



EASTERN PARTNERSHIP
CIVIL SOCIETY FORUM

Polluter-Pays Principle

Taking stock of Achievements and Challenges in
Environmental Compliance Assurance in the
Eastern Partnership from Civil Society Perspective



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Basis for Polluter-Pays Principle to environmental compliance assurance in the EaP from civil society perspective

- Public participation is one of the key component to unbiased decision-making process in handling different environmental issues
- Aarhus Convention as a sound toolkit for involving civil society sector; all EaP countries come forth as parties of Aarhus Convention
- The RIO Declaration on Environment and Development (**Principle 10**)

Legal and Institutional Frames in EaP Countries

- Reforms and adjustments in legislative norms and documents
- Aligning legislative norms with the international conventions ratified and adopted by EaP countries and EU Directives

After gaining independence all countries sought to comply with new legislative acts and regulations adopted by each country regarding the right to take legal action to protect the public interest. Particularly, nongovernmental groups should be involved in making policies and decisions on sustainable development making NGOs a part of the review process and evaluation of implementing Agenda 21 of Rio Declaration (Rio de Janeiro, Brazil, 3 to 14 June 1992) upon providing NGOs with timely access to information, encouraging partnerships between NGOs and local authorities.



Current Environmental Fee Mechanisms in Georgia

- LAW OF GEORGIA ON ENVIRONMENTAL LIABILITY (2021)

The purpose of this Law is the legal regulation of issues related to environmental damage based on the 'polluter pays' principle.

It shall apply to cases that are regulated by the international treaties of Georgia, unless otherwise provided for by the same international treaties. The further provides for prevention/mitigation of significant damage; measures to be implemented in the case of damage/significant damage; assessment of damage and making decisions by the Department; remedial measures; determining remedial measures; determining compensatory/adequate remedial measures at a site adjacent to the damaged area or at an alternative site; participation of interested parties in the process of determining remedial measures in the case of significant damage; coordinating with the Agency a plan of remedial measures and making amendments to it; implementation of remedial measures and supervision over the fulfilment of a plan of remedial measures; financial security for the risks of environmental damage; main goals of the environmental programme and the administration of its funds; the source of financing of the environmental programme; implementing and supervising measures financed from the environmental programme; and administrative offences, administrative proceedings and criminal liability

Current Environmental Fee Mechanisms in Moldova

Moldova's environmental laws cater for two main types of administrative law-based environmental liabilities, which may arise concurrently.

- The first concerns the need for remediation of damage caused to the environment, limiting its impacts and preventing further damage (e.g., Law No. 1515 of 16 June 1993 on Environmental Protection, article 32(e)).
- The second type, and one most prominent in Moldovan law, is liability to pay monetary compensation to the State (e.g., Law No. 1515 on Environmental Protection, article 71(c)), often to a dedicated fund, the National Ecological Fund (the "Fund") which is used for the financing of environmental protection programmes (e.g., Regulation 100 of 18 January 2000 on the temporary provision for the determination of damage caused to the environment).



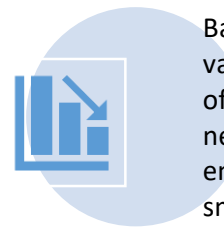
Current Environmental Fee Mechanisms in Armenia

- Nature protection payment - *compulsory payment that generates funds for implementation of environmental programs which, under this law, is paid to the State budget or, in cases specified by law, to the community budgets*
 - a) for pollution of environment (air and water basin) with harmful substances;
 - b) for allotting production and consumption wastes in the environment according to the specified procedure;
 - c) for goods harmful for the environment.
- Nature utilization payment – *payment paid to the State budget, which is aimed at effective and targeted use of State-owned natural resources, as well as for creation of equal conditions for users of natural resources of different quality.*
 - a) payments for water utilization;
 - b) payments for exhausted hard mineral wealth supplies, extracted supplies of subsurface sweet water and mineral water and salt;
 - c) payments for utilization of bio-resources.
- Royalty duties was also introduced later - is a fee paid to the state budget of the Republic of Armenia in order to compensate the use of metal minerals, as well as for the high profit obtained from the sale of metal minerals and products acquired as a result of their processing.

Special Laws Developed for Mitigation Activities in Armenia



Law on targeted use of environmental protection fees paid by companies developed in 2002, according to which financial allocations are provided to the environmentally affected communities from the discussed environmental payment funds.



Based on financial allocations the affected communities carry out various environmental and health programs; nevertheless they are often doomed to failure, since they hardly meet the expectations of neutralizing and mitigating the adverse effect caused to the environment, since on the one hand the amount allocated is very small, on the other hand the communities do not have the necessary capacities.

It is of utmost significance to specify

Whom do the Polluters Pay
Why
How much
For what purpose



Practices of Targeted Use of Environmental Fees in EaP Countries

- STATE OIL FUND OF THE REPUBLIC OF AZERBAIJAN -*The main goal is collecting the revenues of Azerbaijan related to the implementation of agreements on oil and gas reserves, managing efficiently, and preserving the future generations.* The cornerstone of the philosophy behind the State Oil Fund is to ensure intergenerational equality of benefit with regard to the country's oil wealth, whilst improving the economic well-being of the population today and safeguarding economic security for future generations. However, the problem in this case is that the money from the fund can be transferred to the state budget and used for different purposes .

Civil Society Initiatives for Targeted Use of Environmental Fees in EaP Countries

- Under the auspices of UN GEF, “Khazer” Ecological and Cultural NGO in Armenia initiated a piloting project within the frame of which Climate Civil Revolving Investment Fund was established in 10 rural communities, which worked rather efficiently in the sector of renewable energy; the investments made were paid back to the fund; it is worth noting that all residents were the stakeholders of the created funds.

INDC served as a base for initiating the mentioned project, anyhow due to lack of sufficient legal current bases the initiative is retarded.



Conclusions

- There should be distinctly identified and adopted mechanisms for protecting environmental rights of individuals in all EaP countries
- The current Polluter-Pays mechanisms should be revised and adjusted in all EaP countries considering the value chain of WHOM - WHY - HOW MUCH - for WHAT.
- All affected communities should be compensated in line with clearly stated laws and regulations upon the fairly identified payment beneficiaries
- All payments should be calculated from the Ecosystem protection standpoint, such as Ecosystem services fees, which implies ensuring the rights of future generation through the efficient utilization of the current resources
- Use of Environmental fees should address human natural rights, e.g. upon the article 122 of the RA Constitution, according to which self-governing bodies can act as vital tools for people to use the owned properties upon the principle of Environmental Civil Revolving Investment Fund.

Thank you
for your
kind
attention!

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