

## Environment and Sustainable Development

In 2012, all countries except Moldova, which was the best performer last year, demonstrated the positive trend of the growing index in comparison with 2011. Ukraine achieved the biggest increase. The gap between the best and worst environmental performers tends to reduce, however Moldova remains the leader. Belarus and Armenia are the next obtained the highest overall indexes this year. Ukraine and Azerbaijan remain with the lowest result, due to high pressure on environment and complicated environmental conditions. Georgia is in the middle of the ranking being very close to Ukraine.

The index assessment is composed of 2 major parts: 1) environment, climate change and sustainable development policy; 2) resource efficiency, pressure to/ state of the environment.

In the first part, Moldova has highest result mainly due to starting preparation of the separate national environmental policy and Shared Environmental Information System Action plan. Ukraine remains the second followed by Armenia. Georgia and Belarus are next to Armenia. Azerbaijan closes the “policy” chart with a significant gap.

Though Moldova still leads in the dedicated policy adoption, no considerable progress in the environmental policy integration (EPI) has been achieved. Still, Moldova has never been recognised non-compliant under main conventions with compliance mechanisms. Ukraine is at the second position in terms of policy development (implementation). It has been implementing the new environmental law on the State Environmental Strategy and the governmental National Environmental Action Plan (NEAP), where the EPI is a core, but the last-year attempts to adopt EPI instruments concerning Environmental Impact Assessment (EIA) and Public participation in EIA failed. Thus, 2011 decisions on Ukraine’s non-compliance with the Aarhus and Espoo UN ECE Conventions have not been lifted. After implementing recommendation of the Compliance Committee of the Kyoto Protocol, the suspension imposed on Ukraine in 2011 under the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC) was lifted in March 2012. Armenia ranks third and remains the only country among the six EaP’s that has ratified the Protocol on Strategic Environmental Assessment to the Espoo Convention, one of the main EPI instruments. Only three countries (Ukraine, Georgia and Armenia) have separate environmental policies adopted by the Government/ Parliament. Armenia started to develop the 3<sup>rd</sup> generation of the NEAP in 2013. Georgia and Belarus shared the 4<sup>th</sup> place in the ranking. Georgia has adopted the 2<sup>nd</sup> generation of the NEAP in January 2012. It is the only country from the region, which is neither a signatory nor the party to the Espoo Convention yet. Belarus ratified the European Council’s Bern Convention on [European Wildlife and Natural Habitats](#) in 2013. Ukraine keeps the lead in the region regarding the number of Environmental Conventions and Protocols ratified. The environmental policy and legislation development process shows some positive dynamics in Azerbaijan as well, since a new draft law on EIA has been recently submitted for adoption and a separate environmental policy development is envisaged.

In terms of sustainable development (SD) policy, Belarus is implementing a “National Strategy for sustainable development for the period to 2020” adopted in 2004. Armenia has recently adopted the National Programme on Sustainable Development, elaborated with active public participation. It has also the functioning National Council on Sustainable Development (NCSD) under the President, where NGOs have a sit. The NCSD in Moldova has been established with NGO participation; and elements of SD strategy are being implemented in sectoral programmes such as the one on sustainable agriculture, etc. Azerbaijan has been implementing the State Programme for the Sustainable Development of Regions and the Sustainable Development and Poverty Elimination

Programme, both for the period of 2008-2015. No SD policies/ strategies have been adopted so far in Moldova, Georgia, and Ukraine. The latter has the SD principles and elements incorporated into its State Environmental Strategy. All countries, partially except Armenia, miss effective SD institutional provisions at the national level, though the preparation to Rio+20 Conference on Sustainable Development revitalised some SD-related activities in the region. The 10-years framework policy on Sustainable Consumption and Production is under preparation in Armenia, Ukraine and Moldova. Discussions on the need for Green Economy policy are the most popular new trend after Rio+20 among 6 EaP countries.

In terms of Sustainable Development and Trade, several indicators were considered. Ukraine ratified the greatest number of ILO conventions (69) among EaP countries; 60 out of those are in force. Azerbaijan follows with 57 and 55 conventions correspondingly; the relevant numbers for Belarus are 49 and 42, for Moldova 42 and 40, for Armenia 29 and 8 and Georgia closes the list with 16 ILO conventions ratified and effective. There is some progress in the introduction of the EU-comparable mechanism for prevention of illegal and unofficial fishery. A corresponding law was adopted in Moldova in 2006, while Ukraine adopted several relevant normative acts in 2012. A slightly better situation is observed in control on legal trade in forestry, in particular in Armenia, Belarus and Ukraine.

Separate Climate change policy (country strategy or doctrine) is under different stages of preparation. Low Emissions Development Strategy of the Republic of Moldova, discussed with the public in 2012, was sent to the Government for approval in March 2013. Climate mitigation policy exists in all countries but at different levels of development. Climate adaptation is a relatively new topic and policy instruments for its implementation are generally at the phase of preparation and/or adoption. Draft National Action Plans on Climate Change Adaptation are facing difficulties in agreeing them with economic sectors since the interagency coordination on environmental matters remains insufficient.

