



Regional meeting with Eastern Partnership countries on implementing a Best Available Techniques (BAT) approach to environmental regulation

Summary Report

16 November 2020, Zoom (12h-15h, CET)

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Meeting highlights

Adopting a Best Available Techniques (BAT) approach provides governments with the means to set realistic emission limit values (ELVs) while giving industry the information and support necessary to adopt the most effective approaches and technologies for environmental performance. This approach is mandated in European Union (EU) Member Countries through the Industrial Emissions Directive (IED), which came into force in 2014.

Countries in the EU Eastern Partnership (EaP) EaP region have expressed commitment to updating and improving approaches to environmental regulation of industrial emission sources. This regional meeting provided a venue to share information and new developments in the region, while learning from peers within the EaP region and the EU.

Across the EaP region there has been significant progress made, albeit with a variety of approaches to implementation, and variation between those countries that have signed Association Agreements (Georgia, Moldova, and Ukraine) with the EU and those that have not (Armenia, Azerbaijan, and Belarus). Countries that have signed Association Agreements have committed to a gradual convergence to EU regulatory directives such as the IED, which mandates a BAT approach to regulating large emission sources.

For all countries, there are significant challenges to transitioning to a new form of environmental regulation. Some of those challenges include raising environmental standards without damaging economic growth, funding the transition to new standards, building technical capacity within competent authorities to develop policies and operationalise new regulatory regimes, and developing a realistic timeline and appropriate degree of flexibility.

As an implementing partner of the EU4Environment Programme, the OECD is continuing to support that work directly through analysis and capacity building, and through the facilitation of connections between EaP countries and other national representatives and experts in the OECD Expert Group on BAT. The OECD Expert Group on BAT, now entering its fourth year, is an ongoing project that brings together experts from across OECD Member States as well as non-OECD members to discuss BAT implementation, sharing best practices.

Meeting background

The Regional Meeting with Eastern Partnership countries on implementing a Best Available Techniques (BAT) approach to environmental regulation took place on the 16 November, from 12h-15h CET, on the Zoom teleconferencing platform. In was organised as part of the EU4Environment Programme funded by the European Union. 1 The meeting was held back to back with the OECD Expert Group on BAT meeting, which took place on November 12th-13th, also on Zoom, thus allowing participants to join a wider discussion about BAT implementation in different national contexts prior to the EU4Environment regional meeting.

The meeting built on the first annual EU4Environment Regional Meeting on BAT, which took place on October 25th 2019, in Seoul, South Korea. This meeting was also held back to back with the 2019 OECD Expert Group on BAT Annual Meeting.

The meeting was attended by 54 participants, including representatives from EU Eastern Partnership countries, BAT experts from EU and non-EU countries, as well as from international organisations. Representatives of civil society organisations also took part. Simultaneous translation was offered between English and Russian. It was facilitated by Mr. Krzysztof Michalak, Senior Programme Manager, Green Growth and Global Relations Division, OECD Environment Directorate.

This summary report in Russian and English, as well as the agenda for the meeting and the presentations given, is available at: https://www.eu4environment.org/events/workshop-onimplementing-a-best-available-techniques-bat-approach-to-environmental-regulation-in-theeastern-partnership-countries/.

The documents from the OECD Expert Group on BAT meeting are available from the OECD https://www.oecd.org/chemicalsafety/risk-management/best-availablewebsite: techniques.htm.

opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts. The Action is funded by the European Union and implemented by five Partner organisations; OECD, UNECE, UNEP, UNIDO and the World Bank based on a budget of some EUR 20 million. The Action implementation

period is 2019-2022. For further information contact: <u>EU4Environment@oecd.org</u>

¹ The "European Union for Environment" (EU4Environment) aims to help the six partner countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine preserve their natural capital and increase people's environmental well-being, by supporting environment-related action, demonstrating and unlocking

Summary of the discussion:

Agenda Item 2. Key takeaways from the meeting of the OECD Expert Group on BAT (12-13 November, 2020)

During this session, participants shared observations and reflections from the two days of the preceding OECD Expert Group on BAT Annual Meeting. Participants noted that the meeting came at a particularly good time, as many countries are currently in the process of reforming regulatory regimes. Discussants also agreed that the meeting illustrated the significant differences between countries in terms of how BAT approaches were interpreted and implemented. This was true even within the EU, despite the fact that all member countries abide by the EU Industrial Emissions Directive. Country specific characteristics and variations in industry composition were noted as drivers of these differences, and pointed to the need to adapt implementation to each context, even when directly transposing legislation from other sources. This is particularly relevant for some EaP countries that have directly transposed text from the IED.

