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EU4Environment
Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine

Regional seminar with Eastern Partner countries “Policies and Tools for Enforcement of Environmental Compliance”

Wednesday, 17 November 2021, Zoom

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Item 2. Environmental compliance assurance systems in EaP economies: Case study of Armenia

Preliminary findings

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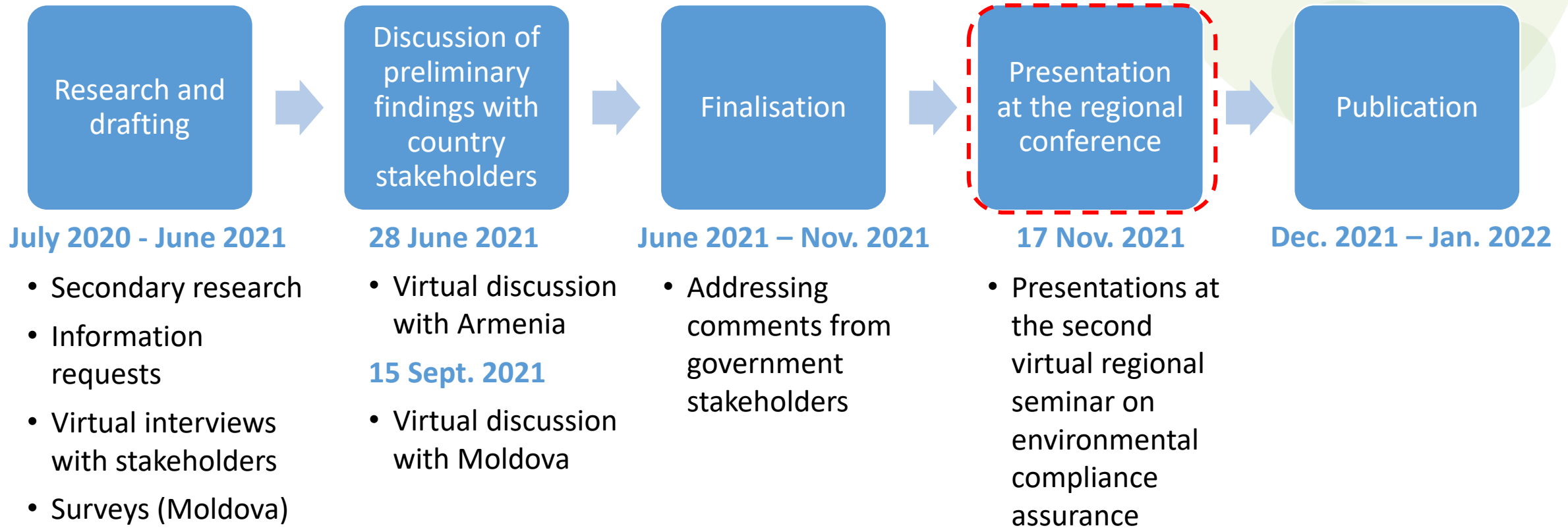


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Timeline and approach to the environmental compliance assurance system (CAS) reviews



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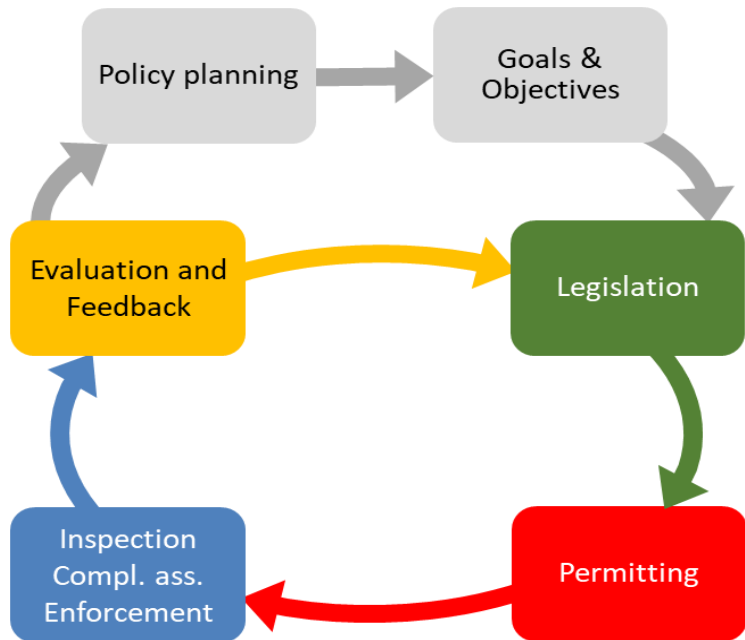




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The legislative and permitting regime has a direct impact on environmental compliance and compliance monitoring

