

# **STRATEGY 2011-2015**

**OF**

**THE REGIONAL ENVIRONMENTAL CENTER  
FOR CENTRAL AND EASTERN EUROPE**



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## ABBREVIATIONS

Aarhus Convention	Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters
Carpathian Convention	Convention on the Protection and Sustainable Development of the Carpathians
CEE	Central and Eastern Europe
DABLAS	Danube and Black Sea Task Force
EAP Task Force	Task Force for Implementation of the Environmental Action Programme for Central and Eastern Europe
ECENA	Environmental Compliance and Enforcement Network for Accession
EEA	European Environmental Agency
EEB	European Environmental Bureau
EECCA	Eastern Europe, the Caucasus and Central Asia
EEHC	European Environment and Health Committee
EIA	Environmental impact assessment
ENPI	European Neighbourhood and Partnership Instrument
ENVSEC	Environment and Security Initiative
Espoo Convention	Convention on the Environmental Impact Assessment in a Transboundary Context
Green Pack	Educational tool developed by the REC
GHG	Greenhouse Gases
ICPDR	International Commission for the Protection of the Danube River
INECE	International Network for Environmental Compliance and Enforcement
IUCN	International Union for the Conservation of Nature
JI	Joint Implementation Mechanism
LEAPs	Local Environmental Action plans
LBAPs	Local Biodiversity Action Plans
ODA	Official Development Aid
OECD	Organisation for Economic Cooperation and Development
OSCE	Organization for Security and Co-operation in Europe
PRTR Protocol	Protocol on Pollutant Release and Transfer Registers
REEEP	Renewable Energy and Energy Efficiency Partnership
REReP	Regional Environmental Reconstruction Programme for South Eastern Europe
SAP	Stabilisation and Association Process
SEA Protocol	Protocol on Strategic Environmental Assessment to the Espoo Convention on Environmental Impact Assessment
SEA	Strategic Environmental Assessment
SEE	South Eastern Europe
UNECE	United Nations Economic Commission for Europe
UNCED	United Nations Conference on Environment and Development (Earth Summit, Rio, 1992)
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
Water Convention	Convention on the Protection and Use of Transboundary Watercourses and International Lakes
WHO	World Health Organization
WSSD	World Summit on Sustainable Development (Johannesburg, 2002)
WWF	World Wide Fund for Nature

## EXECUTIVE SUMMARY



This strategy builds on the Declaration of the Signatories to the Charter of the REC, on the occasion of the 20th Anniversary of the foundation of the REC, adopted on June 18, 2010. The recommendations made in the independent evaluation, “REC: 2006-2010, Achievements and Challenges”, are reflected in the document. The strategic review and organisational restructuring undertaken in 2008 are also taken into consideration.

Presently the Charter of the REC — its legal basis — has been signed by the governments of 31 countries and the European Commission.<sup>1</sup> The REC presently has its Head Office in Szentendre, Hungary. Country Offices, Field Offices and Project Offices operate in 17 countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia,

Hungary, Latvia, Lithuania, the Former Yugoslav Republic of Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Turkey. We operate in Kosovo as defined by UNSCR 1244.

The REC will strengthen its institutional and operational base, as a fully-fledged international organisation, by completing its status harmonisation in the beneficiary area.

The activities of the Center during the last 20 years have expanded and diversified tremendously. In line with its mission and strategy for the period 2006-2010, the REC has engaged in capacity building, policy dialogue and cooperation with environmental stakeholders; developed and promoted methodologies, tools and good practices for sustainable development (and for public/stakeholder involvement); supported civil society development; and participated and contributed to major European and global environmental processes. The REC greatly contributed to the transposition and implementation of the *Acquis Communautaire* in the EU candidate countries and potential candidate countries. The REC also successfully implemented a number of ministerial mandates, such as the Secretariat of the Task Force for Implementation of the Regional Environmental Reconstruction Programme for South Eastern Europe (REReP) and the Environmental Compliance and Enforcement Network for Accession (ECENA).

In their Declaration, adopted in June 2010, the Signatories to the Charter of the REC stated that they “highly appreciate the continuous development of the REC over the last 20 years. The REC has evolved into an international think-tank and facilitator contributing to the international environmental dialogue and actions to address European and global environmental challenges. It is a multi-stakeholder platform for policy development and capacity building at national, regional and local levels in Central and Eastern Europe and beyond. The REC has the necessary knowledge and expertise to further contribute to the protection of the environment within the European region, to support and assist the environmental dimension of the EU enlargement process, and to contribute to major European and global efforts for sustainable development.”

The mission of the REC for the future remains to assist in addressing environmental issues, mainly in Central and Eastern Europe, through the promotion of cooperation among non-governmental

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<sup>1</sup> *Signatory to the REC Charter are: Albania, Austria, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, the Czech Republic, Denmark, Estonia, European Commission, Finland, Germany, Hungary, Italy, Japan, Latvia, Lithuania, the former Yugoslav Republic of Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Romania, Serbia, Slovakia, Slovenia, Sweden, Switzerland, Turkey, United Kingdom and the United States of America.*

organisations, governments, businesses and other environmental stakeholders; the free exchange of information; and public participation in environmental decision making.

By 2015, the REC will be a prestigious international organisation known for independence, innovation, efficiency and effectiveness in facilitating the adaptation to and mitigation of the gravest environmental challenges to prosperity and peace in Europe and beyond.

The REC will streamline resources (both financial and human) towards two main directions for work in the period 2011-2015:

- A. Governance for sustainability
- B. Green economy

Within the direction for work “*Governance for sustainability*”, the REC will examine the possibilities for integrating the environmental, social and economic dimensions of sustainable development within the framework of governance processes and how that might steer the beneficiary area of the REC towards sustainability. In this respect, the REC will offer capacity building, a neutral platform for the exchanging of views and experience and information on best practices, as well as support for public/stakeholder involvement. The REC will work with all key actors, collect real-life examples for governance in different sections of society and assist in developing participatory solutions.

Within the direction for work “*Green economy*”, the REC will focus its activities on promoting the integration of environmental concerns in public policies and in strategic documents governing the management and spending of EU funds. It will pursue the market-based integration of environmental concerns (e.g. reviewing and revising prices, taxes and subsidies; using more economic instruments in environmental policies; transitions and adaptation to social conditions). In the activities under this direction, we at the REC will build on our achievements in policy reform and institutional strengthening, in order to address climate change and promote clean energy and sustainable urban mobility, efficient use of natural resources and sustainable consumption and production.

