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ЖИВОТНА СРЕДИНА ЗА ЕВРОПУ



BELGRADE, 10-12 October 2007

SIXTH MINISTERIAL CONFERENCE
“ENVIRONMENT FOR EUROPE”

BELGRADE, SERBIA
10-12 October 2007

CHAIR'S SUMMARY



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“Environment for Europe”
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CHAIR’S SUMMARY*

By Saša Dragin, Minister of Environmental Protection of Serbia, Chair of the Sixth Ministerial Conference “Environment for Europe”

The Sixth Ministerial Conference “Environment for Europe” took place in Belgrade from 10 to 12 October 2007. Ministers and high-level officials from 51 UNECE member States and the European Commission, international organisations, NGOs and other stakeholders discussed progress achieved in the implementation of environmental policies since the Kiev Conference in 2003, capacity building and partnerships as well as the future of the EfE process. The results of their discussions are reflected in the Chair’s summary.

They also adopted a Ministerial Declaration.

* This version reflects editorial changes introduced after the closure of the Conference.

I. INTRODUCTION

1. The Sixth Ministerial Conference “Environment for Europe” was opened with a welcoming address by the President of the Republic of Serbia. He pointed out that the relation between environmental problems at the global and regional levels, international stability, and peace and security was increasingly recognized and that there was no alternative to the concept of sustainable development. He also stressed his country’s efforts and progress made towards the development of an efficient system of environmental protection. In this context, he proposed the initiative “Zero Emission – Zero Tax”, which aims at introducing tax exemptions for production and the placing on the market of zero emission vehicles in all UNECE countries. The Head of delegation of Ukraine passed the “Environment for Europe torch” from Kiev to Belgrade. He noted the opportunity to improve the efficiency of the process and called for enhancing efforts to improve environmental democracy.

2. The Executive Secretary of UNECE stressed the importance of the “Environment for Europe” process as a unique partnership of Governments, international organizations, non-governmental organizations (NGOs) and other stakeholders in the region and as an example of coherence. While considerable progress had been achieved in many countries since the inception of the process, a number of important challenges remained. The integration of environmental policies into national development strategies was of particular importance, as neglecting environmental aspects in their economic development would be very costly for countries in the long run.

3. This message was reinforced by the Executive Director of the United Nations Environment Programme (UNEP) in his opening address. He pointed out the importance of policy integration for achieving sustainable development at the global level. He also highlighted that the development path of the twentieth century did not need to be followed in the current century, and that the environment was a resource for development, not an asset to be exploited. After the opening addresses, participants enjoyed an opening ceremony with a performance by artists from the host country.

II. ASSESSMENT AND IMPLEMENTATION

(a) State of the environment and monitoring and assessment

4. Delegations taking part in the discussion on this subject welcomed the Pan-European assessment report on the state of the environment (“Belgrade Assessment”) prepared by the European Environment Agency (EEA) in cooperation with UNECE and other partners. They highlighted specific findings of the report, especially those on climate change, biodiversity, water supply and sanitation, marine environment, renewable energy, and sustainable consumption and production patterns. The delegations stressed the need to focus future actions under the “Environment for Europe” process on improving monitoring so as to produce environmental data in an integrated manner, on building countries’ capacities in environmental observation, and on applying an ecosystems approach in environmental assessments. They further stressed the need to produce the next assessment report for the 2011 “Environment for Europe” Conference.

5. The link was emphasized between the “Belgrade Assessment” report and other reports presented to the Conference, including the report on UNECE Environmental Performance Reviews (EPRs) and one on environmental policies in Eastern Europe, Caucasus and Central Asia. It was stressed that there was a need in the future to use in assessment reports data produced by governmental institutions rather than data from informal sources.
6. Speakers underlined the need to make monitoring a useful tool in environmental policymaking. Examples were presented of modernizing monitoring networks at the national level, increasing the numbers of measuring stations and expanding monitoring parameters, improving environmental databases, using internationally agreed indicators in national environmental reports, and producing environmental assessments in an integrated manner. They called upon UNECE, EEA and other partners to continue their support for country efforts to harmonize environmental monitoring procedures, methodologies and approaches. The importance of supporting enterprises in improving their environmental monitoring and reporting in Eastern Europe, Caucasus and Central Asia and South-Eastern Europe (SEE) was also emphasized.
7. Examples were presented of partnerships on environmental monitoring in between countries, including cooperation on weather observations and water data sharing. The need for learning from good practices established at the global level was also stressed.
8. Support was expressed for the UNECE recommendations on indicator-based environmental reporting as well as for the guidelines for environmental monitoring and reporting by enterprises. The UNECE Working Group on Environmental Monitoring and Assessment was invited to strengthen its efforts to build Eastern Europe, Caucasus and Central Asia and SEE capacities in environmental observation and to make environmental reporting compatible across the UNECE region.
9. Some speakers praised the *First assessment of transboundary rivers, lakes and groundwaters* in the UNECE region, and called for the next assessment to be delivered at the next “Environment for Europe” Conference.