Regulatory cycle



Source: IMPEL “Doing the Right Things” methodology

- Steps are interrelated
 - A missing or underdeveloped step effects the steps that follow
- e.g.
- Inspection is ineffective if permits or legislation are inadequate
 - Monitoring makes sense only if an inspection system is in place

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Armenia's legislative and permitting framework for environmental compliance assurance would benefit from a multi-media approach

Positive characteristics

- ✓ The main **environmental legislation** is in place
- ✓ **Public consultation** on environmental policy
- ✓ **Improved transparency** in mining legislation
- ✓ **Environmental permitting** is being digitised

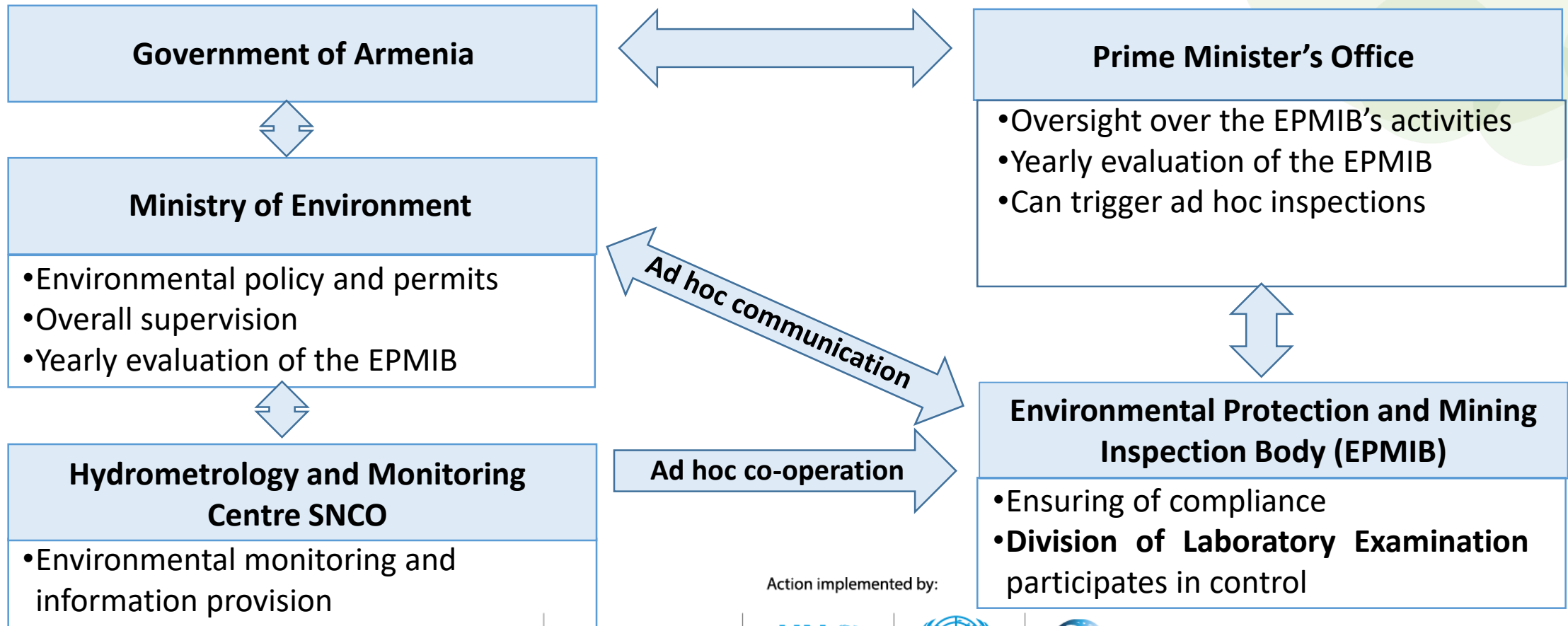
Recommendations

- **Review environmental regulations and consultation tools on env. policy**
- Streamline the **permitting procedure** and smoothen **inter-ministerial co-operation**
- Finalise **permit digitisation**
- Move towards a **multi-media approach to permitting**
- Examine how **toxicity** can be considered in permits



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The institutional set-up for compliance assurance in Armenia includes an independent inspection body



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The institutional set-up would benefit from some improvements

Positive characteristics

- ✓ Separation of inspection and policy-making functions
- ✓ Regional branches of the EPMIB
- ✓ State financing of the EPMIB
- ✓ Participation of the EPMIB in capacity-building
- ✓ Yearly evaluation of the EPMIB
- ✓ Inspector rotations and regular training
- ✓ Plans of the EPMIB for an electronic control system

