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

Towards a green economy in the Eastern Partner countries

Progress at Mid-term (2021)

Pre-Print Version

Action implemented by:



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Foreword

Following commitments taken globally and within the Eastern Partnership (EaP) framework, the European Union (EU) initiated in 2019 a regional programme “European Union for the Environment” (EU4Environment) to support greener economic growth, strengthening the management of natural resources and the improvement of people's environmental well-being in six EU partner countries: Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine.

The 2021 is the third year of the EU4Environment implementation. With the EU's support, important progress was made in modernising environmental policies and legislation, aligning them with the EU framework, promoting resource efficient and cleaner production in enterprises and mobilising financial resources for reducing environmental risks and impacts. Several activities carried under the programme demonstrated and unlocked opportunities for greener economic growth in the EaP countries.

The governance, planning and management elements of EU4Environment, that were set up in 2019, as well as “the will to take action and co-operate” demonstrated by the EaP countries, provided a solid basis for the Programme implementation. However, the work in 2020 and 2021 was considerably affected by an unprecedented global challenge of the COVID-19 pandemic. The pandemic-related containment measures and restrictions initially slowed down the planned activities. Despite these unforeseen challenges a speedy adjustment of the working methods was made to ensure keeping close contacts with the EaP country officials and experts and enable the Programme implementation. The major shift in the mode of operation was from in-person to on-line meetings.

Despite the impacts of the pandemic, the EU4Environment pursues its activities and provides very much needed support, including in the context of the COVID-19 related economic recovery measures. This brochure takes stock of the first two and a half years of the EU4Environment implementation and highlights progress in building better and greener Eastern partner economies.

List of acronyms and abbreviations

| | |
|----------------|--|
| BAT | Best Available Techniques |
| DRS | Deposit and Refund System |
| EaP | Eastern Partner (countries) |
| EaP GREEN | The "Greening Economies in the EU's Eastern Neighbourhood" Project |
| EBRD | European Bank for Reconstruction and Development |
| EIA | Environmental Impact Assessment |
| EIP | Eco-industrial park |
| ELD | The EU Environmental Liability Directive |
| EMS | Environmental Management Systems |
| EPR | Extended Producer Responsibility |
| EU | European Union |
| EUR | Euro |
| EU4Environment | The "European Union for Environment" (EU4Environment) Action |
| FEZ | Free Economic Zone |
| FLEG | Forest Law Enforcement and Governance |
| GBRs | General Binding Rules |
| GDP | Gross domestic product |
| GGIs | Green Growth Indicators |
| IED | The EU Industrial Emissions Directive |
| IMPEL | The EU Network for the Implementation and Enforcement of Environmental Law |
| ODIMM | Organization for Small and Medium Enterprises Sector Development |
| OECD | Organisation for Economic Co-operation and Development |
| RECP | Resource Efficient and Cleaner Production |
| SDG | Sustainable Development Goal |
| SEA | Strategic Environmental Assessment |
| SMEs | Small and medium-sized enterprises |
| SPP | Sustainable Public Procurement |
| UNECE | United Nations Economic Commission for Europe |
| UNEP | United Nations Environment Programme |
| UNIDO | United Nations Industrial Development Organization |

Eastern Partner countries – Basic facts

| | Armenia | Azerbaijan | Belarus | Georgia | Moldova | Ukraine |
|--|-----------|------------|-----------|-----------|-----------|------------|
| Population | 2 957 730 | 10 047 720 | 9 452 410 | 3 996 760 | 4 043 260 | 43 993 640 |
| Population density, inhabitants per km2 | 103.89 | 121.55 | 46.57 | 57.52 | 122.93 | 75.94 |
| Real GDP per capita, USD 2015 | 12,023.62 | 14,450.60 | 18,899.95 | 13,403.95 | 7,652.66 | 11,069.58 |
| Life expectancy at birth, years | 75.14 | 73.02 | 74.77 | 73.81 | 71.93 | 72.09 |
| Net migration, per 1 000 inhabitants | -24.99 | 3.60 | 32.19 | -50.00 | -6.94 | 38.00 |

Source: OECD.stat.

EU4Environment Programme - Objectives and Structure

Objectives

Since 2019, EU4Environment helps the Eastern 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. More specifically, EU4Environment aims to:

- Further align knowledge, decision-making, and stakeholder interaction mechanisms with environmental imperatives and make political leaders, civil servants and the general public aware and supportive of green growth;
- Scale-up public and private action on circular economy and sustainable production and lifestyles;
- Improve incentives and governance mechanisms that aim at correcting market failures related to the environment thus ensuring a level playing field in the context of intensified economic exchange with the EU;
- Improve resilience through the preservation of ecosystem services, with a focus on forests and protected areas;
- Facilitate regional knowledge sharing and coordination.

Project Structure

EU4Environment is structured around five thematic areas, called “Results” (Figure 1).

