



# Revised EU4Environment work plan for 2019-2022: AZERBAIJAN

(September 2021)



This document presents a consolidated manner, the revised Work Plan for Azerbaijan for Results 1-5 as part of the European Union for Environment Action (EU4Environment). The Work Plan contains Result 4, led by the World Bank, that was added following the completion of the contractual procedure at the end of 2020. The Plan takes into account adjustments that occurred in the first two years of implementation, including the revision of the timeline to reflect the consequences of the Covid-19 pandemic (as of Dec 2020 for Results 1 -3, 5, as of Sept 2021 for Result 4). The work plan will be further revised after the Regional Assembly, taking account its decisions.

This documents is prepared for the third Regional Assembly meeting, to be held on 21 September 2021, to support the discussion on the progress in the EU4Environment implementation and review the activities and timeline for the remaining period.

Action required: For information and written comments by 30 September 2021.

Action implemented by:











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### List of acronyms

CAS Compliance assurance system

CE Circular Economy
DoA Description of the Action

EIA Environmental Impact Assessment EPR Extended Producers Responsibility

EU European Union

EU4Environment European Union for Environment Programme

EUR Euros

GBR General Binding Rules
GE Green Economy
GGI Green growth indicators
NFPs National Focal Points

NIP National implementation partner

OECD Organisation for Economic Co-operation and Development

PEF Product environmental footprint

RA Regional Assembly

RECP Resource Efficient and Cleaner Production

SDG Sustainable development goals
SEA Strategic Environmental Assessment
SMEs Small and Medium Sized Enterprises
SMGP Single Market for Green Products
SPP Sustainable public procurement

UNEP United Nations Environment Programme

UNECE United Nations Economic Commission for Europe
UNIDO United Nations Industrial Development Organization

WB World Bank

#### Introduction

This document is the revised final country-specific **Work Plan in Azerbaijan for 2019-2022** of the European Union for Environment programme (EU4Environment), as it was agreed in September 2019. It consolidates the activities identified for implementation in Azerbaijan with respect to the proposals specified in the Description of the Action (DoA) for **Results 1-5**. The regional activities, involving Azerbaijan, are covered separately by the regional work plan. The work plan for **Result 4**, led by the World Bank, was added following the completion of the contractual procedure in December 2020.

The Work Plan was prepared based on initial commitments discussed at the EU4Environment national launch event (15 April 2019, Baku) and the follow-up consultations, including mapping exercise, and discussions at the EaP Panel on Environment and Climate Change (27 May 2019, Vienna) and at the EU4Environment Inaugural Regional Assembly meeting (27-28 June 2019, Brussels). It also takes into account the final comments received by 6 September 2019.

It accommodates, to the extent possible, the country requests taking into account feasibility and the resources available.

The Annex 1 to the Work Plan presents the key outcomes of the discussion during the country consultations with Azerbaijan (4 June 2020), in regard to the implementation of the current work plan and proposals.

Table 1 maps all activities agreed for implementation in Azerbaijan. Tables 2-6 present more detailed planning under each Result, expected output targets and indicative timeline for the implementing period. A detailed description of each activity is available from the DoA.

The timeline of the work plan was revised to reflect the consequences of the unprecedented challenge brought in 2020 by the Covid-19 pandemic. Despite vaccination campaigns, the situation related to Covid-19 still remains uncertain due appearance of new variants, and will continue impacting the Programme implementation.

The Work Plan continues to be flexible for further adjustments of the timeline and activities, if necessary.

#### **About EU4Environment**

The **general objective of EU4Environment** is to help the partner countries 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 EU4Environment programme is structured around **five Results**:

- **Result 1**. Greener decision-making (implemented by UNEP and UNECE, with coordination by UNIDO);
- **Result 2**. Circular economy and new growth opportunities (implemented by UNEP and UNIDO, with coordination by UNIDO);
- Result 3. An environmental level playing field (implemented by OECD);
- **Result 4**. Ecosystem services and livelihoods (implemented by the World Bank);

• **Result 5**. Knowledge sharing and coordination (implemented by OECD, with input from all implementing Partners).

The total EU4Environment budget for four years (2019-2022) is about EUR 20 million, of which EUR 19 million were provided by the European Union.

The Programme implementation started in January 2019. During the first half of 2019, so called "mobilisation and inception phase", the Partners formalized and operationalized Programme implementation in all six countries and started selected activities. Progress on its implementation is reported to the European Commission in the annual narrative reports, and to the countries at the annual Regional Assembly meetings.