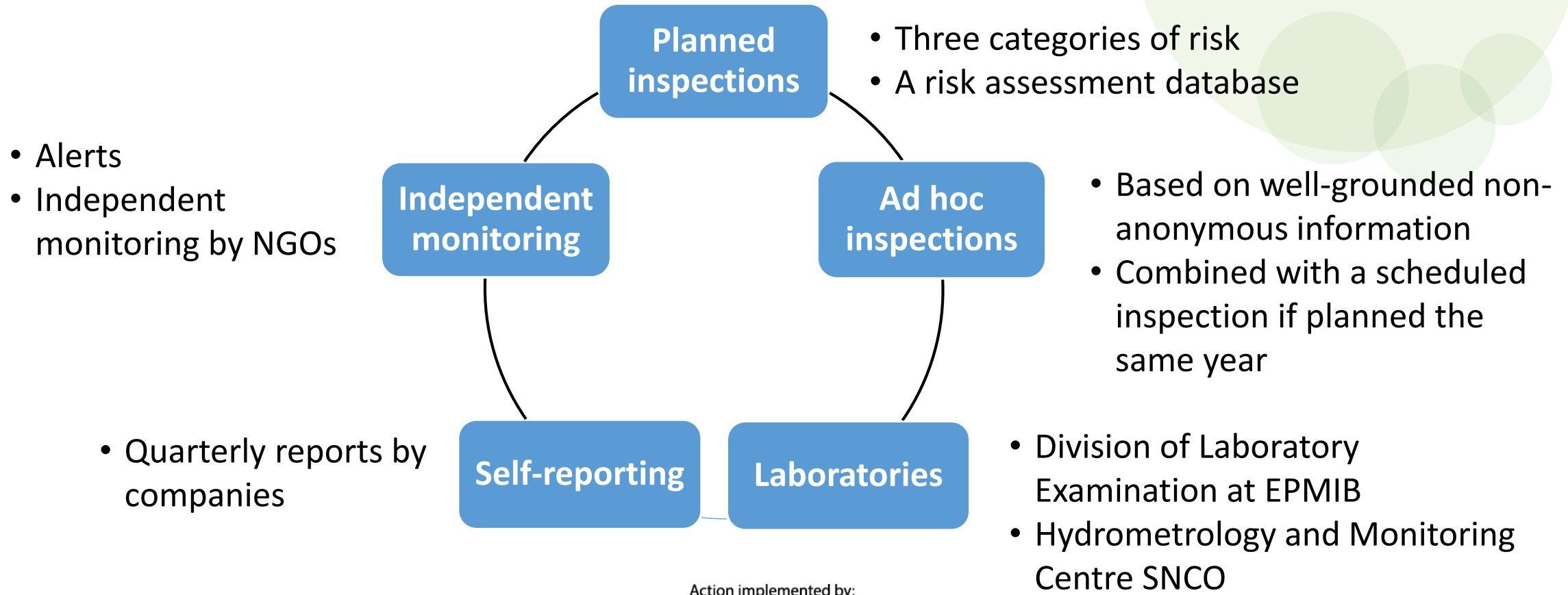
Recommendations

- Have an up-to-date **overview of all permitted entities**
- Carry out a **training programme** for inspectors
- Establish **regular communication** between the EPMIB and the Ministry of Environment
- **Clarify mandates** of the EPMIB and the Ministry of Environment
- Have clear and objective **evaluation criteria** for the EPMIB
- Examine whether the EPMIB's **budget** is sufficient
- Improve **information management** of the EPMIB



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Armenia monitors environmental compliance using many channels



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Armenia's monitoring of compliance stands to gain from several actions

Positive characteristics

- ✓ Variety of tools for monitoring and alerts
- ✓ Risk-based inspections
- ✓ A risk assessment database
- ✓ An inspection guidance document
- ✓ Two monitoring laboratories
- ✓ Quarterly monitoring reports
- ✓ Action to reduce reporting frequency of smaller polluters
- ✓ NGO independent studies

Recommendations

- Finalise the laboratory **accreditation**
- Ensure a **response mechanism for urgent environmental alerts**
- Examine the **number of planned inspections**
- Enhance and simplify the **risk methodology**
- Update the **laboratory technology**, consider **enhancing laboratory co-operation** and **outsourcing**
- **Take into account NGO studies**
- Expand **self-monitoring**

