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The “Environment for Europe” mid-term review of the Astana Conference main outcomes: work of the Environmental Action Programme Task Force and the Regional Environmental Centres**Regional Environmental Centres: promoting green economy and governance for sustainability****Report by the Regional Environmental Centres****Summary*

At the Seventh “Environment for Europe” (EfE) Ministerial Conference (Astana, 21–23 September 2011) ministers recognized the role of the Regional Environmental Centres in communicating and implementing initiatives, and called for strengthening the Regional Environmental Centres’ contributions in both promoting green economy and better environmental governance at the local, national, subregional and regional levels (ECE/ASTANA.CONF/2011/2/Add.1, para. 16).

Following the request by the Committee on Environmental Policy (CEP) at its eighteenth session (Geneva, 17–20 April 2012), the Regional Environmental Centres prepared the present document to report on progress made in promoting green economy and better environmental governance (ECE/CEP/2012/2, para. 25 (k)).

The document aims to facilitate the discussion by CEP during the mid-term review of the Astana Conference’s main outcomes.

* This document was submitted late owing to editorial constraints in the secretariat of the United Nations Economic Commission for Europe.

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Introduction

1. The present document presents a compilation of inputs by the five Regional Environmental Centres (RECs) active in the United Nations Economic Commission for Europe (ECE) region, as follows: the Regional Environmental Centre for Central and Eastern Europe (REC-CEE), the Regional Environmental Centre for the Caucasus (REC Caucasus), the Regional Environmental Centre for Central Asia, the Regional Environmental Centre for the Republic of Moldova (REC-Moldova) and the Regional Environmental Centre for the Russian Federation (REC-Russia).
2. Some paragraphs of the report relate to areas of work and/or activities undertaken by most of the RECs, while others include specific activities carried out by the respective RECs.
3. The RECs continue to actively work in the areas of governance for sustainability and green economy.
4. REC-CEE promotes green economy and governance for sustainability through its 12 topic areas. Examples of flagship projects and programmes have been selected in order to highlight the scope and depth of these activities. The projects have been implemented either solely by REC-CEE or in a variety of partnerships and consortiums.

A. Governance for sustainability

5. The RECs continue to serve as a bridge for stronger cooperation between Governments, donors, civil society organizations and the private sector to effectively cope with current challenges and manage their environment and natural resources efficiently and sustainably, based on the principles of public participation and access to information.
6. REC Caucasus supports the Governments of Armenia, Azerbaijan and Georgia in the European Union (EU) harmonization process in the field of environment and subregional cooperation through the provision of recommendations on national legislation. For this purpose, REC Caucasus continues to serve as a platform to facilitate dialogue among all these stakeholders and fosters identification of tangible solutions.
7. The mission of REC-Russia is similar to other RECs, but covers the area of the Russian Federation.
8. Regional environmental governance, as in the case of Central Asia, is shared between several institutions, such as the Interstate Commission on Sustainable Development (ICSID), the REC for Central Asia, the Executive Committee of the International Fund for Saving the Aral Sea (IFAS) and the Interstate Commission for Water Coordination of Central Asia (ICWC), with sometimes overlapping, or conflicting mandates. In addition, national Ministries of Environment contend for limited governmental time, have limited authority and financial resources.
9. The REC for Central Asia was established upon the initiative of the five Central Asian Governments in 2001 to address environmental issues in Central Asia by contributing to regional partnerships, better environmental governance and green growth.
10. REC-CEE is examining possibilities for integrating the environmental, social and economic dimensions of sustainable development within the framework of governance processes in order to steer Central and Eastern European Governments towards sustainability. In this respect, REC-CEE offers capacity-building, a neutral platform for exchanging experiences and information on best practices, as well as support for public and

multi-stakeholder involvement. REC-CEE works with all key actors, collects real-life examples of governance in different sections of society and assists in developing participatory solutions. REC-CEE has also been involved in efforts to streamline environment and climate change into EU Cohesion Policy, for example through governance innovations.

B. Green economy

11. A main driver behind the development of the related concepts of green economy,

green growth and low-carbon development has been the move towards a more integrated

approach to incorporating environment and development in economic decision-making, policy and planning. However, it should be noted that, as these concepts have emerged from different sources, through the work of different organizations and with different target audiences, the distinctions among them have become blurred and they are now being used almost interchangeably.

12. In the context of the United Nations Conference on Sustainable Development held in Rio de Janeiro in June 2012 (Rio+20 Conference), the role of green economy in achieving broader sustainable development and poverty eradication was given a clear emphasis. The REC for Central Asia organized a number of workshops at the Rio+20 Conference with the support of the German Ministry of Environment on issues directly related to green growth.