The Board of Directors and General Assembly of the REC have identified strategic groups within our Beneficiary countries with regard to their special environmental problems, differing political statuses and funding opportunities:

- EU countries (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia)
- EU Enlargement countries
  - EU candidate countries (Croatia, Former Yugoslav Republic of Macedonia, Turkey)
  - Potential EU candidates (Albania, Bosnia and Herzegovina, Montenegro, Serbia, Kosovo as defined by UNSCR 1244)
- Eastern Partnership countries (Belarus, Ukraine)
- EU-27
- other regions.

These groups have to respond to common environmental challenges such as climate change, and at the same time address their specific problems. Depending on available funding, the REC will implement not only national and sub-regional projects, but also multiregional activities that bridge different beneficiary groups and contribute to the exchange of views and experience among environmental stakeholders, as well as strengthen their involvement.

Major constraints in realising these aims are the availability of funding and the sustaining of human resources. The REC operates as an international organisation, but on a project basis, without any secured funding. Therefore, it has to ensure the implementation of all proposed activities through active fundraising.

A consolidation of activities and the development of a new thematic and geographical focus will prevail in the forthcoming period.

## PREFACE

This document contains the Strategy for 2011-2015 of the Regional Environmental Center. It reflects the comments made by the Board of Directors of the REC at their meetings in September and November 2010. It also takes into consideration the discussions at the November 2010 General Assembly of the REC.

The strategy builds on the Declaration of the Signatories to the Charter of the REC on the occasion of the 20th Anniversary of the foundation of the REC, adopted on 18 June 2010 (hereafter “20<sup>th</sup> Anniversary Declaration”). The document also reflects the recommendations made in the report, “An evaluation of the REC: 2006-2010: Achievements and Challenges”, by Dr. Christian Averous, Szentendre, 18 June 2010 (hereafter “2010 Independent evaluation of the REC”). The strategic review and organisational restructuring undertaken in 2008, along with the self-assessment of the REC, are also taken into consideration.

The strategy defines the priority issues the REC is to focus on in the period 2011-2015. In line with the established tradition, the implementation is ensured by annual work plans that are approved by the Board of Directors.

The Strategy for 2011-2015 is the key document guiding the future development of the REC. It aims at preserving and building upon the achievements to date and at the same time opens new doors for the organisation based, on identified key directions for future work.

Major constraints in realising these aims are the availability of funding and the sustaining of human resources. The REC operates as an international organisation, but on a project basis, without any secured funding. Therefore it has to ensure the implementation of all proposed activities through active fundraising. Against this background a mid-term review of the strategy implementation could be very beneficial.

The Strategy was developed based on the process of a series of consultations with internal and external contributors that is traditional for the REC.

## BACKGROUND



The REC was established in 1990 by the United States of America, the European Commission and Hungary. Presently the Charter of the REC — its legal basis — has been signed by the governments of 31 countries and the European Commission.

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*Signatories to the Charter of the REC are: Albania, Austria, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, the Czech Republic, Denmark, Estonia, European Commission, Finland, Germany, Hungary, Italy, Japan, Latvia, Lithuania, the former Yugoslav Republic of Macedonia, Malta, Montenegro, the Netherlands, Norway, Poland, Romania, Serbia, Slovakia, Slovenia, Sweden, Switzerland, Turkey, United Kingdom and the United States of America.*

The REC presently has its Head Office in Szentendre, Hungary. Country offices, Field Offices and Project Offices operate in 17 countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, the former Yugoslav Republic of Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Turkey. The REC also operates in Kosovo under the UNSCR 1244.

Their legal statuses up until now have been highly diverse, leading to different privileges and immunities, taxation modes and opportunities to access funding. Despite decisions concerning this issue at the time of the celebration of the 15<sup>th</sup> anniversary of the REC in 2005, progress in this field has been very slow. At the moment the REC has international legal status in Bosnia and Herzegovina, Hungary, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia. In order to address a range of operational problems, a negotiation process has been initiated with the Signatories to the Charter of the REC for possible changes about the legal status of the Head Office of the organisation. Presently the REC is mainly registered as an international organisation in the countries of its operation. However, besides this there are four other forms of operation, e.g. association, foundation, etc.

The activities of the Center during the last 20 years have expanded and diversified tremendously. In line with its mission and strategy for the period 2006-2010, the REC has engaged in capacity building, policy dialogue and cooperation with environmental stakeholders; developed and promoted methodologies, tools and good practices for sustainable development (and for public/stakeholder involvement); supported civil society development; and participated and contributed to major European and global environmental processes. The organisation greatly contributed to the transposition and implementation of the *Acquis Communautaire* in the EU candidate countries and potential candidate countries. It also successfully implemented a number of ministerial mandates, such as the Secretariat of the Task Force for Implementation of the Regional Environmental Reconstruction Programme for South Eastern Europe (REReP) and the Environmental Compliance and Enforcement Network for Accession (ECENA).

Over the last 5 years, the REC has further strengthened its niche in the international environmental arena, in Europe and beyond. It has continued its active role and contribution to major environmental policy processes in Europe, such as “Environment for Europe” and “Environment and Health”. It has engaged in numerous partnerships with other international institutions and organisations. Special attention has been paid to the implementation of European and global multilateral environmental agreements. Best practices have been transferred from the new EU members to South Eastern Europe and other regions of the world, e.g. EECCA, Northern Africa, South Asia and many others. Thus, the REC has developed into an organisation working successfully inside and outside of the EU and supporting major environmental international processes.

In the 20<sup>th</sup> Anniversary Declaration, the Signatories to the Charter of the REC stated that they “highly appreciate the continuous development of the REC over the last 20 years. The REC has evolved into an international think-tank and facilitator contributing to the international environmental dialogue and actions to address European and global environmental challenges. It is a multi-stakeholder platform for policy development and capacity building at national, regional and local levels in Central and Eastern Europe and beyond. The REC has the necessary knowledge and expertise to further contribute to the protection of the environment within the European region, to support and assist the environmental dimension of the EU enlargement process, and to contribute to major European and global efforts for sustainable development.”

The REC operates on a project basis. It has an annual turnover of approximately EUR 12 million.

During the period 2006-2009, the REC signed 638 contracts, amounting to over 54 M EUR. Adding the contracts to be signed in 2010, the overall sum is expected to exceed 60 M EUR. Activities cover all priorities for assistance identified in the Strategy 2006-2010 for South Eastern Europe (SEE) and most of the priorities for the other strategic groups of REC Beneficiaries. Most of these projects were

implemented in the SEE region, followed by the amount of projects designated for new EU members and then those designated for the whole EU.

The earmarked donor support was stable, amounting to around 11 M EUR per year. All beneficiaries of the REC provided modest, but very valuable support during this period. Among the beneficiaries, Hungary is still the biggest contributor.

At the REC, we currently operate two special funds: the Japan Special Fund (from 1993) and the Italian Trust Fund (from 2001). These special funds support projects in line with the mission of the organisation, and work as independent financial units under the supervision of the Executive Director. They operate in consultation with the respective donor countries.

