

SUBMISSION BY DENMARK AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES

This submission is supported by Bosnia and Herzegovina, Croatia, Iceland, the Former Yugoslav Republic of Macedonia, Serbia and Turkey

Copenhagen, 5 March 2012

Subject: Capacity-building for countries with economies in transition under the Convention and under the Kyoto Protocol.

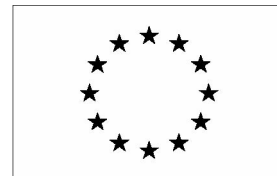
1. Background

In the report of its 27th session (2007), the Subsidiary Body on Implementation agreed in paragraph 87 to invite "Parties and relevant organizations referred to in paragraph 86 above to submit to the secretariat, by February 2012, information on how they have implemented capacity-building activities in EIT countries for consideration by the SBI at its thirty-sixth session." The present is the EU submission informing on its approach to capacity-building activities in Economies in Transition (EIT) countries as invited.

In preparing this submission, the EU referred to:

- Decision 3/CP.7 setting the Framework for Capacity Building in EIT countries and defining the following priority areas (the present submission is structured along these categories)
 - (a) National greenhouse gas (GHG) inventories;
 - (b) Projections of GHG emissions;
 - (c) Policies and measures, and the estimation of their effects;
 - (d) Impact assessment and adaptation;
 - (e) Research and systematic observation;
 - (f) Education, training and public awareness;
 - (g) Transfer of environmentally sound technologies;
 - (h) National communications and national climate action plans;
 - (i) National systems for estimation of GHG emissions;
 - (j) Modalities for accounting relating to targets, timetables and national registries;
 - (k) Reporting obligations;
 - (l) Joint implementation projects and emissions trading;

Also the key factors in the decision 3/CP.10 are covered in this submission.



The present submission focuses on the EIT countries Belarus, Russian Federation and Ukraine that are not EU Member States. Some examples also refer to Croatia that is about to become an EU member state in 2013.

2. EU support for capacity-building in EIT countries

The EU believes that Capacity Building is fundamental to enable the full, effective and sustained implementation of the Convention. Capacity building is cross-cutting by nature and for this reason the EU strongly advocates that support for capacity building needs of EIT countries should be an integral part of support arrangements in relevant areas such as adaptation, mitigation, reporting obligations and GHG inventories, technology transfer and market mechanisms. In fact, capacity building is integrated in all EU support to EIT countries activities.

In line with its commitments within the UNFCCC context, the EU has provided broad support for climate capacity-building in the EITs over the last 5 years (2007-2011). It will continue to do so based on the country needs.

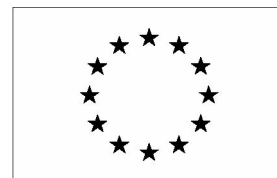
The EU's external assistance to the EITs is channelled through different financial instruments and institutions. For example: Belarus, the Russian Federation and Ukraine benefit from support under the European Neighbourhood and Partnership Instrument (ENPI), while Croatia receives support from the Instrument for Pre-Accession (IPA). Cooperation under these instruments takes place both on a bilateral basis as well as on a regional basis covering several countries. In addition to the European Instruments managed by the European Commission, the 27 EU Member States also provide substantial bilateral assistance to the EITs.

Set out below is an illustrative non-exhaustive list of support provided mainly through the ENPI and IPA instruments¹:

3. Examples

The EU funds some important regional programmes aiming at providing support to Partner Countries in an extensive number of areas related to climate change. These initiatives are subject to a general presentation of their main objectives, scope and results as they actually cover all aspects referred to in UNFCCC Decision 3/CP.7. In addition, several more focussed actions are funded by one or several of the 27 EU Member States and the European Commission. These follow the regional initiatives and are organised following the areas of work identified in the Decision 3/CP.7.

¹ Support from the EU and its Member States is also channelled through other policy instruments, and through investment projects managed by different development banks (EBRD, EIB, KfW, AFD, etc.). These forms of assistance are not covered in the present submission.



