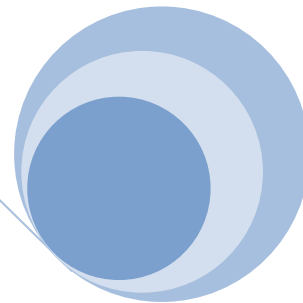
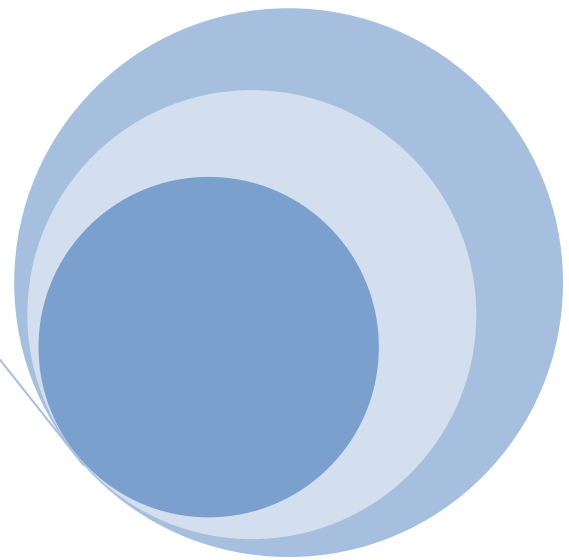


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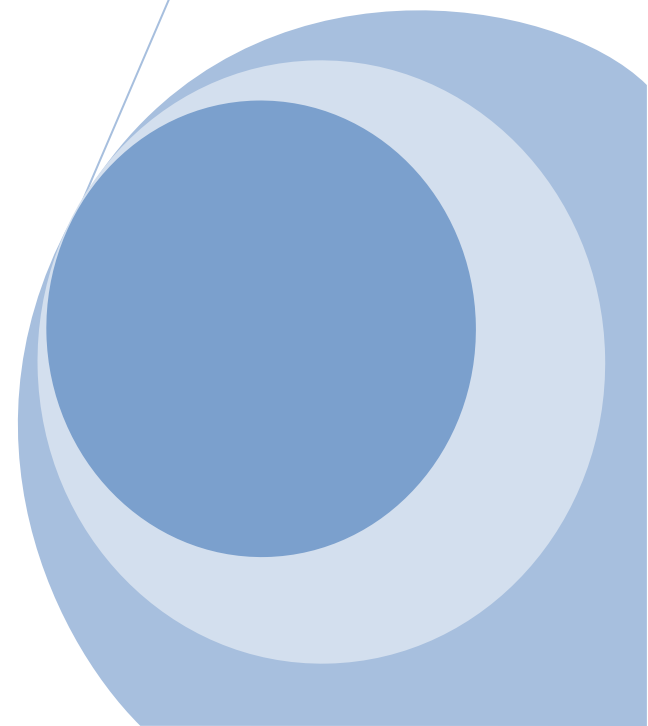


# **Towards Eastern Partnership Civil Society Forum**

Occasional Policy Brief: The Possibilities for  
Sectoral Policy Reforms in Armenia Within the  
Context of the Eastern Partnership: The Example  
of the Environmental Sector and Climate  
Change

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# **The Possibilities for Sectoral Policy Reforms in Armenia**

## **Within the Context of the Eastern Partnership:**

### **The Example of the Environmental Sector and Climate Change**

#### Executive Summary

In this analysis, the conclusions and practical suggestions regarding the policies, planning, implementation and monitoring of the Eastern Partnership are grouped according to 9 separate sections:

#### *1. Planned Actions*

- The concept of the *Armenia, National Indicative Program 2011-13*, being implemented within the Eastern Partnership, contradicts to some extent the priorities and principles of the Eastern Partnership as well as the European Union-Armenia Action Plan of the European Neighborhood Policy:
  - a. Issues regarding climate change have not been included in the priority list of the National Indicative Program; they are only additional components in different stages of program implementation. This approach contradicts the European Union policies of environmental management, strategic planning, sustainable development and climate change mitigation and it does not facilitate the implementation of these concepts.
  - b. The National Indicative Program speaks of regular consultations with civil society and the possible involvement of civil society in monitoring activities, but in the concept of the program the outlined collaboration with civil society in the program implementation and monitoring is not mandatory in nature.
- In order to improve the policy of the National Indicative Program (and to resolve the contradiction mentioned in point a. above) in addition to indicated three priority areas it is proposed to add a comprehensive strategic activity aimed at covering policy development on most important issues (strategic planning, sustainable development, ecological governance, the climate change alleviation, etc.). This will facilitate policy formation and, in particular, will link the priority sectors with issues of climate change. If the methodical approach outlined in this proposal is adopted, it will prevent

other future inconsistencies and contradicting content between the concepts of new that are currently in process of development (i.e. Association Agreement) programs and the priorities of the Eastern Partnership program or the priorities of the European Union-Armenia Action Plan.