Figure 1. Structure of EU4Environment

| Result 1. Greener decision-making (UNEP and UNECE) | Result 2. Circular economy and new growth opportunities (UNIDO and UNEP) | Result 3. An environmental level playing field (OECD) | Result 4. Ecosystem services and livelihoods (the World Bank) |
|--|---|---|---|
| Green economy ownership, policy coherence and cross-sectorial coordination | Resource Efficient and Cleaner Production and eco-innovation -SMEs | “Smart” regulation of environmental impacts for large enterprises and SMEs | Shared network of protected areas involving EU and neighbouring countries |
| Sectoral investment planning | Concepts and tools of the EU Single Market for Green Products initiative | Environmental compliance assurance and environmental liability regimes | Community action on ecosystem services |
| Strategic Environmental Assessment and Environmental Impact Assessment | Green Public Procurement and tools | Domestic public finance, subsidy reforms and private finance for green investment | Illegal logging prevention, related cross-border trade limited and legal trade promoted |
| Awareness, education and public acceptance of the Green Economy transition | Use of strategic approaches on waste management | Strengthening administrative capacity for environmental management | Effective strategies for funding natural capital conservation |
| | Reforms in priority green economy sectors | | |
| | Ecological value-chain and product innovation | | |
| Result 5. Knowledge sharing and coordination (OECD) | Action visibility and strategic communication Regional coordination and oversight Monitoring of progress at the economy-environment nexus | | |

KEY ACHIEVEMENTS AT MID-TERM

Result 1. Greener decision-making

OBJECTIVE: Make political leaders, civil servants and the general public aware and supportive of green growth and promote economic and environmental policy integration. This work is implemented by UNEP and UNECE.

| Activity | Brief description | Achievements |
|--|--|---|
| Green economy and cross-sectorial coordination (UNEP) | This work helps coordinate across sectors for green economy | In Moldova , the Inter-Ministerial Working Group on Promotion of Sustainable Development and Green Economy continues reinforcing green economy actions in the country. |
| Sectoral investment planning (UNEP) | This work supports the development of green economy policy and investment plans | In Armenia , an economic analysis of the deposit refund system (DRS) models was developed and consulted with stakeholders to identify the best options for the country. The report provided estimates of costs and benefits for the decision makers to establish the scheme for packaging waste and a fully functional DRS in Armenia that will contribute to the future establishment of Extended Producer Responsibility (EPR). |
| Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) (UNECE) | This work helps to enhance SEA and transboundary EIA systems to prevent and mitigate damage to the environment and health from the economic growth | <p>Armenia developed draft <i>guidelines on the application of EIA, including in a transboundary context</i>, to assist national stakeholders in preparing and reviewing the quality of the EIA documentation and applying the Espoo Convention and the respective national legislation. It was presented and discussed at two national expert meetings in 2020. Once Armenia will have adopted its amended law on EIA, the draft guidelines will be reviewed in light of the final text of the law.</p> <p>Azerbaijan progresses on its commitment to apply EIA, including in a transboundary context. The roundtable was held in 2020 to support the development of secondary legislation on EIA and SEA. Over 30 officials and practitioners have been trained in 2021 on the practical application of SEA in regional and spatial planning.</p> <p>Belarus is reviewing its primary and secondary legislation on EIA and SEA according to the international standards with the aim to develop recommendations for further steps of the legal reform.</p> <p>Georgia is developing <i>guidelines on EIA for the hydropower sector</i>, with a special focus on transboundary aspects. The country initiated the comprehensive revision of the existing national <i>guidelines on SEA and on EIA</i> to complement them with good practice examples and more guidance on selected issues. Over 100 participants built their capacities for the SEA practical application to municipal spatial plans in 2019.</p> <p>The Republic of Moldova is improving its national primary and secondary EIA and SEA legislation to fully align with the international standards. Based on the results of the compliance gap analyses, drafts of the amended law on SEA and of the amended law on EIA were prepared in 2021. Two awareness raising workshops in 2019 and 2021, with over 120 participants from various institutions, promoted the application of SEA in Moldova in line with the provisions of the EU Directive on SEA, and the UNECE Protocol on SEA.</p> <p>Ukraine is developing a bilateral agreement on transboundary EIA procedures with Romania. The way forward was discussed and agreed during a workshop in 2021. An initial draft text of the agreement was developed and submitted to the countries' review, and draft Guidelines on SEA for Urban Planning Documents were developed.</p> <p>More than 40 representatives of environmental authorities from all six EaP countries exchanged experiences in the development of national environmental assessment systems at the sub-regional workshop on the practical application of SEA and transboundary EIA in 2020. They received guidance and targeted training on applying environmental assessment tools and good international practice.</p> <p>In all six EaP countries awareness on EIA procedures and related benefits was raised through a promotional video on transboundary EIA procedures/Espoo</p> |