3.1. Regional Initiatives

European Commission

Support to Kyoto Protocol Implementation project (SKPI)

The SKPI is a regional program targeting the EU neighbourhood countries and Russia. The objective is to assist Partner Countries in combating climate change, both by extending the use of the mechanisms attached to the Kyoto Protocol and by supporting the formulation of appropriate mitigation and adaptation strategies in each country. The program covers 12 countries including Belarus, Russia and Ukraine. Some examples of its activities are detailed below.

The project seeks more specifically to

- reinforce awareness and capacity of the technical ministries, relevant government departments and the general public in relation to climate change in general and to the KP mechanisms in particular.
- strengthen interest in and extend participation of the economic stakeholders (particularly industry and energy utilities) in climate-change-related activities, including the Kyoto mechanisms (CDM, JI) and focusing particularly on energy efficiency.
- formulate climate-change mitigation and adaptation strategies and assist with their implementation whenever requested by the PCs.

European Commission

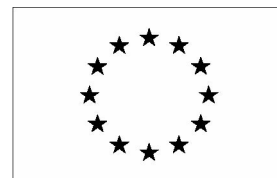
Regional Environment Network for Accession (RENA)

RENA represents the current EU regional cooperation framework for the Western Balkans and Turkey in the field of environment and climate change, it thus covers Croatia. It allows for cooperation at both political level (ministerial meetings) and expert/technical level (4 Working Groups). Working Group 2 focuses its activities on Climate Change and aims at preparing IPA beneficiaries for implementation of EU requirements on climate change, as well as at creating a forum for officials from the candidate countries and potential candidates to exchange information/experience on climate change. A strengthened cooperation on issues of regional importance, through the development of best practice documents and capacity building activities for areas addressing the issues of climate change, is also envisaged under RENA.

European Commission

The TAIEX programme

TAIEX is the Technical Assistance and Information Exchange instrument managed by the European Commission. TAIEX supports partner countries with regard to the approximation, application and enforcement of EU legislation, including on climate change. It is largely demand driven and facilitates the delivery of appropriate tailor-made expertise to address issues at short notice.



It aims at bringing neighbouring partner countries closer to the European Union, through increased economic integration and a deepening of political cooperation by sharing the experience gained during the enlargement process. This is done by providing technical training and peer assistance to partners and stakeholders of the beneficiary countries, playing the role of an information broker by gathering and making available relevant. Technical assistance through the TAIEX instrument comes in many different forms and across a wide range of areas. Some examples of its activities are detailed below.

3.2. Focussed Initiatives

(a) National greenhouse gas (GHG) inventories; (b) Projections of GHG emissions; (i) National systems for estimation of GHG emissions; (k) Reporting obligations

European Commission

The EU project Support to Kyoto Protocol Implementation (SKPI – see above) has supported Belarus in improving its national GHG-inventory, by financing expertise on the relation between the LULUCF-sector and the national GHG-inventory.

The Netherlands

Regional Environment Centre: Support to the European Topic Centre on Air and Climate Change (ETC /ACC)

Country reports assessing progress towards Kyoto commitments and GHG emission trends and projections were analysed. The outcome was used for the annual report by the European Environment Agency on GHG emission trends and the projection for 2008. The REC as regional focal point implements projects under Article 6 at the regional level and enhances the work of the National Focal Points for Article 6.

Austria

The Environment Agency Austria has been supporting the national inventory teams of Croatia in its efforts for consolidation and data quality improvement of their national greenhouse gas emission inventories.

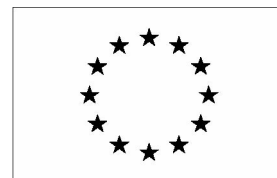
(c) Policies and measures, and the estimation of their effects

Germany

Ukraine: Sustainable urban mobility

The purpose of the project is to build expertise in urban mobility at both national and local level. At local level, a concrete plan for mobility management during and after EURO 2012 will be developed in collaboration with the city of Lviv. In addition, the Ukrainian environment ministry is to be provided with assistance in the promotion of environmental aspects in the transport sector. The focus will be on the promotion of public transport services and of non-motorised transport, with special attention being paid to aspects of climate protection.

