

External Consultations

EUROPE AND CENTRAL ASIA REGION

Background

The World Bank Group (WBG) is embarking on the preparation of a new Environment Strategy to be completed by December 2010. The Concept Note includes a proposed two-track approach in defining the new Strategy. The first is to assess client demand in defining priorities for environmental sustainability through external consultations (Phase I/ Track 1: Aug. 17, 2009 – Feb. 15, 2010) and the second is to assess cross-cutting priorities through analytical work (Phase I/Track 2: Aug. 17 – Apr. 30, 2010). The outcome of these two steps will be integrated and consolidated into a first full draft of the Strategy (Phase II: Jun. 1 – Aug. 15, 2010).

To assess client demand and identify priorities the WBG's Regional Departments have been requested to undertake external consultations with their clients and other stakeholders. It is expected that the consultation process will include i) a combination of web-based, face-to-face and video-conference sessions, and ii) be inclusive with respect to relevant stakeholders (including developed and developing country governments, civil society, NGOs, indigenous peoples, academia, think tanks, private sector, UN agencies, development institutions and the youth). For maximum relevance, these consultations should also link to WB Regional business planning and programming.

ECA Proposal

The following proposal is in relation to Phase I/Track 1 external consultations in the Europe and Central Asia Region (ECA). The Consultation Schedule summarizes our current thinking on the main groups of consultations and internal stocktaking activities that we would like to undertake in defining client priorities and receive feedback on the World Bank's Corporate Environment Strategy. The structure of the overall Plan is very opportune for the ECA Region since we are currently in the process of developing our internal thematic business strategies for Natural Resources Management (NRM), Pollution Management (PM), Climate Change and others. The external client and stakeholder consultations will thus be integrated with the development of internal thematic Strategies and business plans. The resulting can then be used to define priorities in the Corporate Environment Strategy. The following is a brief description of likely event content and sequencing.

The first event will be a workshop anticipated to take place in Zagreb, Croatia in mid-December 2009, where key partners and clients from Southeastern Europe will join the Bank team to

review the preliminary thematic business plans (drawn up in early fall) and to engage in focused discussions with client country sector Ministries.¹ Representatives from the Ministry of Finance, Ministry of Environment and civil society/ academia/ NGOs will participate in the workshop event. It is anticipated that one representative from each Ministry and civil society will attend the event for a total of approximately twenty-seven client country representatives (i.e. 9 countries x 3). The outcome of these events is to have preliminary consultative drafts of the business strategies/plans as well as a focused list of discussion topics relevant for the Corporate Environment Strategy.

A second, similar major event will also be held in mid-December, 2009 for countries in Central Asia.² As with the Croatia event, representatives from the MoF, MoE and civil society will be invited for a total of 15 participants (i.e. 5 countries x 3).

To facilitate the Croatia event it is proposed that ECA retain the services of the Regional Environment Center (REC) in Zagreb to organize, coordinate and facilitate the workshop event.³ Similar facilitation arrangements will be sought for the Central Asia event as well.

The Environment Anchor is separately planning strategy consultations in the ECA Region at the World Bank's Annual Meetings in Istanbul, Turkey and in Brussels, Belgium.

Program relevance

ECA's Environment Business Strategies are well aligned with the current topics to be covered as specific focal areas in the Corporate Environment Strategy. There are two special areas of focus that represent strong areas for continued growth.

Pollution Management has existing and growing business lines in many countries such as Azerbaijan, Kazakhstan, and Kosovo. This includes investment projects to remediate municipal and industrial pollution and improve waste management and wastewater treatment along with complementary AAA activities. The topic is also highly relevant for the European Commission in its consideration of new member states. Pollution Management is also an important business line for the IFC and coordination with their activities would form part of ECA's Pollution Management Strategy. The European Commission has recognized that new Member States (many of which are still strong clients of the Bank) have fallen behind on their commitments on waste management and is interested in Bank support to move the PM agenda in this regard.

¹ ECCU4 countries that are anticipated to attend are: Albania, Bosnia, Kosovo, Macedonia, Montenegro and Serbia. ECCU5 countries anticipated to attend are: Bulgaria, Croatia and Romania.

² Central Asia countries anticipated to attend are: Kazakhstan, Uzbekistan, Tajikistan, and Kyrgyz Republic.

³ The Regional Environmental Center (REC) in Central and Eastern Europe is a unique organization with a mandate to work with both government and civil society and has extensive experience in stakeholder facilitation and workshop organization. They are also uniquely placed to draw from their diverse regional network of local offices in the targeted client countries for this workshop.

Regarding Natural Resources Management, the ECA Region has greatly benefitted from GEF support over many years, and despite the reduction in such funding, we do see countries willing to borrow given the right incentives (e.g. sustainable tourism, carbon finance incentives, etc.) The Region also has several ongoing projects in nutrient reduction, through the Regional Black Sea-Danube Strategic Partnership Investment Facility, and the Forest Law Enforcement and Governance (FLEG) initiative in coordination with other donors.⁴

Finally, as noted earlier there are also several cross-sector linkages with other ECA Business Plans; for example on Climate Change which would be highlighted in the discussions as well.

Summary

The consultative process is expected to produce the following major outputs that will serve as inputs to the World Bank's Environment Strategy:

- Stakeholder vetting of Sector Strategies and Business Plans for Pollution Management and Natural Resources Management (with a summary of priority issues and areas of future engagement).
- Feedback summary documents from two major stakeholder consultations including Southeastern Europe and Central Asian countries.

⁴ The Forest Law Enforcement and Governance partnership is a multi-donor trust fund established at the Bank in 2004 to support regional FLEG Ministerial processes. In partnership with donor agencies, governments, NGOs and industry, the Bank has taken a lead in facilitating regional Forest Law Enforcement and Governance (FLEG) initiatives, beginning first in 2001 with the East Asia and Pacific initiative. Subsequently such a process was initiated in Africa in 2003 and such a process is currently underway in Europe and North Asia. The establishment of the FLEG partnership at the Bank formalized the Bank's leadership role in these initiatives. Through support and coordination of these regional FLEG initiatives the Bank hopes to reduce the level of illegal logging activities and thereby curb the associated degradation of forests, loss of government revenue from uncollected fees taxes, and support the development of a more level playing field for legitimate forest operators. The FLEG partnership supports follow up activities to implement outcomes from the ministerial processes.

Consultation Schedule

Milestones and events	Potential stakeholders	Timeline (2009)
Preparation of thematic business plans (NRM, Pollution Mgmt) and links to others such as Climate Change)		Sept. – Oct., 2009
Regional Retreat: - Preliminary review of business strategies		Oct. 23-24, 2009
Regional consultation: Zagreb, Croatia - ECCU4 & ECCU5 countries - Focused discussions with Sector Ministries and civil society - Input to Anchor ESW for case studies/ analytical work	Clients, Civil society/ academia/ NGO, REC	mid-December, 2009 (date to be fixed)
Regional consultation: location TBD - Central Asia countries - Focused discussions with Sector Ministries and civil society - Input to Anchor ESW for case studies/ analytical work	Clients, Civil society/ academia/ NGO, REC	mid-December, 2009 (date to be fixed)

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