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| | | Convention. In 2021, the video was translated into Romanian, Russian and Ukrainian. |
| Awareness and education (UNEP) | This work helps to raise awareness and develop education programmes in support of sustainable lifestyles | <p>The online introductory green economy training course shows how an inclusive green economy can be achieved at the international, national and sectoral levels. It is now available for civil servants and the broader public in five national languages: Armenian, Azerbaijani, Georgian, Romanian, and Ukrainian (www.unccelearn.org/course).</p> <p>In Moldova, the Romanian version of the course was launched under the “Green Economy – Made in Moldova” event. In Ukraine, the course and its Ukrainian version were launched at the EU Green Week in Ukraine: 55 people enrolled in a week. National institutions are prepared to host, promote, and run the course.</p> <p>Nine civil servants from Armenia, seven from Azerbaijan, five from Belarus, twelve from Georgia, nine from Moldova, and seven from Ukraine took part in a moderated in-depth online course on green economy, following individual needs assessment. They learned how to review, analyse and integrate green economy, sustainable consumption and production approaches into policies and strategies at national and sectoral levels. 76% of participants met the criteria for a course certificate. 35 green economy analysis and policy plans were developed by the participants.</p> |

KEY ACHIEVEMENTS AT MID-TERM

Result 2. Circular economy and new growth opportunities

OBJECTIVE: Scale-up public and private action on circular economy and sustainable production and lifestyles. This work is implemented by UNEP and UNIDO.

| Activity | Brief description | Achievements |
|--|--|---|
| Resource Efficient and Cleaner Production (RECP) and eco-innovation among SMEs (UNIDO) | This work helps to further RECP implementation and its scaling up among SMEs | <p>Six RECP e-cards were published to help SMEs in all six EaP countries to learn how to become greener (in English and national languages).</p> <p>Six new RECP Clubs were established in Belarus (Borisov and Orsha), Georgia (Kakheti and Mtskheta) and Ukraine (Khmelnitskyi and Poltava). They bring together about 60 enterprises that benefit from peer coaching sessions organised in 12 training modules. These support SMEs in developing individual RECP strategies and action plans. Four new regions are also being identified in Azerbaijan and Moldova to form new RECP Clubs.</p> <p>RECP Assessments: The monitoring for implementing RECP measures for the EaP GREEN alumni enterprises was completed in Ukraine, resulting in the publication of eight business cases. Similar reports are underway for about 30 additional SMEs in Armenia, Belarus, and Georgia. More than 40 new demonstration enterprises from food, construction, plastics and fisheries sectors are undergoing RECP assessments in Armenia, Belarus, Georgia and Ukraine whereas focus sectors were identified and applications from over 20 SMEs were received in Azerbaijan and Moldova to join the programme.</p> <p>Training and awareness raising activities are underway in Armenia, Belarus, Georgia, and Ukraine. Examples include a regional Environment Management Systems webinar, the training on Energy Management System (conducted for over 30 RECP experts in Armenia and Georgia), four online sessions on RECP in Belarus on the application of cleaner production as a profit-oriented strategy for SMEs.</p> <p>About 30 new experts are undergoing the full-scale training program on RECP in Belarus and Georgia. Coaching of about 30 RECP experts and representatives of enterprises in Armenia and Ukraine was completed.</p> <p>Information meetings on RECP activities were completed in all six countries interspersed with events which took stock of the achieved results (8 years of implementing RECP in Ukraine) and presented plans for linking RECP to academia (an RECP university course in Belarus). Examples include a launch event co-organized by UNIDO and UNEP in Georgia on eco-innovation and RECP, which gathered representatives of six municipalities to discuss ways to improve use of resources and reduce industrial waste management in their regions from SMEs.</p> <p>The Eco Industrial Parks (EIP) framework is promoted in Belarus (with the launch of assessments in the Free Economic Zones (FEZs) in Minsk and Mogilev), and Moldova (where Industrial Park Tracom and FEZ Valkanes received their approval for EIP feasibility).</p> <p>At the regional level, more than 140 participants from all six EaP countries (and from Central Asia) reviewed the operations of eco-industrial parks at the regional workshop on the implementation of eco-industrial parks. They used international best practices, such as improving socio-economic and environmental performance of park residents, promoting resource efficiency and circular economy, and creating innovative avenues for responsible business practices.</p> <p>Industrial Waste Mapping exercises were launched in four pilot municipalities of Georgia (Rustavi and Zestaponi) and Ukraine (Davydiv and Slavutych communities) involving over thirty manufacturing enterprises in evaluation of their waste management practices.</p> |