13. A key benefit of the emergence of the green economy concept has been that it has stimulated international attention and renewed global efforts to transform the current unsustainable economic model into one that better aligns with the overarching goals of sustainable development. Importantly, this has included efforts by international organizations, civil society and the RECs to develop operational principles for green economy and green growth, as well as the elaboration of policy tool-kits and suites of measures that can be adopted by national Governments to shift to a more sustainable economic framework. There is also an emerging international practice, as national Governments in Eastern Europe, the Caucasus and Central Asia adopt what could be classified as green economy policies. Some countries, such as Kazakhstan, have taken a leading role in developing overarching national green economy strategies that integrate into

its long-term development strategies.

14. Central Asian countries, due to their geopolitical location, have the opportunity to take part in environmental development processes in both the European and the Asia-Pacific regions, which gives rise to additional possibilities for exchange of experiences and best practices.

15. Within green economy, REC-CEE focuses its activities on promoting the integration of environmental concerns into public policies and strategic documents governing the management and spending of EU funds. In the activities under this direction, REC-CEE builds on its achievements in policy reform and institutional strengthening, in order to address climate change and to promote clean energy, as well as sustainable urban mobility, efficient use of natural resources and sustainable consumption and production.

16. REC-Moldova focuses its activities on promoting the integration of environmental concerns into sectoral strategies in the Republic of Moldova.

I. Main achievements and key findings

17. The REC for Central Asia promotes green economy and better environmental governance on the regional and national levels through the adoption and use of newly emerging instruments, technological transfer and the establishment of networks and well-functioning cooperation between private businesses, local authorities and public organizations.

A. Regional partnerships

18. Regional partnerships have proven to be a successful mechanism for a more inclusive approach towards the transformation to green growth. In compliance with the ministerial declarations of environment and development ministers at the sixth Ministerial Conference on Environment and Development in Asia and the Pacific (Astana, 27 September–2 October 2010) and at the Seventh “Environment for Europe” Ministerial Conference (Astana, 21–23 September 2011), the Green Bridge Interregional Partnership Programme has been developed as a voluntary mechanism to support countries in transition and developing countries in their efforts towards a green economy. The initiative aims to provide a framework for a multilateral, long-term partnership and more stable basis for green investments, and thus to act as a technology transfer mechanism for green technologies and innovations.

19. It is expected that the international component of the Green Bridge Partnership — for which the REC for Central Asia provides the secretariat — will provide a platform for networking and ensuring assistance and advice to developing countries and institutions on new institutional frameworks, as well as green technologies and innovation, using participants’ experiences in reforming policies to transform their economies towards green growth and thus attract green investments. This was underlined by its founding members, Kazakhstan, Germany, the Republic of Korea and the Russian Federation, during the Rio+20 Conference and reflected in the Rio+20 outcome document, which specifically welcomed regional and cross-regional initiatives for sustainable development, “such as the Green Bridge Partnership Programme, which is voluntary and open for participation by all partners”.¹

20. The REC for Central Asia’s experience proves also that cooperation efforts on integrated water resources management can promote the establishment of regional working groups that comprise representatives of various Government agencies, including ministries of environment, water, agriculture, emergency situation, and independent experts. The REC for Central Asia has promoted, in particular, regional cooperative arrangements in small transboundary watersheds in Central Asia.

B. Local governance

21. Through its programme, “Strengthening Local Environmental Planning and Environmental Civil Society in Belarus and the Republic of Moldova during 2012–2014”, REC-CEE develops mechanisms, tools and guidelines for the sustainable use of natural

¹ “The future we want”, A/RES/66/288, annex, para. 102.

resources and promoting the integration of nature conservation principles in local development. REC-CEE also provides direct investments for priority environmental projects and support to strategic environmental investment planning. Furthermore, through the programme, it builds the capacities of local authorities to develop environmental investment projects.

22. REC-Moldova is acting as local partner for this project.

23. A project on “Sustainable Development of Mountain Regions of the Caucasus” provided support through the development and implementation of local Agenda 21’s, with a main focus on raising awareness of biodiversity conservation. The project promotes networking between local populations living in and around the protected areas of the Caucasus Mountains, and strengthening their participation in decision-making.

24. The REC-CEE project, “Local Biodiversity Action Planning Network for Sustainable Development in the Western Balkans and South-Eastern European Countries”, develops local biodiversity action plans as means to raise the issue of biodiversity and nature protection at the local level in the South-Eastern European countries. It also promotes networking among biodiversity and nature protection practitioners and among those living in the protected natural areas in these countries, and supports ideas for establishing cross-border national parks or areas under other types of protection.

25. A project on the “Regional Potential for Green Economy”, to which REC-CEE contributes, explores regional potential for driving the green economy in a number of sectors, including waste, water, bio-economy, manufacturing, construction and transport.

C. Sustainable Development Academy: sustainable cities

26. Within the Sustainable Development Academy, REC-CEE organizes a two-week course, “Living Laboratories: Resilience and Sustainability of Municipalities”, for participants from Central and Eastern Europe to develop know-how on sustainability and resilience. The course facilitates the identification of subnational responses to large-scale economic- and resource-related challenges, and the development of local projects aimed at nurturing sustainability and the resilience of social and ecological systems.