- In the National Indicative Program (in order to resolve the contradiction mentioned in point b. above) as well as in future Eastern Partnership programs and concept papers, as an example of the regulation of the participation of civil society, it is proposed to adopt the principles of the European Landscape Convention, where the participation of civil society is noted particularly as a policy indicator and tool which is considered to be mandatory in all stages of policy formation and implementation and assumes an exchange of opinions and discussions (both horizontal and vertical), the development and existence of partnerships as well as the agreement of actions.
- In relation to the policy of the European Commission for decision making on budgeting for sectoral development in Armenia, it is proposed to consider, besides the defined preconditions regarding the specific sector (such as existence of a strategy specifically developed for the sector, a strong macroeconomic structure and a healthy system of state financial governance), the existence of a clear strategy, mechanism and process for the involvement of civil society in the specific sector or specific development program, as well as the results of that involvement in previous programs of this kind.

## 2. Completed and Ongoing Actions

- Among the completed programs in the area of climate change, the publication of the second national communication in 2010 by the Ministry of Nature Protection of the Republic of Armenia, within the UN Convention on Climate Change, is of great significance. It includes statistical data, which relate to the period covered by the first national communication, 1998 to 2006, and its composite structure makes it superior to the first national communication. In general, the strategy of programs implemented in Armenia relating to the environment and climate change consists of 4 basic priority areas, which are (a) the establishment of sustainable economic development, (b) the implementation of targeted social policies aimed at raising the standard of living of the population, (c) raising the effectiveness of state management and (d) the provision of environmental conservation and the sustainable management of natural resources. Although there have been positive results in separate sub-sectors (such as the elaboration of the strategy, legislation and national adaptation activities of the climate change sector, the efforts for strategic ecological

assessments, raising the public awareness according to the requirements of the Aarhus Convention etc.) a tendency towards sustainable development in all the mentioned areas has not been registered in general. Among the abovementioned positive results could be mentioned the following: the elaboration of the strategy, legislation and national adaptation activities of the climate change sector, the efforts for strategic ecological assessments, raising the public awareness according to the requirements of the Aarhus Convention (the arrangement of ecological public information centers), the elaborations and implementation of “Clean development mechanisms” programs in accordance with the Kyoto agreement requirements (some of them have been registered with the UN, the implemented and currently being implemented programs of the “Clean development mechanism” include the following: the usage of the biogas in the city solid waste landfill and the electricity production, the Lusakert biogas factory with its capture and burning of the methane refined from guano, the small hydro project of Yeghegis, the small hydro electro station programs of “Argiji”, “Yeghvard-2”, “Hanqavan-1”, “Jradzor-1” within the Clean development mechanism, the Optimization of the cement production technological process and the incorporation of the energy efficiency technologies in the “Mika Cement” CJSC, the project of the reconstruction of the heating and hot water provision in the community of Avan in Yerevan, the project of reprocessing of biogas from guano and the production of thermal energy in the “Araks poultry” CJSC).

- Despite the existence of the corresponding legislation and implemented pilot projects for demonstration purposes there remains a lot to be done and a large need for the use of renewable energy sources. The issue is strategic in the sense that it relates directly to climate change: Armenia, in contrast to carbon containing natural resources has natural resources rich in renewable energy. The implemented projects mentioned above among others include the construction of Lori-1 windmill station with an installed power of 2.64 MW, the construction of small hydro electro stations (with 10MW power the maximum), the elaboration of techno economic justification of “Jermaghbyur” geothermal electro station with 25MW power, the construction of the solar water heater station with a total area of 3000m<sup>2</sup>, the installation of the photovoltaic station of 10KW power in the Armenian-American health center working in parallel with the electric distribution network. With the support of the Global Ecological Fund and other donors, the implemented demonstrative programs have had promising results and need to be further developed and spread to all the regions of Armenia, using loans, among other means, for these purposes.