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| | | <p>Training workshops on Gender Sensitization in Greening the National Industry have been completed in Armenia, Belarus, Georgia, and Ukraine reviewing the role of women in the management of SMEs, gender stereotypes and their influence on decision-making as well as how those impact the greening of national economies, introducing RECP and circular economy practices.</p> |
| <p>Concept and tools of the EU Single Market for Green Products (SMGP) initiative (UNIDO)</p> | <p>This work introduces tools of the EU SMGP initiative in the region</p> | <p>Belarus and Ukraine are the pilot countries for introducing the EU's SMGP concept. Applicability of the SMGP concept and its main tool, the Product Environmental Footprint methodology, is also planned to be evaluated in Azerbaijan, Georgia and Moldova.</p> |
| <p>Sustainable Public Procurement (SPP) (UNEP)</p> | <p>This work helps governments green their procurement and stimulate markets of sustainable goods and services</p> | <p>Georgia elaborated the SPP legislation, drafted sustainability provisions and relevant articles to the draft Law on Public Procurement. SPP-related by-laws and guidelines are under development. Capacity was enhanced by training workshops for procurers, business and civil society.</p> <p>Moldova reviewed progress on introducing the SPP provisions into the public procurement practices to identify specific steps for mainstreaming SPP in procurement operations. Technical assistance was provided to develop SPP Governmental Decree.</p> <p>Ukraine integrated SPP provisions into new Public Procurement Law and analyse SPP progress. The results were presented to 56 stakeholders at the national SPP and eco-labelling workshop. Ukraine set up a new inter-ministerial coordination body for SPP and Green Public Procurement to coordinate SPP activities, and the Green Public Procurement group to support the coordination body. Sustainability criteria were developed for newly set priority products group, a construction of roads and food service, presented to stakeholders at workshop in 2021.</p> <p>Promotional videos on SPP (with Georgian, Romanian, Russian, Ukrainian subtitles) were prepared and disseminated.</p> <p>Moldova assessed the eco-labelling system and supported development of a roadmap on eco-labelling aligned with the relevant EU Directive. The results were presented at a workshop to about 50 stakeholders. Alignment of the national regulation on eco-labelling with the EU directive was initiated.</p> <p>Georgia prepared the assessment on eco-labelling schemes and guides on eco-labels, which were presented to stakeholders during the training on eco-labelling in 2021.</p> |
| <p>Strategic approaches on waste management (UNEP)</p> | <p>This work addresses countries' overarching waste management challenges by developing comprehensive sustainable waste management policies and policy instruments</p> | <p>In Belarus, preliminary draft technical review report on Extended Producer Responsibility (EPR) was developed.</p> <p>In Azerbaijan, Gap Analysis Report on the draft packaging waste law was prepared and discussed at a stakeholder meeting</p> <p>In Georgia, two technical studies were completed comprising a review and recommendations for the existing National Waste Action Plan 2016-2020 and a technical assessment report on the current and planned waste management and current infrastructure. The update of National Waste Strategy and the new National Waste Action Plan Development 2022-2026 is underway.</p> <p>In Moldova, analytical report on waste management was drafted and presented to the stakeholders. The draft Waste Management Programme was prepared. During national campaign under EU Green Week 2020, Moldova launched a new activity on waste recycling in a number of ministerial buildings.</p> |

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| | | <p>In Ukraine, a draft gap analysis and recommendations for the draft packaging waste law was prepared and discussed at the consultative working group meeting.</p> <p>A regional analytical study on the current status of the EPR schemes for the packaging waste in the EaP countries with 2-3 best practice case studies from the EU Member States was prepared, following the questionnaire survey with six EaP countries, and was consulted upon with relevant stakeholders. In addition, all six EaP countries exchanged experiences and learned from the EU countries examples during the two capacity building regional webinars on EPR.</p> |
| Ecological value-chain and product innovation (UNEP) | This work promotes eco-innovation, as one of the key enabling instruments for the transition to a more resource-efficient economy | <p>Georgia helped SMEs integrate a new business approach to reduce inputs, minimise waste and extend product life. Two trainings for SMEs were held to introduce eco-innovative business methods. An assessment of the sectors best positioned to implement the eco-innovation approach was completed, with a view to begin providing technical advisory services to selected SMEs. Invitation to SMEs in agriculture and tourism for EU4Environment's advisory service was issued.</p> <p>Moldova's Organization for the Small and Medium Enterprise Sector Development (ODIMM) and UNEP conducted the eco-innovation promotion and training. Eco-innovation and market assessment are under preparation.</p> <p>All six EaP countries took part in the regional capacity building workshops on eco-innovation approach organized jointly with OECD and UNIDO).</p> |

KEY ACHIEVEMENTS AT MID-TERM

Result 3. Environmental level playing field

OBJECTIVE: Improve incentives and governance mechanisms that aim at correcting market failures related to the environment, thus ensuring a level playing field in the context of intensified economic exchange with the EU. This work is implemented by the OECD.