### National Focal Points and National Action Coordinator in Azerbaijan

As envisaged by the DoA, to support the Programme implementation, the Ministries of Ecology and Natural Resources and of Economy appointed **National Focal Points** (NFPs) of the EU4Environment. The NFPs aims to serve the coordination role and represent their respective countries during and between the annual Regional Assembly meetings.

Ministry of Ecology and Natural Resources

Ministry of Economy

#### Faig MUTALLIMOV

Head, Subdivision for regulation of water resources use, Water Resources Management Division

#### **Aytekin GULUZADE**

Deputy Head, Department on Cooperation with International Organizations

The Programme implementation is facilitated by the EU4Environment National Action Coordinator – Mr. Kamran Rzayev.



Table 1. Consolidated list of activities in Azerbaijan under Results 1-5.

Activities	Azerbaijan
RESULT 1. Greener decision-making	
1.1: Green economy ownership, policy coherence and cross-sectorial coordination (UNEP)	
Activity 1.1.1: Survey and large-scale training of public sector employees	V
Activity 1.1.2: Fitness tests of relevant policy documents and policy proposals	V
Activity 1.1.3: Facilitation of National Policy Dialogues on Green Economy	V
1.2: Sectoral investment planning and comparative analysis of costs and benefits (UNEP)	
Activity 1.2.1: Investment needs assessment in priority sectors	V
Activity 1.2.2: Development of investment strategy proposals or action plans	V
1.3: Strategic Environmental Assessment and Environmental Impact Assessment (UNECE)	
Activity 1.3.1: Assistance for finalizing the legal reforms on SEA and on transboundary EIA	V
Activity 1.3.2: Comprehensive capacity and institutional building	V
1.4: Awareness, education and public acceptance of the Green Economy transition (UNEP)	
Activity 1.4.1: Implementation of educational courses	Х
Activity 1.4.2: Awareness raising campaigns for general public	X
RESULT 2. Circular economy and new growth opportunities	
2.1: Resource Efficient and Cleaner Production and eco-innovation among SMEs (UNIDO)	
Activity 2.1.1: Eco-industrial parks feasibility	Х
Activity 2.1.2: Supporting RECP Clubs	V
Activity 2.1.3: Promoting Circular Economy – Waste mapping in municipalities	V
Activity 2.1.4: Training national experts	V
Activity 2.1.5: Additional RECP Assessments	V
Activity 2.1.6: Raising awareness and sharing knowledge	V
Activity 2.1.7: Further institutionalising RECP	V
2.2: Concept and tools of the EU Single Market for Green Products (SMGP) initiative (UNIDO)	

<b>'</b>	
Activity 2.2.1: Mapping of existing practices and barriers for existing labelling schemes	V
Activity 2.2.2: Awareness and understanding of SMGP opportunities and benefits	Х
Activity 2.2.3: Piloting product environmental footprint (PEF) in selected industries	Х
2.3: Green Public Procurement and complementary tools (UNEP)	
Activity 2.3.1: Assessments/advisory services to establish SPP and eco-labelling policies	0
Activity 2.3.2: Capacity development of business sectors to respond to public tenders/eco-labelling	Х
2.4: Use of strategic approaches on waste management (UNEP)	
Activity 2.4.1: Developing draft action plan for waste management (national or municipal level) 1	0
Activity 2.4.2: Initiating/assisting the establishment of Extended Producers Responsibility schemes	V
2.5: Reforms in priority green economy sectors (UNEP)	
Activity 2.5.1: Identify priority sectors for policy reform, suitable policy instruments and support needs	Х
Activity 2.5.2: Support introduction/adjustment of enabling policies and policy tools in priority sectors	Х
2.6: Ecological value-chain and product innovation (UNEP)	
Activity 2.6.1: National trainings on sustainable production/eco-innovation for companies and governments	V
Activity 2.6.2: Market assessment and policy analysis of eco-innovation potential in selected sectors <sup>2</sup>	0
Activity 2.6.3: Assess SMEs/companies' potential for eco-innovation & provide advisory services for business strategy review/development	Χ
Activity 2.6.4: Awareness raising activity among business sector and government	X
RESULT 4. Ecosystem services and livelihoods (tentative)	
4.1: Support to protect biodiversity and natural ecosystems (Emerald Network) (World Bank)	
Activity 4.1.1Preparing draft action plans in selected sites to advance the establishment of the Emerald Network and management of existing sites	V
Activity 4.1.2 Regional collaboration and exchange with EU member states; communication and awareness raising	V
4.2: Promoting sustainable natural resources management, economic development and participation at local community level (World Bank)	
Activity 4.2.1: Baseline mapping for community engagement on forests and other natural resources management	V
Activity 4.2.2: Supporting targeted communities with gaining practical knowledge on natural resource management (NRM)	V

<sup>&</sup>lt;sup>1</sup> For possible implementation in a later stage of the project - subject to funds availability.

<sup>&</sup>lt;sup>2</sup> The overall scope and depth of Output 2.6 will be decided after having the national trainings as part of Activity 2.6.1. This Activity will be considered for possible implementation in a later stage of the project – subject to the country's potential and capacity, and available funds.

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Activity 4.2.3: Supporting the EaP countries in the development of lessons learnt reports	V
4.3: Support to the promotion of legal trade and preventing illegal trade in wood products (World Bank)	
Activity 4.3.1: Strengthening timber/wood trade control systems in the EaP countries	
Activity 4.3.2: Promoting innovation and technology to strengthen export and trade controls over timber/wood	V
Activity 4.3.3: Awareness raising, communication, trade events	V
4.4: Enhancing strategic financing to the forest and natural resources management sectors (World Bank)	
Activity 4.4.1: Developing country investment and financing plans for natural capital conservation and sustainable utilization	V
Activity 4.4.2: Promoting regional and international collaboration	V
RESULT 3. An environmental level playing field	
3.1: "Smart" regulation of environmental impacts (OECD)	
Activity 3.1.1: Reforming regulatory regimes for large emission sources, including State Owned Enterprises	V
Activity 3.1.2: Greening Small and Medium Sized Enterprises (SMEs)	V
3.2: Environmental compliance assurance and environmental liability regimes (OECD)	
Activity 3.2.1: Strengthening of Compliance Assurance Systems, Instruments, and Tools	$O^3$
Activity 3.2.2: Reform of high impact enforcement and compliance promotion instruments, including environmental liability	0
Activity 3.2.3: Networking and capacity building	$V^4$
3.3: Domestic public finance, subsidy reforms, public-private partnerships and private finance for green investment (OECD)	
Activity 3.3.1: Greening public expenditure	V
Activity 3.3.2: Review of selected national funding entities	V
Activity 3.3.3: Reforming energy subsidies	X
Activity 3.3.4: National and regional policy dialogues on green finance and investment	V
3.4 Administrative capacity for environmental management (OECD)	
Activity 3.4.1: Assessment of existing and required administrative capacity in the environmental sector	V
Activity 3.4.2: Provision of Expert Support to the Ministries of Environment and or Economy	V
RESULT 5. Regional knowledge sharing and coordination	

<sup>&</sup>lt;sup>3</sup> CAS review and brief assessment report of the systems of administrative sanctions, monetary payments and penalties for non-compliance are subject to resource availability.

<sup>&</sup>lt;sup>4</sup> Under regional activities.

Activity 5.3: Monitoring of progress at the economy-environment nexus

V

Notes: V – selected; O – for possible implementation at a later stage – subject to funds availability; X – not selected.

Table 2. Activities in Azerbaijan under Result 1: timeline and expected output targets

						Ti	me line						Expected	Comments
Selected activities in		2019			20	20			20	21		2022	output target	
Azerbaijan	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
RESULT 1. Greener decision-	making													
I.1: Green economy ownersh	ip, policy o	oherence	and cross-s	ectorial co	ordination (	(UNEP)								
Activity 1.1.1: Survey and large-	-scale traini	ng of public	sector empl	oyees										
- General training courses on Green Economy (GE)													Online course, translated into national language, delivered to government officials via a national academic/public training institute	Translation and delivery or an introductory GE course delivered. The course will hosted and delivery facilitated.
– Training civil servants from line ministries to apply GE concepts													Tailored webinar delivered to nominated public servants from line ministries, with regular assignments and supervision by an international expert	Capacity-building trainings for civil servants to improv GE knowledge, establish necessary pre-requisites for GE introduction, and be all to carry out GE policy fitnetests (activity 1.1.2)
Activity 1.1.2: Fitness tests/anal	lytical docui	ments of rel	levant policy	documents	and policy p	roposals								
— Fitness tests/analytical documents of relevant policy documents and policy proposals Activity 1.1.3: Facilitation of Nat													Analysis of at least 2 sectoral policies by trained civil servants	Fitness test carried as part training (1.2), they can be further developed for selected sectoral policies

12	Time line 2019 2020 2021												Expected	Comments
Selected activities in Azerbaijan		2019			20	20			20	021		2022	output target	
Azerbaijaii	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Support for interministerial and cross-sectoral policy coordination meetings													At least 4 meetings conducted/support ed	Support to the Commission on SDGs or facilitating establishment and functioning of a new interministerial body
1.2: Sectoral investment plan	-	-	-	f costs and	benefits (U	INEP)								
Activity 1.2.1: Investment needs	s assessme	nt in priority	sectors											
Investment needs     assessment in priority sectors													At least 1 assessment in a selected sector	Waste and infrastructure is selected as a priority sector
Activity 1.2.2: Development of i	nvestment s	strategy prop	posals or ac	tion plans										
<ul> <li>Development of investment strategy proposals or action plans</li> </ul>													At least 1 investment proposal/action plan for a selected sector	
1.3: Strategic Environmental	Assessmer	nt and Envi	ronmental	mpact Ass	essment (U	NECE)								
Activity 1.3.1: Assistance for fin	alizing the le	egal reforms	s on SEA an	d on transbo	oundary EIA									
Legal review and drafting (in support of finalization of secondary implementation legislation), including a round-table														Draft secondary implementing legislation on EIA and SEA aligned with the international standards in Q3 2020. Under adoption in Q1-Q2 2021
Activity 1.3.2: Comprehensive of	capacity and	institutiona	l building	1		ı	1	1				T		
<ul><li>Pilot project on SEA</li></ul>													1 pilot project	
<ul><li>Training workshops on SEA</li></ul>													2 workshops	2 workshops (April and October 2021)
Guidelines on SEA (in line with the start and focus of the pilot project on SEA)													1 set of guidelines	Guidelines on SEA
Preparation of Azerbaijani translation of a video on													1 video	

						Т	me line						Expected	Comments
Selected activities in Azerbaijan		2019		2020				2021			2022 output target		Comments	
Azerbaijan	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
transboundary EIA and its benefits (already prepared by UNECE in English)														
Developing other awareness materials on SEA and EIA, incl. transboundary EIA (leaflet and brochure)													1 leaflet, 1 brochure	
Awareness raising event to promote the application of SEA and EIA, incl. transboundary EIA													1 event	
A model for a SEA database to support application of SEA procedures													1 model	development of a generic model that can be adopted by all the six beneficiary countries

14 | Table 3. Activities in Azerbaijan under Result 2: timeline and expected output targets

						Т	ime line						Expected	Comments
Selected activities in AZERBAIJAN		2019			20	)20			2	021		2022	output target	
AZENDAIVAN	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
RESULT 2. Circular economy	and new g	growth opp	ortunities											
2.1: Resource Efficient and C	leaner Pro	duction an	d eco-innov	ation amon	ng SMEs (U	NIDO)								
Activity 2.1.2: Supporting RECI	⊃ Clubs													
Identifying and recruiting     Clubs Facilitator													1 facilitator	
<ul> <li>Recruiting municipalities for RECP Clubs</li> </ul>													2 municipalities	
<ul> <li>Identifying and recruiting companies-members of RECP clubs</li> </ul>													Around 20 SMEs	
Delivery of replication programmes													2 programs	
<ul><li>Evaluation of replication programme</li></ul>													1 report	
Monitoring of RECP measures implementation and companies' support													2-3 reports	
Activity 2.1.3: Promoting Circul	ar Economy	(CE) – Wa	ste mapping	in municipa	lities									
<ul> <li>Awareness events on CE concepts and approaches</li> </ul>													1-2 events	Mapping of industrial waste to support efforts of recently
Identification and     assessment of waste sources from production activities													1 report	adopted waste management strategy (2018)
Identification of recycling options for identified waste sources													1 report	
<ul> <li>Preparation of waste maps in 2-3 municipalities of selected pilot countries</li> </ul>													1 report	

						Т	ime line						Expected	Comments
Selected activities in AZERBAIJAN		2019			20	)20			2	021		2022	output target	
ALLINDAIDAIT	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Activity 2.1.4: Training national	experts													
Trainee experts identified and recruited													Around 15 experts	
Training program conducted													Around 10 experts	
Advanced RECP training modules identified and implemented													1-2 modules	
Activity 2.1.5: Additional RECP	Assessmer	nts						•			•			
Recruitment of demonstration companies													Around 15 SMEs	
Assessment by RECP trainees													10 reports	
RECP implementation support													2-3 reports	
Monitoring and success stories													2-3 reports, 10 success stories	
Activity 2.1.6: Raising awarene	ss and shar	ing knowled	dge								•			
National RECP websites (re)launched and regularly updated													Web presence	
National RECP Conferences													2 conferences	
Thematic awareness events													2-3 events	
Knowledge sharing     platform development and     launched; regular alumni     meetings	11.1. 855												3 meetings	
Activity 2.1.7: Further institution	nalising REC	JP						1			_	_	,	
<ul><li>Stakeholders group established"</li></ul>													Report/members	
<ul> <li>National implementation partner (NIP) identified and recruited</li> </ul>													NIP recruited	

<u>.</u>						Т	ime line						Expected	Comments
Selected activities in AZERBAIJAN		2019			20	20			20	021		2022	output target	
ALINDAIVAIN	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
National capacity and institutional activities regularly planned													Work plans	
2.2: Concept and tools of the	EU Single	Market for	Green Prod	lucts initiat	ive (UNIDO)	)								
Activity 2.2.1: Mapping of existing	ng practices	and barrier	s for existin	g labelling s	chemes									
<ul> <li>A study on eco-labelling</li> </ul>													Report	
Mapping of barriers in pilot countries in view of SMGP application													Report	
2.4: Use of strategic approach	hes on was	te manage	ment (UNE	P)										
Activity 2.4.2: Initiating/assisting the establishment of Extended Producers Responsibility (EPR) schemes													EPR technical report Roadmap	Gap analysis developed and presented.
2.6: Ecological value-chain ar	nd product	innovation	(UNEP)											
Activity 2.6.1: National trainings on sustainable production/eco-innovation for companies and governments													1 training	Participated in regional training

Table 4. Activities in Azerbaijan under Result 3: timeline and expected output targets

								-	Time line				Expected	Comments
Selected activities in Azerbaijan		2019			20	)20			20	)21		2022	output target	
Azerbaijan	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
RESULT 3. An environmental I	evel playir	ng field												
3.1: "Smart" regulation of envi	ronmental	impacts												
Activity 3.1.1: Reforming regulate	ory regimes	for large e	mission sou	urces, inclu	ding State	Owned Ent	erprises							
<ul> <li>Analysis on the existing approaches</li> </ul>		Fact- finding mission						Draft report	Final report				Analytical report	Country need: Atmospheric air pollution regulation is one of the
Developing/updating road maps for the reform												Roadmap	Roadmap	emerging issues in Azerbaijan. There is an actual need to
Training (country-specific, sub-regional or regional - subject to confirmation)												Training	10-20 government officials trained	support in the development of emission limit settings and environmental permitting for emissions. It will also contribute to the implementation of the UNECE Air Convention.
Activity 3.1.2: Greening Small an	d Medium	Sized Enter	prises (SM	Es)										
<ul> <li>Expert support to on the application of General Binding Rules (GBR)</li> </ul>		Fact- finding mission										Report	Report	Detailed planning will be made following fact-finding mission
Analysis of existing instruments for financing SME greening														See regional activities
Incorporating "green"     components in the SME     Development Strategies		Fact- finding mission						Implemen tation of SME Self- Assessm ent tool				Report	Report analysing the integration of green components into SME Development Strategy, with recommendations	Adjustments can be made following fact-finding mission, including the timing of the preparation of the analytical report.
3.2: Environmental compliance	e assuranc	e and envi	ronmental	liability re	gimes									