D. Educational tools

27. The “Green Pack Junior in the former Yugoslav Republic of Macedonia” programme of REC-CEE entails the adaptation and upgrade of Green Pack Junior educational materials for the school system of the former Yugoslav Republic of Macedonia, including the teachers’ handbook, an interactive DVD, storybook and game. Seven hundred teachers from all 350 primary schools in the country have been trained through the programme. Furthermore, a pilot testing of Green Pack Junior has taking place in over 80 primary schools in 10 municipalities.

28. REC Caucasus’ programme to develop new modules for international Bachelor’s and Master’s programmes in sustainable tourism management in South Caucasus entails the development of 12 new modules for innovative topics, such as integration of theory and practice, intercultural communication, eLearning and information technologies, to be implemented in existing and new Bachelor of Science and Master of Science study programmes. The programmes are accredited under the European Credit Transfer and Accumulation System, and use an interdisciplinary approach, linking to other study areas, such as in agriculture, tourism and business. One main outcome of the project will be the development of an eco-tourism brochure.

E. Participatory governance

29. A project to support environmental civil society organizations in Albania run by REC-CEE implements junior fellowship programmes, organizational viability, training, master classes and operational grants. It improves environmental expertise and builds capacities in relation to networking and grants. Furthermore, it increases collaboration and exchanges via national forums and regional exchange and networking meetings.

F. Environmental management

30. In a project to increase the capacities of the Serbian Environmental Protection Agency, industries, public utilities and Government authorities in Serbia, REC-CEE implemented models of emissions monitoring and reporting to national institutions and the EU. It also contributed to the development of integrated electronic environmental reporting in Serbia. Through the setting up of an Environmental Management Centre as an integral part of Serbian Environmental Protection Agency, the project delivered an environmental management and reporting system to the stakeholders in the country. Furthermore, it contributed to sustainable development by equipping institutions in Serbia with the technology and expertise to monitor and manage the environmental aspects of their activities. The project strengthened industrial competitiveness and supported the compliance of industries with EU environmental directives.

31. A project by REC Caucasus targeting environmental inspectors in South Caucasus introduced a structured approach towards trainings for the employees of the State Environmental Inspectorates of Armenia and Azerbaijan, promoted consistency in the Inspectorates' planning and execution, promoted their performance, and also established a mechanism of information exchange to help employees to continuously learn about new developments through the establishment of a strong regional network of environmental inspectorates.

32. The Transboundary Joint Secretariat in South Caucasus provides support to the Ministries of Environment of Armenia, Azerbaijan and Georgia to increase regional sector harmonization and sector development in nature conservation and related socioeconomic development. The Joint Secretariat is implemented as one of three components of the Ecoregional Nature Protection Programme for the Southern Caucasus, financed by the German Federal Ministry for Economic Cooperation and Development through the KfW Development Bank, in order to: harmonize and further develop the sectors; establish and/or improve the instruments for a sound implementation of the sector policies (sector concepts and sector guidelines); and develop financing strategies and instruments for a sustainable funding of protected areas in Armenia, Azerbaijan and Georgia.

G. Environmental governance

33. A project on administrative monetary penalties and environmental liability was implemented to support the Governments of countries of Eastern Europe, the Caucasus and Central Asia in streamlining the design and implementation of their environmental liability regimes, and to analyse the degree of development of their systems for assessing environmental damage as an instrument of environmental policy. The project resulted in recommendations to improve these countries' systems for assessing environmental damage. In addition, a regional review of current liability practices was compiled, along an analysis of the legal framework for environmental liability and mechanisms of its application in the target countries. On the basis of the analysis and regional review, RECs then provided

guidance on how to reform the practice and legal framework for environmental liability for the countries concerned.

34. A programme for the European Neighbourhood Partnership Instrument (ENPI) East (i.e., Eastern Partnership countries) seeks to improve the management of waste by promoting higher standards at waste facilities, more effective waste prevention initiatives and increased capacities for waste collection and sorting, as well as increasing reuse, recovery and safe disposal of waste. The activities should contribute to the wider objective of promoting more sustainable consumption and production patterns in the Eastern Partnership countries, in order to ensure a more holistic approach to minimizing environmental impacts and maximizing social benefits.

35. A programme on “Prevention, Preparedness and Response to Man-made and Natural Disasters in the ENPI East Region” contributes to the peace, stability, security and prosperity of the Eastern Partnership Countries and to protecting the environment, the population, the cultural heritage, the resources and the infrastructures of the region by strengthening the countries’ resilience, preparedness and response to man-made and natural disasters. The programme tackles the risks at the level of preparation, preparedness and mitigation and at the level of response management. It includes four sets of actions, which will result in: (a) an improved knowledge base concerning the current state of play; (b) strengthened prevention, preparedness capacities and response (from the administrative, operational and legislative points of view); and (b) wider information and awareness.