### 3. Adapting and improving legislation

- A large number of initiatives have been implemented aiming at adapting and improving legislation in the European Union-Armenia environmental sector. However, the current legislative field is still in great need of reform, especially as far as introducing clear and realistic mechanisms for law enforcement, accountability and oversight are concerned. It is necessary to emphasize the application of the corresponding law to strategically deal with the solution to ecological problems as well as to provide environmental legislation with the authority to be mandatorily enforced. This includes:
  - a. Improving steps aimed at raising a sense of respect for ecological laws and preventing the violation of environmental legislation,
  - b. Supporting the improvement of procedures to apply the law, inspect and oversee it; as well as supporting the monitoring of environmental legislation,
  - c. Regular reports on the application of environmental legislation,
  - d. An exchange of information about best practice among European Union partner countries about applying the law and providing environmental legislation with the authority to be mandatorily enforced, using the potential of the European network created for this sector (the European Union Network for the Implementation and Enforcement of Environmental Law - IMPEL).
- The lack of respect towards the fulfillment of the requirements of the law has led to the existence of a number of serious environmental problems in the country, accompanied by a certain sense of tension in society and the presence of an atmosphere of distrust. The decisions taken and the approach used in processes related to the environment often show “environmental discrimination” towards the local population or certain social groups in the population.
- It is proposed to also include the Republic of Armenia “Law on green plantations in residential areas” in the priority package for European Union-Armenia legal approximation.

### 4. Sector policies and management

- A variety of steps have been taken to improve the current concepts and strategies as well as to match them with European Union policies. However, from a policy point of view, the body of knowledge about the state of the environment - with scientific and economic indicators and their

trends - is unsatisfactory, as is also the level of development of a system to predict and prevent ecological risk, natural and man-made dangers.

- Important structural reforms have been implemented in order to develop environmental management – in particular, the subdivisions at the Ministry of Nature Protection dealing with the development of environmental policy and its implementation have been separated. As far as the policy of the environmental sector of Armenia is concerned, it is necessary to note that the policy gaps are in: (a) the lack of a principled and universal approach, (b) the shortcomings in the implementation of strategic concepts, (c) the lack of a consistent approach towards sustainable development and (d) lack of a composite and comprehensive cross-sectoral approach. In this sense, a knowledge of the components of environmental policy and environmental management of the countries of the European Union and of the 1957 Treaty of Rome would be very useful to Armenia. This knowledge can help to clarify the basis of taking decisions, which consists of the use of reliable and consistent information, and to build a united and comprehensive approach to the issue by informed stakeholders. The decision making process should consider the full impact on the environment, including on a long term basis.
- From the point of view of effective environmental management, it is important to implement procedures outlined by the European Union that study the environmental impact of programs, such as the Environmental Impact Assessment [EIA] <http://ec.europa.eu/environment/eia/home.htm> and the Strategic Environmental Assessment [SEA] <http://www.sea-info.net> procedures. These are very useful mechanisms to assess the direct and indirect impact on the environment by projects and for deciding the steps to be taken to reduce that impact. The use of these procedures by the European Union is also guaranteed for countries which are not members.

##### *5. Strengthening of administrative and specialist competencies*

- There is a great need for the strengthening of administrative and specialist competencies at all levels of government, including inspection bodies, as well as all sub-sectors dealing with environmental protection and climate change.
- Taking into consideration the current problems in communities and provinces, including those of environmental management and policy, it is proposed to involve the leaders of community and provincial governments in mandatory courses on environmental issues and climate change as well as to introduce a system of examination to test their level of qualification.

## 6. Ecologically friendly production

- The state of collaboration and partnership between the government and the business sector is weak, as it is between social groups, consumers and consumer associations. This is an obstacle for a corresponding improvement in the environmental policies of businesses and the move towards the introduction of measures encouraging sustainable production. This leads to the following requirements:
  - a. The encouragement of an integrated policy in industry, which will focus attention during production on the fulfillment of environmental requirements and the widespread application of eco-friendly production processes and products,
  - b. The introduction of the European Union Eco-Management and Audit Scheme (EMAS) as well as the development of initiatives which will encourage companies (enterprises) to publish audited, honest and independent reports on their activities, based on the concept for sustainable development.

## 7. Closer coordination

- Certain steps have been taken to integrate policies and legislation in environmental and other sectors (transport, energy) and attempts have been made to unite environmental observations with the energy sector. But the lack of close coordination between administrative structures remains an urgent issue.
- In reports from internal and external monitoring activities in this sector, the need is often presented for closer coordination between programs, concepts and conventions as well as with socio-economic other sectors, the strategy and priorities for the uniform development of the country. The steps taken towards environmental conservation should be harmonized with issues of sustainable economic and social development and vice versa, the issues of sustainable economic and social development should be harmonized with a priority to increase balance in the environment.
- Not enough attention is being paid to raising the level of responsibility towards environmental protection by local self-government bodies and their fulfillment of legislative requirements, which has led to an increase in environmental issues in communities and provinces, especially linked to land use, green plantations and waste management.