(b) Implementation of multilateral environmental agreements and findings of UNECE Environmental Performance Reviews (EPRs)

10. Speakers stressed that the five UNECE environmental conventions and the UNECE EPR Programme contributed significantly to improving environmental policy in the region by addressing environmental disparities in the countries of SEE and Eastern Europe, Caucasus and Central Asia. They served as a basis for many national actions aimed at better environmental management, integration of environmental policies into other sectors, and promotion of sustainable development. It was also noted that the UNECE conventions and EPR Programme contributed to environmental security in the region.

11. Participants acknowledged that significant efforts and progress had been made by countries reviewed since the first round of EPRs, in particular on convergence of environmental policies; strategies and legislation; on increased involvement in international environmental

cooperation; and on improved public participation. Tailor-made EPR recommendations provided an impetus for improving institutional frameworks and management, for making national environmental policies more effective, and for strengthening international cooperation. It was noted that national reports showed improved implementation of the environmental conventions by an increasing number of countries. The majority of parties had introduced the adequate legislative frameworks necessary for fulfilling their obligations and had engaged in bilateral and multilateral cooperation.

12. Nevertheless, the implementation of multilateral environmental agreements (MEAs) across the region was not consistent and there was a need for further action. Countries underlined the importance of speeding up the ratification of the UNECE conventions and their protocols. The major bottlenecks in countries of Eastern Europe, Caucasus and Central Asia and SEE countries, highlighted in the most recent EPRs and reflected in the document “Critical issues in the implementation of environmental policies”, also hampered the efficient implementation of MEAs. Speakers welcomed the specific recommendations to countries for overcoming the bottlenecks examined in the document.

13. The “Guidelines for strengthening compliance with and implementation of multilateral environmental agreements in the ECE region” (“Kiev Guidelines”) endorsed at the Kiev Ministerial Conference continue to be a useful tool for addressing difficulties in implementing and complying with MEAs, according to a number of speakers. Specific national implementation plans should be developed to ensure a strategic approach for compliance with MEAs as well as for setting priorities for the implementation of the EPR recommendations. As the implementation of many MEAs involved more than one competent authority, it is essential to establish a good cooperation and coordination between national authorities and other stakeholders.

14. The reporting of information was essential for the effective functioning of MEAs and should be further strengthened. All UNECE conventions had established systems for regularly collecting information and for using it to review implementation and compliance and/or for general information. Useful information was also reported through the EPRs, which dealt with the whole range of environmental issues, including MEAs. Participants concluded that the Kiev Guidelines should be further used by countries to improve their reporting, while the EPRs should continue to stress the benefits of implementing legal instruments and the need for building capacity.

15. It was stressed that there was a need to develop the existing capacity-building activities under the conventions into consolidated programmes with well-defined priorities and actions, to help the countries of Eastern Europe, Caucasus and Central Asia and SEE countries address the difficulties of fully implementing the basic requirements of MEAs. On the other hand, speakers noted that new European Union (EU) Member States should continue to share their experience and good practice from the transition period with countries of Eastern Europe, Caucasus and Central Asia and SEE countries, so as to bring those countries closer to internationally recognized environmental standards.

16. Recognizing that each of the conventions had its specific mandate and objectives, participants requested that the synergies among them be reinforced. This would increase their

effectiveness as instruments for protecting the environment and strengthening international cooperation. As such, speakers stressed that the UNECE legal instruments on the environment were a valuable model for other regions facing similar transboundary problems.

