

**Regional institutions as stepping-stones for global environmental governance:
lessons from the pan-European “Environment for Europe” process**

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1 Introduction

Substantial theoretical and empirical attention has been paid to the lack of coordination in international environmental policy. As a possible solution, scholars have argued for the establishment of a World Environmental Organisation (WEO) or similar organisation. The case in favour of a WEO is strong, but it rests on several assumptions that may not fulfil. If states resist giving this organisation adequate authority, resources and a clear mandate it may fail. An alternative way, instead of creating a meta-organisation, could be to develop Regional Environmental Organisations (REO) based on already existing UN bodies. Accordingly, the Plan of Implementation of the World Summit for Sustainable Development states that the implementation of Agenda 21 should be effectively pursued at the regional and subregional levels, through the regional commissions and other regional and subregional institutions and bodies. And the Commission for Sustainable Development, at its session in May 2003 also invited the Regional Commissions to consider organizing regional implementation meetings.

Nevertheless, the idea of REOs as possible instruments to strengthen global environmental governance has not been given much attention in the literature until yet. Thus, I will use the Economic Commission for Europe (ECE) and the so-called Environment-for-Europe process (EfE) as illustrative example for the strengths and weaknesses of this organizational approach based on the experiences gained within this process over the last 15 years. The paper will be organised in four parts. The first briefly summarizes the discussion about the establishment of a World Environmental Organisation and outlines the main arguments in favour of Regional Environmental Organisations. The second describes the Environment-for-Europe process, its institutional arrangements, work programs, and financial arrangements. The third part assesses the expectations of the stakeholders, the achievements and weaknesses of the process, and new challenges. The final part will contain different scenarios related to the future of the EfE, including desirable developments in the institutional arrangements of the process, its work programs and process financing. Thereby, identify current and future links of the EfE-process with the UNCED follow-up process.

2 The case of a World Environment Organisation: a wrong solution to the wrong problem?

Before I will develop some arguments about the potential of regional environmental organisations in the next chapter I will first reflect the on-going discussion about the creation of a World Environment Organization (WEO) and briefly summarize the pros and cons outlined in the continually growing literature on this issue.

The starting points for my discussion are the arguments put forward in favour of a World Environment Organisation (WEO). Basically we can identify four reasons that are presented by the advocates of a new global environmental organization (Biermann 2001, Juma 2000):

First, they attribute lagging global environmental efforts to the fact that environmental tasks are fragmented and performed by too many uncoordinated agencies and treaties (“deficiencies in coordination”). Second, they bemoan the lack of enforcement mechanisms in most existing treaties (“deficiencies in implementation”). Third, they say the agency would help transfer environmental technologies and finances to developing nations and thereby improve environmental capacity-building in developing countries (“deficiencies of capacity-building”). And finally, they appeal to the need for a body that would serve as a counterweight to the World Trade Organization (WTO).

The proposals for a WEO have received much criticism in the literature (Juma 2000, von Moltke 2001, Newell 2002, Najam 2005). The critics can be divided into two groups. In the first group, many authors doubt that the creation of a centralized WEO is practically and theoretically the best answer to the coordination problems in international environmental policy, and that the establishment of such an international organisation may exacerbate existing problems. In particular the contributions from von Moltke and Juma have challenged the calls for a WEO. For instance, Juma (2000a) has argued that

“The claim that consolidating existing international organisations will result in a stronger and more effective organisation, runs counter to the experiences of modern institutions, which are decentralising their operations. [...] Environmental problems are diverse in character and require more specialised institutional responses.”

Similarly, Oberthür and Gering (2005: 207) state that so far the discussion on the merits of a WEO lacks conceptual foundation and that the advocates of a WEO regularly fail to demonstrate why a WEO would function more effectively than the existing institutional arrangements or other alternatives.

Some authors have additionally pointed to the concerns of developing countries that a new WEO would only become another source of conditions and sanctions (Juma 2000a, Newell 2002).

Several authors in this first group have proposed institutional alternatives to the single environmental meta-organisation. For instance, von Moltke suggested the clustering of international environmental agreement as an institutional alternative to a WEO (von Moltke 2001, 2005). Other authors want to strengthen the existing institutional arrangements, in particular UNEP (Downie and Levy 2000, Iwama 2005).

The second group of critical authors has a very distinct perspective and does not follow the mainstream discussion which relies largely on arguments based on administrative efficiency or what was described above as coordination deficiencies. To them, the organizational structure is but one element of governance, and in this case, only a small element. They share a common view that “the debate on creating a new agency diverts attention from more urgent tasks” (Juma 2000a: 45) and that to set “the focus on organization minutiae is dangerous precisely because it distracts from the more real and immediate institutional challenges to global environmental governance” (Najam 2005: 238).

Instead these authors focus much more on compliance deficiencies caused either by a lack of political will and commitment or by lacking capacities. According to Juma (2000, 2000a) is the real task to get national governments to comply fully with their obligations under international environmental treaties. Much of this has in fact to do with domestic efforts to protect the environment, and as he concludes: “What is perceived as deficient global environmental regulations is really an indication of poor domestic housekeeping.” A very similar argument is put forward by Najam (2002: 8) when he writes that the failures in international environmental policy are not caused by poor organization, but rather are caused by lack of political willingness. He identifies two major challenges which are of particular importance for global environmental governance; both are treated only to a minor extent by the current WEO debate: the near demise of the concept of sustainable development as the very basis of global environmental cooperation between developed and developing countries, and the insufficient conclusion of civil society into international environmental policy-making. The second challenge again points to the importance of capacity-building and compliance because many human activities that will harm the environment are beyond the direct control of national governments.

Astonishingly, the mainstream discussion on the creation of a WEO does not pay very much attention to these issues. Instead many authors seem to build on the assumption that a “well designed international institution” will almost automatically trigger higher compliance (Charnovitz 2005: 99). This perspective on the power of international social norms to create domestic compliance is overly optimistic in my opinion and almost neglects the complex relationship between international norm-setting and domestic policy change. In conclusion, the proponents of a WEO should widen their perspective and without doubt will the creation of a WEO or any alternative organisation greatly benefit from an early consideration of current and future implementation deficits of international environmental policy.

3 The case of regional environmental organisations

This chapter will outline some ideas about the importance and the potential of regional environmental organisations in solving transboundary environmental problems. It will further elaborate arguments that were originally developed by Jonathan Strand who has argued that despite the compelling case that can be made for a WEO, an even stronger case can be made for the regional management of many international environmental problems (Strand 2005: 72). This does not rule out the establishment and potential role of a WEO, rather it takes a distinct and different perspective to the publications that focus primarily on the formation of a new global organisation. In this sense, the chapter will explore the possibilities of a regional organization to serve as a stepping stone for regional and global environmental governance.

The rationale for “going regional” is linked to the belief that the right combination of country-based and transnational measures leads to outcomes that are superior to those achievable on

the basis of national measures alone. Countries engage in regional cooperation to realize benefits that cannot be obtained autonomously and take at the same time advantage of opportunities for reform in a more controlled and predictable setting than that encountered in a multilateral context (Ferroni 2002). The benefits pursued through regional integration are varied, but four advantages of regional environmental organisations seem to be very important: (a) serve as missing link at the meso level; (b) provide regional public goods; (c) focused environmental capacity-building; and (d) foster policy learning.

First of all, any global environmental problem has national and local causes. Many observers feel that there is a missing link between global environmental politics and the national level. Regional organisations could fill this gap and serve as an intermediate organisation at the meso-level, improving the connection between global environmental agreements and domestic politics. Thus, REOs can contribute to the effectiveness of global environmental governance. Furthermore, REOs can develop innovative solutions for transboundary environmental problems in their region, which than might be used as models for global environmental solutions. In this sense, REOs can have positive influences in both directions and play an important role in a multi-level system of environmental governance.

Second, regional environmental organisations may be better equipped to provide regional public goods (RPG) in the environment field. As the work of the WHAT Commission demonstrates, not all commons are global commons. Its report distinguish three types of commons (WHAT 2000): *global commons* - those outside national territorial limits, such as the high seas, the atmosphere, and Antarctica; *regional commons* - watersheds, basins, and other ecosystems crossing national borders and under the potential control and management of a group of states; and *national commons* - local resources within the nation state and under the control of national or sub-national governments. In many cases transnational environment problems are not global in nature and problem-solving is confined to a smaller number of countries. The involvement of fewer nations compared to global public goods can favour collective action at the regional level. Furthermore, spatial and cultural propinquity can foster RPG provision.

Third, regional environmental organisations can help to focus environmental financing and capacity-building. Donors have traditionally turned to the global institutions to channel their support to developing countries. This culture is changing as regionalism as a localized form of globalisation takes hold (Sandler 2005: 13). Regional organisations have a better understanding of a regions environmental problems and needs, and can help to clarify environmental priorities among its members. They can be used as a platform to combine and give focus to bilateral and multilateral funding in terms of environmental financing and direct it more precisely towards programmes and projects that solve environmental problems and contribute to the needs of the region.

Last but not least, REOs can provide a platform for international policy transfer and mutual policy learning among its members by creating venues and peer pressure to address negative neighbourhood effects, but also to improve domestic environmental policy-making. This

function of learning is quite different from the provision of regional public goods as it aims in principal at domestic policy change.

In conclusion, the new regionalism should result over time in more capable regional institutions. There is an essential role that diverse institutions and innovative institutional arrangements must assume to further regional cooperation. The following chapters will show if and how the Economic Commission for Europe and the Environment-for-Europe process as a regional environmental organisation have managed to deliver the above outlined advantages of a REO.

4 The Economic Commission for Europe (UN-ECE) and the Environment-for-Europe process

4.1 The Economic Commission for Europe as a regional environmental organization

The United Nations Economic Commission for Europe (UNECE) was set up in 1947 by the Economic and Social Council of the UN (ECOSOC). It is one of five regional commissions of the United Nations. It has 56 member States, bringing together countries from West Europe, South-East Europe, Eastern Europe, Caucasus, Central Asia and North America. Almost half of them are also members of the European Union (27 countries).

ECE provides analysis, policy advice and assistance to governments, often in cooperation with other global players and key stakeholders, notably the business community. It also sets out norms, standards and conventions to facilitate international cooperation within and outside the region. Its major aim is to promote pan-European economic integration and it gives focus to the United Nations global mandates in the economic field, but its area of expertise covers many different policy fields such as economic cooperation and integration, energy, environment, human settlements, population, statistics, timber, trade, and transport.

The broad aim of UNECE's environment activities is to safeguard the environment and human health, and to promote sustainable development in its member countries in line with Agenda 21. The practical aim is to reduce pollution so as to minimize environmental damage and avoid compromising environmental conditions for future generations.

The ECE's concern with problems of the environment dates back at least to 1971, when the group of Senior Advisors to the ECE governments on environmental issues was created. Prior to 1990 the ECE was known in the field of environmental policy mostly as secretariat for some international environmental treaties, in particular the Convention on Long-range Transboundary Air Pollution (LRTAP) and its protocols. In this time period environmental protection has not been a major focus of the work of ECE and was rather subordinated to questions of economic integration. In the 1990s the environmental dimension gained ground

as policy issue in the ECE region and the organisation subsequently strengthened its capacities in this field. In 1994 it established the Committee on Environmental Policy (CEP) and adopted its terms of reference, mainly in response to developments on the global level (UNCED) as well as to reflect the changing political conditions in the region.

During the last decade the Committee has substantially expanded its work programmes and the way in which the CEP works has also changed. The Committee has engaged in regional and national policy dialogues, in particular through the peer reviews of environmental performance reports. Most of the legally binding conventions and protocols, developed under the auspices of the Committee, came into force during the past decade. Together with the governing bodies of the UNECE conventions, the Committee on Environmental Policy now represents a unique and powerful consensus-based policy forum for discussing environmental issues and bringing forward regional priorities.

The Committee's work is currently based on the three strategic pillars:

- Participation in the two major international cooperative processes, the "Environment for Europe" process and the regional promotion of Agenda 21;
- Carrying out Environmental Performance Reviews (EPR) in the central and eastern European countries; and
- The increase of the overall effectiveness of environmental conventions and of the exchange of experience on their implementation.

A paper on strategic directions for the environment was adopted in October 2003 to tackle the emerging issues and to become a guide for the Committee for the next five to ten years to structure and continuously adapt its programme of work. This paper clusters its main issues around three recurrent themes that also provide a link with the Plan of Implementation of the 2002 World Summit on Sustainable Development and the decisions of the 2003 Ministerial Conference of the "Environment for Europe" process in Kiev: (a) pan-European harmonization and governance; (b) programmes and strategies (EPRs, Monitoring and Assessment, Sub-regional Partnerships); and (c) cross-sectoral cooperation and integration.

In the following chapters I will concentrate on one of the three strategic pillars the Committee's work is based on, namely the international cooperative processes and in particular the Environment for Europe process. I will use this pan-European environmental process as an empirical case to analyse if and how regional environmental organisations can contribute to effective international environmental governance. The next chapter outlines the history of EfE by summarizing the main results and decisions taken during the past ministerial conferences.

4.2 History and evolution of the Environment for Europe process

Since its beginning in 1991 the “Environment for Europe” process has developed into a unique partnership of the member States within the UNECE region, international organizations represented in the region, other intergovernmental organizations, regional environment centres, non-governmental organizations and other major groups. The United Nations Economic Commission for Europe serves as secretariat to the process.

The EfE is the only political framework available today that allows for a coordinated approach in environmental policy of all western European countries and the entire eastern European region including the Central Asia and the Caucasus regions. The basic objectives of the process to harmonize environmental policies, improve environmental quality and ensure sustainable development throughout the continent are as relevant today as they were 16 years ago.

The EfE has evolved around five ministerial conferences (see Table 1), with the first conference taking place in 1991 in Dobris (then Czechoslovakia), the second in 1993 in Lucerne (Switzerland), the third in 1995 in Sofia (Bulgaria), the fourth in 1998 in Aarhus (Denmark), and the fifth in 2003 in Kiev (Ukraine). The sixth EfE ministerial conference is scheduled for October 2007 in Belgrade (Serbia).

First Ministerial Conference	21-23 June 1991	Dobris Castle	Czech Republic
Second Ministerial Conference	28-30 April 1993	Lucerne	Switzerland
Third Ministerial Conference	23-25 October 1995	Sofia	Bulgaria
Fourth Ministerial Conference	23-25 June 1998	Aarhus	Denmark
Fifth Ministerial Conference	21-23 May 2003	Kiev	Ukraine
Sixth Ministerial Conference	10-12 October 2007	Belgrade	Serbia

The first Ministerial Conference within the "Environment for Europe" process was held in 1991 at Dobris Castle in the then Czechoslovakia. Environment Ministers from 34 European countries and the European Union, the United States, Brazil, Japan, various UN bodies, governmental and non-governmental organizations and institutions were present. The number of participants have risen subsequently at the next meetings and at the fourth Ministerial Conference “Environment for Europe”, which took place in Aarhus, Denmark from 23 to 25 June 1998, already 52 member States from the ECE region were represented, including 40 Environment Ministers and 1200 other participants from European countries, Central Asia, and North America.

In the light of the profound political changes in Central and Eastern Europe (CEE) and growing evidence about the true extent of environmental problems there, the first Ministerial Conference discussed ways of strengthening cooperation to protect and improve the environment in Europe.

A set of basic guidelines for a pan-European cooperation strategy was laid down. They included the need for intensified cooperation, introduction of ecological aspects in the process of transition of economies in central and eastern Europe; promotion of environmental considerations by financial and economic assistance; assistance to improve environment-related health conditions; and finally that each country shall bear responsibility for global environmental problems. The discussions resulted in a set of Conclusions of the Conference, in which the Ministers and the Commissioner addressed several issues of great importance to the further development of the "Environment for Europe" process.

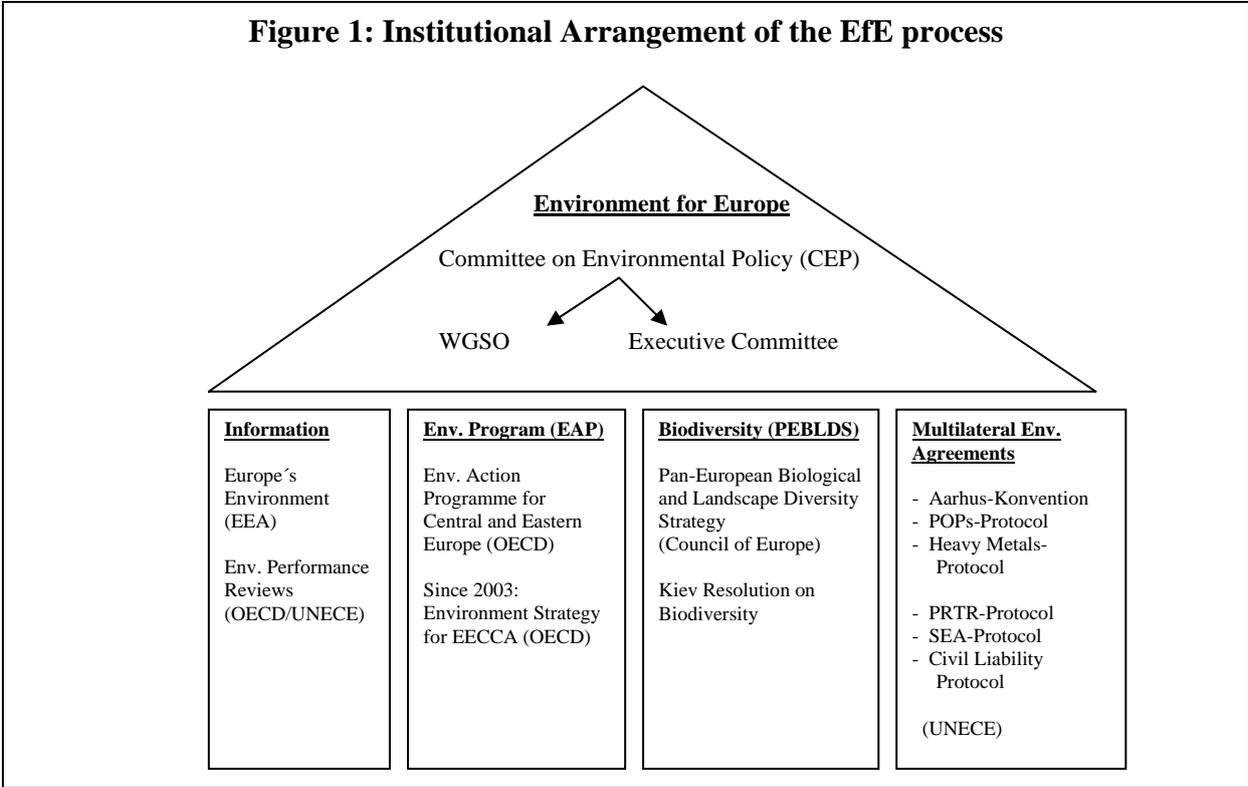
The ministers gave green light to several activities to implement the results of the conference, among other things for the preparation of the next ministerial conference, the preparation of a report about the state of the environment in Europe (the later "Europe's Environment: the Dobris Assessment" of 1995), and the elaboration of an environment program for Europe. Accordingly, four working groups were established after the conference in Dobris.

The results of these four working groups created the structural and programmatic basis of the EfE process in the next years (see Figure 1), and the Ministerial Declaration adopted at the Lucerne Conference in 1993 set out the political dimension of what since then has been called the Environment for Europe process, which aimed at harmonizing environmental quality and policies on the continent, and to secure its peace, stability and sustainable development. The individual parts of this institutional arrangement of the EfE process were subsequently adopted at the Ministerial Conferences in Luzern (1993), Sofia (1995) and Aarhus (1998):

- The *Environmental Action Programme for Central and Eastern Europe (EAP)* was adopted in April 1993 at the second Ministerial Conference.
- The *report on the state of the environment* was for the first time presented by the EEA at the Sofia conference ("Europe's Environment: Dobris Assessment"). Since then a new report was published at every Ministerial Conference, the most recent is the "Kiev Assessment" in 2003.
- *Environmental Performance Reviews* for 26 countries in Central and Eastern Europe were conducted since 1993 by OECD and UNECE
- The *Pan-European Biological and Landscape Diversity Strategy (PEBLDS)* was adopted in 1995
- *Legally Binding Instruments (MEAs)*: The Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters ("Aarhus Convention") was adopted in 1998 and signed by representatives of thirty-five countries and the European Union. Two new protocols under the Convention on Long-Range Transboundary Air Pollution on POPs and heavy metals were also adopted at the Aarhus Conference.

After the fourth Ministerial Conference in Aarhus the EfE process began to change its main geographical focus. Basically this was because the EU enlargement and related environmental policy work increasingly absorbed the ten CEE applicant countries, and because progress in environmental policy in the so-called New Independent States (NIS) had been modest or non-

existing. The changes following the dissolution of the Soviet Union also allowed for extending the EAP related work fully to all NIS. Discussions in Aarhus focused on ways to give higher priority to environmental policy in the NIS countries, but also to South Eastern Europe (SEE), and to secure Western support for such action.



The geographical shift of work priorities towards what is nowadays called Eastern Europe, Caucasus and Central Asia (EECCA) and SEE countries has continued at the Kiev Conference in 2003, where the Ministers adopted a groundbreaking Environment Strategy for Countries of Eastern Europe, Caucasus and Central Asia and applauded the efforts of the Central Asian States to develop the Central Asian Initiative on Environment, Water and Security.

4.3 Institutional Arrangements and work programs

In this section, the institutional arrangements and work programs of the EfE process are introduced. This includes the WGSO, the EAP Task Force, the Project Preparation Committee (PPC), work related to the preparation of pan-European state of the environment reports, work related to the implementation of the PEBLDS, and work related to legally binding instruments developed under the EfE.

4.3.1 The Working Group of Senior Officials (WGSO) and Executive Committee (EXECOM)

The Working Group of Senior Officials (WGSO) is an ad hoc intergovernmental group created for the purpose of preparing the upcoming Ministerial Conferences of the EfE process and for coordinating the follow-up response. Each Working Group of Senior Officials is established by the UNECE Committee on Environmental Policy upon the recommendations of the Ministerial Conferences. On the recommendation of the Ministers at the second Ministerial Conference, in Lucerne, Switzerland, the first WGSO was established in 1993, and, on the recommendation of the Ministers at the Third Ministerial Conference in Sofia, Bulgaria, the second was established in 1996. The third WGSO was established in 1999, on the recommendation of the Ministers at the Fourth Ministerial Conference, in Aarhus, Denmark. The fourth WGSO was established in 2004 on the recommendation of the Ministers at their Fifth Ministerial Conference, in Kiev, Ukraine, to prepare the Belgrade Ministerial Conference.

The Working Group of Senior Officials is open to participation of all member States of the United Nations Economic Commission for Europe and includes also the chairpersons from UNECE's CEP, the EAP Task Force Secretariat, the Project Preparation Committee (PPC) and the PEBLDS Council. The WGSO is also open to other international organizations and institutions as well as international non-governmental and private sector organizations which may be involved in the preparation of the Ministerial Conference. The Chair of the WGSO has traditionally been chosen from the host country of the next Conference, currently it is held by Serbia. The Working Group meets as often as necessary to prepare the next Ministerial Conference, in the past this typically was five or six times, and keeps the Committee on Environmental Policy informed of its progress.

WGSO may also set up expert groups to elaborate specific issues, when necessary. For instance, a "Working group on the future of the EfE process" developed concrete proposals for consideration at the 2003 Kiev conference regarding the overall process architecture and coordination after Kiev. At present, the WGSO established an open-ended "Drafting Group for preparing the Draft Ministerial Declaration for the Belgrade Conference".

The Executive Committee (EXECOM) of the WGSO is established to prepare the work of the WGSO. At this time the Executive Committee is composed of representatives of eight UNECE member states, including one from South-Eastern Europe (Serbia as host country); two from Eastern Europe, the Caucasus and Central Asia (Kyrgyzstan, Russian Federation), one from North America (USA) and four from other UNECE member states (Hungary, Italy, Sweden, Switzerland). Participating as observers to the meetings of EXECOM are the Chair of the UNECE Committee on Environmental Policy, the Chair of the Project Preparation Committee, the Chair of the Council for the Pan-European Biological and Landscape Diversity Strategy, a representative of the Presidency of the European Union, a representative of the European Commission, a representative of the European NGO "Eco-Forum", and a representative of the regional environmental centres (RECs).

4.3.2 The Environmental Action Programme for Central and Eastern Europe (EAP)

The strategic framework for east-west environmental cooperation was endorsed at the 1993 Lucerne EfE conference with the Environmental Action Programme for CEE (EAP). The EAP was based on a three-legged strategic approach, 1) policy reform, 2) institutional strengthening, and 3) investment, and presented a range of actions that could be taken to implement this approach.

Starting from the assumption that the resources available for environmental protection in CEE countries would be severely constrained for at least 5-10 years, while the costs of significant environmental improvements were seen to be very high, the EAP recommended choosing an approach based primarily on priority setting and developing realistic and cost-efficient policies which are then followed by investments. Constraints in institutional capacities were seen as a major obstacle on this road, therefore efforts towards improving institutional capacity were recommended in the EAP.

In terms of priority setting, the EAP recommended that reducing threats to human health should be one of the most important criteria (e.g., industrial pollution, pollution from road transport/old cars, inappropriate fertilizer application, food and water contamination, etc.). Other recommended criteria included cost benefit analysis, productivity losses caused by pollution or irrational resource use, and the deterioration or threat of irreversible damage to biodiversity. The EAP underlined that each country has to decide individually about priorities specific to its circumstances and that concrete local problems should be addressed first.

The EAP recommended that due to the scarce financial resources, best possible environmental benefit should be taken out of the ongoing reform of economic policies (e.g. in the framework of privatization of state owned companies, price liberalization, gradual removal of subsidies for and reorganization of municipal environmental infrastructure, etc.). The EAP argued that urgent actions should be taken in the “window of opportunity” following the collapse of the communist regimes, when environmental considerations could be factored into the process of economic reconstruction at least cost.

At the same time, new environmental policy should include the most cost efficient approaches, be increasingly based on the Polluters Pays Principle and use market mechanisms where possible. In the field of regulatory instruments, the EAP recommended to set new standards such that they are realistic to be implemented and enforceable.

4.3.2.1 The EAP Task Force

At the Lucerne Conference, the Ministers established a Task Force for the Implementation of the Environmental Action Programme (EAP Task Force) to assist Central and Eastern Europe (CEE) and the countries of Eastern Europe, Caucasus and Central Asia (EECCA). The work

of the EAP Task Force's EECCA sub-programme is supported by the secretariat in OECD's Environment Directorate, Non-Member Countries Division. At the end of 2002, 20 people were working full- or part-time on Task Force work. The EAP TF Secretariat is responsible for implementation and coordination of the EAP TF work.

The staff and activities of the OECD/EAP Task Force secretariat are largely supported by voluntary contributions from OECD members. The annual budget of the Task Force in the period 2001 - 2003 has been about Euro 2 million. Raising this amount has entailed significant transaction costs in the form of fund-raising, budget management and reporting, as well as some financial uncertainty for staff members. The major donors have been: EC - 21%; Denmark - 22%; other donors have included: the Netherlands - 11%; Norway - 11%; UK - 10%; Germany - 8% and Switzerland - 6%. Austria, Czech Republic, Finland, Poland and Sweden have also provided financial and/or in-kind support (UNECE 2002, EAP TF 2003: 3).

The EAP Task Force has been responsible to promote and facilitate the implementation of two pillars of the EAP, namely the policy and institutional aspects. For the third pillar, environmental investments in line with the EAP, the Ministers established another institutional arrangement: the Project Preparation Committee (see chapter 4.3.2.2). The main objectives and functions of the EAP TF are presented in box 1.

Box 1: Main objectives and functions of the EAP Task Force ¹

The main objectives of the EAP Task Force are:

- integration of environmental considerations into the processes of economic and political reform,
- upgrade institutional and human capacities for environmental management,
- broaden political support for environmental improvement,
- promote the mobilization and cost-effective use of financial resources.

Specifically, the EAP Task Force:

- promotes analysis and exchange of experience among CEE/EECCA countries on key environmental policy and institutional reforms;
- develops guidelines and best practices for environmental policy and institutional reforms based on experience in the CEE, EECCA and OECD countries;
- works with donors, including the Project Preparation Committee (PPC), to strengthen support for capacity building to implement demonstration projects and to remove obstacles to investments in the environmental sector;
- cooperates with governmental and non-governmental organisations to build public and political support for environmental protection.

The EAP Task Force brings together policy-makers from CEE, EECCA and donor countries, as well as international institutions active in the region. Parliamentarians and social partners - the enterprise sector, trade unions, environmental organisations and Regional Environmental

¹ Website of the EAP TF http://www.oecd.org/document/2/0,2340,en_2649_34291_1875778_1_1_1_1,00.html (assessed 04/16/2007); and Klarer (2002: 19).

Centres (RECs) - are also directly engaged in Task Force activities. The EAP Task Force is co-chaired by the European Commission, together with an Eastern European, Caucasus and Central Asian country (currently, the Republic of Kazakhstan) on a rotating basis.

Initially the Task Force focussed on central Europe and helped to create a good basis for those countries to begin their dialogue on accession with the European Union. In 1998, Ministers at the Aarhus conference asked the EAP Task Force to re-focus its efforts on those countries not involved in EU accession. Two sub-programmes were developed: one for the EECCA region supported by the OECD secretariat; the other focussing on CEE, including South-East Europe that was supported by the Regional Environmental Centre (REC) in Hungary. Both sub-programmes under the EAP were carried out until 2003. In Kiev, the EAP Task Force was asked to play the lead role to support and facilitate the achievement of the objectives of the EECCA Environment Strategy. The Ministers also decided that the Central and Eastern European sub-programme of work of the EAP Task Force would be terminated by 2004.

The work programme of the EAP Task Force - both the EECCA and CEE sub-programmes - was adopted and reviewed at its annual meetings. Typically about 120 representatives take part in these meetings from EECCA, CEE and OECD countries, international financial institutions, international organisations, NGOs, the private sector and trade unions. Between the annual meetings, the Task Force Bureau guides the work of the secretariat in implementing both the EECCA and CEE sub-programme.

The 2001-2003 EECCA work programme of the EAP TF was adopted in October 2000. The work programme included four main topics: strengthening environmental policies; strengthening environmental financing capacities (especially related to domestic environmental financing); supporting the reform in the urban water sector; and, promoting public support for environmental improvement through cooperation with NGOs and RECs. The main activities and projects of the work programme are summarized in box 2. As regards financing of the EECCA subprogram, the EAP Task Force Secretariat presented budget data in July 2002 covering the years 2002 and 2003. The total reported budget was 4.1 million Euro, of which about 26% was for program area 1, 35% for area 2, 21% for area 3, 2% for area 4 and 15% for meeting organization, travel, salaries and publications. As of July 2002, about 60% of the budget was financed (UNECE 2002: 7).

Box 2: Main themes and activities of the 2001-2003 EECCA work programme of the EAP TF ²

1. Strengthening Environmental Policies and NEAPs in EECCA

- Development of "second generation" National Environmental Action Programmes (NEAPs) in individual EECCA;
- Capacity building for carrying out economic valuation of environmental benefits and integration environmental and economic policies;
- Assistance to environmental authorities in EECCA in developing effective packages of environmental policy

² Sources OECD (2001, 2003).

instruments for achieving priority environmental targets;

- Promotion of environmental compliance and strengthening enforcement;
- Review of the implementation of the Aarhus Policy Statement on Environmental Management in Enterprises;
- Development of indicators for environmental policies.

2. Environmental Finance

- Elaboration of environmental expenditure data collection systems;
- Preparation of national and regional environmental finance strategies;
- Various activities related to financial planning for urban environmental infrastructure;
- Promoting good practices in public environmental expenditure management;
- Strengthening of environmental finance mechanism (e.g. environmental funds);
- Analysis of environmental finance flows in EECCA countries.

3. Supporting Reform in the Urban Water Sector in EECCA

- Implementation of the “Guiding Principles for Reform of the Urban Water Supply and Sanitation Sector in the NIS” adopted at the 2000 Ministerial Consultation held in Almaty, Kazakhstan.

Within the EECCA sub-programme, activities have been increasingly driven by networks of policy makers and experts from the EECCA region. This has helped to ensure a high degree of commitment and ownership of activities by representatives from EECCA countries. Participation by donors, IFIs, private sector, NGOs and other stakeholders facilitates co-operation and the development of partnerships.

The Environmental Finance Network has been in operation for the longest period and has now met six times between 1997 and 2003. An important feature of this Network has been the growing involvement of representatives from Economics and Finance ministries. The NIS Enforcement and Compliance Network (NISECEN) was launched in 1999 and has met four times until 2003. It brings together environmental inspectorates and policy makers from EECCA countries as well as other stakeholders. NISECEN has established close links with other enforcement and compliance networks (INECE and IMPEL) and this has facilitated valuable transfers of experience. The Group of Senior Officials for Reform of the Urban Water Sector in EECCA was established after the 2000 Almaty Ministerial meeting on this subject. It has met twice. Participants come from ministries with primary responsibility for urban water sector reform. This may be ministries of construction or public works as well as ministries of environment. Efforts are also made to include representatives from the municipal level in Group meetings (EAP TF 2003).

The 2001-2003 CEE work programme of the EAP TF includes four main topics: strengthening environmental policy planning and implementation; strengthening capacities with regard to domestic environmental financing; strengthening environmental management in enterprises; and, support to the EAP TF Secretariat at REC, including support to environmental NGOs related to RECs EAP TF work. The main activities and projects of the work programme are summarized in box 3.

As regards financing of the CEE subprogram, the EAP Task Force Secretariat presented budget data as of autumn 2001 at the 2001 EAP TF meeting. The total reported budget was 9.6 million Euro, of which about 72% was for program area 1, 9% for area 2, 8% for area 3, and 11% for area 4. At that time, only about 20% of the budget was financed. Committed funding was mostly provided for specific projects; un-earmarked contributions were the exception (EAP TF 2001b, UNECE 2002: 8).

Box 3: Main themes and activities of the 2001-2003 CEE work programme of the EAP TF ³

1. Environmental Policy Planning, Implementation and Integration in the CEECs

- Sofia Initiative on Economic Instruments (capacity building aiming at a more effective use of economic instruments);
- Sofia Initiative on Environmental Impact Assessment (capacity building aiming at a more effective use of EIA);
- Integration of Environmental Consideration into Transport Policies;
- Sofia Initiative on Biodiversity (capacity building in the area of nature conservation);
- Assistance in the development and implementation of Integrated National Pollutants Registers;
- Network of Senior Officials on Environmental Policy Planning;
- Support for Local Environmental Action Programmes (LEAPs);
- Sofia Initiative on Local Air Quality;
- Various activities to support environmental NGOs.

2. Environmental Financing in the CEECs

- Development of Environmental Investment Strategies and Support to Environmental Funds;
- Developing capacity for project preparation;
- Financial Trends Report.

3. Environmental Management in Enterprises in the CEECs

- Aarhus Business and Environment Initiative (strengthening of environmental management in enterprises).

4. EAP Task Force Secretariat for the CEECs

- EAP Task Force Secretariat for the CEECs;
- Involvement of NGOs in the EAP TF work;
- Support for NGO projects in the run up to the Kiev Conference.

In July 2002, an update was provided on the program budget and financing including the years 2002 and 2003 only. The total reported budget for 2002 and 2003 was 5.9 million USD, of which about 68% was for program area 1, 11% for area 2, 10% for area 3, and 10% for area 4. As of July 2002, only about 29% of the budget was financed. For program area 3, for example, no finance at all had been received.

³ Source: OECD EAP TF (2001a, 2001b).

In 2003 in Kiev, the Ministers decided that the Central and Eastern Europe sub-programme of work of the EAP Task Force would be terminated by 2004.

4.3.2.2 The Project Preparation Committee (PPC)

The PPC was established in 1993 at the second EfE Ministerial Conference in Lucerne as a networking mechanism to improve coordination between international financial institutions (IFIs) and donors and to facilitate the mobilisation of financial resources for environmental investment projects in Central and Eastern Europe which contribute to the implementation of the EAP. At the 1995 Sofia and 1998 Aarhus conferences, the PPC mandate was continued. Since the 1998 Aarhus conference, the PPC is focusing on EECCA and SEE countries.

The PPC is a network of stakeholders involved in preparing and financing environmental investments. Currently the network includes over 20 multilateral and bilateral donors, international financial institutions (IFIs), regional governments, NGOs and the private sector. It provides a mechanism for dialogue between IFIs, donors and client countries, with a view to improving coordination and cooperation between stakeholders and enhancing the development and financing of environmental investments. It serves as a market-place for the “matching” of IFI loan finance with donor grants for investment and Technical Assistance (TA) and also provides the framework for donor funded staff (“PPC Officers”) to work within the IFIs to support project preparation. The PPC seeks to achieve its objectives and targets through the activities mentioned in box 4.

Box 4: Main activities of the PPC ⁴

- Strengthening partnerships between IFIs, donors, host countries to improve cooperation, support the transfer of knowledge and thus facilitate early identification of projects, e.g. through organizing sub-regional and sector specific PPC meetings;
- Supporting project preparation: Enhancing IFIs capacity to develop and finance environmental investment projects through the provision of PPC staff;
- Mobilizing donor grants: Supporting host countries and sponsors in the process of project identification, development and implementation through mobilizing TA (feasibility studies, credit worthiness assessments, capacity building) and through and through investment co-financing to improve affordability, financial sustainability and environmental performance of projects.

During the period between the Aarhus and Kiev Ministerial Conferences the Chair of the PPC has been held by Finland, Switzerland and currently the United Kingdom. The work of the PPC Chairman is supported by a small PPC Secretariat located at the EBRD and composed of an Executive Secretary (funded by the EU) and an Administrative Officer’s post (has been financed by Austria, Finland, Switzerland and the United Kingdom). The donor community also finances a number of PPC Officers to work as staff within IFIs, providing support to the

⁴ Source: Website of the Project Preparation Committee <http://www.ppcenvironment.org> (assessed 04/16/2007) and the PPC report to the Kiev Ministerial Conference (PPC 2003).

development of environmental investment projects. So far PPC Officers have been placed in the EBRD and the World Bank.

Following the renewal of its mandate at the Aarhus EfE Ministerial Conference in 1998, the PPC set a target of contributing to the approval of at least 10 to 12 IFI financed investment projects each year, five of which should be in the countries of EECCA or non-accession countries in South-Eastern Europe. Between Aarhus and the Kiev Ministerial Conference in 2003, 219 projects had been subject to the PPC mechanism. Sixty-nine of those, at an accumulated investment value of €3,853 million had been board approved and benefit from financial support equal to €1,895 million in IFI loans and €904 million in donor grants. Twenty-nine of the board approved projects were located in the EECCA region and 19 in south-eastern Europe. These results exceeded those presented to the Sofia and Aarhus Ministerial Conferences, despite the fact that activities have focused on EECCA and SEE where the working environment is generally more difficult than in CEE, where the PPC concentrated its activities in earlier years of operation (PPC 2003: 1).

Table 1: Summary of Board Approved IFI environmental projects with PPC involvement ⁵

Ministerial Conference	Water supply/ sanitation	Waste manag.	Energy/ heating	Nature conservation/ biodiversity	Other (e.g. agriculture, transport industry)	Total no. of Board Approved projects	Total investment cost (€mill.)	IFI financing (€mill.)	Donor financing (€mill.)	Per region *
Sofia 1995	8	12	4	2	7	26	1,200	n/a	80	EECCA 12% EU Acc. 77% SEE 11%
Aarhus 1998	9	12	2	3	14	33	2,300	1,200	245	EECCA 30% EU Acc. 46% SEE 24%
Kiev 2003	37	8	13	4	11	69	3,853	1,895	904	EECCA 42% EU Acc. 32% SEE 26%
Total	54	32	19	9	32	128	7,353	3,095	1,229	EECCA 28% EU Acc. 52% SEE 20%

* EECCA: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan
 EU Accession countries: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovak Republic, Slovenia
 SEE: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, FYR Macedonia, Romania, Serbia and Montenegro

The PPC's mandate was renewed most recently at the 2003 Kiev Conference. The Ministers' Declaration instructed the PPC to continue with its activities, but to focus on the countries of Eastern Europe, the Caucasus and Central Asia (EECCA), and other non-accession countries. Furthermore, the Ministers extended participation in the PPC's activities to include all countries of the UNECE region, international organisations, Regional Environmental Centres (RECs), civil society and private sector representatives, and non-governmental organisations (NGOs), in addition to donor governments and IFIs. Cooperation with the EAP Task Force has been strengthened through joint annual meetings and a common Bureau.

⁵ Source: PPC (2003: 6).

4.3.3 Pan-European Biological and Landscape Strategy (PEBLDS)

The Pan-European Biological and Landscape Diversity Strategy (PEBLDS), which was endorsed at the 1995 Sofia conference, aims at stopping and reversing the degradation of biological and landscape diversity values in Europe. The Strategy provides a framework to promote a consistent approach and common objectives for national and regional action to implement the UN Convention on Biological Diversity (CBD).

PEBLDS introduces a coordinating and unifying framework for strengthening and building on existing initiatives. It builds on the Bern Convention, the Ramsar and Bonn Conventions, the EU Habitats and Birds Directive and other existing initiatives and programmes. It does not aim to introduce new legislation or programmes, but to fill gaps where initiatives are not implemented to their full potential or fail to achieve desired objectives. Furthermore, the Strategy seeks to more effectively integrate ecological considerations into all relevant socio-economic sectors, and aims at increasing public participation in, and awareness and acceptance of, conservation interests. The Strategy's vision for the future is to achieve conservation and sustainable use of biological and landscape diversity for the whole continent of Europe and all its regions within 20 years (1996-2016), and seeks to ensure that (PEBLDS 1995):

- the threats to Europe's biological and landscape diversity are reduced substantially, or where possible removed;
- the resilience of European biological and landscape diversity is increased;
- the ecological coherence of Europe as a whole is strengthened;
- public involvement and awareness concerning biological and landscape diversity issues is increased considerably.

The PEBLDS bodies include the Strategy Council, the Strategy Bureau and the Joint secretariat from the Council of Europe and UNEP. In addition, there is an Expert Committee for the Pan European Ecological Network (PEEN) led by CoE and the European Centre for Nature Conservation (ECNC) located in the Netherlands.

The Strategy Council is the decision-making body and is composed of representatives of all 55 States involved in the EfE process, intergovernmental representatives and NGOs. Since 1998 the Council has met every year. The main tasks of the Council according to its terms of reference are presented in box 5.

Box 5: Main tasks of the PEBLDS Strategy Council ⁶

- To devise a policy to direct the PEBLDS implementation,
- To guide, support and review the implementation of the PEBLDS,
- To further develop the PEBLDS,
- To prepare and adopt four- year Work Programs and two-year Action Plans as instruments for implementing

⁶ According to Annex III of the PEBLDS Strategy Council document STRA-FO (96) 6.

the Strategy

- To coordinate the PEBLDS work with specific activities of States, international organisations and NGOs relevant for the Strategy, and work carried out under legally binding international conventions.
- To direct the work of the Strategy Bureau,
- To disseminate information about the Strategy and its implementation.

The Strategy Bureau was constituted and came into being after the 1998 Aarhus Ministerial Conference. Originally the Bureau consists of representatives of five governments plus representatives of the Council of Europe and UNEP. At the PEBLDS Council in March 2000 it was decided to enlarge the Bureau and it is now composed of 11 government representatives from the UNECE region (currently Norway acts as chair, members are Albania, Andorra, Czech Republic, Georgia, Ireland, Italy, Moldova, Switzerland, Ukraine, and the European Commission), four NGO representatives (one each from IUCN, Bird Life International, ECNC and Eco-Forum), the Joint Secretariat and members from countries represented in the CBD Bureau as well as other relevant conventions (currently Belgium, Russian Federation and Slovenia). The Strategy Bureau is responsible for making any necessary adjustments to the five-year action plan and for identifying potential new areas of action, especially in order to incorporate the objectives of the CBD more fully into the main conclusions of the CBD-COP.

The Joint Secretariat of PEBLDS carries out the daily work and is composed of the Council of Europe and UNEP.

Work program and budget information

The Strategy were planned to be implemented through a series of five year Action Plans. These Action Plans/Work Programmes would address the issues that are considered most pressing and important and make optimal use of opportunities as they occur over the next 20 years by prioritising the themes that need to be addressed at the European level and the ecosystems, landscapes, species and regions that require priority attention. The first five year Action Plan was approved in 1996. It set out to remedy the deterioration in the state of the key biological and landscape systems, and to strengthen the coherence of these systems. Within the 1996-2000 period, the Action Plan consisted of 12 action themes: 4 addressing issues of Pan-European importance, 6 addressing priority landscapes and ecosystems, and 1 introducing action for threatened species. The prioritisation of these issues, landscapes, ecosystems and species was based on the analysis of the Dobris Assessment report. Particular focus for this period was on integrating Pan-European priorities into national policy and initiatives based on the national biodiversity strategies, programmes and plans each government were set up to implement the Convention on Biological Diversity. The Action Plan stimulated the development of national ecological networks and the realisation of a Pan-European Ecological Network in 10 years.

The PEBLDS work programme for the years 2001-2005 was adopted by the Strategy Council in May 2001. Its four program elements included to (PEBLDS Council 2001):

- (i) enhance the implementation of the CBD by facilitating regional preparation for, and follow-up of CBD COP and SBSTTA meetings by focusing on issues of European importance;
- (ii) promote and support specific European actions, ideas and initiatives, and when appropriate explore their potential for the global CBD agenda and the other regions of the world;
- (iii) enhance active involvement of CEE/NIS countries in regional and global biodiversity processes;
- (iv) support the regional implementation and/or coordination with and among various global and regional biodiversity related instruments, initiatives and groupings.

At its meeting in 2002 the Strategy Council introduced the concept of a Rolling Work Programme, i.e. the Council selected priorities from the 2001-2005 work programme for 2 two-year action programs. Such priorities are selected by taking the following criteria into account: a Government's or an organization's offer to take the lead and responsibility for a selected issue; a time-frame and specific activities are identified; and adequate resources are secured or envisaged. Due to this rolling planning approach, the Council wanted to ensure that the PEBLDS Work Programme is a flexible instrument, which can be reviewed regularly and adjusted in line with changing global and regional priorities and evolving needs.

The activities included in the 2001-2005 PEBLDS work programme are presented in box 6.

Box 6: Main activities of the 2001-2005 PEBLDS work programme ⁷

- Preparation of the European input to COPs and SBSTTA meetings under the CBD,
- Development of a framework for cooperation between PEBLDS and the Ministerial Conference on Protection of Forests in Europe (MCPFE),
- Organisation of a high-level Pan-European Conference on Agriculture and Biodiversity (2002),
- Development of a Regional Convention, Charter Agreement on the protection of mountain ecosystems of the Carpathian region, Caucasus, and Central Asia,
- Development and Implementation of the Aarhus European Biodiversity Monitoring Initiative,
- Development of a Biodiversity Resourcing Initiative,
- Awareness Raising and information activities on biodiversity issues in Europe
- Implementation of the Pan-European Ecological Network (PEEN) program,
- Implementing the “Biodiversity Service” providing expert services and technical assistance to CEE and EECCA countries,
- Development of the “EECCA Biodiversity Implementation Plan”.

As regards financing of the PEBLDS work for the years 2002 and 2003, budget and financing data were presented in July 2002. According to those data, the 2002-2003 budget for the three subregional mountain initiatives (Carpathian, Caucasus and Central Asian mountains)

⁷ Source: Website of the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) <http://www.strategyguide.org>; Annex II of the PEBLDS Work Programme 2001-2005.

amounted to 1.55 million USD of which 65% were financed by July 2002. The 2002-2003 budget for other PEBLDS work (Strategy Council meeting, 2 Strategy Bureau meetings, High level Conference on Agriculture and Biodiversity, Pan-European Ecological Network, European Biodiversity Resourcing Initiative) amounted to 0.72 million USD of which 86% were financed by July 2002 (UNECE 2002: 10).

4.3.4 Environmental Information – Pan-European state of the environment reports and Environmental Performance Reviews

Pan-European state of the environment reports

An extremely valuable output of the EfE process has been the publication of pan-European state of the environment reports by the European Environmental Agency (EEA). These reports have served as a basis to set priorities within the process overall and within specific process initiatives. In addition, these reports have allowed reviewing progress made in addressing environmental problems in Europe, and served as a basis to adapt process initiatives to change and new environmental challenges (Klarer 2002: 24).

The EEA has the mandate for elaborating the pan-European state of the environment reports and has published three assessment reports in the context of the Efe process in 1995, 1998 and 2003. The EEA work is supported by numerous contributions. Most importantly the EEA was supported by numerous regional and national organizations providing specific environmental statistical data and contextual information as requested. In many countries this involved numerous different institutions.

The Dobris Assessment, the first pan-European state of the environment report, has been published in 1995. That comprehensive report covered 46 countries and, based largely on data up to around 1992, provided an assessment of the state of the environment throughout Europe at that time. The Dobris assessment was presented to the third Ministerial Conference in Sofia in October 1995. The Ministers welcomed the report as an important baseline document against which future progress could be assessed and asked the EEA to produce a second assessment in time for the next planned conference in Denmark in 1998.

“Europe’s Environment: The Second Assessment” is the Agency’s response to this request. Designed to form a key input to the June 1998 EfE Ministerial Conference in Aarhus, the report builds on and updates the Dobris Assessment. The report concentrates on the 12 key environmental problems focused upon in the earlier report and shows how the situation has developed since the start of the EfE process in 1991. The second assessment report extended its geographical coverage and included not only the CEE countries, but also Eastern Europe (Russia, Ukraine) and the Caucasus. In addition to providing information about the state of the environment and trends in 12 environmental problems, the report identified the main socio-economic driving forces exerting pressure on the European environment. While

presenting a clear picture of the changing state of the environment, the report identified key areas where further action is needed (EEA 1998).

The third report (“Kiev Assessment”) was presented at the fourth Ministerial Conference in May 2003 in Kiev and included for the first time the entire Russian Federation and the 11 other Eastern European, Caucasus and Central Asian (EECCA) states. The Kiev Report includes data and analysis on 52 countries, including 22 western European countries, 18 CEE countries (including Cyprus, Turkey and Malta), and 12 EECCA.

In terms of contents, the Kiev Assessment differs from its two predecessors in several aspects (EEA 2003: 4; Klarer 2002: 25): It is truly pan-European in its geographical scope; it takes a more integrated approach both on environmental issues (e.g. combining inland and marine waters; assessing health and environment issues) and on the integration of environmental concerns into sectoral policies, reflecting policy developments in these areas; it is more than previous reports based on indicators; it joins detailed information gathered from countries with general outcomes regarding future scenarios taken from UNEP’s GEO process; and, it is firmly rooted in an emerging structure for reporting on the pan-European level.

The basic structure and themes of the Kiev Report are summarized in box 7.

Box 7: Basic Structure and Themes of the “Kiev Assessment”⁸

- Eight chapters on the development in socio-economic sectors as driving forces (agriculture, energy, fishery, forestry, industry, material flows, transport and tourism) which assess progress in implementing the ministerial intentions of improving the integration of environmental concerns into sectoral policies;
- Eight chapters on prominent environmental issues (air pollution, chemicals, climate change, hazards, soil degradation, stratospheric ozone depletion, waste, water), which answer the general question of progress since the first EfE Ministerial Conference held in 1991 in Dobris;
- Two chapters on cross-cutting impacts (biological diversity, environment and human health);
- A final assessment chapter on the successes and challenges in the implementation of specific instruments suggested at the various ministerial meetings;
- A chapter on information gaps and needs;
- Annexes giving statistics by country (tables of key statistics, ratification of multilateral environmental agreements, international comparisons).

The Kiev Report confirmed the conclusions of the second assessment and shows that the overall picture of Europe’s environment remains complex. There have been substantial reductions in emissions of substances that deplete the ozone layer, reductions in air emissions and improvements in air quality, and reductions in point source emissions to water leading to improved water quality. Protection of biodiversity through the designation and protection of habitats has provided some improvements. Contrary to this progress, environmental policies in other fields such as waste management have not led to significant overall achievements in

⁸ Source: EEA (2003, 2003a).

terms of reduced use of natural resources, reflecting the fact that progress here is more intimately related to general economic and social development.

Environmental Performance Reviews (EPRs)

EPRs of CEE and later also EECCA countries have been prepared for 10 years now, based on the mandate from the 1993 Lucerne EfE conference. The EPR concept was originally developed by the OECD, where EPRs of OECD member states have been prepared for many years. The mandate to elaborate CEEC and NIS EPRs is with UNECE (in the early EfE phase, they have been elaborated by both OECD and UNECE). EPRs assess a country's efforts to reduce its overall pollution burden and manage its natural resources; to integrate environmental and socio-economic policies; and, to strengthen cooperation with the international community.

The objectives of Environmental Performance Reviews (EPRs) are to assist countries in transition to improve their management of the environment by establishing baseline conditions and making concrete recommendations for better policy implementation and performance; to promote dialogue among UNECE member countries; to integrate environmental policies into sectoral policies and to integrate further health aspects into environmental performance; to harmonize environmental conditions and policies throughout the region and to contribute to sustainable development. The main objectives of the ECE EPR programme are summarized in box 8.

Box 8: Main objectives of the Environmental Performance Review (EPR) programme⁹

- To assist countries in transition to improve their management of the environment by establishing baseline conditions and making concrete recommendations for better policy implementation and performance;
- To promote dialogue among UNECE member countries by exchanging information about policies and experiences, and progress in the transition period;
- To integrate environmental policies into sectoral policies and to integrate further health aspects into environmental performance;
- To harmonize environmental conditions and policies throughout the region and to contribute to sustainable development.

Most of the countries in transition have requested Environmental Performance Reviews. They have seen this as a key tool for documenting the range and complexity of their environmental problems; for understanding possible next steps, sharing experience, and monitoring progress; and for engaging fully in regional and global processes.

At the outset, three pilot reviews were carried out jointly by OECD and UNECE, from 1994 to 1996, in Poland, Bulgaria and Belarus. In 1996, the Committee on Environmental Policy decided to make the Environmental Performance Reviews a part of the regular programme of UNECE.

⁹ According to the report on lessons learned from ten years of EPRs (UNECE 2003); Website of the EPR programme <http://www.unece.org/env/epr/welcome.htm> .

Since 1994, UNECE has carried out a first cycle of Environmental Performance Reviews in 24 countries. These include: Estonia (1995); Slovenia (1997); Republic of Moldova (1998); Lithuania (1998); Latvia (1998); Ukraine (1999); Croatia (1999); Kazakhstan (2000); Kyrgyzstan (2000); Armenia (2000); Romania (2001); Uzbekistan (2001), Albania (2001), the former Yugoslav Republic of Macedonia (2002), Serbia and Montenegro (2002), Azerbaijan (2003), Georgia (2003), Bosnia and Herzegovina (2004) and Tajikistan (2004). UNECE also cooperated with OECD in its review of the Russian Federation (1999). Furthermore, UNECE has undertaken follow-up reviews in Slovenia, Republic of Moldova, Lithuania, Latvia and Ukraine (UNECE 2003: 5). The second round cycle of EPRs has begun (in chronological order) with Bulgaria (2000), Estonia (2001), Belarus (2005), the Republic of Moldova (2005) and Ukraine (2006). Serbia and Montenegro, Kazakhstan and Armenia are next.

EPRs are demand-driven, which means that a country needs to make an official request to UNECE to undertake an Environmental Performance Review. It starts with an agreement on the structure of the report between UNECE and high officials of the candidate country. The assessing team is made up of experts from all over the ECE region, and is flexible to meet the needs of the reviewed country. This team meets with national experts to discuss the problems encountered in environmental management and the integration of environmental considerations in economic sectors. The team's final report contains recommendations for further improvement, taking into consideration the country's progress in the current transition period (UNECE 2003: 4).

In terms of contents, eight main topics are always included: legal instruments; economic and regulatory instruments; international cooperation; human health; management of waste; management of air emissions; management of water, and biodiversity. Additional areas may be reviewed based on country specific circumstances, e.g. nuclear safety, industrial safety and cleaner production, management of seas and coastal zones, management of mineral resources, and, environmental concerns in agriculture, in energy and in transport (Klarer 2002: 26).

According to the review of the EPR program, the usefulness of the Reviews has been articulated by national policy makers and civil society, particularly those engaged in environmental policy. The environmental review process has provided a framework for the systematic in-depth analysis of a number of sectoral and crosssectoral issues that affect the environment, including policy development, the legal and institutional structure, and the integration of the environment with other sectors. It has been important for the environmental institutions in the countries to receive an independent and authoritative review from an international organization like UNECE that strengthens their position inside the country. The process also provides for the sharing of experience and dialogue among the stakeholders in the country and between different countries in transition (UNECE 2003: 70).

4.3.5 Legally Binding Multilateral Environmental Agreements (MEAs)

The negotiation of new legally binding instruments with regional character has become a more and more important element of the EfE process in recent years. Today, the work related to legally binding instruments can be considered as one of the main areas of the EfE process, next to the environmental cooperation (EAP TF and PPC), the PEBLDS related work and the region wide state of the environment reporting. This can be regarded as a result of the successful work in the EfE process since Dobris 1991, leading to considerable environmental capacity-building so that international law can be gradually developed in key areas to foster and further extend such convergence. However, a key challenge is to ensure proper implementation of these new instruments, especially in SEE and EECCA countries.

UNECE has negotiated five environmental treaties, all of which are now in force:

- Convention on Long-range Transboundary Air Pollution (LRTAP Convention),
- Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention),
- Convention on the Protection and Use of Transboundary Watercourses and International Lakes,
- Convention on the Transboundary Effects of Industrial Accidents, and
- Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention).

Their governing bodies are serviced by the UNECE secretariat, which also helps them to monitor the implementation of the treaties. Four of them were already in place when the EfE process emerged and the Aarhus Convention is the only convention that was fully negotiated and established under the EfE process, but all five MEAs have been further developed and strengthened through several protocols adopted at the Ministerial Conferences of the EfE process.

At the 1998 Aarhus EfE conference three legally binding instruments have been adopted, including the Aarhus Convention and two new Protocols (POPs and heavy metals) under the Convention on Long-range Transboundary Air Pollution. At the 2003 Ministerial Conference in Kiev three more protocols were adopted as new legally binding instruments including a Protocol on Strategic Environmental Assessment under the Espoo Convention; a Protocol on Civil Liability and Water-Related Accidents under the Transboundary Water Convention and the Convention on Industrial Accidents, and a Protocol on Pollutant Release and Transfer Registers (PRTR) under the Aarhus Convention. Additionally, the sub-regional Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) was adopted and signed by the Ministers of Environment of seven countries at the Kiev Conference. Furthermore, the Ministerial Conference endorsed “Guidelines on strengthening compliance with and implementation of MEAs” as an important tool to strengthen compliance with and implementation of regional environmental conventions and protocols. The Ministers welcomed the continuing development of compliance procedures

under many UNECE environmental instruments, recognizing that such procedures provide useful and effective tools to address and solve compliance difficulties.

The environmental law making that has been undertaken within the EfE process has added value to EU legislation (e.g. on public information and participation) and UNEP global initiatives (e.g. on persistent organic pollutants). Environmental agreements developed under the EfE process complement and strengthen the regional environmental legal infrastructure that has been built by the conventions on air pollution, environmental impact assessment, transboundary waters and industrial accidents (UNECE 2003a: 4).

Work related to legally binding instruments has so far been coordinated by UNECE, except the Carpathian Convention where UNEP Vienna acts as secretariat. As regards financing of the UNECE work program under EfE, partial budget and financing data were presented for the years 2002 and 2003 in July 2002. According to those data, the partial 2002-3 budget was 0.94 million USD of which about 27% was financed. Included in the overall budget of 0.94 million USD was the budget related to legally binding instruments (Joint Protocol on Civil Liability and Water-Related Accidents, PRTR Protocol, Guidelines on Public Participation in International Forums, Review of the Aarhus Convention, SEA Protocol) which amounted to 0.46 million USD, of which 20% was financed by July 2002 (UNECE 2002: 5).

5 Assessment of the EfE process

The EfE process was launched in 1991 using environmental policy as a theme for building cooperation across the entire pan-European region. The Dobris Ministerial Conference marked a new departure for the region: helping the countries in transition from a centrally planned to a market economy to attain the level of environmental protection established in western democracies, and working to raise these standards throughout the region.

During the subsequent conferences in Lucerne, Switzerland in 1993; Sofia, Bulgaria, in 1995; Aarhus, Denmark, in 1998; and in Kiev, Ukraine in May 2003, the process has involved all countries of Europe, North America, Caucasian and Central Asian States, as well as international organizations and institutions including the European Commission, UNECE, the United Nations Environment Programme (UNEP), the World Health Organization (WHO), the Organisation for Economic Co-operation and Development (OECD), the Council of Europe, the Organization for Security and Cooperation in Europe (OSCE), the World Bank, the European Bank for Reconstruction and Development (EBRD), the Regional Environmental Center (REC) for Central and Eastern Europe, the European Environment Agency, as well as civil society organizations and other major groups.

The political importance of the EfE process is recognized as the major long-term pan-European political framework for the promotion of environmentally sound and sustainable development. Environment for Europe has brought the whole UNECE region together in a

unique process. It has evolved into the major high-level pan-European framework for discussing key environmental policy issues, developing programmes, launching negotiations on legally binding instruments and various partnerships and initiatives, including new institutional structures for the environment, in a balance between subregional and regional issues and openness to intensive intersectoral cooperation. Governments, financial institutions, NGOs and many others from 55 countries have shared their experience and strengthened common efforts to improve the environment. In the last years it has become an important political platform for environmental initiatives of the subregions, thus making them more effective and visible. This section summarizes both achievements and weaknesses of the EfE process as well as new challenges confronting the process.

5.1 Key Achievements

The EFE process has so far contributed significantly to the impressive improvement of environmental quality in the countries of Central Eastern Europe. In terms of process and institutional arrangements, the EfE has achieved significant results in the areas of policy development, capacity building and investment. A number of such achievements can be summarized as follows (Klarer 2002, UNECE 2003a):

- The EAP Task Force played an effective role in assisting environmental policy reform and related capacity building of environmental ministries and institutions related to environmental ministries both in CEE countries and the EECCA countries. In particular EAP TF contributed to the adoption of National Environmental Action Programs, the introduction of market-based environmental policy instruments, the analysis and identification of available sources for domestic environmental financing and related capacity building, environmental management in enterprises, and the reform of urban water sectors. In case of those CEE countries which have become member states of the European Union in 2004, the EAP Task Force has been instrumental in the early phase to prepare for EU membership. The Task Force has significantly advanced knowledge on environmental policies in transition countries and has elaborated realistic options for reform. In the area of environmental financing, the Task Force has developed new and innovative instruments and policy approaches which can be used as valuable approaches also outside the region.

- The Project Preparation Committee (PPC) has achieved considerable results since its creation at the 1993 Lucerne conference. The PPC has been effective in mobilizing and channelling significant amount of donor and IFI financial investments to address key environmental problems in CEE and EECCA. In addition, it has played an important role in ensuring coordination among clients, beneficiary countries, donors and IFIs. Since the establishment of the PPC in 1993 almost 130 large environmental investment projects in CEE and EECCA have passed through the PPC mechanism and received IFI board approval, representing total investment costs of more than 7 billion Euro.

– A key achievement and basis for overall success of the EfE process are the programmes providing environmental information. The publication of pan-European state of the environment reports by the EEA (Dobris Assessment 1995; Europe's Environment: The Second Assessment 1998; Kiev Assessment 2003). These reports helped to identify major threats and challenges for the development of regional environmental policies and allow for measuring progress. Another achievement is the elaboration of Environmental Performance Reviews of more than 20 CEE and EECCA countries since 1994, which have made it possible to assess the effectiveness of environmental policies of countries with economies in transition, and to offer tailor-made recommendations on improving environmental management to reduce pollution loads, to better integrate environmental policies into sectoral policies and to strengthen cooperation with the international community.

– The EfE process has stimulated the adoption of a number of legally binding instruments promoting environmental protection and sustainable development in the region such as the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, and the Protocols on Heavy Metals and on Persistent Organic Pollutants. Environmental agreements developed under the EfE process complement and strengthen the regional environmental legal infrastructure that has been built by the Conventions on Long-range Transboundary Air Pollution, Environmental Impact Assessment in a Transboundary Context, the Protection and Use of Transboundary Watercourses and International Lakes and on the Transboundary Effects of Industrial Accidents.

– Another important initiative developed and implemented through the EfE process is the Pan-European Biological and Landscape Diversity Strategy (PEBLDS). PEBLDS is an important instrument for the implementation of the Convention on Biological Diversity in the pan-European region and as a vehicle for promoting the integration of biodiversity and landscape concerns in all relevant horizontal and sectoral policies. PEBLDS has implemented specific Europe-wide biodiversity programs, particularly valuable were the activities to set up the Pan-European Ecological Network (PEEN). Furthermore, it contributed to an increased consideration of biodiversity issues in sectoral policies such as agriculture and forestry, and has helped to increase the attention paid to biodiversity issues in CEE and EECCA countries.

In particular three factors explain the success of the EfE process: openness and participation, networking, and flexibility (Klarer 2002: 33). First of all, the EfE process is characterized by a very open, participatory multi-stakeholder approach. The process has stimulated the engagement by countries in all parts of the ECE region in a joint effort on a high political level to improve the environment, as well as the engagement by international organizations (including the Council of Europe, the European Union, EBRD, OECD, UNECE, UNEP, WHO, World Bank) and non-governmental organizations active in the region to draw attention to their own agenda in a unique cooperative setting. As a result, all programmes and initiatives in the EfE process typically rest on a group of supporters, often comprising several governments, international organisations and NGOs.

Second, several expert networks have been created within the EfE process which proved to very useful and contributed significantly to the achievement of the aforementioned results. The PPC has created a donor – IFI network to deliver better targeted environmental investments projects, and the EAP Task Force has established various expert networks on NEAPs, environmental financing, urban water management, and enforcement involving western and eastern specialists. The EfE process also has benefited from a strengthened environmental NGO network in Central and Eastern Europe surrounding the European Environmental Bureau (EEB) and Eco-Forum.

Third, the EfE process benefits from its in-built flexibility in adjusting process contents quickly and relatively un-bureaucratically. Most of the current key process contents are based on temporary mandates which are reviewed at the Ministerial Conferences and may be continued, changed or discontinued depending on effectiveness, prevailing circumstances and priorities. Discontinuation of programs requires political strength and can be a very challenging issue if programs were operational for many years and institutional inertia has developed, but the EfE process has done so in the past when main programmes had fulfilled their objectives and it was time to develop new programmes and initiatives. That allows for initiating new work programs which would be impossible or harder to get adopted in other political fora.

Institutional inertia is also prevented by the fact that most of the key EfE programs are designed and funded on a project basis. Attempts for more structural and institutionalized forms of support (membership fees, multi-annual commitments, untied trust funds) usually have not received broad support. As a result, implementing organizations have to develop their work programs piece by piece and are forced to review their approaches on a continuous basis, or, at least after every ministerial conference. This probably leads to effective projects, even if the time and energy input for fundraising and administering contracts is significantly higher.

Maybe as a consequence of the wide perception that the EfE has been a process that allows for real progress and results, numerous new initiatives are now being carried into the process. If these initiatives can be absorbed and coordinated properly, the EfE will become an even more useful platform with increased successes to be reported after Kiev.

5.2 Limitations of the EfE process

Despite the successes of the EfE process described above some limitations and weaknesses related to the overall outcome and individual process components have to be mentioned.

The third EEA assessment tabled in Kiev shows that the overall picture of Europe's environment remains complex. There have been substantial reductions in emissions of substances that deplete the ozone layer, reductions in air emissions and improvements in air quality, and reductions in point source emissions to water leading to improved water quality. Protection of biodiversity through the designation and protection of habitats has provided

some improvements. On the contrary, environmental policies in other fields such as waste management have not led to significant overall achievements in terms of reduced use of natural resources, reflecting the fact that progress here is more intimately related to general economic and social development (EEA 2003: 5-6). Furthermore, positive developments are geographically unequally distributed. Whereas in advanced CEE countries emissions of several key pollutants and resource use could be decoupled from regained economic growth, this has not been the case for many countries in South Eastern Europe as well as Eastern Europe, Caucasus, and Central Asia. The EfE process has helped to improve environmental policies, build capacities and initiate environmental investments in those sub-regions to some extent, but much more progress will be needed. While the re-orientation of the EfE process towards Eastern Europe, Caucasus and Central Asia continued at the Kiev Ministerial Conference and the “Environment Strategy for EECCA” has been adopted by the Ministers as a policy framework for environmental cooperation with the EECCA region, a similar environment programme for the SEE region is not included in the EfE process. The Regional Environmental Reconstruction Programme (REReP) that has been launched in 1999 as part of the Stability Pact for South Eastern Europe administrated by the REC in Hungary still remains outside of the EfE process.

Referring to individual process components EfE stakeholders have expressed some critique over the years:

- EAP TF / PPC: An often heard criticism was that the link between the EAP Task Force and the PPC is not close enough, resulting in an insufficient coordination between the work done by EAP TF on reforming environmental policies and institutional capacity-building and the financing of environmental project investments as part of PPC. This problem has been solved since 2003 when after the Kiev Conference a joint secretariat for EAP TF and PPC was established.
- EAP CEE work programme: The CEE sub-programme of the EAP Task Force which was administrated by the REC unfolded only very little impact on the ground. The sub-programme remained seriously under-funded until its end in 2003. It seems that the REC has not used this programme to its full extent and made little use of the possibilities to develop new initiatives. Instead it seems as if the REC largely continued work it has already done before it got the responsibility for the CEE sub-programme. In addition, the CEE countries involved in EU Accession apparently did not have much demand anymore for specific EAP related work and the development and implementation of REReP (also with REC serving as Secretariat) has shifted interest in SEE countries away from the EAP TF programme.
- PEBLDS: Overall, the work of the Council of Europe and UNEP under the PEBLDS mandate has been rather isolated from other related items in EfE work programs. PEBLDS could be much better integrated with work carried out in other initiatives, especially the EAP Task Force activities. There is no effective link at present, although the two programs could probably benefit from each other if respective links existed. In the

area of financing for biological and landscape diversity PEBLDS could benefit much from the financing work done by the EAP Task Force, both in terms of methods and instruments. Also the intensified exchange on concrete investment projects could be useful and help intensify future investment in biodiversity, landscape and nature protection. This may also balance the strong emphasis of current PEBLDS work on policy issues and conferences.

- MEAs: There has been increasing criticism that in the future more efforts should be undertaken to ensure the proper implementation of existing legally binding instruments, rather than focusing on the development of new instruments.

Overall, there is in particular a necessity for more transparency and better coordination related to the budgeting and financing of individual process components of the EfE process (Klarer 2002: 35). Many process components are struggling with under-financed activities and at virtually every meeting involving donors there are calls for increased or additional funding. The only institution which offers overviews on budgeting and financing of the work program on a regular basis has been the EAP Task Force Secretariat at OECD. It is even more difficult to get an idea on the rough dimension of donor support available for the period after the Belgrade conference and subsequently how many established and new initiatives under the EfE process will be properly financed. One solution proposed to solve this problem was that all major initiatives requiring donor assistance should report on a regular basis at the WGSO meeting on their budgets, committed funding and funding gaps. This solution would make fundraising more effective, the efficiency in allocating limited resources would be increased, overall process transparency would be increased and coordination improved.

6 Future of the EfE process

The Environment for Europe process has come a long and successful way since its establishment in 1991. However, the political context of the EfE process today is vastly different from that of 1991. A discussion on the future aims and directions of the EfE process need to reflect on (UNECE 2002a):

- (a) The impact of European Union (EU) enlargement, where half of the UNECE countries are EU member states and subject to a large body of legislation, common policies and regional assistance programmes;
- (b) The need to follow up on the political commitments and programme of action agreed at the World Summit on Sustainable Development (WSSD);
- (c) The need to reverse the widening gaps in environmental quality and health between Western Europe, on one hand, and Eastern Europe, Caucasus and Central Asia, on the other hand;

In this chapter I will discuss some of the main challenges for the EfE process by highlighting two “key words” for the future: Regionalization and Sustainability.

Regionalization

The third assessment on Europe’s environment and also the Regional Assessment Report (ECE/AC.22/2001/3) on progress made in the implementation of Agenda 21, have highlighted the diversity in the UNECE region and underscored major problems on the road to sustainable development in individual sub-regions. The Regional Ministerial Meeting for the World Summit on Sustainable Development (WSSD) held in 2001 in Geneva recognized “that different levels of economic development in countries of the region may require the application of different approaches and mechanisms to implement Agenda 21”.

The EfE process reacted to this challenge by developing new initiatives and programmes that are more targeted to the specific problems of the sub-regions. Important initiatives on environment and sustainable development have been developed or are under way in the sub-regions such as the Environmental Strategy for Eastern Europe, the Caucasus and Central Asia or the Central Asian Initiatives for Sustainable Development and Water Management. One could also mention the proposed Balkan and Caucasus mountain conventions, or the proposed Dnipro river convention. Regionalization of work programs is also an issue in the CEE/SEE region, as a number of sub-regional initiatives exist already: REReP (SEE countries), Danube cooperation (DABLAS), Black Sea Program, and Baltic Sea Program.

This problem-oriented sub-regional differentiation corresponds with a major change in the political context of the EfE process. Since the fourth Ministerial Conference in 1998 in Aarhus the EfE process has been confronted with a changing political geography in the region. The EU Enlargement that took place in 2004 (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovak Republic and Slovenia) and in 2007 (Bulgaria and Romania) has increased the number of EU Member states to 27 out of 56 UNECE members. The new EU member states have to implement the same environmental policies, standards and rules, and if they require financial or technical support they have access to Community funding. Thus, the work programs carried out under EfE for these countries have been stopped after Kiev as they will be fully integrated in EU environmental policy and related work and support programs.

Accordingly, the EfE process has refocused its priorities towards SEE and EECCA countries at the Ministerial Conferences in Aarhus and Kiev in order to promote a convergence in environmental policies and conditions. However, as Klarer (2002: 33) notes the larger political strategies of most western countries towards CEE countries on the one hand and SEE as well as EECCA on the other hand differ. On one side there was the commitment for full political and economic integration of CEE countries into western European structures, an overall goal largely shared both by western European countries and CEE countries. For SEE countries this model of full integration in terms of becoming an EU member in the future is also a viable option. In case of Eastern Europe, Caucasus, and Central Asia a similar full

integration is neither a goal of western states nor of most EECCA countries. Consequently, overall cooperation approaches differ substantially and western countries, in particular the EU, pursue different strategic objectives and goals in assisting EECCA countries.

The trend towards regional differentiation of work programs will remain an issue in the future. As a consequence, the need for improved coordination between the subregional programmes and the overall regional cooperation arrangement is obvious (Klarer 2002: 31). The challenge for the EfE process is to ensure sufficient coherence – both in principle and through the coordinated implementation of activities - within the multitude of institutions and mechanisms that have been built since the early 1990s.

Sustainable Development as overarching theme

Discussions have started as part of the preparatory process for the Kiev conference on a possible new overarching theme which could secure continued strong political support to the EfE process. Three possible themes have been discussed in some detail so far: “environment and security”, “policy integration” and “sustainable development” (Klarer 2002: 40). The majority of EfE stakeholders have stated a preference for the latter as the theme “sustainable development” continues to carry political attraction for sure.

A number of links between the Rio process and the EfE process already exist (Klarer 2002: 66). On the conceptual level, the EfE process is firmly based on the philosophy of Agenda 21. This has been reflected in all ministerial declarations at the previous five EfE ministerial conferences. In particular, the EAP was building on Agenda 21. Although it has not been explicitly stated in EfE ministerial declarations so far, the EfE process could be seen as pan-Europe’s major response to implementing the “environmental pillar” of Agenda 21 in the ECE area.

A direct link between the two processes is the work under PEBLDS. One key goal of the PEBLDS related work is to enhance the implementation of the CBD in Europe. As biodiversity issues have received much attention in the Johannesburg Plan of Implementation, the links through PEBLDS could be further strengthened. In addition, a number of legally binding instruments elaborated under the EfE correspond to priorities mentioned in the Johannesburg Plan of Implementation (Protocols on POPs and heavy metals under the Convention on Long Range Transboundary Air Pollution and the Aarhus convention).

Most of the themes mentioned in the Johannesburg Plan of Implementation are either already covered by the EfE process or could easily be integrated, but some are not or only little covered by EfE and could be picked up by UNECE under a new mandate, including: sustainable development strategies; environmentally sound management of chemicals; environmentally sustainable tourism; and poverty issues in all dimensions, not just environmental.

On the institutional side, a number of organizations included in the EfE process also play major roles in the Rio process. The more direct links include:

- The UNECE, which has a central, coordinative role in the EfE process and also has a coordinative role since the Johannesburg WSSD on the regional level.
- UNEP, which performs secretariat functions under the PEBLDS work and at the same time, is a key implementing institution under the Rio process as regards the “environmental pillar” of sustainable development.
- The World Bank who is involved in the PPC work under the EfE, as well as in investment and policy development related work under the Rio process.

In fact, most of the main stakeholders in the EfE process are involved in or at least following developments in the Rio process and related work.

7 Conclusions

The Plan of Implementation adopted at the 2002 Johannesburg World Summit for Sustainable Development calls for strengthening institutional arrangements for sustainable development at regional level. The EfE process could be seen as a predestined instrument for fulfilling this call, at least for the environmental dimension of sustainable development. It has brought about good results since its creation in 1991, it offers a functioning multi-stakeholder approach, all past EfE ministerial declarations have stressed the link to Agenda 21, UNECE is involved with a key coordinative role in EfE, networks and partnerships have largely been built etc.

The institutional structure of east-west environmental co-operation under the EfE process was thoroughly discussed at the Lucerne Conference. The overall coordination of the EfE process was put in the hands of the UNECE Senior Advisers, now the Committee on Environmental Policy. The task of drawing-up the state of- the-environment reports was assigned to the European Environment Agency. For the implementation of the EAP, a Task Force was set up under the co-chairmanship of the European Commission and one east European partner. Finally, the PPC was established as a means to facilitate the project preparation and investment process by strengthening the link between donors, international financial institutions, and CEE countries. Secretariats for both institutions were placed with existing international organizations with related tasks: the EAP Task Force with the OECD and the PPC with the European Bank for Reconstruction and Development. The Council of Europe was asked, in co-operation with the World Conservation Union (IUCN), the United Nations Environment Programme (UNEP), the European Commission and interested governments and organisations, to pursue activities regarding protected areas. This later led to the European Biological and Landscape Diversity Strategy, adopted by the Ministers at the Sofia Conference in 1995. This institutional arrangement has been in place basically until the fifth Ministerial Conference in 2003 in Kiev.

Overall, the EfE process has delivered good results based on this institutional arrangement. It has generated some of the benefits attributed to regional environmental organisations as

described in chapter 2. First of all, the EfE process acts as a link between the global and national levels already. In fact, a major reason for retaining the EfE process remains the responsibility of the ECE region for addressing global environmental challenges in a regional pan-European framework. Global and regional environmental challenges are essentially the same but need to be addressed in a way that is specific to each region. Second, the EfE process has provided for regional public goods through the adoption of legally binding multilateral environmental agreements (Aarhus Convention, Carpathian Convention) and several protocols on POPs, heavy metals, civil liability and pollution release and transfer registers related to existing UNECE conventions. Environmental agreements developed under the EfE process thus have complemented and strengthened the regional environmental legal infrastructure that has been built by the conventions on air pollution, environmental impact assessment, transboundary waters and industrial accidents.

Third, the EfE process has through its work programmes significantly contributed to environmental capacity-building, fostered policy transfer and learning, and has helped to provide better targeted environmental financing. The EAP Task Force has been playing an effective role in promoting environmental policy reform and capacity building in economies in transition, particularly in the preparation of national environmental action programmes, environmental financing and environmental management in enterprises. The PPC has mobilized external financing to resolve priority environmental problems in countries in transition, as well as in ensuring coordination among clients, host governments, donors and international financial institutions (IFIs). The publication of periodic pan-European assessment reports on the state of the environment is another major achievement of the EfE process.

And last but not least, the UNECE programme on environmental performance reviews have increased environmental capacities and fostered mutual policy learning. Most of the countries in transition have voluntarily requested Environmental Performance Reviews. They have seen this as a key tool for documenting the range and complexity of their environmental problems; for understanding possible next steps, sharing experience and monitoring progress; and for engaging fully in regional and global processes.

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