| Activity | Brief description | Achievements |
|--|---|--|
| “Smart” regulation of environmental impacts | “Smart” regulation focuses on reforming environmental permits for large emission sources in compliance with EU Industrial Emissions Directive, greening SMEs and translating recommendations into regulatory changes | <p>In Armenia, the work was launched to assess how the EU BREF implementation on extractive waste can improve the environmental management in the mining sector, specifically in the province of Syunik.</p> <p>Azerbaijan developed a new online self-assessment tool for greening SMEs to help them assess their environmental performance.</p> <p>Moldova also launched a self-assessment tool for entrepreneurs, a platform that shows SMEs how to improve resource efficiency and environmental performance, increasing their competitiveness by reducing their costs. By completing the online questionnaire, businesses receive customised recommendations based on the characteristics of their enterprise.</p> <p>Georgia developed a set of General Binding Rules (GBRs) for the poultry sector that help reduce the environmental impact of SMEs without putting undue burden on their operations.</p> <p>Moldova launched a new programme on greening SMEs, which aims to support companies in planning and implementing environmentally friendly practices and expanding to other markets. Through this programme, implemented by the Organization for Small and Medium Enterprises Sector Development (ODIMM), several SMEs have already started greening their operations.</p> <p>All six EaP countries assessed progress on greening SMEs as part of the SME Policy Index.</p> <p>More than 50 participants from all six EaP countries took part in the regional seminar on Best Available Techniques (BAT) that reviewed progress in applying the BAT approaches. They discussed challenges and accomplishments, while learning from the experiences of peer countries and EU members on approaches to support implementation.</p> |
| Environmental compliance and enforcement | This work helps strengthen environmental compliance assurance, enforce systems and instruments in line with the EU Directives (EU Industrial Emissions Directive and EU Directive on Environmental Liability) | <p>Reviews of environmental compliance assurance systems in Armenia and Moldova identified gaps and provided recommendations for improvement in the legislative and institutional set-up, monitoring of compliance, as well as tool for enforcement and compliance promotion. The Moldova review included a survey of the private sector and NGOs on the effectiveness of the compliance system. A review of the environmental compliance assurance system in Georgia was launched.</p> <p>About 50 officials and experts from the six EaP countries and OECD economies participated in the regional seminar on risk-based approaches to environmental compliance assurance to share experiences and learn best practices. The EU Network for the Implementation and Enforcement of Environmental Law (IMPEL) also participated.</p> <p>Over 50 officials and experts from the six EaP countries and OECD economies took part in a technical capacity-building seminar on information systems used by environmental permitting and inspection authorities, where they discussed a range of software and tools available for managing information on permitting, risk assessment of polluters, and inspections.</p> |
| Green finance | This work supports private and public finance mobilisation for green investment | <p>Green public investment programmes are being developed in Georgia, Moldova and Azerbaijan. This work equips the government officials and experts with know-how and practical skills to obtain adequate resources from the public budgets and leverage international financing for its implementation. Moldova’s programme focuses on clean urban public transport programme,</p> |

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| | | <p>Georgia is developing a programme for biowaste management and Azerbaijan on water.</p> <p>Armenia conducted assessment of investment needs for climate action up to 2030. The findings helped discussions with the Ministry of Finance on planning investments and developing capital mobilisation plans for meeting climate objectives.</p> <p>Georgia is improving access to finance greening its SMEs. The discussions focus on addressing the challenges of green investments in SMEs and the role of commercial banks in financing these projects. Its main findings were discussed at the national policy dialogue to showcase how different partners could co-operate to mobilise private finance more effectively for green, low-carbon and energy-efficient investments in the SME sector. The E-cards (in English and Georgian) were prepared within the campaign around World Environment Day to raise awareness of the benefit of green investments for SMEs.</p> <p>Moldova and Ukraine are reviewing the national finance entities: Moldova aims to strengthen the operations of the National Ecological Fund by developing a new operational manual. Further steps in the process were discussed at the workshop on National Environmental Funds for Promoting Green Investments. Ukraine launched discussions on creation of the Climate Fund in the country. EU4Environment shared its expertise with the Ukrainian partners related to its creation and helps to identify best options for reform of the system of environmental taxes and charges.</p> <p>Ukraine is finalising a detailed <i>Review of Energy Subsidies in the Context of Energy Sector Reforms</i> in the country as a basis for further reform.</p> <p>A report on <i>Fossil-fuel subsidies in the EU's Eastern Partner Countries</i>, covering 2010-19 data, was prepared and published in both English and Russian. Data on fossil-fuel subsidies for all six EaP countries was included in the OECD database on fossil-fuel subsidies. It is an important milestone in achieving transparency in this area. It also recognises the efforts of EaP governments to disclose information on the size of government support provided to the energy sector in these countries.</p> <p>Work on unlocking the potential of the green bond market has been launched in all six EaP countries to analyse the possibility of using green bonds to raise additional resources for the transition to a low-carbon and resilient economy. In-depth interviews with key stakeholders and market actors are ongoing and the preparation of country-level assessments is underway.</p> |
| Administrative capacity for environmental management | This work strengthens administrative capacity for environmental management | All six EaP countries launched the review analysis of gaps and needs of administrative capacity for green transition. |

KEY WORK DIRECTIONS

Result 4. Ecosystem services and livelihoods

OBJECTIVE: Improve resilience through the preservation of ecosystem services, with a focus on forests and protected areas. This work is implemented by the World Bank.