36. Within the disaster-prevention, preparedness and response initiative, REC Caucasus promoted the building of a culture of prevention within the population by raising awareness about the situation and providing the know-how for more effective disaster risk reduction policy and practice at the national and international levels within the context of the Hyogo Framework for Action. REC Caucasus also sought to promote a learning and planning approach to identify the main challenges and constraints facing at-risk communities and to develop practical recommendations and ways to improve.

37. A project to support South Caucasus countries in raising the awareness and knowledge of local communities and authorities in mountain regions, as well as of decision makers at national level, concerning the values of forest ecosystems services and biodiversity, as well as the benefits of conservation and sustainable use, increases the willingness of stakeholders and authorities to protect biodiversity and to introduce practices of participatory biodiversity management planning at the local level. It also demonstrates the practical application of these principles through the implementation of pilot projects on the restoration of degraded forest ecosystems.

38. Similar to the project for the subregion (see para. 33 above), a project specifically targeting countries of the South Caucasus supports them in improving their environmental management systems by enhancing their environmental liability regimes through: (a) the development a modern methodology for estimating the monetary value of damage caused as a result of environmental pollution and exploitation of natural resources at the national level; and (b) the design and implementation of pilot projects in selected sectors to illustrate how the methodology elaborated would work in practice and to explore the opportunity of replicating the pilot experience at the country level.

39. A project on “Fostering Community Forest Policy and Practice in Mountain Regions of the Caucasus” focused on the development of new institutional, legal and technical regimes for community forest management, and in particular supports securing land tenure and forest rights for local communities and the implementation of institutional arrangements and land use policies for forest conservation and sustainable use. The project also supports awareness-raising among local communities and authorities on sustainable forest management and its relation to and impact on other fields, such as climate change,

poverty reduction and sustainable development. In addition, immediate reforestation measures under the project can solve such problems as land-slides, mudflows and avalanches, and consequently protect populated areas from natural disasters.

40. The project, Sustainable Land Management for Mitigating Land Degradation and Reducing Poverty in the South Caucasus Region, ensured continued ecosystem functions and integrity, reduced poverty and enhanced food security and income for rural farmers in countries of the Southern Caucasus by combating desertification, strengthening the natural resource base and revitalizing the agricultural sector.

41. The project focused on:

(a) Strengthening the policy, planning and regulatory environments for the promotion of sustainable land management in transboundary watersheds of the South Caucasus region via the development and endorsement of bilateral watershed Sustainable Land Management Action Plans identifying priorities and needed regulatory and institutional changes, as well as providing technical assistance for different sectors and institutions involved at the watershed level;

(b) Demonstrating the benefits of watershed-based sustainable land management and alternative livelihoods for rural people while protecting fragile ecosystems and disseminating lessons learned and best practices through developing a replication strategy.

Activities of the Regional Environmental Centre for Central Asia

42. Education and capacity development serves as a basis for the creation of effective future environmental governance. The REC for Central Asia contributes towards the development of national education systems and innovative education tools and materials, develops educational partnership and conducts trainings on various topics important for sustainable development for a wide spectrum of trainees: from high level government officials to local officials and experts. In addition, the REC for Central Asia organizes leadership programmes on education for sustainable development, which aim to provide a new generation of emerging leaders with essential knowledge and skills on sustainable development.

43. Integrated water resources management (IWRM) is an approach that has proven to effectively promote better environmental governance. The REC for Central Asia therefore pays great attention to promoting the IWRM principles in basin planning. Multi-stakeholder participatory approaches are an effective mechanism in involving stakeholders in environmental governance process. This approach is being introduced at different levels. It is being realized through the establishment of platforms involving local communities in the management of territorial development.

44. The experience of the REC for Central Asia in introducing payment for ecosystem services (PES) in Central Asia shows that application of innovative incentive-based economic tools in environmental governance at the local level can contribute towards better cooperation, participation, transparency and targeted investment into ecosystem services.

45. The REC for Central Asia has been supporting the introduction of a Shared Environmental Information System (SEIS) in the region. It has observed the interest expressed by relevant experts from all Central Asian countries with respect to this platform and in the modernization of the process of collection, exchange and usage of environmental information in their countries. To date, the REC for Central Asia has established networks of experts to create SEIS working groups and identify the main challenges to and opportunities for the development of systems to produce indicator-based environmental reports.

46. Awareness and understanding of sustainable development subjects by public officials, thematic specialists and general public is a prerequisite for better environmental governance and green economy. The programme activities of the REC for Central Asia are therefore directed to raising public awareness and creating understanding on sustainable development issues in the region.

