

Building Capacity for Implementation

5

The region needs to build capacity for implementation, especially in the EECCA countries. Countries of the region should review and, where needed, update their policy and strategy documents on the environment, agriculture, and forestry specifically to identify capacity constraints and needs. National Environmental Action Plans (NEAPs) are often a good vehicle for doing this, as they are generally prepared by inter-ministerial working groups with participation from NGOs and civil society. At the very least, “capacity” has financial, human, and institutional dimensions. While all three dimensions (further explained below) are challenging, institutional change is often the most difficult and time consuming. As the questionnaire analysis (para. 2.9 and Annex 2) shows, institutional weaknesses are prevalent across the region.

Consideration should be given to making permanent any *ad hoc* inter-agency environmental working groups or consultative bodies. By their nature, integration issues need a multi-disciplinary approach. For example, the safe use of chemical pesticides includes consideration of public health issues for a range of stakeholders (applicators, rural residents, consumers of farm products), ecological safety (including persistence and accumulation in the food chain), technology for disposing of hazardous waste from obsolete products, and international conventions. Adaptation to climate change is another issue that requires inter-agency cooperation, and due to the new challenges posed by climate change risk, there is a lack of capacity in agricultural and forestry agencies to manage it.

Agriculture ministries should consider how to strengthen their environmental capacity, including staff training and the establishment of special environmental units. A few regional countries, such as Serbia and Belarus, have already done so. Alternatively, environmental review of policies, programs, and projects can be delegated to the ministry of the environment through strategic and project environmental assessment procedures. Where the forestry agency is part of the ministry of environment, as in some EECCA countries but not in SEE (except Turkey), coordination is less of an issue. In either case, the capacity to enforce environmental regulations currently in place (such as those on nutrient discharge) needs to be strengthened and focused on the biggest culprits—industrial-scale agribusinesses, often with foreign backing.

Some ministries of agriculture are still completing the transition from being directly responsible for organizing and directing agricultural production, under the socialist model, to regulating and supporting the private farm sector, for example, the ministries in Belarus, Turkmenistan, and Uzbekistan. Even where transition is relatively complete, a bias towards directing ministry programs to maximize agricultural production is still evident, as seems to be the case in Russia and Ukraine. This leads to continuation of old programs that subsidize inputs and crop production,²⁰ and pressure to ensure that all agri-

²⁰ In Uzbekistan, Turkmenistan, Moldova, Georgia, Belarus, Armenia, and parts of Russia. Source: World Bank consultant reports.

cultural land is kept under production, with consequent neglect of longer-term issues such as soil conservation. Accession countries such as Croatia and Serbia provide good examples of how to redirect agriculture ministry programs and budgets from direct support to production to resource conservation and sustainable management. However, this change in focus remains only partial, as indeed it does in most Western countries. Similar considerations apply in the forestry sub-sector, though the transition there has been less radical, especially in EECCA.

The capacity for economic analysis in ministries of environment and agriculture needs to be enhanced. Making the case for investing in environmental integration often means providing rigorous economic cost-benefit analyses to ministries of finance and economy, and politicians. The capacity for such analysis is often lacking in ministries of environment and agriculture, which weakens their position when seeking funding, as well as their ability to rank long lists of investment “priorities” by order of importance. Once investments are made, it is essential to demonstrate their impact in both environmental and economic terms, in order to justify continued support. Even the newer EU member states are often unable to demonstrate the impact of CAP Pillar 1 cross compliance and Pillar 2 environmental investments.

Farmers need reliable advice on sustainable production techniques. As indicated in Chapter 4, virtually no regional country has a fully functional and effective agricultural advisory and extension service through which to communicate knowledge on sustainability to farmers, especially the smaller and poorer ones. In SEE, the challenge is to modernize existing services, improve cost-effectiveness, and expand the range of advice provided. In EECCA, the need is to evaluate the pilot approaches currently being implemented, expand their geographic coverage, and turn them into communication channels that support the

integration of sustainability issues in production and processing. Such an evaluation should focus on the appropriate role of the private sector and the potential for cost recovery from farmers. This should alleviate the strain on government budgets caused by a full-fledged extension service based on western models. Countries may find a two-tier approach desirable, with limited government and greater private sector involvement in services to larger commercial growers and a more conventional approach of geographically based extension agents for the large number of small subsistence farmers.

The SEE countries (and some in EECCA) are developing Codes of Good Agricultural Practice, both to educate farmers on sustainable agricultural technologies and to set standards for certain support programs. Although these codes have good potential to increase the integration of environmental concerns in agriculture, they have clear limitations. Despite their name, they are typically just voluntary guidelines rather than legally binding codes. Also, they cannot anticipate the conditions on every farm or the knowledge and financial capacity of every farmer. These considerations need a more “hands-on” approach, which extension agents can provide.

A recent study of forest institutions in transition (World Bank 2005) points out the importance of a culture of service delivery in forest organizations. The same could be said for agricultural agencies. Organizations should have performance standards for services to their clients, monitoring information, and accountability. There is no single model for success, and numerous cultural and historical factors must be taken into account. Finally, trying to improve organizational performance merely by providing tools such as strategies, training, and equipment will likely be futile, without a thorough analysis of the organization and a strong willingness to change.

All of the above proposals imply a need for more staff with appropriate specialized

training. For example, in Turkey, of the 4,500 staff of the General Directorate for National Parks and Protected Areas, who are mostly qualified forest engineers, fewer than 2 percent have any training in ecology. Many other agencies in the region face similar situations. Building specialized skills takes time and, in many transition countries, the process is undermined by moribund agriculture and forestry education systems in desperate need of restructuring and reform. This has clear budgetary implications, although in some cases new programs could be financed by curtailing old programs that are no longer needed, and by improving the cost-effectiveness of services.

Regional countries, especially in EECCA, do not score well on published indices of good governance. For example, on average, the SEE countries received a score of 3.19 out of 10 on Transparency International's Corruption Perception Index, while

EECCA countries scored only 2.50. Unfortunately, this affects performance in the agricultural and forestry sectors, and especially in the latter. The persistence of illegal logging is largely due to the connivance of corrupt officials,²¹ although countries are now beginning to address corruption (see Box 4) through processes such as Forest Law Enforcement and Governance (FLEG). A major role of government in a market economy is to ensure impartial enforcement of the laws.

²¹ According to allegations by a number of independent observers and recently confirmed by the head of the Russian Federal Forest Agency, Roshchupkin, Valery P., 2007, "Results of Inspection in Chita Oblast, Measures to Prevent Illegal Logging and Trade of Illegal Timber," presentation by the Head of Russian Federal Forest Agency to the Illegal Logging and Associated Trade Meeting, Chita, 19 May, 2007.