The work on this result started in 2021 following a signature of an agreement between the European Union and the World Bank at the end of 2020. The activities, which are currently being identified, will support ecosystem services and livelihoods in the Eastern Partner countries. They will also strengthen the Emerald Network and the management of existing protected areas and sites. The work will also contribute to better forest conservation and sustainable use, prevention of illegal trade and awareness about new green finance instruments for the sustainable management of forests and ecosystem services.

| Activity | Brief description | Tentative activities planned to start in 2021-2022 ¹ |
|---|--|---|
| Support to protect biodiversity and natural ecosystems (Emerald Network) | This work preserves biodiversity by increasing protected areas under the Emerald Network and improving management of existing ones | <p>In Armenia, Azerbaijan and Moldova National Action Plans to advance the establishment of the Emerald Network will be developed.</p> <p>In Armenia, Azerbaijan and Ukraine methodological guidelines on preparing management plans for the Emerald sites will be developed and preparation of Management Plans for two-three selected sites will be supported.</p> <p>In Georgia, the Programme will prepare Guidelines for Sustainable Management of Forest Areas within Emerald sites in line with the Bern Convention requirements.</p> <p>In Moldova, the Programme will provide support to develop Secondary legal framework for Emerald species and habitat conservation, Emerald Network Management Plans for two-three selected sites and Capacity building for sustainable management of the Emerald network.</p> <p>In Ukraine, methodological guidelines on impact assessment and mitigation measures for the Emerald Sites biodiversity aspects will be developed and followed up by Capacity building for implementing the Guidelines.</p> <p>Armenia, Azerbaijan, Moldova and Ukraine expressed interest in the support to the regional biogeographical process on self-assessment of species and habitats of interest to the European Emerald in order to identify protection action at the regional level.</p> |
| Promoting sustainable natural resources management, economic development and participation at local community level | This work supports community-led actions to increase non-timber goods production and energy efficiency related to biomass and other similar action | <p>In Armenia, Azerbaijan, Georgia, and Ukraine the activity will start with a baseline assessment of community engagement on forests and natural resources management. Based on these assessments subsequent activities will be developed to take into account the countries' specific context and needs.</p> <p>In Georgia, the Programme will conduct a feasibility study and develop recommendations for using forest biomass and timber processing waste in the production of fuel briquets for firewood-dependent communities. Guidelines will be developed for managing forest stands in peri-urban areas for the enhancement of ecosystem service delivery to urban communities.</p> <p>In Moldova the activity will include: community participatory forest management planning, analysis of high conservation value forests, Analysis of the optimal ratio between forest and pasture area for local sustainable development and conservation of natural resources, and Forest and Pasture Management Plans.</p> <p>In Ukraine the Programme will support five-six targeted communities with developing business plans for economic activities to engage in better natural resource management.</p> |

¹ This is a tentative list of activities planned to start in 2021-2022. The activities to be confirmed upon finalizing the work plans by September 30, 2021.

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| <p>Support to the promotion of legal trade and preventing illegal trade in wood products</p> | <p>This work supports the EaP countries with: (i) strengthening their timber/wood trade control systems; (ii) promoting innovation and technology to strengthen export and trade controls over wood/timber; and (iii) raising awareness and communication related to the timber trade.</p> | <p>In Armenia, assessment of timber export control system will be conducted and recommendations for improvement developed.</p> <p>In Azerbaijan, analytical study of mechanisms for introducing mandatory certification of wood products to the legislation will be undertaken.</p> <p>In Moldova, analysis of domestic consumption of wood products will be undertaken. The Programme will also support developing a Web platform to promote market placement and sustainable trade of forest products and comprehensive monitoring of forest dynamics using innovative techniques.</p> <p>In Ukraine, audit of the electronic timber tracking system in terms of its efficiency and counteraction to illegal trade is planned to be carried out. The Programme will also conduct analysis and develop recommendations for enhancing the state statistical system on wood production and consumption in Ukraine; develop Terms of Reference for establishing a web-based information platform for the forest sector 'Forestry Portal'; and organize awareness raising events for wood processing industry on advantages of timber tracking and legal origin of timber.</p> |
| <p>Enhancing strategic financing to the forest and natural resource management sectors</p> | <p>This work develops innovative financing schemes for sustainable management of ecosystem service</p> | <p>At the first stage of the implementation of this activity the Programme will develop guidelines for assessing ecosystem services provided by forests and introducing payment mechanisms for ecosystem services in Armenia, Azerbaijan and Ukraine.</p> <p>In Georgia, analysis will identify the role of forests in meeting climate mitigation and adaptation targets, assess investment needs and identify sources of funding.</p> <p>In Ukraine, the Programme will develop recommendations to the legislation that would allow paying for ecosystem services at the expense of state and local budget funds.</p> |

KEY ACHIEVEMENTS AT MID-TERM

Result 5. Monitoring progress at environment-economy nexus

OBJECTIVE: Facilitate regional knowledge sharing and coordination, monitor progress towards green economy. This work is implemented by the OECD.