III. JOINT SESSION ON EDUCATION FOR SUSTAINABLE DEVELOPMENT

17. Education and Environment Ministers of the UNECE region met for the first time in the history of the “Environment for Europe” process and, in a joint statement, reaffirmed their commitment to the implementation of education for sustainable development (ESD) in the region. They considered achievements, lessons learned and challenges identified in the implementation of the UNECE Strategy for ESD since the Kiev Conference, and agreed on the way ahead. They were satisfied that the commitments made in Kiev and Vilnius had been fulfilled. They reconfirmed that ESD empowered people to make informed choices in favour of sustainable development and could thereby play an important role in overcoming social, economic and environmental challenges. They also stressed that climate change was the issue that tests the solidarity around the globe through our attitudes in daily life.

18. The UNECE Strategy for ESD remained a unique example of the regional implementation of ESD among the different initiatives developed in the framework of the United Nations Decade of Education for Sustainable Development, and hence served as an example for other regions.

19. A comprehensive reporting mechanism and set of indicators was valued as an innovative tool that helped countries to evaluate progress in the implementation of the Strategy. The feedback of 36 national implementation reports – even if the details of information varied – was an important achievement.

20. The fulfilment of phase I for the implementation of Strategy was well under way; most countries were showing commitment to establishing the necessary policies and institutional structures to implement the Strategy. In particular, the countries of Eastern Europe, Caucasus and Central Asia had made visible progress. The countries of SEE had a number of challenges ahead; many of them were still in the process of taking the prerequisite measures to support the promotion of ESD. Other countries in the region had progressed significantly. Decentralized governing structures had not been an obstacle for implementation of the ESD Strategy; countries with a federal structure had made good progress. Although many countries in the region had rich sources of indigenous and other local knowledge, lack of their use remained a weak point in the ESD implementation process.

21. The speakers highly appreciated the close and effective collaboration between UNECE and the United Nations Educational, Scientific and Cultural Organization (UNESCO), especially in monitoring progress. Another key achievement was the joint UNECE-UNESCO collection of good practices in ESD.

22. Participants stressed that a stronger partnership between authorities and stakeholders and among different departments, in particular between education and environment ministries, remained an important precondition for enhancing implementation.

23. The competence of educators was often a bottleneck to improving the quality of education. Another important challenge was capacity-building for decision makers and other stakeholders, and here informal and non-formal education had a special role.

24. Speakers agreed that the Strategy's implementation in the future should focus on further strengthening the initial measures and on developing competences, ESD teaching tools and materials and improving their content. A more integrative conceptualization of ESD needed to be developed to make the move from environmental education to true sustainable development. The implementation should be needs-driven and should respond to country-specific challenges and the common interests identified by subregions. ESD should be promoted through capacity-building and the dissemination of good practices. Raising awareness of the potential contribution of indigenous and other local knowledge should be given attention.

25. Delegates praised the cooperation on the implementation of the Strategy and agreed that the Steering Committee had proven to be an effective decision-making body and should continue to assume responsibility for managing the Strategy process. To ensure stable and effective implementation of the programme, participants requested that allocation of the United Nations regular budget resources for the implementation of ESD be considered.

26. Joint statements were presented by SEE and Central Asian countries on ESD in their respective subregions.

IV. ROUNDTABLE ON BIODIVERSITY

27. Participants gave recognition to the achievements of Governments, non-governmental organizations (NGOs) and other partners since 2003 in the implementation of the Kiev Resolution on Biodiversity, but also stressed that the EEA report stated that the 2010 target would be difficult to achieve without increased efforts. Participants further stressed the need for a pan-European instrument to push this process forward, expressing its appreciation for the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) and its work.

28. Speakers noted the Countdown 2010 assessment and the successes related to the Kiev targets, such as on protected areas, ecological networks and invasive alien species, but also that much remained to be done on the targets for agriculture and forests. There were also important challenges to be addressed such as climate change, the marine environment and the integration of biodiversity concerns in productive sectors.

29. In the discussion, general recognition was made of progress regarding ongoing work in the region on the development of the Pan-European Ecological Network (PEEN), the identification of High Nature Value farmland, the proposed 26 biodiversity indicators resulting from the Streamlining European 2010 Biodiversity Indicators project and the business, banking and biodiversity project. Delegates noted that challenges still remained with regard to the integration of environmental considerations in the productive sectors and the implementation of national biodiversity strategies and action plans.