H. Climate change and clean energy

47. The project, “Identification and Implementation of Adaptation Response to Climate Change Impact for Conservation and Sustainable Use of Agro-Biodiversity in Arid and Semi-Arid Ecosystems of South Caucasus”, addresses policy and institutional issues in the South Caucasus countries in these areas. It also carries out pilot activities in selected rural communities located in arid and semi-arid geographical areas to promote community-based sustainable practices for agro-biodiversity use and conservation to reduce the risk of negative impacts of climate change. These activities benefit both the rural population and the environment. The project promotes agro-biodiversity conservation and adaptation to climate change through the introduction of a supportive policy framework at the national and local levels, and support for development and implementation of coping mechanisms to improve the resilience of local communities to future climate change through the introduction of sustainable agricultural practices in selected regions. One of the major outcomes of the project is the common methodology for vulnerability assessment to climate change that was elaborated, which was included in the Third National Communications of the countries concerned to the United Nations Framework Convention on Climate Change (UNFCCC).

48. Through the project, “Capacity-building in Preparation of Nationally Appropriate Mitigation Actions (NAMA) in South Caucasus”, REC Caucasus ensures that the Governments of Armenia, Azerbaijan and Georgia are capable of defining their contribution to climate change mitigation. It enhanced the capacity of staff of the ministries of environment and other NAMA-related agencies in Armenia, Azerbaijan and Georgia to be able to develop and promote NAMAs in an efficient and effective manner.

49. A project on the “Introduction of Approaches for Mitigation of Climate Change and Improving Energy Efficiency at the Local Level in countries of Eastern Europe, the Caucasus and Central Asia by Providing Support for Municipal Development” aims to explore possibilities for and introduce policies and practical measures on mitigating climate change impacts and selected sustainable building technologies in the local construction sector of countries of Eastern Europe, Caucasus and Central Asia. Countries are facilitated in addressing the above issues, including through the dissemination of innovative management tools and best European and international experience and practices. The project results related to climate change mitigation and to improved energy efficiency in households in numerous municipalities of the target countries supported the capacity building of local authorities as well as ensuring adequate protection of the interests of target groups.

50. To support low-emission development strategies in South-Eastern Europe, a REC-CEE programme provided assessment and options for low-emission development in the electricity sector in Albania, Montenegro, Serbia and the former Yugoslav Republic of Macedonia. It provided policy options for ensuring the energy efficiency of buildings and increased replicable methodology in the four target countries. The programme provided support also for Kosovo (United Nations administered region, Security Council resolution 1244 (1999)) in mainstreaming climate change concerns into development priorities.

51. The project, “Low Carbon South-Eastern Europe”, run by REC-CEE strengthened the capacity and knowledge of public authorities and other institutions dealing with climate

change. It developed a cross-sectoral approach for developing low-carbon policies. Furthermore, it increased the know-how of public authorities for coordinated transfer of EU climate legislation and enhanced the involvement of relevant stakeholders in the policy development process.

52. Within a project to enhance resilience to climate change impacts in Hungary, REC-CEE contributes to establishing a countrywide adaptation geographical information system with high spatial resolution of data on climate parameters and scenarios, as well as impact and vulnerability indicators for hydrology, agriculture, forestry and biodiversity. It built the capacities of local authorities and stakeholders in seven regions and assisted local authorities in shaping adaptation strategies. Moreover, pilot projects were conducted on limiting water run-off and coping with water scarcity.

53. The “Preparatory Action on Climate in the Carpathian Region” project of REC-CEE and partners, implemented in Hungary, Poland, Romania, Serbia, Slovakia and Ukraine, assessed impacts of and vulnerabilities to climate change in combination with other anthropogenic pressures. It identified vulnerability indicators and defined indicators for the environmental, economic and social impacts of potential adaptation measures. A priority list of adaptation measures was prepared based on economic considerations. A stakeholder consultation for selected areas was organized.

54. The OrientGate project to which REC-CEE contributes coordinates climate change adaptation efforts in South-Eastern European countries by building a lasting partnership between communities that produce knowledge and experimental studies, and communities that apply that knowledge. Through six pilot studies based on specific climate adaptation exercises, the project develops a comprehensive and consistent methodology for assessing the risks arising as a result of climate variability and change; it harmonizes risk assessment and communication on the part of hydro-meteorological services; and it also enhances capacity to reconcile the risks and opportunities inherent in environmental changes, including rising temperatures.

I. Green transport

55. The Advancing Sustainable Urban Transport in an Enlarged Europe (CIVITAS VANGUARD) project run by REC-CEE includes hosting the CIVITAS and Political Advisory Committee secretariats and organizing the annual CIVITAS Forum together with the CIVITAS awards. Through the project, best practices and lessons learned across the CIVITAS Forum network are being shared. Moreover, the project facilitates the transfer and exploitation of CIVITAS demonstration measures.

J. Green growth and clean energy

56. On 6 May 2011 REC Caucasus launched a regional green growth platform. Within the platform’s framework two regional conferences have been organized: on utilization of renewable energy in South Caucasus (2012); and a meeting of the South Caucasus Energy Forum on the promotion of energy efficiency in South Caucasus (2013). Both meetings were attended by representatives of ministries of energy, economy and environment, parliament, the private sector and think tanks from Armenia, Azerbaijan and Georgia.