## **BUILDING ON THE IMPLEMENTATION OF REC STRATEGY 2006-2010**

A self-assessment of the work done in the period 2006-2009 was completed and presented at the 2009 General Assembly meeting. In addition, a questionnaire was sent to the beneficiaries, in order to get their feedback on the activities of the REC.

On the request of the Board of Directors in spring 2010, an independent evaluation of the REC took place. It concluded that “in the period 2006-2010, the REC has provided an effective and specific contribution to its beneficiary countries, particularly to their environmental institutional and economic convergence with the EU. Overall, the efforts of REC in implementing its strategy were successful and translated into influential achievements, which can be documented. For instance, REC has usefully promoted activities aiming at i) implementation and enforcement of national environmental legislation and regulations and regional and global multilateral environmental agreements (MEAs such as the Aarhus convention or the UNFCCC); ii) opinion leaders’ awareness of sustainable development, through co-operative efforts among enterprises, universities, public authorities; iii) environmental education with the very successful “Green Pack” experience; iv) progress towards low carbon economies and v) assistance to providing water (supply and sanitation) infrastructure and services. In so doing, REC has brought a relevant and significant contribution to environmental progress and environmental democracy within a set of countries aiming at increased geo-political and economic stability. For instance, REC has been key in the regional environmental reconstruction of South East Europe. In a context of deep and rapid political and economic changes, it is all the more remarkable that REC has itself been able to expand and adapt its activities increasingly, under an efficient, flexible and creative management, and has evolved in its substantive portfolio of projects and expertise. The REC could acquire a clearer “brand” and further gain in visibility and influence by focusing on its core substantial areas of influence: governance and green development.”

Analyses on the strengths, weaknesses, opportunities and threats (SWOT) of the REC have been made at the senior and mid management levels. They identified the main opportunities for the REC to be an increased role in Europe, an increased innovation of products, the further diversification of funding sources and new strategic partnerships. The risks for the REC are seen to be its limited “volunteer” base, growing competition for decreasing funds, its loss of traditional markets and diminishment of areas of expertise due to lack of funding.



## POLITICAL CONTEXT



After the last EU enlargement, the beneficiary countries of the REC became either EU members or are actively engaged in the EU accession process, as candidate countries or potential candidates. Over the last 5 years, ten of the REC Beneficiaries, as new members of the EU, were directly shaping and contributing to the EU environment agenda, including at the EU presidency level. The Western Balkan countries and Turkey advanced in the EU accession process.

Against this background, the activities of the REC will have to follow all strategic documents at the EU level and developments in the EU acquis and contribute to the possible extent of their practical implementation. In the same time, the REC has to follow and contribute to major environmental developments in Europe and beyond and permanently upgrade its knowledge base and expertise.

The REC is actively working on several issues covered by the Sustainable Growth component of “Europe 2020”, the EU June 2010 strategy for jobs and smart, sustainable and inclusive growth, adopted by the EU in June 2010. For instance, there is the EU flagship initiative, “Resource efficient Europe”, which aims to help decouple economic growth from the use of resources, by decarbonising the economy, increasing the use of renewable sources, modernising the transport sector and promoting energy efficiency.

The worsening context for achieving environmental sustainability, due to progressing climate change, the loss of biodiversity and other negative trends is also a major concern for the REC. In Annex 1 are given excerpts from the European Environment State and Outlook Report 2010 and more specifically an indicative summary table showing the progress towards meeting environmental targets and highlights of related trends over the past 10 years. There is a permanent effort to address these negative developments via the projects that have been implemented. We carefully follow the ongoing debate about the best ways to achieve sustainable development, e.g. going beyond GDP, prosperity without growth, green economy and green growth, resource efficiency versus resource sufficiency, etc. The footprint of the EU27 is currently twice its regenerative capacity (see <http://www.lne.be/en/2010-eu-presidency>), so these initiatives are taking an ever increasing role in environmental discourse. The increasing importance of “resilience” shows that there is a rising requirement for defensive measures against the effects of climate change. It is expected that within the Rio+20 preparatory process, the debate about these concepts and initiatives will gain a new impetus and their practical implementation will be further promoted.

The world Financial and Economic Crises have had a serious impact on both national and international environmental activities. However the new thinking that they require, in terms of governance models, international dialogue, capacity building and the sustainable use of resources, creates new opportunities for using the experience of the REC and the neutral platform that it provides for the exchanging of views on the best options for future development.

## MISSION

The Regional Environmental Center for Central and Eastern Europe (REC) is an independent, non-partisan, non-advocacy, not-for-profit, international organisation.

The mission of the REC remains for the future to assist in addressing environmental issues, mainly in Central and Eastern Europe, through the promotion of cooperation among non-governmental

organisations, governments, businesses and other environmental stakeholders, the free exchange of information and public participation in environmental decision making.

The REC will continue, inter alia, to:

- follow the development of global environmental problems;
- regularly assess strategic environmental needs in Central and Eastern Europe and serve as a resource in identifying solutions;
- promote public participation in environmental decision making;
- promote cooperation in improving the environment between governments, academia, non-governmental organisations and members of the business community;
- gather and distribute environmental data about the countries of the region, as well as pertaining to the region as a whole;
- offer opportunities for the mutual exchange of experiences for interested countries, organisations and individuals;
- offer in-kind, as well as financial, support to promote solutions for particular environmental issues; and
- award fellowships and organise educational, training and scientific programmes in the field of environmental protection, management, as well as nature conservation in the region.

In addition, the REC will transfer lessons learned to other developing regions and act as a bridge between stakeholders and continents.

Taking into account the changing needs and circumstances of its beneficiary region, the mission of the REC has to be interpreted in light of the vision below.

## **VISION**

By 2015, the REC will be a prestigious international organisation known for independence, innovation, efficiency and effectiveness in facilitating the adaptation to and mitigation of the gravest environmental challenges to prosperity and peace in Europe and beyond.

## **STRATEGIC GOAL**

The challenge for the next five years is to keep the individual specialities of the REC, as well as the market niches in its particular areas of operation, which have been acquired, and to transfer the lessons it has learnt. In parallel, we seek to monitor the demand for services in Beneficiary Countries continually so that our activities continue to have the greatest benefit for the European and global environments, while promoting sustainable development practices.

Our strategic goal for the next five years is to promote and put into practice governance for sustainability and facilitate the transition towards a green economy in the beneficiary area of the REC and beyond. This is elaborated below.

More specific goals and objectives with indicators will be determined on an annual basis. They will be part of the respective annual work plans of the REC.