30. Many speakers requested that PEEN should be backed by strong political will so as to continue to stimulate ecological connectivity initiatives. According to participants, ecological connectivity had a major role to play, as the impact of climate change on biodiversity was already occurring. It was noted that immediate action was necessary to ensure that ecosystems were sufficiently robust and coherent to be able to mitigate the impacts.

31. Speakers concluded that there was a different understanding of High Nature Value farmland in the Eastern Europe, Caucasus and Central Asia region than in the EU, so it was necessary to promote activities that took into consideration the diversity of the region. In the EU, nature conservation was different, as the tendency was to focus more on conserving landscapes resulting from a rich mosaic of land uses. International financial institutions were supporting accession and pre-accession countries to meet EU directives through agricultural reform, agri-environmental programmes and the conservation of habitats.

32. A reference was made to the multifunctionality of forest ecosystems, as well as to the link between the United Nations Framework Convention on Climate Change (UNFCCC) and the Convention on Biological Diversity, as both were important tools for addressing the effects of climate change on biodiversity. Another challenge related to climate change was that at the same time the region was seeking economic and social development and the achievement of the Millennium Development Goals.

33. Investment in biodiversity conservation, it was noted, was also required to maintain the valuable services it provides to the economy. Participants said that it was necessary to find new and creative ways to protect biodiversity, such as incentives, new forms of financing and payments for ecosystem services. Cooperation at the pan-European level to develop these instruments should be promoted.

34. Many speakers stressed that Governments alone cannot solve all the problems linked to biodiversity conservation, thus it was necessary to bring together all layers of society to participate in this process. Raising public awareness and developing personal attitudes on the issue of nature conservation should be among the priorities when tackling the issue. Good practice could only be realized through involving NGOs to ensure transfer of knowledge and broad participation of many strata of society. This would also help to promote democracy. It was important to change human values and behaviour for the conservation of biodiversity, participants concluded.

35. Building cooperation with stakeholders and providing tools and frameworks to ensure their involvement was also stressed. Additional stakeholders might be accessed through raising the profile and awareness of the importance of biodiversity. It was necessary to involve the regional and local authorities as stakeholders in the conservation and sustainable use of biodiversity, participants noted. Youth had an important role as a stakeholder, as they had concerns that inaction would cause irreversible losses to biodiversity.

36. The role of the private sector and business should be addressed further. It was crucial to approach these stakeholders and to promote the instrumental value of biodiversity. The

upcoming EU Business and Biodiversity Conference was expected to raise the profile of biodiversity in the corporate world and, hopefully, to promote longer-term EU-wide action.

37. Participants of the roundtable then adopted the Belgrade Statement on Biodiversity.

V. CAPACITY-BUILDING

(a) Progress and perspectives in implementation of the Environment Strategy for countries of Eastern Europe, Caucasus and Central Asia and the Central Asia Initiative for Sustainable Development

Progress and perspectives in implementation of the Environment Strategy for countries of Eastern Europe, Caucasus and Central Asia

38. Delegates welcomed the report, “Policies for a better environment: progress in Eastern Europe, Caucasus and Central Asia”, as well as the other reports prepared for the session. They expressed appreciation for the analysis and for the collaborative process that had been involved in its production. The report had been drafted by the Organisation for Economic Co-operation and Development (OECD), but had involved close cooperation with the countries of Eastern Europe, Caucasus and Central Asia and NGOs as well as with a range of international organizations and institutions: the World Bank, the World Health Organization, Project Preparation Committee, the United Nations Development Programme, UNECE, UNEP, Regional Environmental Center (REC) Szentendre, the four Eastern European, Caucasian and Central Asian RECs and Eco-Forum. The report complemented the “Belgrade Assessment” by focusing on the policy actions that countries of Eastern Europe, Caucasus and Central Asia had taken since 2003. The report had been prepared under the auspices of the Environmental Action Programme (EAP) Task Force.