57. Since 2005, REC Caucasus has been working in the field of cleaner production and energy efficiency, as part of the current strategy to promote green economy via mainstreaming the environment into economic development, cleaner production and energy-efficiency principles and sustainable use of resources (RECC strategy 2011–2015).

58. In 2010–2011, REC Caucasus implemented “Promoting competitiveness and efficiency of small and medium enterprises through cleaner production in South Caucasus” with financial support from the Netherlands Ministry of Housing, Spatial Planning and the Environment. Within the project, a database was elaborated on small and medium-sized enterprises (SMEs) and financial institutions funding cleaner production and energy efficiency projects, identifying potentially suitable target sectors and small as well as medium enterprises. Training needs have been assessed, and training models on methodology for cleaner production and energy efficiency have been elaborated. Several successful training courses have been conducted in all three South Caucasus countries. In the framework of the project, “Towards Green Economy: Cleaner Production as a Tool”, a round table was organized at which the key findings and recommendations of the countries for the promotion of cleaner production were discussed and concrete suggestions on next steps for the creation of an enabling environment for the introduction and implementation of cleaner production were elaborated.

59. The participants found that activities in the area of cleaner production had not been very promising so far in the South Caucasus region and, consequently, that the basic legal framework, institutional set-up and capacity level necessary for its successful implementation had not been yet established.

60. Based on all abovementioned, REC Caucasus was requested to support countries in improving legislative frameworks, policy options and institutional structure, as well as economic/financial instruments conforming to the market and informational/educational tools for overcoming existing barriers to the adoption of cleaner production methods.

61. The objectives now are to identify policy options and legal, regulatory, economic, financial, and informative/educational instruments to overcome existing barriers in the introduction and implementation of cleaner production in the three countries of the South Caucasus.

Activities of the Regional Environmental Centre for Central Asia

62. All the Central Asian States’ economies are characterized by high resource and energy intensity levels, reflected by high greenhouse gas emissions. To address this situation integrated sectoral approaches that will facilitate a transition towards green economies are needed. In this respect, the REC for Central Asia promotes the adoption and use of newly emerging climate instruments, such as NAMAs, technological transfer to improve local energy efficiency and renewable energy capabilities, the establishment of networks and well-functioning cooperation between private businesses, local authorities and public organizations.

63. Within a regional project on “Integrated approaches to the development of Climate-friendly economies in Central Asia”, the REC for Central Asia supports the strengthening of the capacities and capabilities of the main actors in Central Asia to implement NAMAs and green growth strategies, as well as energy efficiency and renewable energy policies. Results so far include the finalization of the development of the NAMAs concept for the forestry sector in Tajikistan, and support provided for the development of NAMAs for the modernization of boiler houses in Kyrgyzstan. A preliminary set of NAMA measures and structure have been discussed with key stakeholders in each country.

64. Within the regional project, “Covenant of Mayors-East”, the REC for Central Asia supports the promotion of the “Covenant of Mayors” initiative in the Central Asian region.

65. SMEs are very important actors for the green growth agenda. Within the framework of the EU supported AWARE project,² the REC for Central Asia supports discussions about green growth, green innovative practices available for SMEs in Central Asia and implications of the green growth economy on SMEs.

II. Selected key findings identified by the Regional Environmental Centre for Central and Eastern Europe

A. Low-carbon development

66. Among key findings of REC-CEE is that public authorities have different levels of capacity and are only partially addressing the field of climate change, usually without a cross-sectoral approach, which is crucial for the development of proper low-carbon policies.

B. Adaptation to climate change

67. A further finding is that adaptation to climate change is not a priority for most for Governments and, even if it is considered, the actions proposed remain at a general level. There are no exact assessments of sectoral vulnerabilities, and adaptive capacity is generally low. Institutional and human capacity dealing with adaptation to climate change is weak. Progress in adapting to climate change is further hindered by the fragmentation and lack of coordination of data services.

III. Challenges and lessons learned

A. Challenges and lessons learned identified by the Regional Environmental Centre for Central and Eastern Europe

68. For REC-CEE, the main challenge with low-carbon development is the lack of a systematic approach for developing low-carbon policies. Moreover, public authorities and other institutions dealing with climate change lack knowledge and capacities for developing and implementing low-carbon policies. Furthermore, there is not enough capacity for transferring the EU legislation in the field of climate change in a coordinated manner, especially in the candidate and potential candidate countries.

69. With regard to climate change adaptation, establishing a sound database of climate projections and sectoral vulnerability indicators is a major challenge. Also, appropriate ways for transferring the necessary information on climate change adaptation to key decision makers have to be found, to enable them to shape adaptation strategies and policies.

² See <http://www.aware-eu.net/>.