## **MAIN DIRECTIONS OF WORK**

The 2010 Independent evaluation of the REC recommended, at first, a consolidation of the environmental achievements and comparative advantages of the REC. Secondly, it underlined the need for an evolution and further blooming of its core activities and expertise. “Injecting a culture of environmental performance and measurement in all relevant projects of the REC would in turn support in-country environmental management (i.e. “we can manage what we can measure”), a focus on environmental performance and accountability (i.e. a follow-up on commitments), as well as

environmental democracy (i.e. facilitating information for and the participation of citizens and stakeholders). Thirdly, a green growth portfolio could encourage a demanding transformation in the organisation and the individual countries where it operates, including the ability to adapt to recent post-crisis circumstances and aim at a job-rich recovery. This portfolio could include: i) green innovation, ii) the institutional integration of environmental concerns in public policies, and iii) a market-based integration of environmental concerns in economic sectors. This requires a quantum change in the economic capacity and expertise of the REC... Green innovation and growth is seen as a reachable new frontier for REC.”

In line with the 20<sup>th</sup> Anniversary Declaration, the REC will streamline resources (both financial and human) towards two main directions for work in 2011-2015:

- A. Governance for sustainability
- B. Green economy

### **A. Governance for sustainability**

Sustainability cannot be achieved without good governance. The knowledge and necessary skills of stakeholders, as well as the future roles and architecture of institutions, will determine whether future policies and programmes for sustainable development, from the local to the international level, will succeed<sup>2</sup>. As the beneficiary area of the REC is faced with both globalisation and regionalisation, as well as economic turmoil; and traditional systems of regulation are being subjected to growing pressure for reform. Although states will continue to play a significant role in the future, the importance of players from business and civil society is increasing.

In such a changed context for achieving sustainability, the REC will examine the possibilities of integrating the environmental, social and economic dimensions of sustainable development within the framework of governance processes, and the effects this may bring to steer the beneficiary area of the REC towards sustainability. In this respect, we will continue to offer capacity building, a neutral platform for the exchanging of views and experience and information on best practices, as well as promoting participatory governance. We will work with the key actors, take a close look at their agendas and methods, analyze the forms of their organisation, problems and limits, collect real-life examples for governance in different areas of society at the regional, national and international levels and assist in developing our own solutions. We will also continue supporting environmental reform in our countries (institutions, legislation, instruments, monitoring and evaluation, planning and financing).

The following thematic areas will be covered, subject to available funding:

- **Law development, enforcement and compliance**

The capacities of the beneficiary countries will be further strengthened to fully transpose, implement and enforce EU environmental legislation. The REC will work on institutional capacity building, compliance checks and progress monitoring of the transposition and implementation of the acquis.

A platform and network for cooperation on the implementation of natural resource legislation and the tackling of environmental crime will be established. The capacities of the judiciary and the police will be strengthened to combat environmental crime.

There will also be support for the implementation of regional and global multilateral environmental agreements.

- **Local governance**

The development of local strategies and plans of action for sustainability is seen as one of the key instruments for helping local authorities to exercise good local governance and to further work towards effective decentralisation.

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<sup>2</sup> Petschow, U., Rosenau, J. and Ulrich von Weizsäcker, E. (eds): Governance and Sustainability. New Challenges for States, Companies and Civil Society. - Greenleaf Publishing. 2005. 245 pp

Representatives of local and national authorities will receive tailored training, guidance and support to develop various local plans of action (such as Local Environmental Action plans-LEAPs; Integrated resource management plans; and Local Biodiversity Action Plans-LBAPs) in their communities. Expert financial support for the implementation of the key local actions identified in sustainable development strategies will be provided to local partners.

- **Sustainable Development Academy**

The courses will focus on enhancing the capacities of key government officials and senior business representatives, in the field of sustainable development, and setting up partnerships with academia, institutions and businesses. The Sustainable Development Academy's efforts pursue dual, yet interweaving, directions: (1) building upon the REC's most successful prior experiences in the beneficiary countries involved, thus conveying and transposing lessons learned and major achievements in the newly planned courses; (2) proposing and implementing specific future-oriented sessions of the aforementioned courses, in order to introduce and apprise the attendees about the latest trends in the environmental governance field, and to be acknowledged on the up-to-date instruments which can be then streamlined into other REC Topic Areas when deemed useful.

- **Educational tools**

The development and implementation of educational tools for primary schools, secondary schools and professional associations will be further expanded, based on the development of the very successful Green Pack. New national versions of the Green Pack and Green Pack Junior, as well as teachers' trainings, will be delivered and opportunities for the development of new tools explored. Education for sustainable development will also be put into practice.

- **Health and Environment**

We shall support the implementation of the EU Environment and Health Action Plan, the Parma Declaration and the reconfirmed Children's' Environment and Health Action Plan for Europe (CEHAPE), of WHO Europe, through a variety of capacity-building measures for government institutions and schools.

- **Participatory governance**

We shall put participatory governance into practice, by supporting public access to information, public participation in decision making and access to justice. The REC will provide legislative and institutional support, as well as capacity building for all environmental stakeholders, including the judiciary. Best practices in public participation will be identified and their integration will be supported in different sectors, including water and waste, as well as energy, transport, climate change, sustainable consumption and production, including assistance in designing, implementing and facilitating public/stakeholder engagement plans, process designs and support for using practical tools and methods. We shall support civil society development, including stakeholders such as young people and journalists, and improve the knowledge, skills, capacities, viability and infrastructure of civil society organizations. Developed tools will be used to train civil society leaders and strengthen the cooperation between civil society organizations, but also authorities, in order to enable them to influence decision-making in a more efficient way.

## ***B. Green economy***

In a changing world, faced with crises in climate, energy, food, water, poverty, jobs and finance, there is real need for a new vision – a template for change. A powerful new paradigm for the 21st century, green economy, offers creative solutions to multiple global challenges by linking people, environment and prosperity<sup>3</sup>. On that understanding, green economy is an economy or economic development model based on sustainable development and knowledge of ecological economics.

No sector or organisation can motivate the transition towards a green economy by itself. Therefore the REC will develop synergetic programme to the existing mainstream in this filed: UNEP Green

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<sup>3</sup> <http://www.greeneconomycoalition.org/>

Economy Initiative<sup>4</sup> and OECD Green growth and eco-innovation activities<sup>5</sup>. We will mobilise resources and offer services and products that complement these efforts.

