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4TH REGIONAL ASSEMBLY MEETING, 22-23 SEPTEMBER 2022

Country-level activities: progress on the Action implementation, its impact and plans for 2022-23 in Armenia

*Dr. Gayane GABRIELIAN, Deputy Minister of Environment of the Republic of Armenia
National Focal Point of the EU4Environment Project*

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Main achievements on environment/greening economy in Armenia since 2021

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Government Programme for 2021-2026

The main objectives are:

- Complex conservation, protection, improvement, recovery and rational use of environment and natural resources, through balancing the social justice and economic efficiency.
- The minimization of the negative impacts on the environment and exclusion of the overexploitation and illegal use of natural resources, ensuring the implementation of the preventive measures.
- **the vision** towards green transition and climate resilience rests on the principles of green, resilient and low carbon growth, which entails scalability of adaptation and bankability of mitigation efforts, ranging from reforestation at scale to investments in renewable energy and energy efficiency.

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Environmental Policy of Armenia

The environmental protection policy of Armenia is:

- based on national legislation in full compliance with obligations taken by ratified multilateral and European agreements
- developed with the notion of identified environmental sector priorities, importance of cooperation with other sectors to catalyze finance towards addressing global environmental issues

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Steps undertaken for improvement of the environmental policy and legislation are:

- The new and **updated NDC** and the **National Climate Change Adaptation Plan and the Action Plan for 2021-2025 (NAP)**. The updated NDC demonstrates increase in Government's climate ambition and defines that country's new mitigation goal to be implemented by 2030 is equivalent to 40% reduction compared to the level of emissions in 1990, which is driven by the energy sector.
- The **Strategy and Roadmap on Sustainable Development of Biomass Use for Heating in Armenia** is developed which will be followed with the finalization of the Strategy and development of the Action plan, as a first significant step towards the mass usage of biomass as an alternative energy source.

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- Stimulation of the purchase of newer and eco-friendlier cars, and improvement of the framework conditions for **electric vehicles** (EVs). Apart from VAT exemptions on the import of EVs until the end of 2023, such cars are exempt from parking fees in the capital.
 - Number of electric vehicles imported in 2017 is 27, while in 2021 it was 6645. As of 2021 more than 90 charging stations have been installed in nearly all regions of Armenia.
 - The profession of technical maintenance and repair of electric cars has been included among the professions of state educational institutions implementing secondary vocational education programs for 2021-2022.
- Development and submission to the EU Delegation in Armenia **“The position paper on the EU-Armenia cooperation in the framework of the EU Green Deal”**.

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- On July 21, 2022 the GoA adopted the RA Law "**On Amendments to RA Law "On Atmospheric Air Protection"** laying down modern approaches to atmospheric air protection, tightening administrative and tax liability for atmospheric air pollution.
- **Draft law «On Environmental Impact Assessment and expertise» (EIA)** Since 2019, the Ministry of Environment has initiated the development of a new Draft law on EIA based on the EU relevant directives and obligations established under the Aarhus Convention and the Espoo Convention. The series of discussions with the involvement of diverse range of stakeholders were initiated and conducted by the Ministry, taking into account the strong public interest and a wide range of defined projects that are to be regulated by the Law. The revised draft law «On the Environmental Impact Assessment and Expertise» is submitted to the Office of the Prime Minister on August 5, 2022.

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Progress in the implementation of the EU4Environment in Armenia

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- 1. Development of Introductory Green Economy course** This training instrument is very important, as a tool towards high- and mid-level civil servants of Armenia who are directly involved in the process of developing, implementing, and evaluating policies supporting the transition towards a greener and more circular economy.

It is necessary to find out possibilities to apply this knowledge in the development of Armenia's Green Economy agenda

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2. The guidelines on the Environmental Impact Assessment application. The document will be a very useful tool for promoting the effective and legally correct application of Environmental Impact Assessment. The beneficiaries of this guideline can be authorities, developers, consultants, researchers, organizations, and the public. The guidelines will assist national stakeholders in preparing and reviewing the quality of the EIA documentation and applying the Espoo Convention and the respective national legislation.