39. The report documented more than 200 positive actions that the countries of Eastern Europe, Caucasus and Central Asia had taken since the 2003 Kiev Ministerial Conference. A number of speakers gave examples of actions they had taken. The main legal and policy frameworks for effective environmental protection had been put in place by many countries of Eastern Europe, Caucasus and Central Asia. Noticeable progress had been achieved in several areas: enforcement and compliance, water supply and sanitation, water resources management, and agriculture. This was not to say that the situation in these areas is now satisfactory; rather that some progress had been made in some countries of Eastern Europe, Caucasus and Central Asia.

40. Many speakers emphasized the implementation gap that exists in most countries of Eastern Europe, Caucasus and Central Asia: the actions taken to date had generally not been sufficient to achieve the objectives that had been set. This had been related to insufficient means – finance, human and institutional capacity. However, it was also linked to insufficient incentives: pricing of water, energy and other resources was still very low; enforcement of appropriate standards was not changing the behaviour of enterprises; and public demand was not generating sufficient political pressure. There was no equivalent to EU accession as a driver of environmental improvement in countries of Eastern Europe, Caucasus and Central Asia.

Convergence with the environmental performance in Western Europe therefore would have to be driven more by internal forces.

41. During the discussion, three issues were emphasized by many delegates as particularly deserving high priority: water supply and sanitation, especially the achievement of the water-related Millennium Development Goals; strengthening the capacity of environmental institutions; and promoting energy efficiency. Areas where little progress had been achieved included: waste management; biodiversity protection, particularly outside protected areas; and transport.

42. Looking to the future, delegates broadly supported the main recommendations proposed in the report, but stressed that these recommendations needed to be adapted to the specific situation in each country. The report suggested the importance of: developing a clear vision, with clear priorities and time-bound targets; creating a realistic, step-by-step approach to reform; initiating more effective implementation, including more effective enforcement; strengthening incentives, particularly using the pricing system; building the capacity of environmental institutions; investing in human capacities, particularly strengthening capacity for economic analysis and management; mobilizing additional financing for the environment from the private sector and from international sources such as the Clean Development Mechanism; and further engaging stakeholders, such as NGOs, the private sector and the media.

43. Delegates recognized the important role that donor support provided. In absolute terms, donor support was not large, and had been declining, but it played an important catalytic role. Several donors described their activities in countries of Eastern Europe, Caucasus and Central Asia and pledged their willingness to continue this support. However, donor programmes were changing, including that of the European Commission, which was now the largest in the Eastern Europe, Caucasus and Central Asia. These changes underlined the importance for the countries of Eastern Europe, Caucasus and Central Asia of including the environment in national economic strategies, poverty reduction strategies, and donor cooperation programmes.

Implementation of the Central Asia Initiative on Sustainable Development

44. Ministers and heads of delegation from the Central Asian countries presented progress made in implementation and prospects for the Central Asian Initiative for Sustainable Development (CAI). They reaffirmed their commitment to establishing a productive multisectoral dialogue on environmental sustainability and sustainable development in the subregion. As future priority areas, delegates highlighted the strengthening of environmental management, a coordinated approach to water management, education for sustainable development, support for civil society initiatives, response to climate change, and addressing sustainable livelihoods. They proposed a multi-stakeholder dialogue on CAI as a platform for subregional promotion and for coordination of CAI. Speakers strongly encouraged the support of donors and international organizations for projects within these priority areas.

45. Participants considered it appropriate that the future "Environment for Europe" process have a subregional focus to reflect changing realities, priorities and development trends, both in Central Asia and globally. The Central Asian countries stated that, despite their not being

included within the EU enlargement and neighbourhood policies, the region played an important part in environmental sustainability both at the continental level within Eurasia, and globally. Participants noted the role of Central Asia as a bridge between Europe and dynamically developing China and India, which embraced almost half the world's population. At the same time, Central Asia was for Europe an important supplier of energy and potentially a large market.

(b) *South-East European perspectives*

46. Ministers and Heads of delegation taking part in the discussion welcomed the Belgrade initiative on enhancing the subregional South-East European cooperation in the field of climate change. The countries welcomed the establishment of the climate change center in Belgrade aimed at implementing a capacity-building action plan for South-Eastern Europe, and some of them stressed that they would explore opportunities to support such activities. They emphasized the need for improved cooperation within the region and for fostering international partnerships to raise the capacity of the countries to cope with emerging issues related to adaptation to and mitigation of climate change.

