

## 6<sup>TH</sup> MEETING OF THE WORKING GROUP ON ENVIRONMENT AND CLIMATE CHANGE

# Summary by the Chair

The 6th Meeting of the Working Group on Environment and Climate Change, within the EU-Central Asia Platform for Environment and Water Cooperation took place in Astana, in the Italian Pavilion inside the Expo 2017 "Future Energy".

Around one hundred participants animated the debate which took place during the two intense days of the Meeting, chaired by Mr. Massimo Cozzone, Italian Ministry for Environment, Land and Sea.

Welcoming remarks were addressed to participants by Ms. Aliya Baisabayeva, from the Ministry of Foreign Affairs of the Republic of Kazakhstan, H.E. Mr. Stefano Ravagnan, Ambassador of the Republic of Italy to the Republic of Kazakhstan, and H.E. Traian Hristea, Ambassador and Head of EU Delegation to the Republic of Kazakhstan.

## State of the art of the process

During the Session 1 of the meeting, chaired by Mr. Johannes Stenbaeck-Madsen, Head of Cooperation, EU Delegation to Kyrgyzstan, issues related to the new concept of "circular economy" and recent European Policy trends were discussed, with a particular focus on the issue of adapting these new concepts to the peculiar situation of the Central Asian Region.

Central Asian Countries then exposed their advancements in the field of climate change and environmental policies.

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The meeting lasted two days and it was divided into 3 sessions:

1. Update on progress since the 5<sup>th</sup> WG meeting and perspectives on future developments
2. Discussion Forum on facilitating financing for environment/water infrastructure projects
3. Key directions for further strengthening of CA Regional Organizations and capacity building/training needs in CA Countries.



The main priorities highlighted by Countries for current activities and future perspectives range from climate change policies and ETS, to water resources, ecosystem and forest protection, development of eco-tourism, sustainable agriculture, waste management, landfills, soil remediation, Green Climate Fund (GCF) opportunities, energy efficiency and renewables, heat supply.

## Future perspectives for the WG

Major key issues emerged during the discussion were the following:

- Need for capacity building, in order to acquire a full operational country ownership also with regards to international funds;
- Need to closely cooperate with donors and partners on the localization of international solutions/best practices to take advantage on one side of previous international experiences, and on the other to develop technical, technological and programming solutions tailored to the specific context of Central Asia;
- Need to increase the involvement of local communities and NGOs in the environmental and infrastructure building processes;
- Need for a strategic and transboundary prior assessment of the potential impact of the implementation of infrastructure projects affecting more than one neighboring Country;
- Need for targeted concrete cooperation agreements with potential donors and partners with the purpose of delivering sound project proposals, also with regards to the GCF, which are strictly connected with Countries' real priorities.

During the Session 2, chaired by Mr Jean-Louis Lavroff, Head of Cooperation, EU Delegation to Kazakhstan, the discussion was driven around accessing climate change financing and eco-innovation and facilitating financing for environment and water infrastructure projects, according to the following themes:

1. Examples of successful infrastructure projects in Central Asia and related policy



issues;

2. Access to international funds – how to maximize access of the Central Asian countries to the Green Climate Fund (chaired by the Italian Ministry for the Environment, Land and Sea);
3. Priorities for infrastructure and related crosscutting issues and the way forward for identification of the key policy issues. Better access to project financing by international financial institutions.

The opportunity to involve, in the future activities of the WG, cities from CA Countries willing to implement municipal environmental projects in the waste management and water sectors, was addressed during Item 1 of the Discussion Forum.

A suggestion to prepare 1 or 2 project concepts per country in water/district heating and/or waste management sectors at municipal level for consideration by IFIs was made. The following activity schedule has been proposed:

- a workshop to complete scoping and selection of the project ideas, to discuss the relevant cross-cutting policy issues and to review preparation of the draft project concepts – mid-October 2017;
- a workshop (as part of the 7th WGECC meeting) to discuss, finalize and present the draft final project concepts – late January 2018.

The Green Climate Fund session, item 2, chaired by Alessandra Fidanza, Italian Ministry for the Environment, Land and Sea, resulted to be one of the most interesting perspectives for future investments in the Region, provided that the definition of the regional pipeline recently started (Tbilisi Workshop, June 2017).

It was proposed to organize in Autumn a workshop dedicated to the municipal level and to analyze more in depth concrete opportunities within the GCF framework.



The key directions and priorities for joint action for further strengthening of CA regional organizations active in water, environment and climate change have been discussed under the chairing of Mr Lavroff, including revision and update of the CA Regional Environmental Action Plan.

The following key capacity building/training needs to help filling in knowledge gaps to catalyze investments through improved understanding and professional skills have been identified:

- IFI guidelines and procedures;
- Key factors and diagnostic tools in the identification and design of investment projects;
- IFI project cycle and project preparation and appraisal.

The concept of an Investor Guide proposed by WECOOP2 to help CA countries to facilitate projects preparation for international IFIs financing has been discussed and the timeframe for the Draft Investor

Guide completion was defined.

A discussion was then initiated on a possible future proposal from the EU Platform on the setup of a center for the exchange of best practices in infrastructure development and PPP (Public Private Partnerships).

Some Central Asian Countries expressed generally positive views about the idea of establishing a Regional Centre of Excellence/Advisory Facility in project design, financing and Public Private Partnership, with due consideration of existing structures for avoiding duplications. The relevance of and opportunities for establishing such Centre have been discussed. The Countries requested the WECOOP2 team to prepare a draft concept paper about the Centre for consideration during the next meeting of the WG.

CA Countries expressed the wish to turn the process of the WG into a more concrete hub of exchange of knowledge between Europe and Central Asia and, possibly, to concretely support Countries in strengthening their capacity building.

Mr. Massimo Cozzone, Italian Ministry for the Environment Land and Sea, chair of the WG, concluded the meeting wishing that the future activities of the WG will be concretely beneficial for the advancement of sustainable development in Central Asia.



## Next steps

The next meetings of the WG will be:

1. 7<sup>th</sup> WGECC meeting in late January–mid February 2018 in Brussels
2. 8<sup>th</sup> meeting in Tashkent in June 2018, back-to-back with the Central Asian Environmental Forum (CAEF)

A proposal to organize by mid–Autumn 2017 (date and venue to be confirmed) a technical seminar on the municipal level and the Green Climate Fund was shared with CA Countries. A working paper will be circulated in due course, to allow Countries to organize a qualified participation, in order to turn the event into fruitful occasion to deliver concrete results.