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3. Continued effective implementation of resource-efficient and cleaner production project with close cooperation of UNIDO

14 SMEs in plastic, fisheries and other production sectors are involved in this activity. A series of coaching webinars equipped the Armenian experts with the tools and knowledge to assess the environmental efficiency of SMEs in plastic, fisheries and other industrial sectors. Training activities explored energy management issues faced by SMEs in meat, chocolate and metal processing sectors and provided a platform for panel discussions on energy audits, showcasing the application of RECP methodology.

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4. The assessment of investment needs for climate action up to 2030, underlines the urgency to source the financial means required and allocate them accordingly to reach Armenia's targets. Close cooperation and communication with stakeholders spanning the Ministry of Finance, Ministry of Economy, the Ministry of Environment, the private and civil society sphere as well as the international community allow concerted action to develop national capital raising and spending plans. Clear carbon reduction pathways up to at least 2030, including sector-specific targets and policies, will help Armenia implement its commitments under the Paris Agreement and reach carbon neutrality by 2050.

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5. The Economic analysis on Deposit Revenue System/DRS/ of packaging waste was done by the International Consultant. The document included the following deliverables

- Analysis of policy, legal and institutional structure for introducing DRS
- Examples of best practice from existing DRS in the EU;
- Market analysis
- Material flow of packaging waste analysis;
- Economic costs of the DRS model and options (Set-up and re-labeling costs, RVMs, Manual take-back, logistics, Deposit system administration, total costs);
- Economic, social, and environment benefit of the DRS model
- Green gas emissions reduction potential,
- SWOT and PESTEL analysis;
- potential alternatives;
- Risk assessment and risk management plan;
- Next steps and recommendations

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6. Identification of a draft strategic document - as the focus of the pilot Strategic Environmental Assessment (SEA) project - finalized and approved: a micro-regional combined spatial plan for Armenia's largest Gegharkunik province – “Gegharkunik-2”

- Preparatory phase of the pilot SEA project for Gegharkunik-2 including the setting up of an SEA team, contracting – in progress

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7. Circular economy and new growth opportunities (UNEP)

- Recruitment of an International Consultant for elaboration of a Legal Framework for Extended Producer Responsibility (EPR) schemes for packaging waste
 - *Under the CEPA Agreement Armenia is committed to improving its waste management system, in particular to introducing an EPR system in Armenia.
A tripartite memorandum is signed between the Ministry of Environment, the Ministry of Territorial Administration and Infrastructure, and the American University of Armenia.*
- Further cooperation to promote Sustainable Public Procurement (SPP) and complementary tools
- Awareness and capacity development on eco-labelling (possibly as part of a regional initiative)

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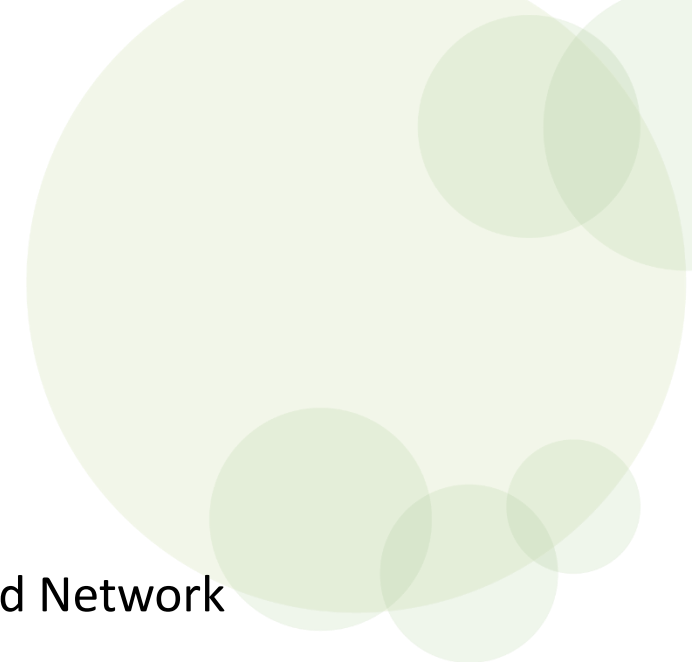