The added value of the REC as a combination of think-tank and do-tank will be explored to the maximum possible extent to promote the institutional integration of environmental concerns in public policies (at the strategic, planning, investment programming, budgeting and project design levels), including economic policies (e.g. the agriculture, energy, transport, manufacturing, mining, forestry and tourism sectors) and in strategic documents governing the management and spending of EU funds. We will pursue the market-based integration of environmental concerns (e.g. the reviewing and revising of prices, taxes and subsidies; the using of more economic instruments in environmental policies; and transitions and adaptation to social conditions). We will build on our knowledge and expertise in the policy reform and institutional strengthening in order to address the climate change and to promote clean energy and transport, efficient use of natural resources and sustainable consumption and production. This work will also require the development of new skills and knowledge in the areas of green innovation and growth. The REC will also pay special attention to the urban environments as the population living within them is permanently increasing. As usual the REC will connect the international policies to the national and local levels via projects tailored to the specific beneficiary priorities and needs. The recent crisis highlighted the need for focusing on investments which both benefit the environment and socio-economic dimensions. Therefore, the REC will continue its efforts to promote the use of various financing instrument supporting eco-innovation and its growing potential to better protect the environment, create jobs and boost competitiveness..

The following Thematic Areas will be covered, subject to available funding:

- **Environmental management**

As part of the consortium managing the European Topic Centre on **Sustainable Consumption and Production** (ETC/SCP), we will continue contributing to its activities. A collection and dissemination of the available information on methodologies, techniques and good practices for waste prevention in industry will be carried out. It includes contribution to the development of inventive approaches and effective strategies for resource-use optimization in industrial networks based on industrial symbiosis. The ETC/SCP activities will be complemented by contributions of the REC to a variety of international projects as well as by capacity building, assessments, exchange of experience and transfer of best practices on national level.

The REC will support the countries interested in setting up environmental management centers. Innovative approaches to knowledge brokering, between policy creation and research, will be developed. We will also provide capacity building and technical support for the promotion and development of sustainable public procurement policies and practices, as well as we will encourage changes in behaviour towards more sustainable consumption patterns. Assistance to governments in setting up eco-innovation strategies will be provided, including benchmarking and relevant indicators based on outstanding performances taking place in EU. Barriers to the uptake of environmentally sound technologies and policies supporting green technologies will be assessed.

A contribution to the integration of environmental issues into decision making, by extending the use of project-level **environmental impact assessments** (EIA) and **strategic environmental assessments** (SEA) of plans and programmes, will take place.

- **Climate change and clean energy**

The focus will be on the promotion of policies, measures, tools and instruments stimulating the economic players to engage in low-carbon economic activities on the regional and local levels. We will continue to promote clean energies, especially to support energy efficiency measures, energy saving behaviour, and awareness raising on the use of renewable energy sources in homes. Also, special attention will be paid to the set-up of innovative financial mechanism to support low-carbon

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<sup>4</sup> <http://www.unep.org/greeneconomy/>

<sup>5</sup> [http://www.oecd.org/document/55/0,3746,en\\_2649\\_34173\\_40695077\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/55/0,3746,en_2649_34173_40695077_1_1_1_1,00.html)

refurbishment in social housing sector through a green revolving fund. This direction will also support further development of the economic mechanisms of international cooperation to reduce GHG emissions in the most cost-efficient and environmentally friendly ways such as Green Investment Scheme. As part of the promotion of the clean energy we will support projects bringing development of renewable energy sources, as well as energy security to the region of the REC, thus implementing the main principles of EU Climate and Energy Package.

We will continue delivering assistance in the development of national adaptation strategies and in the implementation of the four main pillars of the EU White Paper on Adaptation within and outside of the beneficiary countries of the REC. The organisation will assist the stakeholders of the climate process at every stage of the adaptation management cycle – monitoring and observation, impact and vulnerability assessment, future impacts modelling, identification of the adaptation options, and adaptive and resilience capacities building. Development of the Regional Focal Point for the Article 6 of the UNFCCC on awareness raising, training, climate education and international cooperation will remain among the priority activities. The REC will continue to implement the extended New Delhi Working Programme (UNFCCC) and enhance the capacities of the National Focal Points for the Article 6.

- **Greener transport**

The free exchange and flow of information, with the aim of helping the development of an environmentally focused, knowledge-based society, will be encouraged, focusing on the field of clean energy, particularly green transport.

The REC will manage the large scale dissemination of information and the adoption/transfer of results and lessons learned from sustainable urban mobility projects, which in turn help contribute to the integration of transport issues into environmental policy, the improvement of air quality and the health and safety of European cities.

- **Environmental financing**

We will provide assistance in strategic environmental investment planning, the preparation of investment projects, the design and improvement of financing mechanisms and tools and the promotion of environmental integration in EU funds at the level of programming, planning and use of funds.

Support for the development of the in-country absorption capacity of international funding (EU funding, climate change related funding, bilateral aid) and work on strengthening institutions to manage EU funds efficiently (both pre-accession and post-accession) will be delivered. There will be a support for countries in setting-up and strengthening environmental financing and environmental financing institutions, such as environmental funds, as well as the development and delivery of training courses for potential beneficiaries of EU funding.

More attention will be paid to the issues of green banking and green jobs. Another focus of work is stimulating the development of eco-innovation projects which can play a greater role for unlocking countries' potential for a more resource-efficient and sustainable path of economic development. The REC will also continue working in the area of low-carbon economy by exploring effective policies and their implementation in the region, as well as awareness raising among the major stakeholders. Opportunities will be explored for revitalising activities related to the market based economic instruments.

- **Water management**

The management and provision of water resources, water services and sanitation, as some of the most cost effective ways to ensure sustainable water management, will be further used to alleviate existing problems in the beneficiary area of the REC and beyond. Particular focus will be put on bringing added values to the EU Enlargement and Eastern Partnership countries by supporting the development and realisation of solutions that contribute directly to their needs and continuity, such as: effective water management practices and sustainable operations; substantial investments and operational cost savings; reduced energy and chemicals consumption; a decrease in water resources losses/dangers.

The REC will work on institutional capacity building, compliance checks and progress monitoring of the transposition and implementation of the new EU water policy and the adaptation to the effects of climate change. A platform and networks for cooperation on the protection of water resource will be

further introduced. The implementation of regional and global multilateral environmental agreements will be also supported, as well as international commitments.

To provide water for all, representatives from all authorities (local, regional and national) will receive tailored trainings, guidance and support to raise knowledge and capacities and to improve provisions of sanitation that is seriously lagging behind in their communities.

- **Biodiversity**

Activities will be focused on the designation and management of territories and sites with natural value (including projects on transborder natural resources and Natura 2000). Special attention will be paid to activities supporting the development of rural areas, in a way that brings benefit to both people and nature (e.g. branding projects and the capacity building of local stakeholders in the field of sustainable agriculture and tourism). The REC will promote effective implementation of the Strategic Plan for Biodiversity 2011-2020 and the Aichi targets. The REC will also promote the protection of nature and the value of biodiversity and ecosystem services. It will support the achievement of socio-economic benefits in protected areas and Natura 2000 sites, as well as the involvement of local communities in respecting the management and conservation of these areas. The ecosystem services approach will be promoted to transform mentality of decision makers to protection of nature and its role for sustainable development.