Country-specific resource constraints and endowments can also help drive innovation. One example that came up was that of Israel, where water scarcity has led to strong deployment of best available techniques in waste water recycling and repurposing. This raised the question of which resources were scarce (electricity, water, fuel, etc.) in the EaP countries, and how those constraints could be used to incentivise more resource efficient practices and enhance economic competitiveness.

Also of interest was the discussion about thermal power plants, and the differences in both technology and regulatory approaches that might arise depending on the size of the regulated facilities. As the impact of the regulatory shift to BAT and more stringently enforced emission limit values (ELVs) on older thermal power plants is a specific concern for many countries in the EaP region, this also raised some important areas for further consideration, including appropriate technologies and timelines.

The Secretariat of the OECD Expert Group on BAT also intervened during this session, affirming the ongoing collaboration between the Expert Group and the EU4Environment program. A key point that came up during the discussion was that for next year's Expert Group meeting (and future technical workshops), it would expand the potential for participation if Russian translation was provided.

Agenda Item 3. Discussion of experiences on environmental regulation reform and BAT implementation in the EaP region

This session delved into the specific state of environmental regulation and reform in each of the EaP countries, providing a fascinating and enlightening window into the current situation, ongoing challenges, and plans for the future. The information gathered will also help to inform further work by the OECD on supporting BAT implementation.

Mr. Vrezh Galoyan, Deputy Head of the Environmental Protection and Mining Inspection Body, Ministry of Nature Protection of Armenia provided an update on **Armenia**'s regulatory structure, clarifying that it is currently the Environmental and Mine Inspection Body that undertakes monitoring and compliance enforcement activity with regards to industrial emissions. Although there is a range of concerns in the country, the most important challenge for Armenia in terms of industrial emissions is the mining and metallurgy sector, including both air and water emissions. High-risk enterprises in the mining sector are subject to more stringent enforcement, but it is challenging in part due to restrictions on both available equipment for monitoring as well as

technical capacity. Even the current sanitary crisis around COVID-19 is having an impact, with delays regarding the importation of new equipment into the country. Looking forward, there are some plans for changing regulation around high-risk enterprises and requiring monitoring equipment to be installed on site. There will potentially be support with access for finance for installations that need to upgrade.

From Belarus, Mr. Valery Kurilov, Director of the State Enterprise "Ecologyinvest", provided the meeting with a detailed update on the changes to environmental regulation that have taken place since 2007, including work towards issuing integrated environmental permits as opposed to the traditional approach of single media permits. Beginning in 2011, there were changes made to support the implementation of BAT, although the implementation of integrated permitting remains a struggle. A presidential decree obliges approximately 100 regulated entities across multiple sectors to apply BAT. Belarus's approach, through its own BAT Centre, has been to draw upon the experiences of both the EU as well as Russia's BAT Bureau, which has been translating EU BAT Reference documents (BREFs). Some of the sectors which are in the process of being covered include the metallurgical, chemicals, and oil refineries. The most significant challenges that remain are the implementation of integrated permitting and addressing the challenges of historic pollution.