B. Challenges and lessons learned identified by the Regional Environmental Centre for Central Asia regarding environmental governance

70. In the Central Asian region, the fragmentation related to the environmental governance reflects and is strongly felt on the level of information, knowledge sharing and data management throughout the region. There is a lack of regional intersectoral agreement for data and information exchange, as well as for the harmonization of qualitative and quantitative monitoring data and systems related to various environmental parameters. This seriously hampers monitoring of the progress in achieving the Millennium Development Goals at the national and subregional levels. Additionally, there is a lack of national as well as subregional agreement on the coordination role of ministries of environment and ICSD related to data processing and analysis in the field of the environment, and on their function as the main repositories of environmental information.

71. The region of Central Asia has a lot of experience in building capacity in different areas of knowledge. However, there is a need to create a unified knowledge base accessible to all and promoting green economy and better environmental governance.

72. Opportunities for cooperation on transboundary rivers are often limited and dependent on political decisions. Nevertheless, the bottom-up approach by working at the community level, using available opportunities to promote the principles of cooperation and finding compromises that take into account the interests of all stakeholders, has proved its effectiveness on small transboundary watersheds.

73. Currently, questions on water quality are poorly reflected on the agenda of regional institutions. Each Central Asian country uses its own norms and standards, and applies a variety of methods and methodologies for determining water quality. In the framework of the ECE-supported project on "Water quality in Central Asia", it was proposed to standardize and unify approaches used to determine water quality in transboundary rivers. As a start, standardization of monitoring process on five parameters was suggested. This approach is welcomed in the countries of Central Asia, but requires further development and establishment of mechanisms for joint monitoring.

74. The key challenges of introducing the PES concept in Central Asia include a low level of local capacity and awareness on incentive-based mechanisms, limited ground-level environmental data, insufficient trust in the Government and a lack of political will at the national level.

75. The key lessons learned from introducing PES in Central Asia are:

(a) Sufficient time and resources should be spent on awareness raising before implementing PES;

(b) Basic economic assessment of ecosystem service value increases trust towards in PES;

(c) PES contract negotiations and implementation should be participatory and open;

(d) All the various kinds of payments within PES should be considered when developing a scheme, answering the expectations of local stakeholders;

(e) Creation of a multi-stakeholder coordinating council is crucial to monitor the implementation process.

C. Challenges and lessons learned identified by the Regional Environmental Centre for Central Asia regarding greening the economy

76. Despite the growing international interest in green economy, negotiations among countries of Eastern Europe, the Caucasus and Central Asia on the concept remain challenging. This is partly due to the lack of an internationally agreed definition or universal principles for green economy, the emergence of interrelated but different terminology and concepts over recent years and a lack of clarity around what green economy policy measures encompass and how they integrate with national priorities and objectives relating to economic growth and poverty eradication, as well as a perceived lack of experience in designing, implementing and reviewing the costs and benefits of green economy policies.

77. However, the approaches to green economy and green growth can be seen to cover a spectrum of different “shades of green”, from narrow concerns about climate change on the one hand (in line with initial approaches to low-carbon growth), to larger critiques of the environmental sustainability of modern economic systems on the other. In other words, the focus varies between addressing one of the planetary boundaries defined by scientists (i.e., climate change) to more holistically addressing the wider range of resource and ecological limits and the general state of the planet.

78. Criticisms raised in the region include that the concept should not compete with or displace sustainable development and internationally agreed principles, that it implies a focus on environmental and economic dimensions to the detriment of the social dimension and that it will lead to the “financialization” of nature as well as further concentration of market power and global inequality.

79. In the context of Rio+20, the role of green economy as a means to achieving broader sustainable development and poverty eradication was given a clear emphasis. More recent references to an “equitable green economy” or “inclusive green growth” are clearly attempting to integrate the three dimensions of sustainable development into these concepts to allay these concerns.

80. Perhaps a key benefit of the emergence of the green economy concept has been that it has stimulated international attention and renewed global efforts to transform our current unsustainable economic model into one which better aligns with the overarching goals of sustainable development. Importantly, this has included efforts by international organizations, major groups, think tanks and researchers (both supporters and critics alike) to develop operational principles for green economy and green growth, as well as the elaboration of policy tool-kits and suites of measures that can be adopted by national Governments to shift to a more sustainable economic framework. There is also an emerging international practice as national Governments adopt what could be classified as green economy policies, with some countries taking a leading role in developing overarching

national green economy strategies that integrate with long-term development strategies. In

this regard, the green economy and related concepts have succeeded in reinvigorating global debate on how to redefine our economic model.

IV. Further steps

A. Further steps to promote low-carbon economic development and reduce vulnerability to climate change identified by the Regional Environmental Centre for Central and Eastern Europe

81. With regard to low-carbon development, REC-CEE strives to strengthen the capacities and knowledge of public authorities and other institutions dealing with climate change and to provide assistance for a cross-sectoral approach to develop low-carbon policies through ongoing and future projects. Furthermore, REC-CEE will work to enhance the involvement of relevant stakeholders in the policy development process.

82. Since adaptation to climate change will take place at the local level to a large extent, REC-CEE considers that increasing the capacities and knowledge of local authorities is crucial. Therefore, specific adaptation needs in different sectors will be identified and assistance provided to develop local adaptation strategies.