| Activity | Brief description | Achievements |
|--|--|---|
| Visibility and strategic communication | Strategic communication is an essential element supporting reforms. EU4Environment ensures transparency, visibility, impact of the Programme and facilitates exchange of good practices. | <p>EU4Environment new website (www.eu4environment.org) provides an extensive overview of its work on the implementation of green policies in the EaP countries, with an outreach of 130 000 users since the start of 2021.</p> <p>As of August 2021, EU4Environment Newsletter had 530 subscribers and reached out to 250 000 people on the social media.</p> |
| Regional coordination | EU4Environment developed several vectors of coordination between different elements of the Programme, to ensure planning, oversight and exchange of good practices. | <p>The kick-off events were organised in all six countries to launch the Programme and its activities in 2019 and virtual country consultations with government officials in 2020 to review the country's situation in light of COVID-19. The discussions aimed to identify how to tailor EU4Environment activities to support green recovery from the crisis more effectively.</p> <p>All six EaP countries participated in two EU4Environment Regional Assembly meetings to review progress with EU4Environment implementation and agree on plans. The meetings also provided a platform for regional knowledge sharing and dissemination of best practices.</p> <p>EU4Environment event "Towards zero pollution in the EaP countries" at the EU Green Week 2021 reached out to 7 000 people in the six EaP countries and beyond.</p> |
| Green growth indicators | Green growth indicators enable monitoring progress towards green economy by decoupling economic progress from environmental degradation | <p>The Republic of Moldova and Ukraine launched the update of the OECD-based national sets of green growth indicators to better measure progress on greening the national economies, with kick-off event in Ukraine and a special session at the Working Group meeting, with high-level participants in Moldova in 2021. The national reports are under developments.</p> <p>18 country profiles (12 in English and 6 in national languages) for all six EaP countries were prepared to establish the baseline, review the progress on EU4Environment implementation and highlight achievements.</p> <p>Video on green growth indicators raises awareness on monitoring green transition.</p> |

Programme milestones at the regional level

2019

- Mobilisation and Inception phase;
- Nominations of the National Focal Points;
- Development of the Work Plans;
- Creation of Programme visual identity;
- Six country kick-off events;
- 1st Regional Assembly meeting;
- Two Coordination Board meetings.



2020

- Six virtual country consultations;
- 2nd Regional Assembly meeting;
- Three Coordination Board meetings;
- Workshop on Best Available Techniques;
- Seminar on compliance assurance;
- Launch of Web site and Newsletters;
- Sub-regional conference on EIA and SEA;
- Workshop on implementation of Eco-Industrial Parks.



2021

- EU Green Week side event;
- Meeting on compliance assurance;
- Meeting on BAT;
- Meeting on Greening SMEs;
- Two meetings on EPR;
- 3rd Regional Assembly;
- Coordination Board meetings.

