of environmental considerations into policies, plans and programs for key economic sectors. This paper aims at improving the long-term sustainability of economic development prospects of the EECCA countries.

The specific objectives of the strategy report are to identify good practices and to outline a number of recommendations that could support environmentally responsible economic development in the ECA region. This report contributes to a debate on sustainable production and consumption patterns. Links between economic growth and environmental degradation are discussed in the paper and directly linked to more efficient and sustainable uses of natural resources and production processes.

The implementation of these recommendations will contribute towards the mainstreaming of environmental considerations into the process of economic growth and political reform in the ECA region.

The proposed paper will help catalyze partnerships with governments, private sector, and/or civil society.

The specific objectives of the report are to:

- Review how sector-specific country priorities and practices contribute to environmentally responsible growth;
- Identify and document recent success histories, case studies and good practices, and bring up-to-date facts on how countries and sub-regions have adopted decisions and actions that are environmentally responsible and have successfully approved mainstreaming of environmental concerns into economic development;

- Identify opportunities, challenges and constraints in mainstreaming environment considerations into economic development, including those of EU enlargement for effective integration of environmental concerns into economic sectors;
- Identify jointly with the ECA countries a set of regional strategic priorities and targets that support environmentally responsible growth in the transition to market economy as well as opportunities for maximizing potential of concessional finance from GEF and Carbon Funds by sector/issue;
- Review and synthesize World Bank development assistance today and experience in mainstreaming environmental concerns into economic development; and
- Outline a number of recommendations for a regional strategy that spans across several sectors; links environmental objectives with opportunities for responsible economic growth; and promotes a culture of environmental sustainability of economic development in the ECA countries.

**Session to which this document will contribute:**

The report will complement the Category II document on sustainable consumption and production patterns proposed by the Government of Sweden and UNEP. Therefore we believe that it can be a contribution to the session on *Sustainable Consumption and Production* (In the “Partnerships” block).

**Proposal III: Monitoring what Matters: Tailoring water, sanitation and environmental sustainability targets and indicators to ECA Conditions**

The objective of this study is to facilitate a country-driven process of identifying or developing complementary indicators for measuring sustainable access to safe water and sanitation and for monitoring a loss of critical environmental resources in ECA countries. The report focuses on three countries: Albania, Tajikistan, and Georgia. It also presents more limited information collected from five additional countries that were the subject of the 2004 study: Armenia, Kazakhstan, the Kyrgyz Republic, Moldova, and Serbia and Montenegro

When the UN framework indicators are used “at face value” to measure sustainable access to water and sanitation most ECA countries rate well against countries with similar GDP in other regions. However, when complementary indicators more appropriate to ECA are applied, it appears that the ECA countries face considerable challenges in providing sustainable access to safe water and adequate sanitation.

The key conclusion from the analysis of indicators of the loss of environmental resources is that there is more ownership of indicators if they are tailored to country priorities rather than to environmental issues implicated by global framework indicators. The mismatch between what matters locally and what is being monitored internationally may divert scarce resources away from local policy priorities and focus on monitoring less relevant environmental resources. Institutional capacity to develop sound indicators, collect quality underlying data, and use them in decision-making is often very poor. The report

recommends that given limited resources and capacities, the countries would be better off focusing efforts on measuring what matters most and what is easiest to measure. In some cases, the report proposes practical steps to monitor certain key indicators and estimate the costs of monitoring.

This study demonstrated how the monitoring efforts can be structured and facilitated through a country-driven process. It also demonstrates that these efforts are challenging to the countries in the region and that they require targeted support from the international community to be successful. Therefore the study may catalyze partnerships between governments, civil society, donors and IFIs on strengthening capacity to monitor policy relevant indicators.

**Session to which this document will contribute:**

The report can be a background document to the session on *Assessment and Implementation*.