

Presidency Conclusions of the Third Eastern Partnership Ministerial Meeting on Environment and Climate Change

The European Union (EU) and its Member States and the Eastern Partner countries met at ministerial level in virtual format on 22 June 2021 to discuss the priorities for cooperation in the Eastern Partnership on environment and climate change and the opportunities and challenges of an accelerated transition towards strong, sustainable, climate neutral, resilient and inclusive recovery and move towards a competitive, green and inclusive circular economy fit for the future. Representatives of international organizations, international financial institutions, and civil society joined the Ministerial Meeting.

Ministers commended the European Green Deal as the EU's new growth strategy and expressed willingness to work together towards a 2050 climate-neutral and resilient continent, sustainable and circular economy, halting biodiversity loss and pollution-free environment. Aligning public and private investments with the goal of climate neutrality, the Paris Agreement and the 2030 Agenda received special attention in the context of post-COVID-19 recovery efforts. Ministers stressed that recovery should be guided by the "do no significant harm" principle. Ministers called for a post-2020 partnership framework to drive environmental and climate ambitions across all its pillars while also considerate of the countries' specific challenges to become low-carbon, resource-efficient and inclusive economies, where no one is left behind.

The Presidency notes the following outcomes of discussions:

1. Progress on delivering on shared objectives in the Eastern Partnership

Ministers acknowledged progress made by the Eastern Partnership countries in conjunction with the goals set, among others in the Ministerial Declaration on Environment and Climate Change of 2016, and the milestones and targets agreed in the "20 Deliverables for 2020" document. Ministers valued the priorities set in the Joint Communication: "Eastern Partnership policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that delivers for all". Ministers agreed that efforts are still needed to address GHG emissions, energy, and resource productivity of economies in the region, continued degradation of ecosystems and biodiversity loss, high levels of pollution, and a slow pace of renewables uptake. Among others, Ministers took note of policy reforms, increased regional process ownership, investments into energy efficiency, energy poverty (including gender aspects) and better waste and water management, gradual operationalization of a Shared Environmental Information System, enhanced policies and technical support for greening of Small and Medium-sized Enterprises (SMEs), and

improved legal frameworks for evidence-based environmental assessment of policies, programmes, and projects. Citizens empowerment remains crucial.

Ministers welcomed the contribution of the European Union to policy innovation and institutional building in the partner countries through policy dialogue and regional and country-specific programmes. Ministers also welcomed the expanding EU funding for green investments, including for municipal infrastructure, sustainable waste management, sustainable urban transport, climate-related finance, and SME support and highlighted opportunities for EAP countries to access EU Programmes, including the LIFE programme.

2. Enabling a climate-neutral, green recovery that benefits people and nature

Looking ahead on the post 2020 EaP framework in particular in preparation to the UN Climate Change Conference (COP 26) and UN Biodiversity Conference (COP 15) and financing transition towards green economies and decarbonisation

Ministers, acknowledging the existential risks of the climate and biodiversity emergencies pose, embraced the increased prominence of environmental and climate resilience, which was identified as one of the five long-term objectives for the Eastern Partnership policy beyond 2020. They recommended working together to:

- i. develop ambitious strategies for a just transition towards green, climate-neutral economies, and respective Nationally-Determined Contributions (NDCs) and 2050 Low-emission development Strategies (LTS) in dialogue with stakeholders with a view to strive to reach climate neutrality of their countries as early as possible around 2050;
- ii. continue to reduce risks associated with waste and chemicals, to increase and accelerate the energy efficiency, circularity and resource-efficiency of economies, uptake of renewable energy sources, and the transition to a more sustainable and low carbon mobility, including through targeted support for SMEs based on international best practice;
- iii. promote sustainable farming and a more resilient forestry sector, contributing to the enhancement of carbon sinks;
- iv. ensure a future post-2020 global biodiversity framework with new ambitious targets, and a solid monitoring and review framework to deliver accountability change on the ground;
- v. strengthen efforts to achieve the zero pollution target for soil, air and water;
- vi. promote awareness raising, inclusiveness and responsibility of population;
- vii. align infrastructure investments with sustainability requirements and accelerate the shift to sustainability in building stock, cities, municipal infrastructure, smart mobility, and industrial sector, also building on digitisation opportunities;

viii. promote actions to comply with international commitments related to transboundary impact assessment on environment, including water management.