## **BENEFICIARY AREA**

### ***Needs and priorities***

After the impressive EU enlargement of 2004, Central and Eastern Europe continued to change. Bulgaria and Romania joined the EU in 2007. All SEE countries signed Stabilisation and Association Agreements with the EU and several countries gained candidate country status, while some of them applied for EU membership and started negotiations. The new EU members continued their efforts to ensure the implementation of the EU acquis. They contributed to the further development of EU environmental law and policy and served as EU presidents.

Further diversification of the demand for services has taken place among EU candidate countries and potential candidates. It is expected that in the period 2011-2015, we will continue to deliver a different scope of activities and products in EU countries and those engaged in the EU enlargement process, as their needs and priorities vary significantly.

Over the next five years, our services and products should continue to be focused on the implementation of the Acquis Communautaire, keeping in mind the specific conditions and needs of each Beneficiary. At the same time, priority should also be given to global environmental problems, such as climate change and the environmental consequences of the globalisation process. Focusing on the EU will not prevent us from benefiting from environmental best practices coming from other areas in the world. We will continue to transfer lessons learned in both directions. Establishing green bridges between stakeholders, regions and continents is one of our main activities.

A possible extension of our activities to selected countries covered by the European Neighbourhood and Partnership Instrument (ENPI) and particularly by the Eastern Partnership, namely Belarus and Ukraine, is under discussion. If we start servicing these countries, the emphasis will be on bringing their environmental institutions and policy closer to the standards of the European Union, in line with the respective country strategy papers and other documents agreed within the ENPI process.

In addition to our own system of continuous monitoring of the developments in the countries of our operation, and as has been the case up till now, we will follow closely the available environmental data. These are the respective reports of the European Commission, Eurostat, the European

Environment Agency, UNEP, OECD, the World Bank and other organisations and institutions. This approach enables the better focus of activities and positive impacts on the environment at a lower cost.

The Board of Directors and General Assembly of the REC have identified strategic groups within our beneficiary countries, with regard to their special environmental problems, differing political statuses and funding opportunities:

- EU countries (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia)
- EU Enlargement countries
  - EU candidate countries (Croatia, Former Yugoslav Republic of Macedonia, Montenegro, Turkey)
  - Potential EU candidates (Albania, Bosnia and Herzegovina, Serbia, Kosovo as defined by UNSCR 1244)
- Eastern Partnership countries (Belarus, Ukraine)
- EU-27
- other regions

These groups have to respond to common environmental challenges, such as climate change, and at the same time address their specific problems. Therefore, in parallel to activities addressing common needs, the REC will work on country specific environmental priorities. Depending on available funding, the REC will implement multiregional activities that create bridges between different groups of Beneficiaries and contribute the most to the exchange of views and experience among the environmental stakeholders.

### **Activities of the REC in its beneficiary countries**

The table below represents the activities of the REC in each of the strategic groups of its beneficiaries.

Main direction of work	Thematic areas	EU - REC beneficiaries	EU candidates	EU potential cand.	Selected EaP countries	EU-27	Other regions
Governance for sustainability	Law Development, Enforcement and Compliance	•	•	•	•	•	•
	Local governance	•	•	•	•		
	Sustainable Development Academy	•	•	•			•
	Educational tools	•	•	•	•		•
	Health and Environment	•	•	•	•	•	•
Green economy	Participatory governance	•	•	•	•		
	Environmental Management	•	•	•		•	
	Climate change and clean energy	•	•	•	•	•	•
	Green transport	•	•	•	•	•	
	Environmental financing	•	•	•	•	•	
	Water management	•		•	•	•	
Biodiversity	•			•			

In all countries that joined the EU after 2004, the demand for services supporting local and regional authorities and other stakeholders will continue to grow and our organisation is in an excellent position to respond to these diverse needs. EU Structural and Cohesion Funds aid greatly in accelerating this process. Some of the countries will have to significantly improve their capacity to absorb and make better use of available EU funds.



The EU Candidate Countries are faced with the tremendous challenge of bringing their environmental legislation and practices up to EU standards. They all have to transpose, implement and enforce the environmental Acquis Communautaire and the international environmental conventions/protocols which the EU has been party to, as well as further strengthen their administrative capacity and increase their environmental investments.

Services for the business community will be further extended to support initiatives for the building of in-house capacities and to increase awareness of the need to take action in different sectors. Compliance with the EU environmental acquis is a significant challenge for the private sector and we are interested in playing a major role in supporting these efforts.

The potential EU candidates share common environmental problems. Bridging the gap between agreed goals and objectives and their actual achievement represents one of the major challenges. The approximation to, and the implementation of, the Acquis Communautaire requires additional institutional capacities, significant time and much greater financial resources, especially in relation to EU directives on water and nature management; wastewater; integrated pollution prevention and control; pollution release and transfer registers; large combustion plants; and waste management.

If the extension of our activities to selected Eastern partnership countries, e.g. Belarus and Ukraine, will be agreed to by the respective institutions and bodies, a consultation process with the beneficiaries will be launched to identify key areas for support. Feasibility assessments will also take place, in order to clarify the modalities for our operation.

### ***Activities of the REC within EU-27***

The REC is interested in continuing to contribute to the activities of EU presidencies, if and when asked to do so, especially in countries where it operates. There are ongoing discussions for support to the Hungarian and Polish EU Presidencies.

We see a great practical value in the activities of the European Network of Environmental and Managing Authorities, run by the European Commission, and we are committed to continuing our support for the working groups, based on the available expertise of the REC.

Also, our cooperation with the European Environment Agency, and especially our contribution to its topic centres, is among our priorities.

We will also contribute to the EU Forest Law Enforcement Governance and Trade Action Plan, by strengthening the capacities of candidate countries and potential candidates to combat illegal logging and trade.

Through a variety of cooperative arrangements, our organisation will continue working on improving the implementation of key directives and the further development of the EU acquis.

As secretariat to the CIVITAS (City-Vitality-Sustainability) Initiative, we are working across Europe and internationally to share and assist in the exploitation of over 600 measures implemented in 60 cities, so as to advance urban mobility towards sustainability in other cities, chiefly across Europe, but also around the world.

Similar activities are implemented in the areas of health and environment, climate change, water management, waste management.

## ***Activities of the REC in other regions***

Regarding the contribution of the REC to European and global environmental processes in the 20<sup>th</sup> Anniversary Declaration, the Signatories to the Charter of the REC agreed that “the transfer of best practices and experiences in environmental protection and promoting sustainable development from Central and Eastern Europe to other regions should continue... The REC should remain active in contributing to and implementing the priorities agreed upon within the European and global environmental processes”.