Ms. Nino Obolashvili, Head of Integrated Management Division, Environmental Assessment Department, Ministry of Environment and Agriculture of **Georgia** provided a detailed explanation about the current state of development of their environmental regulatory regime. This included a breakdown of which activities require an environmental impact assessment (EIA) under current legislation, as well as information about the state of progress towards BAT implementation and the use of integrated permits. Under the Georgia-EU Association Agreement, integrated permitting is intended to be implemented by 2020, while BAT will be implemented by 2026. The draft Law on Industrial Emissions has been developed based on the IED, with the support of a twinning project with. However, implementation has been slightly delayed due to the COVID-19 situation. In addition, the draft Law on Ambient Air Protection has been elaborated and sent to the parliament, with planned implementation in 2021. It puts in place continuous monitoring requirements on facilities in specific sectors. In terms of challenges, a major issue cited was financial constraints on implementation of BAT as well as enforcement, and the need to have more BAT BREFs translated into the Georgian language. Finally, overall awareness of the BAT across industrial sectors also remains a problem.

From **Moldova**, Ms. Angela Panciuc, Senior Consultant at the Pollution Prevention and Environmental Assessment Policy Division of the Ministry of Agriculture, Regional Development and Environment provided an update on the draft Law on Industrial Emissions that has just been completed and is currently in the process of review. This has been a complex process, as it requires a total overhaul of the existing regulatory approach, which like other countries in the region remains based on a command and control model. The representative from Moldova also expressed thanks for OECD support on reviewing the draft law. Workshops have been held across the country to discuss the law and the implementation of integrated environmental permitting. The aim will be to implement the new draft law by next year and begin to issue new permits with updated ELVs, as well as moving towards integrated permitting.

Ms. Victoria Kireieva, Director of the Department of Permitting and Licensing Activities and Prevention of Industrial Pollution of the Ministry of Environmental Protection and Natural Resources of **Ukraine**, explained how the country has also been making significant progress on

implementing a BAT approach. The new law on prevention, reduction and control of pollution has been approved by stakeholders and on 29th of September by the cabinet of ministers of Ukraine, thus clearing the way for it to become law. Work has been ongoing between Ukraine and GIZ to develop the law as well as implementing a project on BATs. This also includes new regulation on large combustion plants, with a planned phase in date by 2034. However, there has also been pushback from stakeholders due to the current economic situation, with efforts to delay implementation.

Overall, the session demonstrated that although there were different developments across the EaP countries, in all of them there has been some development around environmental regulation, and the pace of change is accelerating. Already there is significant changes from the updates given in 2019, and the countries with Association Agreements continue to work on implementing IED complaint legislation. However, there remains demand for technical support and capacity building, as well as assistance with the implementation of the new legislation. This seems to be the most challenging area – not the drafting of legislation, but the implementation of it.

Transition to a BAT approach

During the penultimate session of the day, colleagues from three EU member states – Mr. Marcin Wiśniewski from Poland, Ms. Tatjana Kolesniková from the Czech Republic and Ms. Kristel Lopsik,from Estonia - shared their experiences on implementing the IED. All three countries formerly had command and control environmental regulation, and provided important lessons for the EaP countries about the history of their transitions, the enabling factors, and the ongoing challenges.

In terms of challenges, there were many that were discussed, including ones that were still an issue now. A potentially fundamental challenge was brought up during the presentation by Poland on its transition to BAT: the cultural differences inherent to a BAT regulatory approach. Neither regulators nor regulated entities were accustomed to a collaborative process where both sides would meet and discuss permit conditions to come to a mutual agreement. Another issue raised was timelines: the adoption of a BAT approach was relatively gradual, beginning with the IPPCD in 2004 before transitioning to the IED in 2014, but it was still based on legally mandated timelines. Shifting from single media permits to integrated permitting was also a daunting task. Single media permits were relatively straightforward, while integrated permits can stretch to hundreds of pages, involving complexity for both regulator and regulated entity.

Another issue was the need to translate substantial amounts of BREFs and related documents into national languages. This was also a challenge raised by some of the EaP countries. Interpretation can also be an issue, both in terms of using the BREFs to develop permits, as well as determining installation boundaries and production capacities.

In terms of enabling factors, all three of the presenters noted that they had had a longer period of time to adjust to a BAT approach, beginning with the IPPC before transitioning to the IED in 2014. They also noted that they had had access to significant funding from existing EU member countries, as well as capacity building and training. The capacity building took the form of twining projects, embedded support from EU experts, and close collaboration with the EU BAT Bureau in Seville, Spain. The IMPEL network was also indicated as a valuable resource.