47. Speakers stressed that since the Kiev Ministerial Conference in 2003 significant efforts and progress had been made by SEE countries in achieving higher environmental protection standards. It was confirmed that the common goal of all countries in the region is EU membership, and that the development of SEE countries was and would be directed and determined by the content of the *acquis communautaire* and other EU policies. It was noted that particular progress had been made in the harmonization of national legislation with that of EU, but that its implementation required further efforts and assistance as well as an increase of environmental investments.

48. Meeting the challenges of EU membership requirements would demand an overall strengthening of environmental management systems as well as the strengthening of capacity-building at all levels of administration. Assistance would be needed for further harmonization of legislation and for its implementation as well as for the acceptance and implementation of regional and global environmental agreements.

49. Delegations taking part in the discussion pointed out the importance of better integration of environmental issues into sectoral policies, and the necessity for the integration of economic development with environmental protection to find ways to achieve sustainable development and the sustainable use of natural resources, given that economies are growing in the subregion. Achieving goals and priorities would require the commitment and involvement of all the actors – namely Governments, international and regional organizations, financial institutions, other donors, civil society including the private sector – and should cover different environmental issues identified on the basis of specific subregions and country needs, with a view to ensuring sustainable development and the safeguarding natural resources.

50. All countries of SEE highlighted the necessity of strengthening subregional cooperation, which could be both a significant tool for EU integration and achieving the goals of sustainable development and a useful instrument for institutional, legal and economic reform. The SEE countries agreed that to reach their environmental protection objectives, they should establish

bilateral and subregional cooperation, share their experiences, and benefit from the experience of neighbouring countries and EU Member States. It was considered of the utmost importance that countries facing similar challenges in achieving their goals join their efforts and capacities in response to global challenges.

51. Ministers and Heads of Delegation pointed out that the process “Environment for Europe” and related processes and instruments were an important capacity-building and outreach tool. They agreed that this process should lead to a stronger focus on subregional initiatives and cooperation according to the need for assistance of different subregions and countries, which should promise a more efficient approach to future initiatives and results-based and action-oriented activities.

VI. PARTNERSHIPS

(a) Environmental policy and international competitiveness: can we afford a better environment?

52. There was general agreement that improving environmental performance and strengthening international competitiveness were not per se conflicting policy objectives. There was as such no trade-off between economic growth and environmental protection. Rather, a clean environment could provide the economic edge in the future.

53. More stringent environmental policy should not be regarded as a luxury which could be postponed until higher levels of economic prosperity had been achieved. Given the close linkages between the economy and the environment, it was important to ensure an effective integration of environmental protection with sectoral and national economic development strategies. Governments needed to build a capable and sufficiently strong civil service for the planning and implementation of effective environmental policies. Countries should establish institutional arrangements for a continuous dialogue among all stakeholders, including the public, with the aim of a balanced and integrated consideration of economic, social and environmental issues.

54. While the basic principles of policy integration were well understood, some countries had encountered difficulties, at least initially, in the effective implementation of new mechanisms established for the coordination and cooperation of different central government departments. In a similar vein, there were also learning processes for effective working together between different local governments in a region.

55. In this context, countries could benefit from the exchange of experience with regard to effective environmental policy design and different national approaches to implementation of policy integration.

56. There was a broad agreement that clean and environmentally friendly technologies, in combination with more stringent environmental standards, played a key role for increasing efficiency of resource use and reducing the pollution intensity of economic activity, including agriculture and forestry. The need for technological upgrading of the productive capital stock

provided countries, notably low-income countries but also developed countries, with considerable opportunities for improved environmental performance.

57. Many speakers noted that more stringent environmental standards worldwide had in fact spurred the development of a rapidly growing market for environmentally sound technologies. The production of these clean technologies had become an important source of competitive advantage, as reflected in strong growth of profits and employment in this sector.

58. International financial and technical assistance to support the building of domestic institutional and technological capabilities would continue to play an important role in promoting sustainable development in low-income countries, but it could only complement domestic efforts, which needed to be underpinned by strong political will. This was an opinion stressed in particular by speakers from donor countries.