									Time line				Expected	Comments
Selected activities in Azerbaijan		2019			20	20			20	)21		2022	output target	
Azerbaijan	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Activity 3.2.1: Strengthening of C	Compliance	Assurance	Systems, I	nstruments	, and Tools	(no in-dep	oth country	activity plan	ned) <sup>5</sup>					
Screening the compliance assurance system (CAS)												Mission, draft & final CAS review <sup>6</sup>	1 review of the compliance assurance system to prepare background for possible implementation in a later stage of the project - subject to funds availability	Country need: Currently, ther is an ongoing structural reforms in the Ministry of Environment. One of the elements of these reforms is strengthening the compliance assurance systems through establishing new-model subordinates. In order to fully improve the system, to have this activity on board is crucial
Support to coordinated inspection campaign (a multi-country campaign - subject to confirmation)										Combine d with 3.2.3		Campaig n	Campaign	
Activity 3.2.2: Reform of high imp	oact enforce	ement and	compliance	promotion	instrument	s, includino	genvironme	ental liability	(no in-depth	country acti	vity planned	)7		
Support to reform of the systems of administrative sanctions, monetary payments and penalties for non-compliance		Fact- finding mission										Brief assess ment <sup>8</sup>	Assessment report to prepare background for possible implementation in a later stage of the project - subject to funds availability	Country need: Currently, the relevant legislation are reviewed to bettering sanctions, payments and penalties for non-compliance systems. This activity will be important to support national

<sup>&</sup>lt;sup>5</sup> "No in-depth country activity" means that due to its limited resources the OECD is not able to accommodate this Activity to its full extent. But taking into account the importance of this work for Azerbaijan, it was decided to conduct a light CAS review and prepare a short assessment report as a background for possible implementation in a later stage of the project - subject to funds availability. Under this Activity, the OECD will address to the extent possible the country needs within the limit of its available human and financial resources. More details will be discussed during the fact-finding mission.

<sup>&</sup>lt;sup>6</sup> CAS review and brief assessment report of the systems of administrative sanctions, monetary payments and penalties for non-compliance are subject to resource availability.

<sup>7 &</sup>quot;No in-depth country activity" means that due to its limited resources the OECD is not able to accommodate this Activity to its full extent. But taking into account the importance of this work for Azerbaijan, it was decided to conduct a light CAS review and prepare a short assessment report as a background for possible implementation in a later stage of the project - subject to funds availability. Under this Activity, the OECD will address to the extent possible the country needs within the limit of its available human and financial resources. More details will be discussed during the fact-finding mission.

<sup>&</sup>lt;sup>8</sup> CAS review and brief assessment report of the systems of administrative sanctions, monetary payments and penalties for non-compliance are subject to resource availability.

													Expected	1	
Selected activities in Azerbaijan		Time line												Comments	
		2019			20	)20		2021 2					output target		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
														efforts.	
														Close link to CAS review (possibly one report with two parts) - subject to confirmation	
Activity 3.2.3: Networking and cap	pacity build	ling													
— Update/develop one training module and the provision of two cross-agency trainings (country-specific, sub-regional or regional - subject to confirmation)										Capacity building seminar (under regional activities)					
3.3: Domestic public finance, s	ubsidy ref	orms, pub	lic-private	partnersh	ips and pri	ivate finan	ce for gree	en investme	ent						
Activity 3.3.1: Greening public ex	penditure														
— Project on the costing of priority green economy-related public investment programmes and development of competence profiles for civil servants in the area of green financing								Preparator y work	Analysis	Program me design	Final report		Analytical report		
Training for government officials										Training			20 people trained; Trainees involved in follow-up programme implementation		
Activity 3.3.2: Review of selected	national fu	nding entiti	es												
- Review of existing national public funding entities and practices of a selected entity (-ies) (to be identified in consultation with the Government)									Stakehol der consultati on	If needed knowledg e exchange	If needed knowledg e exchange		Knowledge exchange between Moldova/ others and Azerbaijan/ as needed	Country need: Getting the best experiences through this activity will enable Azerbaijan to understand green financing approaches and related practices better.	

									Time line				Expected	Comments
Selected activities in Azerbaijan	2019				20	20		2021 2					output target	
Azerbuljun	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
*	Activity 3.3.4: National and regional policy dialogues on green finance and investment													
National-level analysis to support green investment (green bonds), identification of key challenges/ways forward to align financial mechanisms with policy reforms							Selectio n of an internati onal consulta nt	Selection of an internatio nal consultan t	Preparato ry work	Online stakehold er discussio ns		Country- level assessm ent	Analytical report	
3.4 Administrative capacity for	environme	ental mana	agement											
Activity 3.4.1: Assessment of exis	sting and re	quired adm	ninistrative	capacity in	the environ	mental sed	ctor							
Analytical report on existing/required administrative capacity in the environmental sector and development of recommendations			Preparat ory work, discussio ns with SIGMA				Selectio n of an internati onal consulta nt	Kick-off event with NACs (15 Jan)	Round of consultati ons	Draft report	Final report		Report	Country need: the structural reforms are ongoing within the Ministry of Environment.  Therefore, this is the one activity we need to have as early as possible.  Key findings of a draft report tentatively are aimed to be presented at the 2d Regional Assembly (RA) meeting.
Activity 3.4.2: Provision of Expert	Support to	the Ministr	ries of Envi	ronment an	d or Econo	my								
Plans for administrative strengthening     Possibly, development of sustainable and targeted training mechanism												Plan Training	1 plan	Country need: This activity will complement the activity 3.4.1 and is considered as important as the first one.
Provision of on-going/ad hoc expert support to the Ministry of Environment or Economy													On as needed basis	The plan will be prepared on the basis of the analysis (3.4.1); possibly one report with two parts (overview and plan) - subject to confirmation.