Ministers pointed to the importance of institutional reform and capacity building measures in public administrations in EaP countries. In this regard Ministers:

- committed to strengthen implementation and enforcement of environment and climate legislation;
- stressed the importance of environmental assessments and public participation in decision making;
- acknowledged the effectiveness of EU4Environment and EU4Climate programmes and agreed that parties will further work towards taking over the objectives of the European Green Deal. In this sense, they highlighted that the EU support is very important, including via Twinning and TAIEX instruments being used in line with the Team Europe approach;
- reaffirmed their resolve to actively engage with relevant stakeholders in the development, implementation and monitoring of policies and actions to address environmental and climate challenges and by the same token enhance public access to environmental information, decision-making, and justice.

Ministers underlined the need to address factors that limit the quality and pace of investments into green transition and decarbonisation, such as, high interest rates, lack of long-term financing instruments, energy poverty, affordability constraints for municipal services and limited fiscal space.

Ministers recognized the need to reform national tariff, environmental and carbon taxes and subsidy systems, with a specific focus on phasing-out environmentally harmful subsidies in particularly for fossil fuels as soon as possible, and alignment with international best practices.

Ministers underlined the importance of the European Union and the International Financial Institutions (IFIs) for providing sustainable finance to support efforts in EaP countries. Ministers asked the EU and IFIs active in the region to develop strategic frameworks towards financing a cost-effective green economic transition in EaP countries, in particular, focusing on carbon-emission intensive sectors, such as energy and industry, considering aspects of a just transition and building on ambitious NDCs and LTS. Ministers expressed their dedication to intensify regional cooperation and took note with satisfaction of the European Commission's intention to present an ambitious Economic and Investment Plan for the Eastern Partnership.

Ministers expressed interest to work together to incentivize the net zero transition by private sector and acknowledged the great potential of carbon market mechanism for incentivising investments.

With reference to discussions in the EU on alternative measures to prevent carbon leakage, should the gap in national decarbonisation ambitions widen, Ministers recognized the challenges such mechanisms might entail for carbon-intensive economic sectors in EaP countries and their export prospects to EU markets. In order to better address such challenges, EaP Ministers stressed the need of adaptive measures in these sectors.

Ministers committed, in particular, as regards planned national post-COVID-19 recovery measures, to take all necessary measures to avoid stranded assets and infrastructure investments that would reflect carbon-intensive, maladapted and resource-inefficient pathways. Ministers stressed the importance to avoid that multiple regulatory and financing policies weaken each other instead of mutually reinforcing their impacts.

Ministers underlined that a transboundary and integrated approach is required to address climate change, biodiversity loss and degradation of natural resources, and impacts on water bodies and their ecosystems.

Highlighting the benefits of enhanced coordination between EU and EaP countries in the global context, Ministers expressed their dedication to join forces towards ambitiously fulfilling the goals enshrined in the Paris Agreement and the environmental dimension of the 2030 Agenda for Sustainable Development.

Despite the progress made, Ministers expressed deep concern that on a global scale collectively, Nationally Determined Contributions submitted by all Parties until now fall far short of the required emission reduction trajectories. Ministers welcomed that EU raised its 2030 climate targets, and the EU and its Member States have submitted to the UNFCCC-Secretariat its updated NDC and the EU's long-term low greenhouse gas emission development strategy reflecting the 2050 climate neutrality objective. Ministers welcomed the updated NDCs of Moldova, Georgia, and Armenia. Ministers committed to immediately curbing greenhouse gas emissions and increasing efforts on climate adaptation. For those countries who have not done this by now, Ministers committed in pursuing high ambition when updating their NDCs and in developing long-term low emission and adaptation development strategies striving for best possible alignment with the climate neutrality goal and communicate them before UNFCCC COP 26 in Glasgow. Ministers agreed to pursue their best endeavours to contribute to a conclusion at COP 26 of implementation rules of the Paris Agreement, including on robust and comprehensive rules on voluntary cooperation under Article 6 and on making progress on the arrangements under the Enhanced Transparency Framework.

Ahead of the Convention on Biological Diversity COP15, Ministers reaffirmed their countries' commitment to contribute to the international process towards developing and implementing an ambitious post-2020 global biodiversity framework with strong accountability mechanisms.

3. Looking ahead

In order to make their commitments operational, Ministers:

- Expressed their support to achieve ambitious goals on climate and biodiversity in the context of the upcoming COPs in Glasgow and Kunming in the short run, but also in order to bolster their resilience and move towards a competitive, green and inclusive circular economy fit for the future; In that context Ministers confirmed their ambition to strive for reaching climate neutrality by their respective countries around 2050 and to respect the “do no significant harm” principle in national recovery programs;
- Suggested to enhance regional and country-specific policy dialogue on transition towards carbon neutrality, resilient and green economies in the EaP region building on existing capacity and developed framework of relevant stakeholders and institutions; and
- Jointly decided to assess progress on cooperation between the EU and EaP Partners at Ministers' level on a biennial basis.