

Environmental Reform and Climate Change Adaptation in the Eastern Partnership

Civil Society Analysis and Recommendations

Introduction

Environmental reform is integrated into the Eastern Partnership (EaP) in a number of ways. The Association Agreements (AA) signed between the European Union (EU) and Ukraine, Georgia and Moldova, and the EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA) include provisions for the strengthening of institutional frameworks in the field of environment, in order to align and adopt new legislation in line with European standards. Deliverable 16 of the 20 Deliverables for 2020 contains targets meant to guide all six EaP countries towards better environmental protection and climate change adaptation. So far, EaP roadmaps obligations and EU support have slowly succeeded in moving environmental protection and environmental policy reform higher up on the agenda. Yet despite some advancements, EaP countries' road towards effective environmental reform remains hindered by two interconnected stumbling blocks: (i) institutions with inadequate capacity to implement the adopted laws, leading to (ii) insufficient implementation of the adopted environmental reforms. The fact that in Belarus and Azerbaijan civil society representatives do not have a structured dialogue with the Ministries of Environment, and therefore lack the possibility to discuss and advocate for environmental protection, negatively affects the chances of environmental protection in these countries even further.

The new policy cycle should take into account the fundamental importance of preserving natural capital in the EaP countries and strengthening the institutional framework should be a top priority of EaP governments and EU institutions. The concerted action of EU institutions, International Financing Institutions (IFIs) – in particular European Bank for Reconstruction and Development (EBRD) and European Investment Bank (EIB) – and civil society can help reinforcing EaP countries' institutional frameworks and environmental reforms implementation.

State of Play

Despite the AA and CEPA provisions aimed at the strengthening of the institutional framework, EaP Ministries of Environment still **lack adequate capacity to implement AA provisions**, and therefore **ensure proper environmental protection and fight climate change**. Environmental institutional reforms were not planned strategically, and in some cases weakened the Ministries of Environment, instead of strengthening them. In Georgia and Moldova, the Ministries of Environment were merged with the Ministries of Agriculture, factually creating a conflict between the competing interests of the agricultural industry – a strong polluter – and of environmental protection. Similarly, **environmental compliance and enforcement institutions remain inadequate**. EaP environmental inspectorates do not properly fulfil their function, and their weak control over environmental compliance and enforcement leads to weak implementation of the new environmental legislation.

EaP countries' transformation from a command-and-control, vertical and exclusive decision-making system to an open, horizontal and inclusive for all stakeholders is difficult. Good environmental governance requires openness, participation, accountability, coherence and effectiveness of policy and institutions. However, in the majority of EaP countries civil society organisations have imperfect or limited access to information, even if a law on access to information is in place; public participation is



poor and policy frameworks are not based on measurable goals and objectives, making it difficult to assess progress.

Weak institutions are also **weak in administering public funds** for environmental protection, which are often managed ineffectively and spent for non-environmental purposes. EaP countries' rate of environmental fees, fines and taxes is critically low in comparison with the environmental damage caused by polluters and users of natural resources. In turn, they should be substantially increased to stimulate environmentally conscious behaviour, in both individuals and enterprises. The administration of environmental funds should be consolidated into one structure, or at least managed in more coordinated way.

Environmental institutions' limited capacity results in **weak integration of environmental policy and poor implementation of laws**, even if adopted in line with European and international standards. EaP countries have adopted a number of laws in line with the Association Agreements – most notably on water, waste, and Environmental Impact Assessment (EIA) and Strategic Impact Assessment (SEA). These laws require a cross-cutting approach in implementation, as they pertain to both environmental sectors – such as nature protection or water, air, waste and chemicals management – and economic sectors – like energy, agriculture, transport, infrastructure and tourism. However, their adoption often remains only nominal, due to EaP countries' inadequate institutional frameworks and persisting corruption.

This is particularly evident in the case of **Environmental Impact and Assessment (EIA) and Strategic Impact Assessment (SEA) laws**, which are a key cross-cutting tool for environmental policy integration and whose successful implementation constitutes an important part of environmental reform. All EaP countries adopted new EIA and SEA legislation and the associated three started to implement the corresponding EU Directives. However, monitoring work done by civil society organisations shows that developers are attempting to ignore, or get around, the new assessment procedures. This is particularly visible in big projects, such as the E40 waterway affecting Poland, Belarus and Ukraine, the Amulsar gold mine in Armenia, the Svydovets ski resort in Ukraine (requiring an additional transboundary assessment) and big and small Hydropower Plants (HPPs). Recently, Ukraine and Moldova's EIA laws mandated that an EIA should be carried out to assess the extension of Dniester pumped storage plant with three additional turbines. Although this has not been carried out yet, the Dniester River bilateral Moldova-Ukraine Commission recommended to conduct a SEA of the hydropower development programme of the Ukrainian Government in regards of HPP expansion on the Dniester part of the river basin. No construction should begin, prior to a SEA taking place. The EaP CSF is watching this process carefully.

