

INTEGRATION OF ENVIRONMENTAL CONSIDERATION INTO THE DECISION-MAKING PROCESS OF THE LOCAL AUTHORITIES IN RUSSIAN FEDERATION AND UKRAINE (CASE OF STRATEGIC ENVIRONMENTAL ASSESSMENT)

Anastasiya Timoshyna,

Central European University, Budapest, Hungary

Studies of the integration of environmental policy instruments into the decision making process of countries in transition (CIT) are underrepresented in the academic literature. The exact knowledge about the instrument implementation mechanisms and realization of the importance of those processes would help researchers and decision-makers to improve the environmental performance on the local level, as well as to predict the outcomes of the decisions made. In the NIS countries this informational gap in studying environmental decision-making on the local level is especially deep. This study of environmental performance and the practices of environmental policy instrument integration on the local level with a specific focus on Russian Federation and Ukraine aims to meet the need for such knowledge and to stimulate academic discussion on the topic. Strategic Environmental Assessment is hypothetically suggested to be an effective tool in improving the environmental performance of the given municipality. The SEA relevance and applicability for the conditions of transitional economies is analyzed.

Managing the local environment has always been a key aspect of local policies even before environmental problems gained large-scale attention in the 1980s (Szarvas 2003). However, it was only recently that environmental decision support and management tools, such as impact assessments, environmental planning, programming, and management systems started to play a more significant role in local policies. Long term planning and the implementation of systematic tools have been strongly supported by the development of the sustainability agenda.

During the transition to a market economy the planning principles of the administrative/command system in the Newly Independent States (NIS) were not considered reliable and the planning capacities were significantly weakened. One of the most affected levels of decision-making was the local planning process. In the Russian Federation and Ukraine (the patterns of governance of which are widely used by other NIS countries) the following main features were characteristic of local planning in recent years (REC 2003):

Emphasis on short-term planning. For a number of years the municipalities used mostly one-year plans or even no plans at all. Most of the cities have outdated master plans (they expired several years ago) and there is no initiative to upgrade them.

Disintegrated sectoral approach. The considerations of economic development, social improvement and saving the environment are considered as separate and partly contradictory issues.

Administrative and technical approach instead of open planning. Most officials and proponents consider stakeholders' participation as a 'nuisance' that disorganises the planning process. Strategic planning thus lacks transparency and public credibility.

Local authorities, which make the strategic decisions and set out plans of local development, are the most effective in dealing with the environmental problems. There is a number of environmental policy instruments, integration of which might then serve as an effective tool for gaining sustainability on the local level.

The instruments to be addressed include:

Environmental impact assessment (EIA) and strategic environmental assessment (SEA).

Environmental management systems (including environmental management and audit scheme (EMAS) and standards of environmental management ISO 14001)

Financial mechanisms of environmental performance (taxes, quotas for pollution, debts and payments)

Strategic Environmental Assessment, which is defined as the application of environmental assessment for plans, policies and programs, is a particularly relevant and effective tool for government at all levels. At the last meeting of the International Association for Impact Assessment (IAIA) in Marrakech, Morocco (June 2003), SEA was recognized as an instrument of environmental policy which is being applied frequently and successfully, although, there is still a need to search for the most effective way of implementing it (IAIA 2003). Since signing the Kiev SEA Protocol of the Espoo convention on Environmental Impact Assessment in a Transboundary Context², most countries began launching inserting pilot projects on SEA implementation into the general state policy. As the SEA practices are progressing in development, they are not just used to support decision making, but also to manage decision processes.

The aim of the research is to establish a research framework for the analysis of environmental policy instrument integration into regional development planning in Russian Federation and Ukraine, in order to investigate the possible effectiveness of the instrument integration in other countries of the NIS.

Given this aim the concrete *objectives* set are as follows:

To provide an overview of the conditions of the functioning of local government in Russian Federation, and Ukraine

To analyze whether transparency and the goals of sustainability in local planning might be achieved through the Strategic Environmental Assessment integration into the decision-making process

To describe and evaluate the efficiency and relevance of the instruments used by the EU-accession countries (Hungary, Poland) for the contemporary conditions of the NIS countries (Russian Federation, Ukraine)

To provide a comparative analysis of practices used in different countries of the region in the realm of the local decision-making process

² Kiev Ministerial Conference, 21 May 2003

To develop recommendations for the national and local authorities in Ukraine and Russian Federation, based on the experience of the EU-accession countries and integration of strategic environmental assessment in the decision-making process of other NIS countries.

The next conclusions are to be drawn from the research conducted:

Local governments in the NIS countries are performing poorly in the context of sustainable decision-making process. The whole variety of environmental policy instruments is there to address the crisis and improve the environmental performance of the local governments in the CIT (countries in transition).

The experience of the EU-accession countries can provide useful assistance to the other developing countries of the region (including FSU) in improving and increasing the transparency of the decision-making process in local authorities.

The process of integrating strategic environmental assessment practices into the decision-making process of local governments in the Russian Federation and Ukraine is a relevant and effective tool of improving the environmental performance of a given local community.

The experience of the Russian municipalities where SEA is being implemented, can be used in other neighboring NIS countries (e.g. Ukraine) to make the process of decision-making transparent and environmentally sustainable.

IMPACT OF TRADE LIBERALIZATION ON THE ENVIRONMENT

Lilia Ukrainets,

Ivan Franko National University of Lviv, Ukraine

There is no simple pattern to the relationship between trade, environment and development. Depending on the sector, the country, the markets and prevailing policies, trade and trade liberalization may be good or bad for the environment and development. At the most basic level, trade and the environment are related because all economic activity is based on the environment (physical and economic linkages). At another level, environment and trade represent two distinct bodies of international law (legacy and political linkages).

1. Physical and economic linkages:

1.1 Product effects occur when the traded products themselves have an impact on the environment or development.

1.2 A subset of product effects, sometimes termed "technology effects," are associated with changes in the way products are made depending on the technology used. Technology effects stem from the way in which trade liberalization affects technology transfer and the production processes used to make traded goods.

1.3 Trade and trade liberalization can expand the level of economic activity possible by making that activity more efficient (scale effects).