



Task Force for Implementation of the
Regional Environmental Reconstruction Programme
for South Eastern Europe
(REReP Task Force)

Fifth meeting
January 30-31, 2003, Tirana, Albania

Report of the fifth REReP Task Force meeting



These activities have been completed with the financial assistance of the European Community. The views expressed herein are those of REReP Task Force, and can therefore in no way be taken to reflect the official opinion of the European Community.

**5th meeting of the
REReP Task Force, Tirana, Albania
January 30-31, 2003.**

Meeting report

Co- chairs Mr. Dino Sinigallia (the European Commission)
 Mr. Roko Andricevic (Ministry of Environment, Croatia)

The Task Force for Implementation of the Regional Environmental Reconstruction Programme for South Eastern Europe (REReP) held its fifth meeting in Tirana, Albania on January 30-31, 2003. Representatives of SEE and donor governments, international institutions, international financing institutions and NGO were present. (See, attached list of participants)

1. Opening

The Minister of Environment of Albania, Mr. Lufter Xhuveli welcomed the participants, stressing the importance of the regional cooperation and the reconstruction, development and stabilisation. He also underlined the importance of the EU integration for the region. The Minister thanked the Regional Environmental Center for Central and Eastern Europe (REReP Task Force Secretariat) for the meeting organisation and government delegations for participation. He stated that the environment protection is a priority of the government of Albania, as well as to donor countries and institutions present. Moreover, the environment protection is high on the regional agenda. Environment protection is also a tool for regional solutions and integration. Therefore, it is the tool to bring people together, increase joint efforts and conserve national resources to prevent further environmental damage. Environment is also the first step to sustainable development of the whole region, actions of common interests, civil society enhancement and common actions in each of the priority areas of REReP.

Mr. Mehmed Cero (Co-chair of the REReP Task Force) welcomed the participants, congratulating the countries on the achievements of the “Quick Start” REReP projects. He expressed the satisfaction with benefits achieved and efforts made by the countries in the framework of Stabilisation and Association Process, drafting and implementing environmental legislation or strengthening environmental law enforcement, inspectorates or agencies. He thanked donor governments and Albanian government for making the meeting possible. Mr. Roko Andricevic was invited to take over the Co-chairmanship of the Task Force.

Mr. Dino Sinigallia (Co-chair of the REReP Task Force), representing the EC EuropeAid and Infrastructure Steering Group thanked the former Co-Chair Jean-François Verstryngne for his contribution to the establishment of REReP and expressed the wish that that the meeting would bring a clear picture of where the countries are in the process of institutional building and Stabilisation and Association Process was expressed.

Mr. Roko Andricevic (Co-chair of the REReP Task Force) expressed appreciation for the work of the REReP process especially in promoting regional cooperation, which had positively influenced the attraction of donor funding.

2. Adoption of Draft agenda for the 4th meeting of the REReP Task Force

The Task Force adopted the Preliminary Draft Annotated Agenda of the fifth meeting (see attached document REReP/TF/5/a) with the addition of the presentation on the Priority Environmental Investment Programme (REReP project 1.2) by Joanna Fiedler, Project Manager, REC.

3. Adoption of meeting report from the fourth meeting of the REReP Task Force

The participants adopted the meeting report from the 4th meeting of the REReP Task Force, held on April 19, 2002 in Brussels, Belgium. (See document, REReP/TF/5/b). No comments were made.

4. Major developments since the 4th REReP Task Force meeting

Mr. Roko Andricevic opened the session asking the participants to be active in making progress in reconstruction of the region on both the national and regional levels.

Presentations were made on major developments in REReP process since the 4th meeting of the REReP Task Force in Brussels, Belgium on April 12, 2002.