Weak implementation is not limited to SEA and EIA, and affects a number of other critical sectors, in particular **climate change, deforestation and water pollution**. EaP countries have so far achieved moderate success in improving climate change mitigation and adaptation. Climate change adaptation strategies, though adopted in some EaP countries, have not been implemented at the local level and in relevant sectoral policies, such as agriculture, water supply, forestry, transport, energy, and public health. Countries need to adopt more ambitious mitigation goals *e.g.* through reviewing the Nationally Determined Contribution (NDC) and supporting compliance with the 1.5°C target.

Similarly, **water pollution** remains a major environmental problem in the EaP countries, connected to poor legislative implementation. The construction of environmental infrastructure for urban and industrial waste waters, as well as for waste waters in smaller towns and villages, was not enough to address the issue of water pollution. This is because the problem is caused by the lack of an enforcement



mechanisms for water legislation implementation, leading to continued heavy pollution by sewage discharge from both the industrial sector and municipal waste waters. The situation is particularly dire in Moldova, whose citizens are the least connected in the EaP when it comes to improved water (with 88% access) and improved sanitation (with 76% access).

Last but not least, **deforestation** is a continuing trend in the majority of EaP countries as no systematic measures are taken to stop illegal logging, which stands as the main cause of deforestation, even in natural reserves. Government inspections in forests are ineffective or not regulated, and de-regulation comes at a cost to the environment: while the average forest coverage in EU countries is 40% of the territory, the average in EaP countries varies from 10% for Azerbaijan, 11,2% for Moldova and Armenia and 15,9% for Ukraine.

These problems are compounded by **low environmental awareness** from the side of both citizens and enterprises, as well as lack of knowledge of the direct benefits that environmental reform and protection would have for citizens, with this difference being particularly stark between cities and provinces. Boosting EaP citizens' awareness about the importance of natural capital and protection would not only create a local demand for a better implementation framework for environmental reforms. It would also support addressing environmental problems, such as garbage pollution, and the elimination of other environmentally harmful practices, which require people's behavioural change.

Prospects and Recommendations

The EaP new roadmap beyond 2020 should devote more attention to environmental protection and climate change mitigation. The new policy cycle should take into account the fundamental importance of preserving natural capital in the EaP countries. Strengthening the institutional framework should be a top priority of EaP governments and EU institutions and the concerted action of EaP governments, EU institutions, International Financing Institutions (IFIs), including EBRD, EIB, and civil society can help strengthen environmental reforms implementation.

Therefore, the Eastern Partnership Civil Society Forum Working Group 3 recommends to:

1. Strengthen the implementation capacity of EaP countries' environmental institutions in order to boost environmental reforms.

The European Union should:

- i. **Include good environmental governance requirements into the conditions** of financial, economic and sectoral support to the EaP countries and promote good environmental governance, based on a transparent and inclusive decision-making process, involving different stakeholders;
- ii. **Insist EaP governments work towards strong environmental institutions**, able to adopt and implement new policies and laws according to the environmental acquis of the EU;
- iii. **Establish a monitoring mechanism on the implementation** – not only on the adoption – **of environmental laws** adopted according to AAs and CEPA in EaP countries within the EaP Environment and Climate Change Panel including regular reporting.
- iv. **Provide more support for raising environmental awareness** and knowledge about environmental reforms within EaP countries governments and societies;



The EaP governments should:

- v. **Design institutional reform in the environmental sector strategically**, enabling architecture and functions (ministries, agencies, inspections, central and regional/ local levels) to develop and implement new environmental policy and laws according to AAs; positive examples should be promoted in non-AA and CEPA countries; environmental compliance and enforcement institutions should be independent and non-corrupt institutions, executing a strict control of environmental legislation. No merging of environmental ministries with other ministries should be promoted; the model is far too premature for the current state of play and weight of environmental issues and institutions, especially taking into account weak rule of law;
- vi. **Task the responsible ministries to develop further the dialogue with civil society organisations** (CSOs) and other stakeholders, providing them more opportunities to advocate their position. The rules for such dialogues should be jointly agreed by all parties and be based on a clear procedure;
- vii. **Finance environmental measures** on combating pollution and halting natural resources overuse, **with domestic public environmental funds**. These funds should be managed in far more coordinated way and the control over their use should be strengthened. The rate of environmental fees, fines and taxes should be increased significantly to correspond to environmental damage and risks. The public funds could work in synergy with private/IFI investments;
- viii. **Strengthen the current environmental monitoring system** and analytical capacity within environmental institutions introducing measurable goals and regular assessment procedures, proper data collection and analysis for policy makers.