This project also refers to the following elements of 3/CP.7: (f) Education, training and public awareness, (g) Transfer of environmentally sound technologies



Ukraine: Energy efficiency in residential buildings

The project aims at improving policies to increase energy efficiency at national and municipal level. It strengthens the capacities of national policy makers to develop promotional programs and laws on energy efficiency, gives advice to municipal decision makers to implement energy management plans for public buildings and supports business associations and other institutions to organize exchange of experiences, information campaigns and trainings.

This project also refers to the following elements of 3/CP.7: (f) Education, training and public awareness, (g) Transfer of environmentally sound technologies

European Commission

Support to the implementation of Ukraine's strategy in the area of energy efficiency and renewable sources of energy.

The programme is implemented through sector budget support (SBS) and backed by a Technical Assistance component. In addition, the programme is linked to an important expected contribution from the European Bank for Reconstruction and Development to finance investments in the sector.

The EU project Support to Kyoto Protocol Implementation (SKPI - see above) supported the Republic of Belarus Government in the drafting of its Law on Climate Protection. The draft is ready and should be submitted to the Parliament in 2012.

(d) Impact assessment and adaptation

Poland

Institutional reinforcement of the Belarusian administration responsible for environmental protection through promotion of good governance practises in the selected fields.

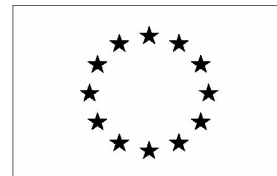
Focussing on capacity building for adaptation, the project aimed at sharing agricultural advisory experience in the field of agricultural development including ecology and renewable energy sources between Poland and Ukraine.

(e) Research and systematic observation

Czech Republic

Cooperation on forest ecosystems inventory (2008-2010)

The project focused on the involvement of modern methods and technological procedures in the area of forest inventory in Ukraine. Implementation of new technologies improves mapping and effective utilisation of the forest resources. The main goal of the projects was the establishment of information platform on forestry management in the Ukraine and introduction of new educational systems in several faculties of forestry in Kyjev, Lvov and Charkov.



Project System of differentiated management in forest ecosystems of Ukrainian Carpathian Mountains (2008-2010)

This action aimed at contributing to the environmental protection and sustainable use of ecosystems in the Carpathian Mountains. At first the methodology for mapping of the natural conditions was developed and then the frameworks of differentiated management were proposed. These frameworks were put together on the basis of detailed mapping of natural conditions. The objective was to deliver a proposal for appropriate forest management system according to functions served by each part of forest within this mapped area. Important part of the project was training of experts in forest management and the use of relevant technologies.

(f) Education, training and public awareness

Italy - Regional Environment Centre

Renewable Energy and Energy Efficiency Partnership (REEEP) for Central and Eastern Europe (CEE) and Turkey

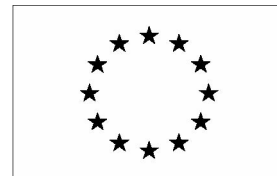
An innovative marketing campaign to promote Renewable Energy and Energy Efficiency was implemented. This included a travelling exhibition to raise awareness and also gave an overview of the urgent need for change. Examples of finance and policy measures from around the world were illustrated. The REEEP Secretariat also supported the region with information dissemination, providing examples of best practice in renewable energy and energy efficiency as well as a question and answer service. Template-based policy descriptions were developed and updated for all countries in the region.

Germany

Ukraine: Energy efficiency in urban districts

The project objective is the model application and dissemination of resource-friendly measures in planning, constructing and operating a building complex, along with the use of modern technologies in Ukraine's construction sector. To this end, building contractors, architects and construction companies are advised and given conceptual support. Furthermore, calculations are performed to demonstrate the benefits expected in terms of running costs, energy consumption rates and reductions in greenhouse gas emissions.

