The Millennium Development Goals (MDGs), with associated targets and indicators, have become widely accepted as a framework for measuring broad progress in reducing poverty and improving living standards worldwide. Millennium Development Goal number 7 (MDG7)—related to environmental sustainability—reflects human aspiration worldwide to reverse the loss of critical environmental resources, improve sustainable access to safe water and adequate sanitation, and pull people out of slums.

When assessed using internationally agreed indicators (so-called global framework indicators), the Europe and Central Asia (ECA) region appears to be on track to meet most environmental sustainability targets. However, because the region has unique features, several MDG7 global framework indicators have only limited relevance for ECA or mislead about real progress in reaching targets. As a result, there is little ownership of MDG7 targets and related indicators in most ECA countries. Progress reports are being prepared by consultants with donor funding. MDGs are referred to in several government documents as generic declarations, yet they do not really drive the policy process. There is low commitment to monitoring indicators and collecting robust data. A certain fatigue with an MDG top-down process can be observed.

ECA countries and the international community have noticed the problem. Armenia, for example, has made an effort to promote within the MDG framework the environmental sustainability indicators that measure the state of Lake Sevan, the country’s critical environmental resource. The United Nations (UN) framework paper for the MDGs recommended and encouraged countries to develop complementary and country-specific indicators. The need for a set of additional indicators that improves upon those currently measured under target 9 of the MDGs has also been raised by the MDG Inter-Agency Expert Group. While no schedule for updating the list of indicators has been set, work is under way to recommend changes that would allow the inclusion of issues not currently measured (e.g., fisheries). The Environmental Performance Index (and previous environmental sustainability index) developed by Yale

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1. See the national report of Armenia about the MDGs (United Nations Development Program 2005a).
2. The United Nations Development Group (UNDG) Second Guidance Note on country reporting for MDGs states that “some targets and indicators may need to be tailored and customized to the specific conditions of each country” (UNDG 2003).
University also aims at measuring how close countries come to different environmental performance goals.3

The objective of this study was to build on these efforts and facilitate a country-driven process of identifying or developing complementary indicators for MDG7 that are more relevant for the people in the ECA region.

The paper focuses on three countries: Albania, Tajikistan, and Georgia. It also presents more limited information collected from five additional countries that were the subject of the 2004 study: Armenia, Kazakhstan, the Kyrgyz Republic, Moldova, and Serbia and Montenegro. The 2004 analyses focused on collecting and analyzing data on the “official” global framework indicators within the UN framework such as the Joint Monitoring Program, which collects global framework indicators of access to water supply and sanitation. The key lesson learned in the first phase was that the global framework indicators are not always perceived by ECA stakeholders as relevant to their countries. This lesson triggered a different approach in the second phase. The second phase focused on tailoring the targets and indicators of MDG7 to specific ECA realities in an effort to make them more relevant to people and to local policy processes. The issues of their applicability in ECA have been already raised in some previous World Bank publications (World Bank 2003, 2005a).

Customizing MDGs by countries follows the emerging trend in the UN to increase ownership. According to a United Nations Development Group (UNDG) survey, 86 percent of countries are reported to have undertaken some ad hoc adaptations of one or more of the goals themselves, their targets, or associated indicators (UNDG 2005). The literature, however, does not elaborate on the more systematic methods of customizing MDG7 targets and indicators to country-specific situations. This study is an effort to fill this gap and demonstrate how a number of countries in ECA region have tried to apply this approach.

**MDG7 Targets and Indicators**

The 8 development goals and 18 numerical targets—as derived from the Millennium Declaration—are part of the political consensus reached by the international community in the 1990s.

To monitor progress toward the goals and targets, the UN system, the World Bank, the International Monetary Fund, and the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD), came together under the Office of the Secretary General and agreed on 48 quantitative indicators from a much larger set prepared through the intergovernmental process.

The Millennium Development Goal on environmental sustainability (MDG7) consists of three distinct targets (numbers 9, 10, and 11). Each target is associated with an internationally agreed list of global framework indicators reported through the UN system. The three targets and the associated global framework indicators are summarized in table 1.

