

BLUEING THE BLACK SEA PROGRAM

A REGIONAL INITIATIVE TO TACKLE MARINE POLLUTION AND CLIMATE CHANGE in support of the Common Maritime Agenda for the Black Sea Region

Consultation workshop in Moldova, 22 March 2021

Discussion paper

Introduction

The 2019 [Common Maritime Agenda](#) for the Black Sea Region, negotiated with the active support of the Permanent International Secretariat of the Organization of the Black Sea Economic Cooperation (BSEC PERMIS), has created a new dynamic in the regional dialogue on sustainable Blue Economy development and once more highlighted the need for effective preservation of the marine environment. In response to the ambitious political commitments under the Common Maritime Agenda by the six Black Sea littoral states and the Republic of Moldova (CMA countries), the World Bank has launched the *Blueing the Black Sea* (BBSEA) program aiming to catalyze Blue Economy investments for the Black Sea region and strengthen cross-country dialogue. The first activities under this umbrella program consist of (i) an analytical work and (ii) a project. The latter, the [BBSEA Regional Project](#), will be implemented by BSEC PERMIS and is expected to be launched in the 2nd half of 2021 with a focus on investment preparation to reduce pollution in waterways.

A preparatory action, funded by the Global Environmental Facility (GEF) and led by BSEC PERMIS, is expected to deliver the critical elements for the design of the BBSEA regional project (BBSEA GEF Regional Project) for 2021-2023, which in turn will support identification and preparation of investment to reduce pollution in waterways and in the Black Sea. To this effect, seven national stakeholder consultation workshops will be organized – one in each CMA country. The cycle of consultations [started in Turkey](#), the coordinator of the Common Maritime Agenda for the Black Sea in 2021, followed by [Georgia](#) and [Ukraine](#). Consultations are scheduled to happen in the Republic of Moldova, Bulgaria, Romania, and Russia.

The national consultations, held as webinars, will gather selected participants representing public authorities and policy makers responsible for issues related to (marine and freshwater) environment, research, and Blue Economy development and investment, as well as private organizations working on marine and river pollution and financial institutions. In practice, the consultations will seek feedback on the state of play, pressing issues and priorities related to pollution prevention, reduction, and control in the Black Sea region, as well as the opportunities that result in the process.

In the case of the Republic of Moldova (hereafter “Moldova”), which doesn’t have an immediate access to the Black Sea but whose river basins (Prut Basin and Nistru [Dnister] Basin) are direct tributaries of the Black Sea, the consultation will revolve around issues such as the cost of pollution in waterways (in terms of public health and conservation of biodiversity) and alignment with EU standards and regulations, as well as the role of the private sector in the process.

The pollution problem in Moldova

As a recent report¹ by the European Environmental Agency suggests, water pollution is not a new problem in the region and will be exacerbated in the future by intensified agriculture, industrialization, and urbanization, particularly if these developments are not supported by improved wastewater treatment. The main problem in the region’s rivers is the high concentrations of ammonium (NH₄) and

¹ Water availability, surface water quality and water use in the Eastern Partnership countries: An indicator-based assessment, EEA Report No 14/2020.

phosphate, caused by discharges of untreated or insufficiently treated wastewater and by agricultural run-off. Along with the direct water run-off in the Black Sea, these concentrations are high enough to cause eutrophication.

Moldova is not an exception in this context. Sources of pollution of surface water and groundwater in the country are mainly due to households' individual sanitation systems and poorly or untreated municipal wastewater discharges from inadequate solid waste management sites, as well as from power and industrial plants and storm water. Poorly treated or untreated wastewater is a general issue in Moldova.² Most treatment plants have only mechanical treatment and many do not function very well. There is also an issue with insufficiently pretreated industrial wastewater being discharged into municipal treatment plants, thereby reducing their performance.

There are several EU directives that aim to improve water quality and reduce impacts. The major one is the Water Framework Directive, which requires the achievement of good ecological status or good ecological potential of surface water bodies. In accordance with the EU-Moldova Association Agreement, the country has an obligation to comply with the requirements of these directives.

Although climate change is expected to exacerbate the pollution problem, the future impacts of pollution under a business-as-usual scenario in the Black Sea are not fully known, nor are the real costs on the economy readily apparent (**knowledge gap**). Some existing national and regional policy and legal frameworks are not sufficient or conducive to support regional action against pollution and when they are, implementation is not necessarily effective (**policy, legal, and institutional gaps**). The lack of an accurate evaluation of pollution risks hampers the prioritization of impactful pollution reduction investments in the Black Sea basin (**financial gap**). This is evidenced by the limited innovation and coordinated investments towards pollution prevention, as well as the partial involvement of financial institutions in this domain.

Some of these gaps have already been addressed by policy initiatives at national and regional levels or in actions by the industry.

The current activities under the BBSEA program are described in the table below. The webinar in Moldova will seek to discuss all key gaps in a uniform and focused manner, which will allow BSEC PERMIS and the World Bank to fine-tune its actions on both fronts – analytical and investment – and to gather concrete input for the Regional Project design at the end of the webinar.