2. Improve policy formulation.

The European Union, in cooperation with EaP governments, should:

- i. **Mainstream environment and climate change in the list of deliverables**, taking into account global and regional human security concerns. Environmental protection requires a more robust framework for next period of the EaP policy implementation. Environment and climate change considerations should be mainstreamed across all 20 chapters of the 20 Deliverables for 2020 and relevant environmental targets should be established for each deliverable. The Deliverable 16 on Environment and Climate should be strengthened significantly;
- ii. **Involve EaP CSF WG3, EaP Environmental Ministries** and other relevant governmental stakeholders **in the formulation of new deliverables at the very beginning of the process**;
- iii. **Establish an “EaP Year of Environment and Climate Change”** to underline the importance of environment and climate change, turning these topics into a priority for the whole roadmap cycle. Each year could be devoted to a different subject. The EaP multilateral Platforms and Panels would address the main theme of the year and where relevant, provide for cross-sectoral coordination and cooperation. The thematic awareness raising initiatives could include campaigns, *ad hoc* thematic events, and thematic dialogues with civil society. DG ENV could launch awards for cities in the EaP countries, following the example of the LIFE Awards, or “Green cities of the year”, in order to promote competition on implementing projects in the field of environment and climate change.



3. Strengthen the implementation of reforms.

The European Union should:

- i. In cooperation with EaP governments, **establish a monitoring group on the implementation** of the environment and climate change deliverables and involve EaP CSF WG3 representatives. DG NEAR should organise the work under Platform 3, and in the Panel on Environment and Climate Change, with the participation of EaP Ministries of Economy and Ministries of Agriculture, Energy, Infrastructure and Tourism promoting circular economy; this requires a constructive sectoral dialogue between various ministries at the national level, which at the moment is very weak;
- ii. **Actively promote reforestation in EaP countries** including reforestation projects in EU4Environment and EU4Climate Programmes. Deforestation must be fought and reversed: in order to restore the water volume of surface waters in EaP countries, it is necessary to plant forests, especially on degraded lands. Forests are home to many animals and plants, many of which are already endangered or nearly extinct. Practice proves that reforestation can bring back many species. At the same time, illegal logging should be fought with fine increases for each tree cut, by strengthening enforcement and control systems and implementing a transparent registry tracking legal timber. Illegal timber should not be accepted by EU member states;
- iii. **Promote renewable sources of energy other than hydropower**, including projects on solar, wind, and biomass energy in the support provided by EU4Environment and EU4Climate and also EU4Energy. EBRD, EIB and other donors should support hydropower projects only in case EIA reports exist on each particular case and the reports allow the construction of hydropower plants. EaP CSF Working Group 3 developed a [declaration to stop hydropower projects](#) on the basis of the conclusions of EIA reports.¹ Investments in climate change adaptation should look to any decision through water nexus.

The EaP governments should:

- iv. **Implement effectively and respect SEA and EIA regulations**, in particular for what concerns hydro-energy projects. Do not impose green tariffs on such energy sources without strong arguments included in EIA reports;
- v. **Invest in renewable sources of energy** other than hydropower;
- vi. **Actively adopt and promote climate change mitigation and adaptation policies**, supporting them with adequate resources for implementation. The urgent implementation of climate adaptation strategies should be promoted particularly at the local level.

All stakeholders – EU institutions, EaP governments and civil society – should work in cooperation to raise environmental awareness among citizens, including to improve their knowledge about environmental reforms. The final aim should be to create a virtuous cycle, in which citizens change their environmentally-damaging behavioural patterns, facilitating the government actions to protect the environment while demanding more.

¹ <https://eap-csf.eu/eap-csf-moldovan-and-ukrainian-national-platforms-raise-alarm-dniester-no-to-new-dams-yes-to-free-rivers-in-a-joint-declaration-against-hydropower/>



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About the Eastern Partnership Civil Society Forum

The Eastern Partnership Civil Society Forum (EaP CSF) is a unique multi-layered regional civil society platform aimed at promoting European integration, facilitating reforms and democratic transformations in the six Eastern Partnership countries - Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. Serving as the civil society and people-to-people dimension of the Eastern Partnership, the EaP CSF strives to strengthen civil society in the region, boost pluralism in public discourse and policy making by promoting participatory democracy and fundamental freedoms. For more information, please visit the EaP CSF website at www.eap-csf.eu

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