This project also refers to the following elements of 3/CP.7: (c) Policies and measures, and the estimation of their effects, (g) Transfer of environmentally sound technologies



Russian Federation, Ukraine, Belarus: Climate Protection and Renewable Energy as an Opportunity for the Private Sector, Policy-Makers and Civil Society

The project objective is to train staff of non-governmental organisations and local and national authorities to network with one another and thereby increase the dialogue between relevant stakeholders from the private sector, government and civil society. In this way sustainable energy solutions for the regions and countries will be identified and as a second step, impetus will be given for law-making initiatives and implementation measures. In the context of climate negotiations a further aim is to define the core issues specific to each country and – wherever possible – work out common transnational positions. The project also aims to demonstrate practicable energy schemes that are affordable at village and household levels, for instance by showcasing the possibilities of programmes of activities under the Clean Development Mechanism ('programmatic CDM'). This project also refers to the following elements of 3/CP.7: (g) Transfer of environmentally sound technologies;

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Germany

Ukraine: Promoting climate-friendly industry in the Donetsk region

The project aims to implement energy efficiency approaches in Ukraine's most emission-intensive industries. To this end, it has introduced an energy management system in two industrial companies, which demonstrates concrete action that can be taken and builds the know-how needed to run an energy-efficient business. The advisory service also includes cost effectiveness analyses, which can be used as a basis for finding appropriate financing options. Innovation partnerships with German companies provide an opportunity for a direct exchange of experience.

This project also refers to the following elements of 3/CP.7: (c) Policies and measures, and the estimation of their effects, (f) Education, training and public awareness.

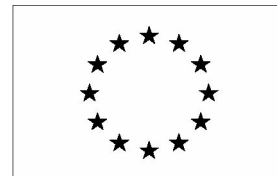
Poland

Energy efficiency

This project aimed at sharing experience in the field of system solutions and good practices in Poland and Ukraine

Italy-Regional Environment Centre

The REEEP (see above) is also an active global partnership of progressive governments, businesses and organisations committed to fostering the development of sustainable energy systems. It formulates policy initiatives for clean energy markets and facilitates financing for sustainable energy projects, with the aim to accelerate and expand the global market for renewable energy and energy efficiency technologies. Country reports were produced, assessing the CEE region renewable energy sources, its potential and energy efficiency capacity. The provision, market, policy, regulation and economic instruments supporting sustainable energy were considered.

*Czech Republic*Ozone-depleting substances

The Czech Republic supported several projects in Ukraine (1998-2000; 2004-2006) and Belarus (2001), which dealt with elimination of ozone-depleting substances.

(h) National communications and national climate action plans*Poland*Investment project: national budget and climate change

This project focuses on the planning of energy saving activities in Ukraine. "Two countries - one energy efficiency program" is Polish-Ukrainian cooperation programme supported by Poland, it takes place in the framework of the EU "Covenant of Mayors" initiative.

*Sweden-European Commission*Support to Ukraine Environment Policy and Capacity Building

This action supports the implementation of an Environmental Strategy in Ukraine through Sector Budget Support as well as Technical Assistance. Climate change is an important part of this national strategy and the different topics covered are relevant for most of the categories of UNFCCC Decision 3CP7.

European Commission

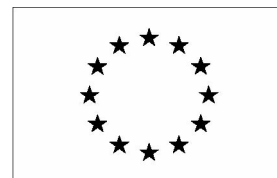
An important program supports the Ukraine's energy strategy. An important share of the budget is allocated to energy efficiency and renewable energy under the governance facility included in the programme.

(j) Modalities for accounting relating to targets, timetables and national registries*European Commission*

The TAIEX program (see above) organised a workshop in February 2011 in Croatia, involving EU experts to discuss and present the EU approach on greenhouse gases inventories in the forestry sector.

(l) Joint implementation projects and emissions trading.*European Commission*

The EU project Support to Kyoto Protocol Implementation (SKPI - see above) experts have been involved in the drafting and reviewing of several versions of the Russian Federation Government regulations on Joint Implementation and Green Investment Scheme (GIS) and submitting them to RF Ministry of Economic Development.



A TAIEX (see above) workshop was held in January 2012 in Croatia on data collection within the emission trading system, gathering experts from governments and key stakeholders, as well as EU experts to discuss specific data.