



Action funded by
the European Union

EU4Environment

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine

Launch of the EU4Environment in Ukraine

21-22 March 2019, Kyiv, Ukraine

Brief summary of the meeting

Action implemented by:



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Background

The “European Union for Environment” (EU4Environment) Action aims to help the six partner countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine, to preserve their natural capital and increase people's environmental well-being, by supporting environment-related action, demonstrating and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts.

The Action will run over four years as of January 2019. It is implemented by five international organisations: OECD, UN Environment, UNECE, UNIDO, and the World Bank based on a budget of around EUR 20 million provided by the European Union and co-financing from other sources.

In March and April 2019, national meetings to officially launch of the EU4Environment were held in six EaP countries with the aim to:

- present the context, objectives and the main elements of the EU4Environment,
- discuss national priorities for implementation the six EaP countries and
- identifying synergies with ongoing relevant activities.

Meeting in Kyiv

Participants

The official launch the EU4Environment Initiative in Ukraine took place on 21 March at the Aarhus Centre of the Ministry of Ecology and Natural Resources of Ukraine. It was attended by about 25 participants, including Deputy Minister for European Integration of the Ministry of Ecology and Natural Resources and his colleagues, representatives of the Parliament of Ukraine and several invited NGOs.

The European Union was represented by officials from the European Commission's DG NEAR and the EU Delegation in Kyiv. The EU4Environment project team was represented by OECD, UNIDO, UN Environment and the World Bank.

The EU4Environment team had also a meeting at the Ministry of Economy and Trade on 22 March which involved about 15 persons, including Heads of Departments responsible for: strategic economic planning, industrial development, public investment, and SME development.

Several bi-lateral discussions were also held with non-government actors on the margins of the official meetings.

Results of the meetings

The presentation of the EU4Environment “Result-by-Result” allowed the participants to engage in the lively and interactive discussion about ongoing priorities and those activities that would be most suitable for the country under the EU4Environment. The discussion helped to correlate the EU4Environment plans with the main policy documents and legislation recently adopted in Ukraine, such as the Low-Carbon Development Strategy, the National Waste Management Plan, legal acts on SEA, public procurement, environmental inspection, environmental liability and SME development.

The Ukrainian side expressed interest in all themes included in the Description of the Action highlighting a need for practical support to policy implementation, development of the technical guidance and procedures and building lasting capacities in the administration. For more detailed account of the discussion under each Action Result see Annex 1.

The participants agreed that a detailed list of priority activities be developed jointly in April-May 2019 with the assistance of a dedicated consultant.

The meetings advanced also mutual understanding of the institutional arrangements for the Project implementation in Ukraine, including the identification of the National Focal Points from both Ministries, inter-ministerial co-ordination, local project co-ordination and support. The both sides also discussed technical details of the formal procedure for the Project registration in Ukraine and agreed with the Ukrainian authorities on necessary documentation and timetable for its submission. Registration of the project should be made by the Ministry of Economy, although it is considered to be a technical issue which requires only identification of the project beneficiary and development of a joint document with clear responsibilities among the beneficiaries (to be signed by each side).

Follow up

The meetings in Kiev will be followed up by an intensive exchange with the Ukrainian partners about the detailed list of priority activities and the arrangements for in-country project support.

A draft work plan for Ukraine, as for all other EaP countries, are expected to be presented at the meeting of the EU EaP Panel of Environment and Climate Change (27-28 May, Vienna). The final adoption of the work plans is planned at first meeting of the EU4Environment Regional Assembly (27-28 June, Brussels).

Annex: Priority issues raised during the discussions on specific Results of the EU4Environment

1. Green Decision Making

- Support implementation and priorities under Ukraine’s recently developed 2030 Low-Carbon development strategy.
- Continue support to the implementation of BIG-E priorities (eco-industrial parks, resource efficient and cleaner production under the Strategy of Industrial Development, and Sustainable Public Procurement).
- Facilitate formulation of the country’s Intended Nationally Determined Contributions (INDCs) to the UNFCCC.
- Use existing inter-ministerial coordination bodies (e.g. Committee for the development of the national environmental strategy and sectoral reforms; Platform for Sustainable Development – chaired by the Vice Prime Minister; National coordination council on Waste Management).
- SEA/EIA
 - Over 20 sectoral strategies are in the pipeline, but these often lack important environmental aspects (SEA)
 - Special unit established for SEA – need for training, tracking strategic planning document and better coordination between Ministry of Economy and Environment to ensure complementarity – with the SDGs as a good basis.
 - Need to focus on in country projects in addition to transboundary
 - Guidelines needed for the application of EIA at the regional and local level
- Awareness and education:
 - Need to focus on activities with tangible results, affecting people’s lives. Awareness campaigns should be focused on technical activities with concrete achievements/results.
 - Essential to translate materials and involve mass media.
 - A mass public information/outreach campaign is well warranted as public awareness is still relatively low - the Information Centre “Green Dossier” greenossier@gmail.com has contacts and is keen to link up to the Ukrinform media network for this. Another suggestion is to develop a public information system – e.g. on the Evropeiska Pravda portal.
 - Mass media also need to be trained on reporting on environmental issues. Suggestion to conduct journalist press-tours/master classes to train them on how to communicate to the public on the project activities as well as on the environment more generally.