Mr. Andrew Murphy, of the European Commission presented the Stabilisation and Association Process (SAP) in SEE and its relation to the REReP, with an outline of recent developments under Greek Presidency of the EU. He emphasised the use of REReP as a vehicle for regional cooperation, a key demand of the SAP. This process fixes EU integration as an end point. SEE countries progress at different speeds and the Stabilisation and Association Agreements (SAAs) provide the legal basis for relations between the EU and a particular country. SAAs have been signed with Croatia, FYR Macedonia and official SAA negotiations with Albania were opened on January 31, 2003. This process is the EU input to the Stability Pact. It was stressed in the presentation that environment is an EU priority in the integration process. Over the next three years financial support in environment to the SAP countries (Albania, Bosnia and Herzegovina, Croatia, FYR Macedonia, Serbia and Montenegro and regional projects) will be around €100 million. Community Assistance for Reconstruction, Development and Stabilisation (CARDS) is the financial instrument that provides this assistance. Some assistance is earmarked for preparatory work for infrastructure projects to be submitted for IFIs finance. The SEE region continues to be priority for the EU post 2004 enlargement, with European Commission reports on SAP progress being issued annually. Moreover, the EU-Balkans summit on 21, June 2003 will launch the Balkan European Integration Process. The REReP provides input to the SAP through its updates on reforms and regional cooperation (for example, through cooperation with EEA and BERCEN network activities).

Mr. Gabriele Montaniago, Expert, Office of the Stability Pact Special Co-ordinator presented the report on the Stability Pact Working Table II activities. The presentation focused on one of the ongoing Programmes of the Stability Pact Working Table II - Sava River Basin Initiative. The Initiative addresses the regional and transboundary environmental problems in the river basin, contributes to environmental protection and also to economic and political stability, the EU integration and adoption of relevant international instruments by the participating countries. The environmental aspects of the Sava River Initiative should be integrated within the frame of the ICPDR work. River navigation, integrated water management and environmental quality and economic development of the Sava River basin are priorities of the Initiative. Sava River

Initiative could become a model for cooperation in other international river basins in the SEE region.

Mr. Dino Sinigallia, Head of Unit A4, Transport, Infrastructure, AIDCO, the European Commission, presented the report on Infrastructure Steering Group activities in the SEE region. These activities cover transport, energy and environment. He emphasised the importance attached by this group to the prioritisation exercise being carried out under REReP project 1.2 and expressed concerns over the length of the process and the perceived delays. He informed the meeting that a progress report on this project and a first draft of priority projects are expected by the ISG at its forthcoming meeting on March 13, 2003.

Ms. Joanna Fiedler, Project Manager, REC, presented the Priority Environmental Investment Programme (REReP project 1.2) outlining the project' scope as air, waste, water sectors and driving forces that reconcile countries' and donors' priorities and project activities.

World Bank expressed interest in adding its input to 1.2 project's criteria by March 2003, which was welcomed. This input will be added in cooperation with countries and donors. The discussion on the definition of hot spot for the purposes of the REReP project 1.2, followed. The EEA stressed the need for coordination of all projects in transport, energy and environment sectors. It was underlined that there is an urgent need to prioritise environment related projects. EEA continued with a question on integration of its data collection standards with the REReP 1.2 project activities and Montenegro asked for a template for this data collection. REC responded that as template for data collection was developed for REReP 1.2 project and already existing data is being added to the report.

5. Reports of accomplishments and reforms in environmental policy and reconstruction, development and cooperation in the region

In the continuation of the meeting the SEE countries presented the major accomplishments in REReP projects for which they provide leadership. Representatives from each SEE country briefly presented new developments in the environmental reconstruction, development and cooperation. As at the previous Task Force meetings they reported on establishment of new, or strengthening of existing environmental institutions, drafting and adoption of new laws or strategies, civil society support, new cross-border cooperation initiatives and combating environmental health and biodiversity threats. Countries reported as well on donor support (CARDS) and national (NEAP) and international initiatives or agreements (Sava River Framework Agreement, DABLAS activities). The need to improve coordination among ministries, dealing with projects with environmental impact, was expressed by donors and countries. For detailed presentations see country reports (document REReP/TF/5/(d)).

Mr. Toni Popovski, Executive Director, REC Secretariat, presented a summary of major developments since the 4th meeting of the REReP Task Force on April 19, 2002 in Brussels, Belgium. The Secretariat reported on the major developments as well as statistical overview of the programme. See document REReP/TF/5/(c) for details.

It was suggested by delegates that a set-up of indicators has to be developed by the Secretariat and results of "Quick Start" projects presented at the next REReP Task Force meeting in a measurable way along with the information on signed Memoranda of Understanding and other cross border activities.