(b) Environmental finance and partnerships to support the implementation of environmental policies and programmes

Environmental finance

59. Speakers in the environmental finance discussion outlined the wide diversity of environmental financing instruments and the need for innovation in environmental financing. In this regard, they stressed the importance of financing for research and development and the need to optimize conditions for private sector involvement. One speaker provided a number of examples of initiatives designed to create incentives for utilities, businesses and investors to provide capital and technology for environmental infrastructure. The importance of public sector involvement, effective regulation, and thorough impact assessment in investments in environmental infrastructure was also emphasized.

60. One country provided information on its recent experience with managing environmental funds and their role in maximizing the absorption of EU Cohesion Funds. Environmental financing trends in the countries of Eastern Europe, Caucasus and Central Asia indicated that it was essential to convince Ministries of Finance to prioritize environmental expenditure. Trading of assigned amount units under the Kyoto Protocol was mentioned as an example of a successful new environmental financing mechanism. One country shared its recent experience with decentralization and private sector involvement in environmental financing, as well as with economic instruments, e.g. enforcement of the polluter-pays principle.

61. The Chair of this session closed the discussion on the matter by reflecting on the broad range of financing instruments presented, remarking that there was a wide range of options for local, national and international actors, and underlined the need for innovative financial instruments to address current and future environmental challenges in the region.

Partnerships to support the implementation of environmental policies and programmes

62. Speakers and delegations that participated in the discussion on partnerships referred to numerous partnership initiatives launched in the UNECE region since the Johannesburg summit on sustainable development.

63. The reference was made to the international mountains initiative that transposed the experience gained in the Alpine Convention to the Carpathian Convention signed at the Kiev EfE Conference and ongoing preparations of international legally binding instruments for the Balkans and Caucasus subregions.
64. The role of the environmental dimension of security was emphasized. Interrelationships between climate change and increasing floods and fluctuations in the level of the Caspian Sea, causing economic losses and leading to social tension in the subregions concerned, were mentioned. Other examples included transboundary water pollution and degradation of biodiversity threatening security at the national and local levels. The Environment and Security Initiative was supported to help to ease tensions between the UNECE countries concerned with regard to specific transboundary watercourses.
65. The role of partnerships between countries with the support of international organizations and institutions in the region was stressed, including that of the Baltic 21 initiative. Recently launched partnerships on the implementation of multilateral environmental agreements, climate change, energy efficiency, the application of the ecosystems approach and the protection of the Adriatic Sea as well as on the EU integration process, were also mentioned.
66. The importance of partnerships to promote sustainable consumption and production (SCP) patterns was emphasized. Examples of national initiatives to promote SCP were presented together with bilateral and multilateral projects. The need to develop regional programmes on SCP was stressed by some speakers. Explicit reference was made to the partnership for clean fuels and vehicles, company initiatives on clean cars and less sulphur content in fuels, eco-driving, eco-schools, clean production and green procurement. There were several countries that stressed the importance of Clean Fuels and Vehicles Partnership, the results achieved and existing challenges.
67. A recent example of a nation-wide dialogue with all stakeholders in developing a sustainable development action plan was demonstrated. This experience might be extrapolated to other countries in the UNECE region. Several examples were also presented of constructive public-private partnerships such as drinking water supply and energy efficiency.
68. Private sector speakers voiced their readiness to contribute to resolving environmental problems should public authorities establish clear rules for the private sector involvement.

VII. THE WAY FORWARD

69. Participants confirmed the usefulness of the “Environment for Europe” process as an important framework for bilateral and multilateral cooperation in the UNECE region and as a multi-stakeholder platform for broad horizontal environmental cooperation. They committed to continuing a focused and needs-based process concentrated on results-based and action-oriented activities.

70. Some speakers pointed out the successes that had been achieved through the process thus far, while stressing the need to adapt the process to the changing political and economic landscape in the region.

71. Ministers and Heads of delegation voiced unanimous support for a reform to be undertaken in order to strengthen the effectiveness of the “Environment for Europe” process. Future objectives and priorities of the “Environment for Europe” process needed to be more clearly defined. The active involvement of Ministers of Environment in the “Environment for Europe” reform process should be ensured.

72. Ministers and Heads of Delegation adopted by acclamation the Ministerial Declaration.

73. The participants expressed their great appreciation for the offer of Kazakhstan to host the next Ministerial Conference in 2011 in their capital city – Astana.