Frequent consultations with industry, including through online forums, was an important factor in enabling the transition. In general, broad stakeholder involvement, including experts from academia and industry along with the public sector, can help ensure that regulation is effectively

implemented and that facility specific questions, such as derogations, are fairly addressed. Ensuring that information was translated and available in national languages was also prioritised: in Poland, an enormous effort went into translating reference documents into Polish, and providing trainings through technical working groups. A fee levied on industry supported this.

The three presentations also highlighted the different approaches to developing a BAT approach, even when all three countries were coming into alignment with the IED. Estonia for example has specific economic sectors, such as shale oil and cattle farming, that BREFs did not exist for, so they developed their own. Poland, with its large geographic area and variation among different provinces, issues a significant number of permits through decentralised offices. Czech Republic had a challenging transition, but also only had about 20 facilities that fell under IED regulation.

The enthusiastic discussion following the presentations as well as the very specific questions indicated there is a lot of room for more detailed technical discussions going forward.

The next stage of work on industrial emissions under EU4Environment

In perhaps the simplest measure of interest, the presentations and discussions during the meeting overflowed the allotted three hours and forced the participants to skip the coffee break. Responding to that need, the OECD Secretariat suggested that rather than wait until the fall of 2021 to organise the next regional meeting, more informal technical discussions could be organised throughout the year to meet the demand for discussion and capacity building. This was added to the existing plans for 2021, leading to the following list of next steps:

- Over the course of 2021, informal technical discussions will be organized on the Zoom platform. These discussions will each focus on a specific topic related to the implementation of an IED approximating approach to environmental regulation.
 In order to prioritise topics, participants in the meeting have been asked to complete an online poll. The first meeting is planned for February 2021.
- An analytical report on Reforming Regulatory Regimes for Large Emission Sources (planned for Q2 2021, with specific country focus chapters on Armenia, Azerbaijan, Belarus, and Moldova, based on EU4Environment Work Plans and country need.
- A regional meeting on BAT, planned for Q4 2021, to be held once again in conjunction with the OECD Expert Group on BAT.

Further information

For further information please contact Mr. Guy Halpern tel: : +33 1 45 24 79 13, guy.halpern@oecd.org, and visit the meeting website: https://www.eu4environment.org/events/workshop-on-implementing-a-best-available-techniques-bat-approach-to-environmental-regulation-in-the-eastern-partnership-countries/

List of participants

| First name | Last name | Title | Affiliation |
|---------------|--------------|---|-------------|
| Mr. Vrezh | Galoyan | Deputy Head of the Environmental Protection and Mining Inspection Body | Armenia |
| Mr. Roza | Sekhleyan | Head of the Risk Analysis Division of the Risk Assessment and Analysis Department of EPMIB | Armenia |
| Mr. Tigran | Sekoyan | EU4Environment National Action Coordinator for Armenia | Armenia |
| Ms. Tatevik | Yeghiazaryan | Deputy Head's Assistant of EPMIB | Armenia |
| Mr. Sabuhi | Babayev | Head of Environment and Labour Protection Department of "Tamiz Shahar" JSC | Azerbaijan |
| Mr. Fariz | Gasimov | Head of the Department of Nature Management Regulation of the State Environmental Expertise Agency | Azerbaijan |
| Mr. Fuad | Humbatov | Head of International Cooperation and Public Relations Sector, National Hydrometerological Service | Azerbaijan |
| Mr. Zaur | Mammadov | Chief adviser of Industrial zones Division of the Industry Department of MoE | Azerbaijan |
| Mr. Faig | Mutallimov | Head, Subdivision for regulation of water resources use, Water Resources Management Division, Ministry of Ecology and Natural Resources | Azerbaijan |
| Ms. Najiba | Tagiyeva | Senior adviser of Industry policy Division of the Industry Department of MoE | Azerbaijan |
| Mr. Ruslan | Salmanov | Chief Legal Adviser of the State Environmental Security Service | Azerbaijan |
| Prof. Siarhei | Darozhka | Director of RECP Center, Belarus State University | Belarus |
| Mr. Valery | Kurilov | Director of the State Enterprise "Ecologyinvest" | Belarus |
| Ms. Maryna | Kalinovik | Government of Belarus | Belarus |
| Ms. Tatsiana | Shidlovskaya | Government of Belarus | Belarus |