It was agreed that EEA report prepared for Kiev ministerial conference in May 2003 will be presented at the next REReP Task Force meeting. The information on Environment and Security project of UNEP/OSCE was presented by OSCE/UNEP. This project, similarly as REReP in SEE, contributes to the better security in Central Asia through principles of environmental management. UNEP requested the projects coming from this initiative to be included in the REReP projects list.

6. Status of the REReP implementation and enhancing the REReP

The Secretariat presented the discussion paper on the future directions of REReP and its links to Stabilisation and Association Process. The paper was based on the selected REReP results achieved so far. The presentation underlined the premise of the Programme, that was created to evolve, and now is the tool for the countries to meet SAP criteria and environmental priorities, established by the Art. 103 the SAAs, signed with Croatia and FYR Macedonia.

The views concerning the discussion paper have been expressed by countries and donor institutions. The discussion paper was generally supported by the countries. Bulgaria, FYR Macedonia, Romania proposed establishment of the Working Group for further developing the strategic ideas expressed in the discussion paper, before the next REReP Task Force meeting. Such discussions could contribute to the revision of the REReP project package (ongoing and waiting for funding), as suggested by Bulgaria and Croatia. Moreover, Croatia underlined the importance of the concrete investment project for the region. This opinion was supported by the Netherlands and Norway, stipulating the importance of projects with concrete results, not only capacity building efforts.

The European Commission made the statement that a progress report on the REReP projects funded by the European Commission is required March 2003 and although the formalities for a second contract have been cleared a definitive decision on their future support will be only taken then. Furthermore, the European Commission awaits the results of the REReP 1.2 project for regional environmental investment strategy, because not all investment needs can be funded by the grants from the donor community the majority will require loans from the financial institutions. According to EIB ground funding plays important role in environmental sector, without ground investment funding will not be viable. Financing capacity enhancement is also important and funding modelled on ISPA might be needed.

Bosnia and Herzegovina and Romania supported the view that REReP projects' results are successful but needs for future work stay enormous. In addition, final stage of some "Quick Start" projects is dedicated to gathering ideas for follow-up.

From the donor community Denmark, Italy, Norway, the Netherlands and Sweden generally supported the discussion paper. Denmark indicated the need for feasibility studies, especially in wastewater treatment and water supply sectors. Italy supported the discussion paper Working Group idea and underlined the importance of energy related projects, especially energy efficiency and alternative sources projects. Norway supported the Working Group idea and also several REReP projects submitted recently for financing and assured that funding to the region would be provided in the amount of NK 3,000,000 per year. GTZ stressed the importance of business involvement in regional environmental reconstruction, including support to small and medium enterprises. These statements were followed by World Bank remark on its support to the region worth total of 280 MEUR and on the need of inter-sectoral integration.

The European Commission also stated that institutional capacity building is not completed in the region and added that REReP is very useful for identifying policy issues of all regional stakeholders' interest. However, no support for the review of the "Quick Start" projects waiting

for funding was given. If these projects have not yet been picked up there are usually good reasons (no ownership, poor preparation, unclear selection process). The Quick Start is in the past and future funding will be within the framework of institutionalised financing, via CARDS. According to Sweden the main REReP strength is the institutional capacity building that should continue.

The discussion on the paper presented by the Secretariat was concluded by Mr. Roko Andricevic statement that both institutional capacity building and stating clear criteria for financing environmental projects are important. Furthermore environmental education was identified as a vital premise of sustainable development of the SEE region. For details see document REReP/TF/5/(e)

The European Commission opened the second day of the meeting with the conclusions regarding the discussion paper on the enhancement of the REReP. Comments in writing to the Secretariat expressing delegates' views on the REReP process so far and its strategic directions were welcomed, not later than March 15, 2003. These will then be collated into a short report to determine the future direction.

7. Report on South Eastern European Environmental NGO Network (SEEENN) activities

The next presentation by Ms. Elda Marku of SEEENN covered the activities of the network that taken place since 4th meeting of the REReP Task Force. Support to the discussion paper and creation of the Working Group for further elaboration of the strategic directions of REReP continuation was also expressed by the SEENN.