83. Furthermore, the transition to a greener and decarbonized economy will require the collaborative effort of policymakers, businesses, civil society and citizens in rethinking and redefining traditional drivers of prosperity and wealth. As is the case with low-carbon development, adaptation-related measures can provide opportunities for innovation and new technologies, job creation and more. At the same time, communities will need to take measures to reduce their vulnerability to the environmental, social, physical and economic damage related to climate change impacts. All this require effective planning, tools and knowledge.

84. Although capacity-building projects have helped regional, national and local stakeholders tackle issues related to low-carbon development and reducing vulnerability to climate change, obstacles remain and need to be addressed in several areas. It is often challenging for regional authorities to examine the links between the EU and national policy targets, as well as local circumstances, in order to understand how to translate objectives into local policies for low-carbon development. In adaptation, it is critical to provide local and regional authorities with support for assessing the risks and making long-term plans for action on adaptation, including the mainstreaming of adaptation to other relevant sectoral policy areas.

B. Participatory governance, the case of Albania

85. In Albania, many small communities in rural and marginalized areas have not had the possibility for internal development and the building of capacity on environmental issues. The REC-CEE grant mechanism is among the very few remaining frameworks for assistance, providing non-governmental organizations with operational grants.

86. In general, Albanian civil society lacks cooperation and networking efforts. Organizations and individuals work mostly on an individual basis and partnerships remain sporadic and mostly donor-driven. REC-CEE is supporting the groups that are taking the initiative to form networks to have a more strongly articulated voice on specific themes.

C. Further steps to promote clean energy and reduce vulnerability to climate change identified by the Regional Environmental Centre for the Caucasus

87. With regard to low-carbon development and the promotion of renewable energy and energy efficiency (clean energy), REC Caucasus aims to strengthen the capacities of public authorities and other institutions dealing with climate change and to provide assistance for a cross-sectoral approach to develop low-carbon strategies and policies through ongoing and future projects. In the South Caucasus the main focus will be to encourage the involvement of the private sector in environmentally sustainable, low-carbon and socially inclusive development, demonstrating the benefits of the transition towards clean, innovative, resource efficient, low-carbon technologies and infrastructure.

88. REC Caucasus will continue to assist Governments of South Caucasus countries in the process of negotiations, elaboration of national strategies and plans, such as NAMAs, National Adaptation Programmes of Action and communications to the UNFCCC, with a particular focus on identification of a common vision, needs and regional approach. It will also facilitate the process of harmonization of the legislation and regulatory bases of the three South Caucasus countries with EU legislation;

89. REC Caucasus will work with policymakers at the national and regional levels, local populations and civil society organizations to improve awareness on climate change issues for the better understanding of problems related to climate change impacts and their socioeconomic dimension, particularly affecting those affecting ecosystem integrity, rural production and food security. It will seek to assist countries in introducing adaptation practices and promoting mitigating measures, developing regulatory and institutional frameworks to consider climate change issues in planning, enhancing local capacities to sustain livelihoods in the face of climate change and will look to develop a replication strategy to extend the results of these activities.

D. Further steps by the Regional Environmental Centre for Central Asia

90. With respect to green growth, the Green Bridge Interregional Partnership Programme will have two key approaches: a set of viable projects supporting the institutional framework towards a green growth path; and a set of projects attracting investment projects on green technologies. Projects under both approaches should aim to be low carbon, resource efficient and socially inclusive.

91. Transition to a greener economy in the Central Asian region will require better cooperation of national and regional institutes, and application of effective planning, tools and knowledge. In this regard, the Regional Environmental Centre for Central Asia will continue to play its role linking of national, regional and international stakeholders, translating best environmental approaches and practices to the regional context and supporting educational activities and tools.

92. Sustainable development can be achieved in Central Asia only through educating well-informed future decision makers and the green economy approach. Education and leadership training will drive the new thinking that will be a major force behind changes to environmental policymaking in the region. Facilitation and sharing of the concept of green economy among all countries of the region will be key to regional sustainable development.

93. Environmental and climate change-related policies and services are becoming increasingly complex and intertwined. The time of stand-alone national and regional approaches has passed — the future needs well-coordinated approaches enabling multiple

stakeholders and initiatives to jointly realize synergetic effects in favour of the environment, economy and welfare of Central Asia.

94. The coming decade must contend with incorporating sustainable natural resource management practices, raising society's environmental awareness and linking business, the public, and the State in creating a greener and more vibrant economy. The REC for Central Asia will have a critical role to play through developing a new generation of policymakers and experts through its capacity-building efforts.

95. The implementation of innovative policies and technologies towards environmental protection through conducting assessments of the value of ecosystems services, and developing efficient economic tools, will be important areas of expertise where the REC for Central Asia will be best positioned to act as knowledge centre.

96. The REC for Central Asia is committed to build capacities, to coordinate efforts and to act as regional node and clearing house in order to maximize the effectiveness of various efforts and initiatives.