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8. Ecosystem services and livelihoods (World Bank)

- Country work plan developed and agreed with the national counterparts
- The following activities are currently under implementation:
- Development of the National Plan promoting the establishment of Emerald Network
- Revision of the Emerald network in Armenia
- Development of methodology/guidelines for the preparation of Emerald sites management plans (MP)
- Development of MPs for 2 Emerald pilot areas
- Capacity building for the development of MPs, including the monitoring of selected areas

This activities will significantly contribute to the proper implementation of obligations undertaken by Bern Convention.

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Priority areas of activities for the remaining period of the Programme (the rest of 2022 and 2023)

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Adoption of policies aimed at fostering Green Economy has been outlined as a priority in Government Programme 2021-2026 of the Republic of Armenia. Moreover, it has been stipulated in the Decision of Prime Minister of the Republic of Armenia that the assessment of a public investment project should also be conditioned on the impacts the project might have on the environment.

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The action plan to achieve this goal

- To continuously minimize the role of natural gas in the structure of electricity production by replacing it with sources of renewable and alternative electric energy;
- To prepare the electric power transmission infrastructure for change in terms of growth of demand and structure;
- To prepare the transition of infrastructures to alternative transportation;
- To help the population to obtain electric systems for food preparation and heating. The limited natural resources of Armenia dictate the imperative of effectiveness of the use of natural resources and maximum maintenance in economic processes.

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The main priorities within the Project are:

- To launch the work on green growth indicators
- Promote the process of greening public expenditure
- Support to green investments (green bonds) through identification of key challenges
- Support to protect and promote sustainable management of natural resources, forests and protected areas
- Promotion of Resource Efficient Cleaner Production

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- In Armenia, COVID-19 outbreak and the 44-days war in Nagorno-Karabakh have significantly challenged the government efforts to stimulate and ensure sustainable economic growth. In response to the double crisis, the Government of Armenia has delivered a successful Covid-19 response by providing support measures such as creating green jobs for the suffered sectors of economy and vulnerable strata of population. Green recovery approach has been prioritized and incorporated into the designed support framework and negotiated with international development partners. However, the ongoing economic downturn requires more resources to be channeled and mobilized for re-engineering economic growth, and thus requires support from donor agencies and international development partners in recovering the country's economy through green recovery interventions.

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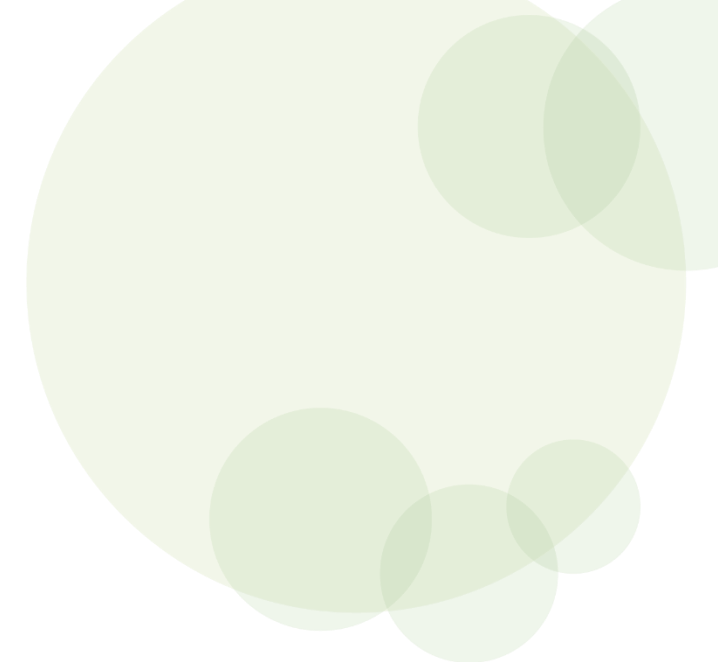
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