| Ms. Tatjana | Kolesnikova | Chemical Safety Unit, Ministry of the Environment of Czech Republic | Czech Republic |
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| Ms. Kristel | Lopsik | Senior Officer, Environmental Technology Department, Ministry of the Environment of Estonia | Estonia |
| Mr. David | Advadze | Acting Head of Sustainable Development Division, Ministry of Economy and Sustainable Development of Georgia | Georgia |
| Ms. Tariel | Iremadze | International Relations Specialist, Department of Environmental Supervision, Ministry of Environment and Agriculture | Georgia |
| Ms. Neli | Korkotadze | Deputy Head, Chief State Inspector of the Department of Environmental Supervision, Ministry of Environment and Agriculture | Georgia |
| Ms. Nino | Obolashvili | Head of Integrated Management Division, Environmental Assessment Department, Ministry of Environment and Agriculture | Georgia |
| Ms. Nato | Ormotsadze | Second Category Senior Specialist the Sustainable Division, Environment and Climate Change Department, Ministry of Environment and Agriculture | Georgia |
| Mr. Gela | Sandodze | Leading Specialist, Environmental Pollution Monitoring Department, LEPL National Environmental Agency, Ministry of Environment and Agriculture | Georgia |
| Ms. Gvantsa | Varamashvili | Second Category Senior Specialist of the EU Integration Division in Environmental Matters, EU Integration Department, Ministry of Environment and Agriculture | Georgia |
| Ms. Rodica | Iordanov | AO EcoContact | Moldova |
| Ms. Angela | Panciuc | Senior Consultant, Pollution Prevention and Environmental Assessment Policy Division, Ministry of Agriculture, Regional Development and Environment of Moldova | Moldova |
| Ms. Irina | Punga | AO EcoContact | Moldova |

| Ms. Maria | Nagornîi | Head of Pollution Prevention and Environmental Assessment Policy Division, Ministry of Agriculture, Regional Development and Environment of Moldova | Moldova |
|---------------|--------------|--|----------------|
| Ms. Angela | Savca | Main Specialist, Division on environmental regulations and permits, Environment Agency, Ministry of Agriculture, Regional Development and Environment of Moldova | Moldova |
| Ms. Monika | Kosinska | Department of Environmental Instruments, Ministry of Climate of Poland | Poland |
| Mr. Marcin | Wiśniewski | Chief specialist, Department of Environmental Instruments, Ministry of Climate of Poland | Poland |
| Ms. Victoria | Kireieva | Director of the Department of Permitting and Licensing Activities and Prevention of Industrial Pollution of the Ministry of Environmental Protection and Natural Resources | Ukraine |
| Ms. Yulia | Morozova | Deputy Director of the Department - Head of the Department of the Industrial Pollution Prevention Policy Development of the Ministry of Environmental Protection and Natural Resources | Ukraine |
| Mr. Malkhaz | ADEISHVILI | EU4Environment National Action Coordinator for Georgia | EU4Environment |
| Ms. Natalia | Chumachenko | Translator | EU4Environment |
| Ms. Olena | Maslyukivska | EU4Environment National Action Coordinator for Ukraine | EU4Environment |
| Mr. Andrei | ISAC | EU4Environment National Action Coordinator for Moldova | EU4Environment |
| Mr. Kamran | Rzayev | EU4Environment National Action Coordinator for Azerbaijan | EU4Environment |
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| Mr. Krzysztof | Michalak | Senior Programme Manager | OECD |
| Ms. Olga | Olson | Policy Analyst | OECD |
| Mr. Koki | TAKAKI | Programme Manager | OECD |

| Mr. Rostislav | Nevečeřal | APENA 2 |
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| Ms. Anastassiya | Atyaksheva | IGTIPC |
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