Note: The country-specific needs, if any, identified in this Table will be accommodated, to the extent possible, taking into account feasibility and the resources available; subject to further discussion and confirmation.

### Table 5. Tentative activities in Azerbaijan under Result 4 "Ecosystems Services and Livelihoods": timeline and expected output targets

The EC/World Bank contractual procedure was completed in December 2020, with start of activities in 2021. This document is the *draft* country-specific **Plan of Work for Result 4 in Azerbaijan for 2021-2024** of the European Union for Environment Programme (EU4Environment). It builds on initial commitments discussed at the EU4Environment national launch event (April 15, 2019), discussions at the EU4Environment Inaugural Regional Assembly meeting (27-28 June 2019, Brussels), and consultations of the World Bank Team with National Focal Points and responsible officials from the Ministry of Ecology and Natural Resources (MENR) and Ministry of Economy (MOE) of Azerbaijan (April 23, 2021, and through July 2021). This document is a draft and is supposed to be finalized by September 30, 2021 taking into account the results of the discussions at the Regional Assembly to be held on September 21, 2021.

Selected activities in Azerbaijan (tentative)				Timeli	ine		Expected output target	Comments	
	2021	1		2	022	_	2023-24		
		Q4	Q1	Q2	Q3	Q4			
RESULT 4. Ecosystem services and livelihoods of the	European Ur	nion for E	nvironmen	t Action					
Output 4.1: Support to protect biodiversity and natura	ecosystems	(Emerald	l Network)						
Activity 4.1.1: Preparing draft action plans in selected sites sites	to advance th	ne establis	shment of th	ne Emerald	Network an	d manageme	nt of existing		
Developing methodological guidelines on preparing Emerald Network Management Plans								Methodological guidelines	
Developing Emerald Network Management Plans for 2-3 selected sites								Emerald Network Management Plans (number TBD)	Plans to be presented and discussed at the stakeholder consultation meetings
Capacity building for the implementation of the Guidelines for sustainable management of forest areas within Emerald sites in line with the Bern Convention								Three events dedicated to training of local authorities on the management of Emerald sites and forests within them, and awareness rising among local communities	
Activity 4.1.2: Regional collaboration and exchange with E	U member sta	ates; comn	nunication a	and awaren	ess raising				
Experience exchange and knowledge sharing with EU member states on managing forests to inform Emerald site management								Three knowledge sharing events	Could be part of the Regional Work Plan A study tour may be undertaken COVID pandemic situation permitting
4.2: Promoting sustainable natural resources manage	4.2: Promoting sustainable natural resources management, economic development and participation at local community level								
Activity 4.2.1: Baseline mapping for community engageme	nt on forests a	and other i	natural reso	ources man	agement				
Survey/study to identify community needs for better engagement on forests ecosystem services and natural resources management								1 analytical report with recommendations for further action	