The European Commission highlighted that SEE NGOs qualify to participate in Community Action Programme Promoting NGOs Primary Active in the Field of Environmental Protection. The results of its first call will need to be analysed and if SEE NGOs have not been supported the reasons why will need to be identified and steps taken to try to overcome any shortcomings. Moreover, in the framework of CARDS EUR 1,000,000 is devoted for sustainable networks, including NGO networks. This statement was followed by remarks of EIB and World Bank on the formal involvement of NGOs in the projects funded by both entities.

Environmental NGO community expects that the REReP will ensure that environment is high on the agenda of the development processes as well of the governments in the region. Access of the public to information on projects' implementation under 1, 3 and 4 area is limited and depends on good will of the individuals. Declarative statements of Government representatives for good cooperation with NGOs should be turned into reality. NGOs will do the best to assist the Ministries of Environment in order to achieve the common goals of environmental protection and nature conservation. For details see document REReP/TF/5/(f).

8. Presentation of the REReP results at the Kiev "Environment for Europe Ministerial Conference in May 2003

The Secretariat outlined the opportunities for presenting the REReP process and selected outcomes at the forthcoming conference. It was agreed that REReP project results to date will be

presented in the publication (to be presented as the conference document Category III), highlighting the progress achieved, along the priority areas that were revised and agreed to in Sarajevo on September 7, 2001 at the 3rd Task Force meeting and included in the Revised REReP Mechanism document. It was agreed that the publication would include complete information on donor contributions to the Programme.

The following outline of the REReP publication was agreed:

- Introduction by the REReP Task Force co-chairs
- Executive summary
- Overall progress in the region stimulated by REReP activities
- Progress achieved in specific REReP priority areas with details of donor contributions
- Conclusions

In addition, an item on lessons learnt during the REReP implementation was suggested by the delegates and added to the outline.

The active cooperation of all REReP stakeholders during publication preparation will be crucial. It will be highly valued and vital to achieve a comprehensive and coherent text, as well as crucial for the timely completion of the publication. During the discussion on the Category III publication on the highlights of REReP Denmark expressed interest in partial funding for the publication.

In addition, the REReP project outputs that are relevant to the priority areas are proposed for dissemination at the Kiev Conference. For details see document REReP/TF/5/(g)

The UNECE delegation shared with delegates the information about the conference agenda and proposed presenting REReP process in a separate document under Category II, which was supported by Denmark, Germany, Italy, the Netherlands and Norway.

Such document will serve as an example of successful institutionalising of environmental reconstruction efforts. It is especially linked to for EECCA countries environmental strategy prepared for the conference. With regards to the document's content, it should comprise from the following parts: the description of the REReP process as a model for cooperation, discussion of the lessons learnt during REReP "Quick Start" projects' implementation and of the REReP future. Category II document will be 7-10 pages long.

In view of the difficulty in finding finance and the tight timescales the European Commission suggested that paper produced for the review of the mechanism in Sarajevo in 2001 probably already contained 80% of the necessary text.

9. Regional activities of DABLAS

The next presentation by Andrew Murphy, European Commission outlined the environmental cooperation in the Danube Black Sea Region (DABLAS). DABLAS aim is to enhance cooperation between the ICPDR and Black Sea convention, prioritise investment projects on water quality and advise both bodies on strategic priorities. These goals are assisted through involvement of international financing institutions and beneficiary countries in preparation of the investment priority list. During the exercise, it was decided to focus on nutrient reduction from municipal sources and a draft priority list had been produced for endorsement at the next DABLAS Task Force meeting. These would then be presented to the PPC/DABLAS meeting to

be held in Brussels on 4/4/84. He felt that the exercise could serve as a useful example for the REReP prioritisation exercise having brought together the technical assessment and the IFIs in a relatively short space of time. The project for development of environmental investment criteria should treat this initiative as a learning exercise to.

10. Wrap-up of the meeting by co-chairs

The co-chairs wrapped the 5th REReP Task Force meeting by welcoming continuing progress in environmental reconstruction of the region and commitment of the countries to the regional cooperation. They also stressed the existence of diversified and enormous needs for assistance in the SEE, especially in the field of environmental investment and capacity, importance of results achieved and lessons learnt. But they also stressed the need for countries to give higher priority on environmental investments. The co-chairs restated the importance of environmental education for environmental awareness raising and sustainable development.

11. Date of the next meeting.

The next REReP Task Force meeting will take place in November 2003 in Brussels, Belgium, on a date to be confirmed.