2. Circular Economy and New Growth Opportunities

- SMEs

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- Need to work with SME Development Office (SME portal).
 - Link with the implementation of the Small Business Act.
 - Assistance to SMEs should be organized in cooperation with Ministry of Economy where SME development office was established with EU support. Fintech program of EBRD should be involved (also at the regional level).
 - Collaboration on RECP with other relevant (energy) initiatives like the one of GIZ.
 - Eco-industrial parks are supported as a concept, but assistance should be practical with concrete workable steps establishing parks and making them functional in Ukraine specifically.
 - Approach to companies through industrial parks (48 in Ukraine – half are metallurgy) which are often keen to promote their “eco” image and to attract new investment.
 - Ukraine developed a concept for the promotion of eco-industrial parks, which requires strengthening in terms of technical procedures/recommendations (i.e. translating theory into practice). Piloting international experience in an existing park would be helpful.
 - Need to collaborate with an on-going Finntech project of the EBRD and Cleantech project of UNIDO as well as an eco-industrial parks project of UNIDO funded by SECO and Ukraine’s efforts to improve its index under the EU Small Business Act (gaps include financial stimuli and regulatory incentives for greener businesses).
 - Sustainable Public Procurement (SPP):
 - Developing criteria/technical specifications for the 12 priority product groups identified since EaP-GREEN. National legislation is already well developed in this field.
 - Developing Ukraine’s electronic public purchasing system “ProZorro” as well as guidelines for its users (i.e. public procurers). Activities could include market readiness assessment, cataloguing available products/services; and development of technical specifications, non/price criteria and links to relevant legislation for 12 product groups.
 - Updating the SPP training programme for civil servants.
 - Five universities could provide trainings for procurers, as well as a module on SPP (example tenders, case studies, manuals, videos).
 - Essential to work with consumers to show the rationale of SPP and avoid the perception of corrupt government purchasing – gpp.in.ua could be a good portal to disseminate information.
 - Outreach to school pupils and Kiev school of SMEs (FORBIS project developing LCA and ISO guidelines) also important.
 - Recommendation to look into eco-labelling for non-food products, although there is little domestic capacity to comply with international standards/certification, but it remains a useful tool to change the behaviour of local consumers.

- **Waste Management:**
 - A national waste management plan has already been developed. Currently a draft law on waste management is being developed. An older law on metal/scrap waste management already exists. Need support in coordinating regulations, avoiding discrepancies/duplication, and carrying a dialogue with industry.
 - Further collaboration in developing the waste sector, especially given the EU's priority for investment into recycling and other technical assistance.
 - Strategy on waste management is required especially for regions in view of increase of tariffs, landfills management etc.
 - Ukraine is ready to develop regional/"oblast"-level action/investment plans.
 - Ministry of Economy has strong interest in greening/reforming the tourism sector, beginning with collection of statistics (also using satellite imagery), and technical/financial support to improve tourism services to European standards.
- **Eco-innovation:**
 - Collaboration with other projects and previous work is essential (eg. building on UNIDO and GIZ assessments for priority sectors), recommending to develop an umbrella project to which sectors/initiatives can be easily added.
 - Focus either on companies who are looking to establish new export links or dwindling businesses looking to completely re-work their production cycles/methods to ensure survival.
 - Crucial to (i) conduct preliminary company needs assessments; and (ii) demonstrate the business case of eco-innovation and its ability to unlock financial resources.
 - Strongly advising that technical materials be written in Russian/Ukrainian from the start, to avoid poor translations and ensure their immediate usefulness to Ukrainian companies.
 - The Ministry of Economy would be a key partner, especially their SME development office and portal.
 - Ministry of Economy would be interested in renewing the system of vehicle air pollution monitoring and it sees a role for SMEs in developing these tests.

3. An Environmental Level Playing Field

- Need to develop smart regulations, linked to BAT based approaches and related permitting SEA/EIA.
- New draft Law on Environmental Inspection developed, need to followed up by capacity building for inspectors and new approaches to risk analysis (criteria).
- Development of approaches to calculating and applying environmental liability.
- Reform of environmental taxation (including collection) and strengthening environmental finance and finance institutions, link with public procurement and financing for SMEs.
- Assistance to the green bankable projects preparation for financing.

- Need for an institutional and human capacity assessment in the environmental field, sharing experience with other countries.

4. Ecosystems and Livelihoods

- Protected areas:
 - Need to build on the support provided by the EU funded projects in establishing the Emerald Network and to continue cooperation with the Bern Convention;
 - Assistance with quality management of the Emerald Network (monitoring) and cooperating with regional governments that get all the managing authority under decentralization reform but have no capacity (assistance will be needed in terms of providing training, methodologies for establishing communication).

List of participants¹

21 March 2019

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¹ List of participants may be further completed (subject to verification by national counterparts).

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