Selected reports and materials

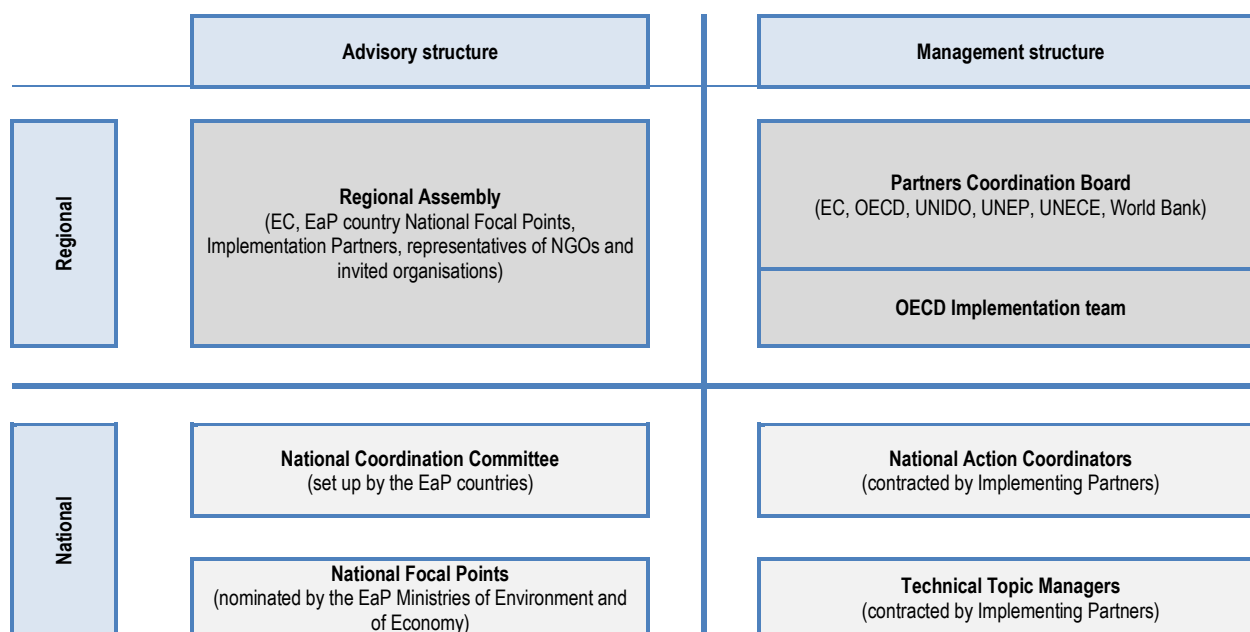
| | |
|--|--|
| Greener decision-making | <ul style="list-style-type: none"> • Video on transboundary Environmental Impact Assessment (UNECE Espoo Convention) available in English, Russian, Romanian, and Ukrainian (Armenian, Azerbaijani and Georgian are forthcoming) • Leaflets on Green Economy course in the EaP countries |
| Circular economy and new growth opportunities | <ul style="list-style-type: none"> • E-cards on RECP benefits and green financing for SMEs in the EaP countries to become greener • Fliers and national web pages on Resource Efficient and Cleaner Production (in all EaP national languages) • Leaflets on RECP success stories in Ukraine • Promotional video on Sustainable Public Procurement in English, Russian, Georgian, Romanian and Ukrainian • Factsheet on eco-labelling and Sustainable Public Procurement in Moldova (in English and Romanian) • Brochure: The EU supports Ukraine in adopting resource efficient and cleaner production (forthcoming) • Video on Circular Economy in Ukraine (forthcoming, in Ukrainian language) • Reports on gender mainstreaming in greening national industries (Armenia, Belarus, Georgia, Ukraine) • Report on the situation analysis of waste management in Moldova (in English and Romanian) • Report on the current status of the EPR schemes for the packaging waste in the EaP countries with 2-3 best practice case studies from the EU Member States • Situation analysis report on DRS in Armenia (in English and Armenian) • Cost-Benefit analysis report on DRS in Armenia (in English and Armenian) • National Waste Management Program in Moldova (forthcoming) • National Waste Action Plan 2021-2025 in Moldova (forthcoming) • Review of the existing National Waste Management Strategy 2016-2030 and the National Waste Action Plan 2016-2020 in Georgia • Technical assessment report on the current and planned waste management and infrastructure in place in Georgia • Gap Analysis Report on the draft packaging waste law in Azerbaijan (forthcoming) • Recommendations Report to develop an EPR scheme for the packaging waste in Azerbaijan (forthcoming) • Detailed Technical Report on the existing EPR mechanisms for packaging waste in Belarus (forthcoming) • Recommendations Report to develop an EPR scheme for the packaging waste in Ukraine (Forthcoming) • A Roadmap report for engaging with the private sector in establishing the EPR systems for packaging in Ukraine (Forthcoming) |
| An environmental level playing field | <ul style="list-style-type: none"> • Publication on SME Policy Index • Publication on Improving access to green finance for SMEs (English, Georgian) • E-cards on green investments for small business in Georgia (English, Georgian) • Fossil-fuel subsidies in the EU's Eastern Partner Countries: Estimates and Recent Policy Developments (English, Russian) • Report on assessment of Investment needs for climate action in Armenia up to 2030 • Review of energy subsidies in the context of energy sector reforms in Ukraine (forthcoming) • Draft country-level assessments on green bonds for the six EaP countries • Six country reports on strengthening the administrative capacity for environmental management (forthcoming) • Two reviews of environmental compliance assurance systems (Armenia, Moldova) (forthcoming) |
| Regional knowledge sharing and coordination | <ul style="list-style-type: none"> • 18 Country profiles (12 in English and 6 in national languages) • Video on Green Growth Indicators in English (also forthcoming in national languages) • Report on green growth indicators in Moldova (forthcoming) • Report on green growth indicators in Ukraine (forthcoming) |

Governance and regional cooperation

EU4Environment works at both the EaP region and national levels. It is primarily targeted at government authorities in the EaP countries, but also works closely with civil society, academia and private sector.

The key national partners and beneficiaries of the Programme are Ministries of Environment and of Economy of the six EaP countries. Various branches of the government are involved in its activities, including Ministries of Finance and Energy, procurement agencies, national statistics offices and other line Ministries.

Figure 2. EU4Environment governance structure



Regional cooperation

EU4Environment ensures coordination and synergies with other relevant ongoing initiatives and builds upon the tangible results of the previous projects. This includes EU4Business, EU4Climate, EU4Energy, PFAN, Cleantech, FINTECC, SME Development and Access to Finance facilities projects (EBRD), Air Quality Governance Project, Twinning and TAIEX projects, IMPEL and former REPIN, European Fund for Sustainable Development under EU External Investment Plan, Green for Growth Fund and Green Climate Fund under UNFCCC, E5P Fund, EU work on taxonomy, SIGMA, System of Environmental and Economic Accounts (SEEA), SEIS and ENI SEIS II projects, OECD work on green growth indicators, SDGs monitoring and Eurostat work.

EU4Environment works closely with the EaP Civil Society Forum and national NGOs.



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EU4Environment at a glance EaP countries in 2021

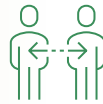
130 000 people
reached by our website



150 participants
trained on Extended Producer Responsibility
for packaging waste



200 000 people
reached on social media



Over 180 participants
trained on SEA



550 subscribers
to newsletter



Over 250 experts
trained on RECP. Over 90 SMEs consider RECP
as a part of COVID-19 recovery



Over 150 meetings
held since programme launch



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<http://eepurl.com/gUNbg1>

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Action implemented by:

