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ENVIRONMENT AND TRADE

**Activities of the UNECE Committee on Environmental Policy of Interest to the
Committee for Trade, Industry and Enterprise Development**

DOCUMENT FOR INFORMATION AND DISCUSSION

Note by the secretariat

1. This paper describes activities of the UNECE Committee on Environmental Policy (the Environment Committee) that are related to areas of interest to the UNECE Committee for Trade, Industry and Enterprise Development (CTIED). These common areas of interest represent opportunities for possible cooperation between the two Committees.
2. Among the principal objectives of the CTIED is to facilitate and strengthen the integration of all countries, and especially those in transition, into the European and global economy, and to prevent the development of new barriers to trade within the region. The CTIED seeks to achieve these objectives through the following activities, among them:
 - Assistance in the reduction of technical barriers to trade and market access;
 - Development and promotion of standards, common procedures and best practices for trade;
 - Encouragement of the adoption of international and, if appropriate, regional standards and norms related to trade and business.

3. The overall aims of the Environment Committee are to assess countries' efforts to reduce their overall pollution burden and manage their natural resources, to integrate environmental and socioeconomic policies, to strengthen cooperation with the international community, to harmonize environmental conditions and policies throughout the region and to stimulate greater involvement in public and environmental discussions and decision-making. The Committee's work is organized in three strategic pillars:

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

4. Some of the Environment Committee's activities touch upon areas of interest to the CTIED. This is essentially the case of the Environment Committee's work in the areas of (a) sustainable development; (b) regional and sub-regional cooperation; (c) local capacity building and (d) awareness raising and information dissemination. These common areas of interest are described below.

Part One

SUSTAINABLE DEVELOPMENT

5. One of the CTIED's principal objectives is to assist its member States and, especially, countries in transition in achieving sustainability in trade, industry and agriculture. From this perspective, the Environment Committee's work on sustainable development in the ECE region is particularly relevant.

6. The Environment Committee's work on sustainable development has three main components: the "Environment for Europe" programme, the follow-up to the Regional Ministerial Meeting for the World Summit on Sustainable Development and the development of environmental cross-sectoral programmes designed to support national and regional efforts to accelerate the shift towards sustainable consumption and production in the ECE region.

I. ENVIRONMENT FOR EUROPE PROGRAMME

7. The Environment Committee's "Environment for Europe" process aims at encouraging environmental cooperation among major partners in the region through a series of conferences involving ECE member countries in Europe, North America, the Caucasus and Central Asia. The Committee participated in the substantive and practical preparation of the 2003 Ministerial Conference in Kiev, where ECE States discussed and adopted documents regarding on the following:

- (a) Environmental policy in transition;
- (b) Guidelines for strengthening compliance with and implementation of multilateral environmental agreements in the UNECE region;
- (c) Guidelines on energy and environment;
- (d) Statement on education for sustainable development;
- (e) Future of the "Environment for Europe" process;
- (f) Guidelines on the development of state-of-the-environment reports and recommendations on strengthening environmental monitoring and information systems in Eastern Europe, the Caucasus and Central Asia;
- (g) Development of subregional strategies (e.g. on environment, water and security in Central Asia).

8. The Committee, in consultation with UNECE other principal subsidiary bodies and in cooperation with other relevant organizations and institutions, is in charge of monitoring the outcome of the Kiev Conference and preparing mid-term assessment discussion in 2005, back to back with the first meeting of the Preparatory Group for the next "Environment for Europe" Ministerial Conference.

II. FOLLOW UP TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

9. The Environment Committee also contributes to the regional implementation of the Johannesburg Plan of Implementation, adopted at the World Summit on Sustainable Development. In April 2003, the Committee invited other UN regional commissions to consider organizing a meeting on the thematic clusters in the implementation of the Johannesburg Plan. The Committee also prepared the First Regional Implementation Forum on Sustainable Development, which took place in Geneva, Switzerland, on 15-16 January 2004. At this forum, UNECE member states assessed the region's progress in implementing sustainable development commitments, with a particular focus on human settlements, water and sanitation. The Forum considered inter-linkages between these three themes, cross-cutting issues relating to them, and the role of the UNECE region in the global context. It was also an occasion for the ECE States to exchange their experience and best practices in these three particular areas.

III. CROSS-SECTORAL ENVIRONMENTAL PROGRAMMES: ENVIRONMENT, TRANSPORT, HEALTH AND ENERGY

10. The Environment Committee has established information sharing, as well as several cross-sectoral activities and cooperation with other UNECE committees (e.g. human settlements, transport, and sustainable energy), with the UNECE conventions' governing bodies, as well as with other international organizations, such as the World Health Organization (WHO). At the present time, the Committee is involved in three main cross-sectoral programmes: the Transport, Health and Environment Pan-European Programme (PEP), the European Environment and Health Committee (EEHC) and the work on energy and the environment.

11. The Transport, Health and Environment Pan-European Programme (PEP) was established at the second High-level Meeting on Transport, Environment and Health (Geneva, 5 July 2002) to consolidate and focus the relevant activities of the UNECE and the WHO Regional Office in three key priority areas: (i) the integration of environmental and health aspects into transport policy; (ii) demand-side management and modal shift; and (iii) urban transport. Activities in these key areas are coordinated and implemented by the Steering Committee for the PEP, composed of UNECE and WHO/Europe member State representatives from the transport, environment and health sectors, in close cooperation with relevant international and non-governmental organizations. Special attention is paid to the needs of the newly independent States and South-east European countries as well as to particularly sensitive ecological areas of the region.

12. The Environment Committee also contributes to cross-sectoral work on environment and health in Europe by participating in the work of the European Environment and Health Committee (EEHC). The EEHC, established in 1994 at Ministerial Conference on Environment and Health in Helsinki, aims at setting the agenda for environment and health in Europe for the start of the 21st century and achieving agreement on concrete commitments to specific actions for implementing the National Environment and Health Action Plans (NEHAPs).

13. Finally, in order to progressively reduce and, where possible, remove energy price subsidies which counteract the efficient use of energy and/or have harmful effects on the environment, the Committee on Environmental Policy, in cooperation with the UNECE Committee on Sustainable Energy prepared Guidelines on Reforming Energy Pricing and Subsidies. These Guidelines were endorsed by the UNECE Environment Ministers at the 2003 Kiev Conference. As a follow-up, both Committees were invited to examine the role of economic instruments in promoting the use of renewable energy taking into account the work of the OECD and other international organizations. The Committee on Environmental Policy continues to look into the environmental aspects of energy by maintaining a close contact with the working group on renewable energy, set up by the Committee on Sustainable Energy.

Part Two

ENHANCING REGIONAL COOPERATION

14. In line with the CTIED's work on enhancing regional and subregional cooperation between the ECE member States, the Environment Committee assists them in strengthening regional environmental strategies. More concretely, the Environment Committee is participating in the development of two regional cooperation initiatives: Environment Strategy for Eastern Europe, the Caucasus and Central Asia and the programme on Environment, Water and Security Partnership in Central Asia.

I. THE ENVIRONMENT STRATEGY FOR EASTERN EUROPE, THE CAUCASUS AND CENTRAL ASIA

15. The Environment Strategy for Eastern Europe, the Caucasus and Central Asia (EECCA), adopted at the 2003 Kiev conference, aims to contribute to improving environmental conditions and to implementing the World Summit's Plan of Implementation in the subregion, by strengthening the efforts of the EECCA countries in environmental protection and by facilitating partnership and cooperation between these countries and other countries of the UNECE region and by including all stakeholders. The Environment Committee is considering redirecting relevant items of its work programme towards the implementation of the EECCA Strategy. In particular, the environmental performance review programme and the existing policy tools, such as the UNECE conventions and protocols, will be used to provide support in monitoring EECCA countries' efforts to achieve their objectives. The Committee's Working Group on Environmental Monitoring will also be involved in strengthening environmental information and observation capacity in the EECCA countries.

II. CENTRAL ASIAN INITIATIVE ON ENVIRONMENT, WATER AND SECURITY

16. At the 2003 Kiev Conference, Central Asian countries launched the initiative *Environment, Water and Security: Invitation to Partnership*. More specifically, the Ministers recommended starting preparations for a partnership agreement on transboundary water problems, environment and security in Central Asia, as part of the follow-up to the Johannesburg Plan of Implementation and as a contribution to the European Union Water Initiative and other water initiatives in the region. The Environment Committee was chosen as the forum for exchanging information and discussing progress on the development of such a partnership.

Part Three

LOCAL CAPACITY BUILDING

17. The CTIED, recognizing the importance of local capacity building and technical support for the successful implementation of its recommendations, standards and norms in the areas of trade, industry and entrepreneurship, has developed a number of special programmes aiming at setting and strengthening governmental and private institutions in its member States and, more particularly, in countries in transition.

18. Similarly, an important part of the Environment Committee's activities is dedicated to helping UNECE member States to develop institutions, which can achieve quality in environmental governance and benchmarking. The three most important lines of work under the Environment Committee in this area are:

- (a) Environmental performance reviews
- (b) Environmental monitoring.
- (c) Support for implementation of the UNECE environmental conventions and protocols in the ECE region.

I. ENVIRONMENTAL PERFORMANCE REVIEWS

19. The environmental performance reviews (EPRs) of selected UNECE countries have been part of the Committee on Environmental Policy's work programme since 1996. The review programme assists individual countries in assessing progress, promoting policy dialogue through peer reviews, stimulating greater accountability and offers the Governments concerned tailor-made recommendations on how to reduce the overall pollution burden. The following countries have already been reviewed: Albania, Armenia, Azerbaijan, Croatia, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, the Republic of Moldova, Romania, Serbia and Montenegro (reviewed as Yugoslavia), Slovenia, the former Yugoslav Republic of Macedonia, Ukraine and Uzbekistan. Similar reviews have also been carried out, in cooperation with OECD, in Belarus, Bulgaria, Poland and the Russian Federation. Second reviews have been undertaken in Bulgaria and Estonia. The Ministers at the fifth "Environment for Europe" Conference reaffirmed their support for the EPR programme and recommended that the first round of reviews should be completed and the second round proceed. It was further suggested that reviewed countries could, on a voluntary basis, provide an interim report to the Committee on Environmental Policy on the implementation of the first review's recommendations within three years of the conclusion of that review.

II. ENVIRONMENTAL MONITORING

20. As a part of its work to help UNECE member States to enhance the quality of their environmental benchmarking, the Committee set up a working group on environmental monitoring which serves as an instrument for UNECE member States to make recommendations, to propose action plans and to improve the coordination of international activities within the region. The activities of the Working Group emphasize strengthening environmental information and observation capacities, particularly in the 12 countries of EECCA. This will make it possible to continue to integrate EECCA countries into major international networks, in particular those that are developed by the European Environment Agency focusing on areas that were emphasized by Ministers in Kiev and the Environment Strategy for EECCA. The monitoring work makes use of the wealth of experience collected under the UNECE environmental conventions. The Environment Committee also contributed to the Third Pan-European Environmental Assessment report, the Recommendations on strengthening national environmental monitoring and information systems in EECCA and the Guidelines for the preparation of governmental reports on the state and protection of the environment, adopted at the Kiev Conference.

III. SUPPORT FOR IMPLEMENTATION OF UNECE ENVIRONMENTAL CONVENTIONS AND PROTOCOLS IN THE ECE REGION

21. The Committee provides the ECE States with assistance in the implementation of regional environmental conventions and protocols, negotiated and adopted within the framework of UNECE, such as:

- (i) The Convention on Long-range Transboundary Air Pollution and its eight protocols;
- (ii) The Espoo Convention on Environmental Impact Assessment in a Transboundary Context;
- (iii) The Convention on the Protection and Use of Transboundary Watercourses and International Lakes and its Protocol on Water and Health;
- (iv) The Convention on the Transboundary Effects of Industrial Accidents;
- (v) The Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters.

22. All five conventions and their protocols have their own independent governing body. The Committee contributes to their implementation by serving as a catalyzing forum in which all government representatives, including the governing bodies of regional conventions, can share their experience in promoting and assessing the implementation of regional environmental instruments, and identify means of improving compliance with them.

Part Four

AWARENESS RAISING AND INFORMATION DISSEMINATION

23. An important part of the CTIED's activities is dedicated to the active promotion of its work in the ECE region and development of closer ties to public and private stakeholders in the areas of the committee's competencies. The CTIED is maintaining and strengthening its contacts with the private and public sector in the countries in transition through its Multiplier Point Programme – a network of private and public organizations, who receive regular updates on the Committee's work and channel them to interested parties in their country/region.

24. Likewise, the Environment Committee attaches much importance to the need to raise awareness of environmental issues in the UNECE region and to make the policy framework for environment-related initiatives more visible. It is currently developing a communication strategy, whose major objectives are to: (i) raise the profile of the "Environment for Europe" process; (ii) make more effective use of its achievements to inform the general public and stakeholders; (iii) encourage stakeholders to join an interactive communication activity and use all relevant information channels. The Environment Committee intends to take specific actions for improving communications, providing information, and exploring the potential for interactive communications with stakeholders.

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