**Global Framework Indicators of MDG7 and Local Priorities**

Some targets can have different content in different countries. For example, in their efforts to achieve target 9 (to reverse the loss of environmental resources), different countries may want to focus on different environmental resources—forests, water, topsoil, and the like—depending on what is crucial for sustainable development in a country context. Global framework indicators are not equally relevant for all countries (see examples in chapter 5). This mismatch between what matters locally and what is being monitored internationally may divert scarce resources away from local policy priorities and focus on monitoring less relevant environmental resources. The mismatch may also alienate the MDGs from the national and local policy processes.

The UN global framework indicators of progress towards achieving target 10 on access to safe water supply and basic sanitation do not reflect the perception of the users of these services. The situation with water supply and sanitation infrastructure in ECA is unique in the world. A large proportion of population (in particular urban) is connected to piped water and centralized sanitation built in Soviet times. Because the water and environmental infrastructure in the ECA region has been deteriorating since the 1990s, the indicators of access to centralized water supply and sanitation systems do not show how sustainable, safe, and improved this access is.

From the point of view of global framework indicators, being connected to centralized pipes is enough to be classified as having sustainable access to safe drink-
Background and Rationale of the Study

Water and basic sanitation. However, most of those connected do not consider their access to be safe and sustainable. Access to infrastructure has become divorced from access to adequate service. Inefficient design followed by low investments and poor maintenance of water infrastructure since the 1990s has significantly reduced sustainability and safety of drinking water supply as well as adequacy of sanitation. Tap water is supplied irregularly, and it frequently does not meet biological and chemical standards, leading sometimes to outbreaks of waterborne diseases. These quality aspects of access are not duly captured by the UN official framework indicators.

In ECA, the concept of slums (target 11) was not politically correct in the Soviet system, in which housing was considered a basic citizens’ right. Housing was

<table>
<thead>
<tr>
<th>Target of MDG7</th>
<th>Global framework indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target 9</strong></td>
<td>Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources</td>
</tr>
<tr>
<td><strong>Target 10</strong></td>
<td>Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation</td>
</tr>
<tr>
<td><strong>Target 11</strong></td>
<td>Achieve significant improvement in the lives of at least 100 million slum dwellers by 2020</td>
</tr>
</tbody>
</table>


Box 1

Second Guidance Note on Country Reporting on MDGs

**Goals:** The goals reflect the vision of development embraced by the Millennium Declaration and should remain unchanged, unless marginal adjustments need to be made to reflect the particular conditions in the reporting country. Lithuania, for instance, modified Goal 2 to read: “achieve universal secondary education” as universal coverage of primary education is already a reality in that country.

**Targets:** The Millennium Development Goals Reports must take into account national development priorities, thus the targets need to be contextualized to the country-specific situation—i.e., adaptation, not mere adoption of the global MDGs. Adaptation can only be carried out through a consultative process with all national stakeholders. (. . .) different targets will need to be set that balance ambition with realism. Some countries may set targets that are more ambitious than the global ones. Numerical targets can be set for intermediate years that correspond better with the national planning framework. Others can set targets for areas that are instrumental for reaching the MDGs—such as access to reproductive health and microcredit. (. . .)

**Indicators:** At country level, MDG indicators should come from official data sources and be chosen to best reflect agreed targets.

Source: UNDG (2003, p. 8).
provided to people by the state, together with access to basic utilities at very low cost. Access was regulated not by price, but by long waiting lines, and poor quality of construction matched low costs. All ECA countries have vast urbanized areas dominated by multistory apartment buildings that are deteriorating rapidly due to the failure to resolve responsibility for maintaining common areas. The multistory housing stock constitutes the majority of urban housing in the region. Furthermore, many people live for years in barracks and dormitories intended only for the short-term accommodation of workers. The worst example of slums is placement of internally displaced people in buildings constructed for nonresidential purposes, such as former schools, hospitals, and kindergartens where families may live for years. Deteriorated heating systems pose an important problem in the region, given the prevailing cold climate. Unsustainable and unsafe access to deteriorated utilities also lowers the quality of housing and raises the issue of a good definition of slums in the ECA context.

The UN and other international agencies often recognize the limitations of the global framework approach to monitoring MDGs. A UNDG survey conducted recently found that “Neither the Declaration nor the Goals have become a factor in parliament or in the political process. They are also mostly a pre-occupation of national rather than local governments. More broadly, not much headway has been made in either case with civil society or the media” (UNDG 2005). The recent UNDG Guidance Note includes recommendations to customize MDG goals, targets, and indicators (box 1) but falls short of providing more specific technical guidelines for complementary, customized indicators.