Our organisation is committed to continue providing secretariat support to important international initiatives, such as the DABLAS (Danube–Black Sea) Task Force (as a member of a consortium providing the services of the secretariat), ENVSEC/SEE (Environment and Security Initiative Regional Desk Office for SEE) and others.

We will continue contributing to major international environmental processes, such as “Environment for Europe”, Environment and Health, e.g. facilitating a consultation process among the countries to define priorities for common work; preparing official and background documents to support the ministerial debate and to highlight issues requiring joint action; transferring best practices; and exchanging views and information.

The implementation of multilateral environmental agreements, such as the UNFCCC; Aarhus Convention and PRTR Protocol; the Espoo Convention and the SEA Protocol; and the Carpathian convention, will be further supported, e.g. there shall be assessments, recommendations, handbooks, databases, capacity building and discussions/brainstormings on the governmental level, as well as a targeting of civil society and other stakeholders, such as businesses and the judiciary.

Partnerships and initiatives will be further extended to the REC beneficiaries, in order to address environmental problems, including the Environment and Security Initiative, the Partnership for Clean Fuels and Vehicles and cooperation with a variety of international organisations and institutions, e.g. UNEP, UNDP, the European Secretariat of ICLEI, INTERPOL, the International Commission for the Protection of the Danube River and many others.

We will continue to work with partners on regional initiatives, focusing (partly) on geographical regions in the scope of a wider Europe and its neighbourhood (e.g. Black Sea Synergy, Baltic Sea Strategy, Mediterranean Sea, Danube Strategy, etc).

Within the EECCA geographical scope, in 2010 the REC, through the Italian Trust Fund, successfully promoted and implemented the Sustainable Development Course for Senior Officers of the Saint Petersburg Administration and the Leningrad Region, a breakthrough capacity-building training, which targeted the representatives of different prestigious institutions of the Russian Federation. The fruitful experience paved the way for new prospective partnerships and cooperation activities in the neighbouring EECCA region's countries, efforts which can be likewise designed and implemented within the framework of the European Neighbourhood Partnership.

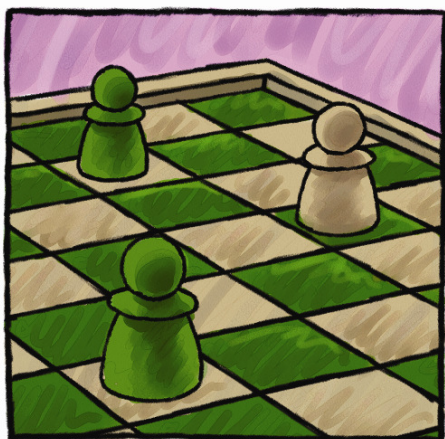
The REC will be offering its long-standing experience in transitioning (e.g. from a centrally planned economy to a market economy, from closed political systems to democracy), using environmental democracy as a major transformation tool, and will continue transferring lessons learned to other developing regions (e.g. EECCA/Eastern Partnership, Asia, Middle East, Africa, Latin America etc) through partnerships. Special attention is paid to the continuous development of the dialogue and cooperation with the RECs operating in the EECCA region, including activities under the “Environment for Europe” process.

Discussions with partners are currently taking place for the transfer of knowledge and expertise, targeting the Middle East, India and Brazil. Indeed, recently these countries have undergone a rapid development, which has also caused pressure on the ecosystem and natural resources (desertification,

natural calamities resulting from climate change, energy shortages, deforestation etc). Awareness raising processes on environmental protection and measures and actions to be undertaken by decision-makers are therefore crucial for facilitating regional understanding and building confidence, as well as for appeasing tensions and creating a better atmosphere and environment.

## **ORGANISATIONAL DEVELOPMENT**

### ***Harmonisation of the legal status of the REC***



Looking ahead, and entering a post-crisis period of uncertainty, there is a need for consolidation, evolution and mutation.

The REC will strengthen its institutional and operational base as a fully fledged international organisation. Based on the mandate given by the Signatories in the 2005 and 2010 Declarations, the REC will complete the status harmonisation of the REC and its office network, in all our beneficiary countries.

A more consistent and efficient legal set up for operation will better answer the needs and priorities of our Signatories. Moreover, it will strengthen the role of the REC as implementing agency and will enable

concentration on flagship products and initiatives and bigger programmes. This way the international “think thank” operation of the REC will be complemented by stronger “do thank” activities.

### ***The REC as a “boundary” organisation***

The “boundary” organisations, a term that comes from the USA, are those that bridge the pursuit of scientific research with policy decision and public action (see <http://cns.asu.edu/cns-library/documents/BoundaryOrgWorkshopReport.pdf>). They link knowledge to action and, in general, reconcile knowledge supply and demand. A debate about the work done by the “boundary” organisations and factors for their success is still ongoing. The REC will follow these discussions and try to extract key messages that could help to improve our operation.

### ***Topic Areas***

High quality products and services in line with our mission will be delivered through established Topic Areas – specialised working teams that use the available expertise from all organisational levels of the REC. The viability of the Topic Areas is assessed annually, based on the needs of the beneficiaries and the available human and financial resources of the REC. The monitoring and evaluation of the impact of services provided to beneficiaries and clients will be strengthened by deploying result based management (RBM) and related monitoring methodology. This way, a continuous review and update of the Topic Area structure of the REC will take place. A list of the Topic Areas of the REC will be outlined and the activities of each one described in detail in the respective annual work plans.

Some of the Topic Areas contribute to both main directions of work of the REC.

In the recent years the REC started to act increasingly as implementing agency using its expertise, international standing and neutral platform. This working arrangement will be used also in the future.

The REC also will make full use of its network of Country Offices, its ability to work in local languages, the established networks of high-level officials and experts and its capacity to provide a neutral platform for the exchange of ideas and experience.

### ***Human resources***

The current staff of the REC is 170 people, half of them based in the Head Office and the other half in the Country, Field and Project Offices. During past years, the REC has outsourced more than half of its support activities, which has resulted in a more flexible and responsive structure.

As an international, mission-driven organisation, the REC must adapt to the continuously changing context of its operations, while maintaining its financial viability, which requires an organisational development that preserves its comparative advantages and efficient operations. Special attention will be paid to maintaining its innovative spirit, flexibility and its normally quick response to the changing demand for services. Monitoring the beneficiaries' evolving needs is a major tool for adapting services and products to address new challenges and for positioning the REC for the future.

In the next five years, we must continue implementing a consistent and efficient HR strategy, aiming to attract and retain a pool of highly qualified experts in key Topic Areas. We are striving to obtain a good balance between specialisation and the further development of traditional and new fields of expertise.

With the further specialisation of our Country and Field Office network, it will be important to increase the synergies within our organisation further. The project management and fundraising skills of our staff are also crucial for the organisation. As an employer and contractor, we have to compete for the best employees on the market. To succeed in this competition, we need to work on creating and maintaining the image of a prestigious international organisation. The compensation package is one important element of this image, so that, to support our mission, the organisation will be able to attract and maintain a high quality level of staff.

Besides our approximately 170 employees, working in 17 countries within the region, the REC welcomes young experts, within the framework of its Internship Programme, and takes advantage of the know-how of several hundreds of local and international environmental experts on a contractual basis.

To get the expected output from human resources, it is also important to provide good working conditions in terms of office space, office equipment and communication tools. Although financial constraints constitute a severe limitation in this area, we will continue to provide working conditions that meet European standards.

In 2008, we opened the retrofitted climate-friendly conference centre on our premises at the Head Office, aiming to operate it with a zero GHG balance. This is an actively used building that produces energy and, as such, is the first of its kind in our region. This conference centre will be a major asset for future activities in organising conferences, workshops and training courses and will serve as a demonstration of a sustainable architecture project with a growing network of strategic partners in Europe and beyond. The REC still more encourages community based activities by organising and hosting special events, such as Earth Days, open days for educational institutions and the like.

### **FUNDING**

In the next five years, the organisation will continue to operate based on project funding. The implementation of the mission of the REC and its operation as an international organisation, which is founded on the diverse legal status of its structural units and lacks secured funding, requires the use of diverse funding mechanisms to ensure its financial sustainability. A mix of direct contracts, grants, service contracts and competitive fundraising will be used to ensure the implementation of the strategy 2011-2015. The ratio might differ from year to year, in the forthcoming period, and it could also differ

from region to region. A consolidation of activities and the development of a new thematic and geographical focus will prevail in the forthcoming period.

Reliance on project funding could prove viable in the long term, only if the rates charged cover the full cost of services, incorporating mission driven pro bono services. Our organisation is highly volatile to the rapidly changing reality of enlarged European labour market conditions. Innovative financial mechanisms need to be explored to sustain our mission-driven services, flexibility and high performance, from local to global initiatives.

The challenges, in this respect, in the post 2010 period are:

- The need to continue mission-driven activities, in line with the specific needs, priorities and requests of beneficiaries and partners
- The need to secure the financial self-sustainability of the REC in the permanently changing environment of available financial resources

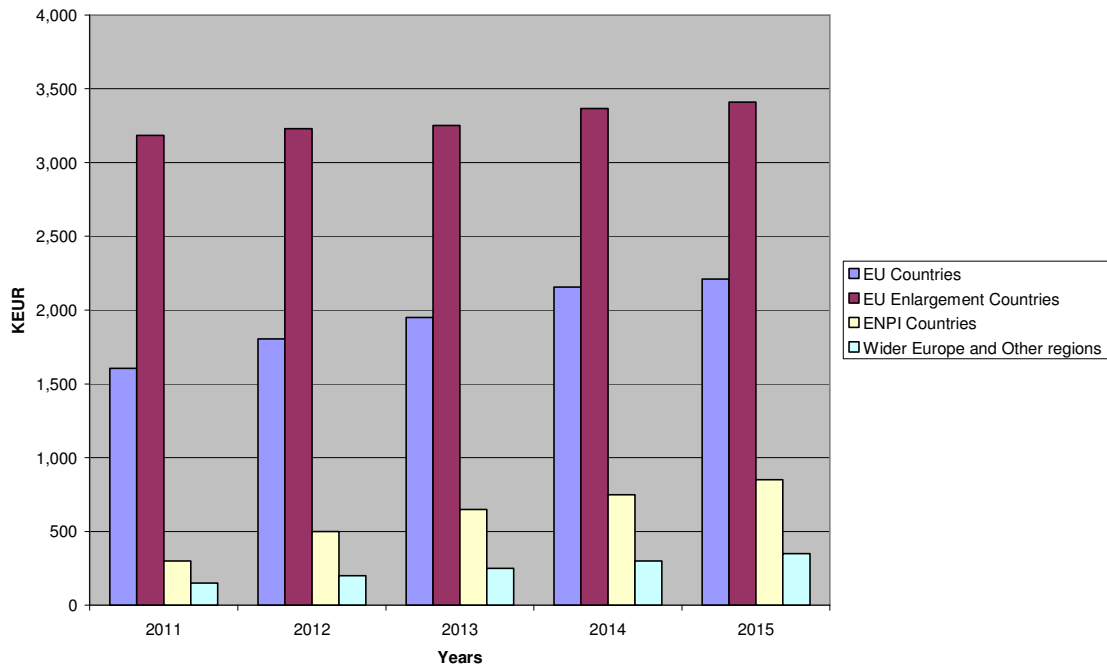
We envisage several possible ways of addressing these challenges:

- Supporting the access of the REC to development funds, as emphasised in the 2005 Declaration of the Signatories to the Charter of the RECon the occasion of the 15<sup>th</sup> Anniversary of the foundation of the REC:  
*“We, Signatories to the Charter of the Regional Environmental Center, maintain and confirm our political ownership of the Center, and express our intention to continue to channel support to environmental protection and sustainable development – inter alia - through the Center as an international organisation eligible for direct program assignments and agreements in bilateral and multilateral assistance schemes.  
We invite governments, when embarking on the extension of their foreign aid and assistance programs into the environmental dimension of sustainable development, to consider the services of the Regional Environmental Center as one of the potential vehicles for this support.”*
- Attracting new contributors to the core budget of the REC (untied or semi-tied contributions).
- Allocating resources for providing services to new regions and markets, including the transfer of lessons learned and best practices from the current Beneficiaries of the REC.
- Ensuring an optimal portfolio of projects.
- Strengthening the current structures of the REC for strategic development.

Through those measures, we will attain the consistent development of activities and products in beneficiary regions. We will continue to explore strategic partnerships with international and local professional networks and partners further, in order to enhance synergies and mutual benefits.

The graph below shows the expected trends in the project budget of the REC, by geographical areas of operation, in line with the priorities of the strategy (forecast):

REC's Project Budgets 2011-2015



One of the main challenges of operating solely on project funding is the uneven workload distribution, leading to periods of idleness, along with high transaction costs for all involved parties. It is vital for the REC to work on medium- and long-term programmes, in which budgets and a broad scope of work can be agreed upon with donors on a multi-annual basis. A measurement of any work's scope will be made annually or even more frequently. Both the Japan Special Fund and Italian Trust Fund serve as good examples of such arrangements. During the next five years it is vital to develop similar bi- or multilateral financial mechanisms.

Another way to improve the financial viability of the organisation is through untied donations. These could come from the public sector or from the corporate world. We intend to explore opportunities to get voluntary contribution further, in order to be able to deliver the mission-driven pro bono services of the REC.