Activity 4.2.2: Supporting targeted communities with gaining	ag prooficel k	novilodao oi	n notural ra	course mor	agament (N	DM)			
	ng practical ki	nowleage of	n natural re	source mar	nagement (IN	KIVI)		0.2 Dusings Diags	This set it is a fallowing of set it AOA
Development of business plans for 2-3 targeted								2-3 Business Plans	This activity is a follow-up of activity 4.2.1
communities, with a focus on community-led NRM									and can be undertaken after completion of
activities, including opportunities for local entrepreneurs									activity 4.2.1
in eco-tourism development and community forest management (TBD based on 4.2.1)									
Awareness raising events to disseminate the results of							TBD	2 dissemination events	
Activity 4.2.1									
Study tour to an EU country with effective management of communal forests							TBD	Workshop to share experience and lessons learnt with a wider audience	Regional activity
Activity 4.2.3: Impact assessment and development of les	sons learnt re	ports for Az	erbaijan						
Rapid assessment of the implemented activities, including update of SWOT if/as needed, and formulation of lessons learnt; recommendations for future interventions/support							TBD	1 report with a set of recommendations	Planned for Q2 of 2024
4.3: Support to the promotion of legal trade and preve	nting illegal	trade in wo	ood produc	ts					
Activity 4.3.1: Strengthening timber/wood trade control sy	stems in the	EaP countri	es						
Analytical study to develop mechanisms for introducing mandatory certification of wood products to the legislation of Azerbaijan								1 report with a set of recommendations	
Analytical study and recommendations for the								1 report with a set of	
enhancing of state statistical system on wood								recommendations	
production and consumption in Azerbaijan								recommendations	
Activity 4.3.2: Promoting innovation and technology to str	enathen expo	ort and trade	controls ov	ver timber/v	vood			<u> </u>	<u> </u>
Promotion of forest certification								Discussion held on the	As explained above, due to the ban on the
								recommendations provided under Activity 4.3.1 on introducing SFM certification and awareness-raising among stakeholders undertaken	production forest cutting, Azerbaijan is not involved in timber/ wood trade, so this activity is focused on forest certification as part of country's effort to support the timber tracking and prevent illegal trade on a regional level
Activity 4.3.3: Awareness raising, communication and tra	de events	1	1					lite et e tu	15:10:15:11
Supporting joint participation in trade fairs								Joint participation of the representatives of EU4Environment Program beneficiary countries in a wood product trade fair.	Regional activity. Due to the above reason, Azerbaijan can participate as an observer to learn from good trade practices
4.4: Enhancing strategic financing to the forest and na									
Activity 4.4.1: Developing country investment and financin	g plans for na	atural capita	l conservati	ion and sus	tainable utili	zation			
. ,									

Develop guidelines for the assessment of ecosystem services provided by forests				Guidelines for the assessment of ecosystem services provided by forests  1 dissemination event	
Develop recommendations to the legislation that would allow paying for ecosystem services at the expense of state and local budget funds				report with a set of recommendations to the legislation     dissemination event	
Develop national investment and financing plan which will determine a mechanism for mobilizing investments into forest sector from international financing flows, domestic resource mobilization and private capital				national investment and financing plan     dissemination event	
Activity 4.4.2: Promoting regional and international collaboration	ration				
Conference on the practice of financing ecosystem services in EU countries				1 conference	This activity could be moved to the Regional work plan if supported by other countries

## Table 6. Activities in Azerbaijan under Result 5: timeline and expected output targets

Selected activities in Azerbaijan					Expected	Comments								
	2019			2020				2021				2022	output target	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
5.3: Monitoring of progress at	5.3: Monitoring of progress at the economy-environment nexus (OECD)													
Preparation /update of country profiles using indicators				draft	Final country profile			draft	Final country profile			2 country profiles (Q1 & Q4)	4 profiles (1 per year)	The 2021 edition of the country profile was launched at the EU Green Week (27 May 2021) and was prepared in English and national language.
- Update of GGI report												Report	Updated report with new data, possibly indicators	
Development of a policy brief, organising policy debates around key messages from GGI analysis												Policy brief	1 policy brief	

Note: The country-specific needs, if any, identified in this Table will be accommodated, to the extent possible, taking into account feasibility and the resources available; subject to further discussion and confirmation.

# Annex 1. Key outcomes of the discussion during the EU4Environment country consultations with Azerbaijan (4 June 2020) on the work plan implementation

The Implementing Partners agreed to follow up bilaterally on the respective activities. All proposals, if any, to adjust/add new activities will be considered by the Partners and incorporated to the extend possible, subject to resource availability and additional bilateral discussions.

- Continue to implement the activities as envisaged in the Work Plan and in line with the agreed timeline, using alternative modes of operation (virtual communications/meetings and engaging local consultants);
- Follow up bilaterally on selected activities behind schedule, and provide update to Azerbaijan any adjustments of the Work Plan:
- Follow up on bilateral basis on guestions related to individual activities, in particular:
  - UNECE feedback on SEA/EIA round table;
  - UNEP on eco-labelling and SPP;
  - UNIDO on upcoming tender;
  - OECD Activity 3.3.2 and on energy-related taxes.
- See for further details the Summary Record of the meeting.