## 8. Sectoral monitoring and information systems

- Major requirements of ecological monitoring realization as well as collection and dissemination of information are particularly indicated in the following codes and laws governing the ecological sector:
  - RA land code (2001)
  - RA water code (2002)
  - RA code on Uterus (2002)
  - RA Forest Code (2005)
  - RA law about the “Specifically guarded areas of nature” (2006)
  - RA law on “Vegetative world” (1999)
  - RA law on “Animal world” (2000)
  - RA law on “Hunt and hunting farming maintenance” (2007)
  - RA law on “ Preservation of Atmospheric air” (1994)
  - RA law on “Hydro meteorological activity” (2006)
  - RA law on “Waste” (2004)

The abovementioned codes and laws indicate the objects for monitoring, the subject and forms of monitoring, the methods for collection of the information during the monitoring, the bodies authorized as responsible for the analysis and information distribution, as well as the beneficiary groups authorized to benefit from the information. But the analysis of the above-mentioned codes and laws shows that almost in all the cases it is necessary to make essential changes and additions which may require legislative, as well as sub-legislative reforms providing the application of laws.

Before initiating this, it is necessary to elaborate a concept paper for legislative reform with participation of RA legislative and executive bodies, including the indication of unified and interconnected approaches to the preparation of monitoring reports.

- Armenia has participated in the creation of a Regional Center for Environmental Information. Joining the network of the Shared Environmental Information System (SEIS) or the use of other similar networks will strengthen the environmental oversight, collection of information, systematization, preservation, evaluation and provision of information to relevant administrative



bodies or authorities. This will also facilitate the implementation of international conventions and internal legislation, as well as the coordination of national and international programs on the environment. The principles of action of such information networks include the following: (a) the information must be managed as close to the source as possible; (b) the data and information should be voluntarily provided to the end users such that they can access it in a quick and timely manner; (c) the information should be relevant, transparent, updated and clear for decision makers, administrative bodies and society.

#### 9. Participation of civil society and independent experts

- The central government has begun to consult more often with civil society and independent experts, especially in the development of concept papers and legislation. However, these consultations remain unsatisfactory, as far as effectiveness is concerned. There is a need for regular consultations and dialogue between the authorities of the European Union and Armenia on the topic of civic participation.
- There is a need to provide an opportunity and process for civic expertise in environmental impact assessment as well as to allow civic participation through other mechanisms besides public hearings, using methodical tools such as electronic voting, absentee voting and other means used in European Union countries. Another important factor is the initiative of independent laboratories among the high quality experimental laboratories formed within the Eastern Partnership and other programs (the development of the ecological sector is foreseen within the “Armenia. National indicative program. 2011-2013”).
- It is proposed to use the permanent civic monitoring format (with regulation of operations), which probably can be linked to the Civil Society Forum. In Armenia, as well as in other Eastern Partnership countries there is a tendency that civil society organizations and initiatives have only consultative status, but not decision-making and executive. This is limited to making suggestions and expressing opinions, and the implementation of those suggestions and opinions is not obligatory and is dependent on the policies within current political context. Namely, the civic participation is of a consultative nature and with some exceptions has no real impact on decision-making. Thus it is also proposed to call the National Platform of the Civil Society Forum in accordance with its main function, Civil monitoring which is aimed to implement monitoring and conduct periodic reports and analysis by civil society professionals and experts and further presentation of the results of these

activities to all respective parties, based on thematic priorities of the Eastern Partnership and required professional standards. This will lead to the creation of real opportunities to raise the effectiveness of Eastern Partnership processes in Armenia to a qualitatively new level, to form a positive environment around those processes as well as to establish an atmosphere of conciliation, transparency, accessibility of information, trust in government, social justice, dialogue and collaboration.

- It is proposed to realize the selection of the participants involved in the National Platform of the Civil Society Forum with the involvement of a wide specter of civil society organizations in accordance to Eastern Partnership principles, as well as in accordance with professions related to the priority areas considering the highest qualifications of their professional capacities. This will create a real opportunity for the productive implementation of monitoring, necessary analysis and practical suggestions for the development of preferred policy for implemented and anticipated programs and agreements in all the thematic sectors of the Eastern Partnership.

EPF's Europe Program exists since January 2009. Its goal is contribution to productive implementation of the Eastern Partnership in Armenia. EPF disseminates information about the European Union and EU-Armenia relations, develops mechanisms for productive reform in the system of higher education, etc.

In May, 2011 EPF invited leading experts to conduct 5 researches on various aspects of the Eastern Partnership implementation in Armenia. The present summary introduces major outcomes of one of the papers.

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#### **Authorship and Disclaimer**

This analysis has been conducted by a lead expert on environment and environmental legislation, Anush Khachatryan, at the request of the Eurasia Partnership Foundation (EPF) as part of its Europe program, with the support of the Swedish International Development Agency (SIDA). The conclusions are those of the author and do not necessarily reflect the views of EPF and SIDA.