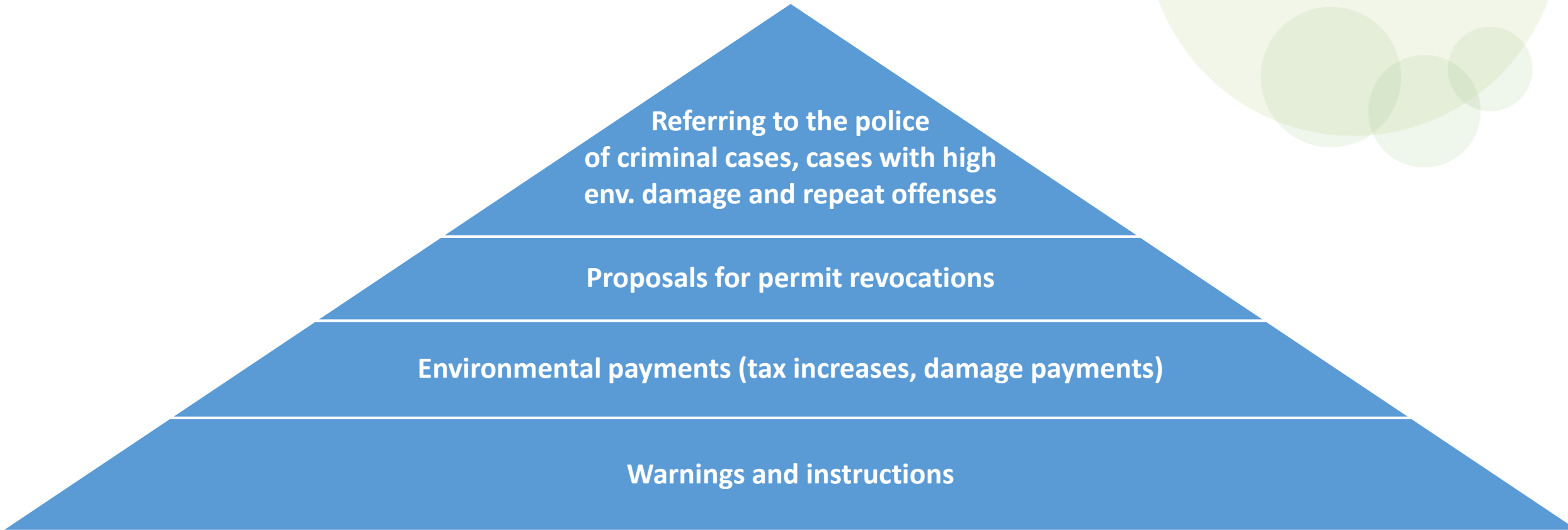


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The EPMIB uses penalties for non-compliance along an enforcement pyramid



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Armenia should tackle a range of enforcement issues

Positive characteristics

- ✓ Variety of penalties incl. warnings
- ✓ Fines proportionate to level of exceedance and reflecting the offender's history
- ✓ Assessment methodologies for environmental impact
- ✓ Plans to increase fine rates for non-compliance
- ✓ Obligation for mining companies to remediate env. damage
- ✓ Four-tier appeals process
- ✓ Some env. taxes directed to environmental projects

Recommendations

- Adopt a **comprehensive enforcement policy document**
- Consider establishing **the use of warnings** as the lowest most appropriate enforcement tool
- **Review the current system of environmental payments**
- Increase **visibility and transparency** in regards to **the use of environmental payments**
- Review the **court appeals procedure**
- Enhance **legislation determining harm to the environment**
- Review the **environmental liability regime** and impediments to an **environmental insurance framework**
- Review Armenia's current **spending on environmental priorities**



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Armenia uses online information, awareness-raising, assistance and incentives to promote environmental compliance

Publishing information online

- Official websites
- Facebook page
- Plans to upload additional information

Awareness-raising measures

- Annual plans of awareness-raising measures
- Press briefings and conferences
- Plans to install information boards on fines in recreational areas
- Co-operation with the Ministry on a Lake Sevan video and activities

Assistance to comply

- Meetings with economic operators, NGOs and economic unions
- Developing guidelines on control of the environment in the subsoil sector

Incentives

- Green Economy Financing Facility (GEFF)
- “Energy Efficiency for SMEs” project



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Armenia could consider several actions to strengthen its promotion of environmental compliance

Positive characteristics	Recommendations
<ul style="list-style-type: none">✓ The Ministry of Environment and the EPMIB publish relevant information online✓ The EPMIB's mandate includes awareness-raising measures and preventive measures✓ The EPMIB prepares annual awareness-raising plans and plans to step up awareness-raising✓ The Ministry of Environment and the EPMIB co-operate on awareness-raising✓ The EPMIB conducts meetings with economic operators, NGOs and economic unions to provide information	<ul style="list-style-type: none">→ Use metrics to analyse effectiveness of information published online→ Increase the detail of information related to environmental compliance published on the websites by taking the point of view of regulated entities→ Step up awareness-raising activities to increase public awareness→ Increase training activities on environmental compliance with regulated entities and publish information on such training online→ Examine measures that promote the adoption of green practices among companies to promote their compliance