The rating and analysis of 12 indicators on resource efficiency, pressure to/ state of environment index demonstrate that Belarus remains the country with the best environmental situation among the EaP partners, followed by Armenia and Georgia. Ukraine has the worst results in this section. Moldova left the top three countries and equalled with Azerbaijan. At the same time, Ukraine has shown the biggest progress in comparison with 2011. Armenia and Azerbaijan follow while Belarus, Georgia and Moldova have lowered their performance. Azerbaijan possesses the highest water exploitation index (WEI), while in Armenia it has been significantly reduced. Some improvement in this indicator has been achieved by Moldova and Ukraine. Belarus remains the best with no changes in its WEI, as well as with the lowest level of wastewater discharge. While Ukraine's and now Armenia's WEI is comparable with the EU-27 average, Azerbaijan's is twice higher and growing. A slight reduction in water pollution is observed in Ukraine, Armenia and Moldova, but it has grown significantly in Azerbaijan and Georgia. Ukraine is the leader in SO<sub>2</sub> pollution, showing app. three times higher emission than EU-27, though the amount slightly reduced it in 2012. Belarus has overtaken Ukraine in leading on NO<sub>x</sub> pollution in EaP countries in 2012.

At the same time, the level of individual consumption of all EaP countries still has not reached the EU-27 levels, which also manifests in lower municipal waste production per capita by weight. The domestic waste generation per capita seems to be not changing or even being reduced in kilos. However, there is a tendency of changing waste structure, therefore the volume is growing. The share of plastics increases and the overall recycling share has dropped in Ukraine. Recycling has slightly improved in Armenia, grown in Moldova, reached in Azerbaijan 15% and grew in Belarus up to 16%, compared to over 22% average in the EU-27.

In terms of intensity of countries' activities on realization of their emission reduction potential, which was considered as the countries' targets, Ukraine, Belarus and Moldova are leading in the region, though the reduction rate has slightly declined compared to 2011.

Georgia has the highest pesticides input per ha, almost twice exceeding the EU average, Moldova and Belarus correspond to the EU practice, and Ukraine has the best situation taking only 0,6 kg per ha and thus making the least pressure on soil. Meanwhile, the level of soil erosion remains very high in EaP countries. All of them exceed the EU-27 average. The worst situation is in Ukraine, where erosion reached 57.5% in 2011 and only slightly improved in 2012, still being three times higher than in the EU-27. Armenia follows with 42% and the tendency of improvement; Azerbaijan and Georgia stay without changes with 36.4% and 33% correspondingly. The situation in Moldova and Belarus has worsened. The countries still look relatively well in absolute figures, but Moldova's eroded areas grew by 4% in comparison with 2011 and now constitute 30% of the territory; and Belarus soil erosion grew by 9% in 2012, constituting already 28% of the territory.

In terms of the forest area, only Belarus and Georgia exceed the EU-27 share. The trend for Belarus is negative: 2% were lost in 2012. Other countries remain on the same level: Ukraine has proportionally half as much forestland as the EU-27 average, while Armenia, Azerbaijan and Moldova each have only one third. A similar situation is observed with natural protected areas. None of the EaP countries came close to the EU-27 average, however, Azerbaijan ranks highest with two thirds of EU areas, followed by Ukraine with one third and Moldova with one fourth being the worst. In 2012, the majority of countries enlarged their natural protected areas. Armenia was the best performer and increased its share by 3% in 2012, coming with the leading overall 12%. Ukraine, Moldova and Georgia have also improved the situation. Azerbaijan with total 10% and Belarus with 7,7% share are second and third without change.

The general conclusion could be drawn that the majority of the countries are slowly progressing in environmental policy reform required by the bilateral agreements with the EU and Multilateral Environmental Agreements (MEAs). This refers to planning, adoption, implementation and reporting of environmental policy and its sectors. Slight improvements in water sector, waste management and soil rehabilitation signal about some positive trends in the effectiveness of environmental protection measures. However, it is also the result of many years of long-term activities having the cumulative effect, since a year is a too short period to feel the difference in such stressed sectors as water and waste and even more – soil. Another factor is the quality of statistics, which is also gradually being improved. Overall, it is too early to conclude that trends are persistent.

Interagency coordination and cooperation remains to be the main challenge in reducing environmental pressure and increasing resources efficiency. The trend of growing air pollution is observed in all countries with significant contribution from the energy sector. To combat this and other negative trends, the environmental governance reform should receive more attention and support within the countries' cooperation with the EU.

The progress in policy elaboration and international cooperation was slower in some countries. The gap between the adoption of new strategies, plans and laws and the resource efficiency and the state of environment tends to reduce. Moldova remains the most successful in ensuring environmental policy effectiveness, followed by Belarus and Armenia. Despite having the biggest territory in Europe and inherited heavy environmental consequences from the past, Ukraine has shown the best overall positive dynamics of environmental performance in 2012 in comparison with other EaP countries.