Identified Gaps	Analytical Work Turning the Tide of Pollution	BBSEA GEF Regional Project	Timeframe							
			2021 S1	2021 S2	2022 S1	2022 S2	2023 S1	2023 S2	2024 S1	2024 S2
Information and Knowledge	Sources of pollution/ Hotspots of pollution									
	Benefits of addressing pollution									
	Business-as-usual scenarios (Qualitative assessment)									
	Cost of pollution on national economies (Quantitative assessment)									
Policy, Legal, and Institutions	Institutional policy and legal analysis									
	Regional dialogue									

² UNECE, 2014a, Environmental performance reviews: third review. Republic of Moldova, United Nations Economic Commission for Europe, Geneva, Switzerland.

		Capacity building for regional coordination								
Financing and Investments		Sustainable business standards and guidelines								
		Investment prioritization and preparation								
		Investment plans for pollution prevention and circular economy prepared								
		Eco-business grants provided through competition								

Structure of the consultation

Following the opening ceremony and the brief introduction of the BBSEA umbrella program, the consultation in Moldova will be carried out in two working sessions. Working Session 1: Turning the Tide of Pollution in the Black Sea will focus on the analytical component of the BBSEA (the report), while Working Session 2: BBSEA GEF Regional Project: Focus on Moldova will assess the priority for this investment/technical assistance project.

Following a brief reminder of the topic and the objectives of the respective session, the moderator will seek feedback from the participants on the questions put forward in this paper. The participants may use the chat function to provide answers or participate in the poll if suggested by the moderators. Simultaneous interpretation will be available to facilitate interaction.

The webinar will seek to raise the level of urgency needed to reduce the impact of pollution and climate change on the river basins and the water run-off in the Black Sea, address the escalating cost of inaction, and emphasize Blue Economy as a vehicle for accelerating climate change adaptation and mitigation measures to contribute to Moldova's and the region's socio-economic development, tourism, environmental, and biodiversity conservation.

Consultation themes and questions

Working Session 1: Turning the Tide of Pollution in the Black Sea

This working session will introduce the World Bank-led effort to establish an up-to-date diagnostic of the state of play and issues at stake regarding marine pollution in the Black Sea on the example of the efforts of the countries in the region. Through a targeted discussion, the panel will aim to identify the sources, impacts, and prevention efforts (information and institutional gaps) related to pollution of waterways, as well the key pollution challenges in Moldova. The findings will feed into an in-country pollution diagnostic paper, which, in turn, will inform the BBSEA-GEF architecture.

Indicative Questions for discussion

- ▶ *Will the diagnostic (i) legal and institutional analysis; and (ii) regional pollution diagnostic contribute to the regional efforts to address pollution in waterways?*
- ▶ *Does the scope of the diagnostic activities reflect on the main gaps that need to be addressed?*
- ▶ *Which are the stakeholders that have the most important role in addressing pollution in waterways and should be involved in the technical committee?*
- ▶ *Are there any other similar or relevant existing projects and initiatives at national and regional levels that we should consider?*

- ▶ *What are the most important pollution sources and/or human activities impacting health of freshwater ecosystems in the broader Black Sea region that the “Turning the Tide of Pollution Report” should assess?*
- ▶ *Can institutional, legal, and policy reforms help to address pollution issues?*
- ▶ *What are the priorities of your country related to freshwater pollution prevention and reduction, and what are pragmatic avenues to reduce freshwater pollution and stimulate sustainable practices?*
- ▶ *What further support would you need from the World Bank to accompany the pollution-free development of Blue Economy in the broader Black Sea region?*

Working Session 2: BBSEA GEF Regional Project: Focus on Moldova

The working session will present the planned BBSEA-GEF project and aim at gathering feedback on its key components. The project includes a long list of activities, some of which are primarily at the national level (with a regional coordination element) and some primarily at the regional level (with some national aspect). This set of activities is a long list that will be streamlined based on country priorities as voiced during the consultations.

Activities primarily at national level include:

- A. The Cost of Pollution on the national economies;
- B. Cross-sectoral Coordination Mechanism for the Blue Economy;
- C. National Investment Plans for Pollution Prevention and Circular Economy (including financing targets and monitoring);
- D. Eco-Business Competition and Grants to reduce pollution and improve water quality run-off to the Black Sea;
- E. Preparation and fund raising for investment to reduce pollution in water ways and improve water quality run off to the Black Sea.

Activities primarily at regional level include:

- F. Development of Sustainable Business Standards and Guidelines in key sectors (agriculture, aquaculture, tourism, shipping, and water management);
- G. Capacity building in banking for green finance and innovation;
- H. Awareness raising on the issue of pollution in the CMA countries.

Indicative Questions for discussion

- ▶ *What are the topmost important national level activities for your country?*
- ▶ *What are the topmost important regional level activities for your country?*
- ▶ *Does your country need an Investment Plan for Pollution Prevention?*
- ▶ *Who are the suitable competitors for the eco-business grant competition to reduce pollution in water ways and improve water quality run-off to the Black Sea?*
- ▶ *What are the priority sectors for the eco-business grant competition to reduce pollution in water ways and improve water quality run-off to the Black Sea?*
- ▶ *Do you know other eco-business grant competition programs dedicated to reducing pollution?*
- ▶ *What investment would be the most efficient to reduce pollution in water ways and improve water quality run-off in your country?*
- ▶ *Are there any standards and/or procurement rules for sustainable business operations and investments in your country applied by banks, private investors, and development agencies in projects in the domains of agriculture, aquaculture, tourism, shipping, and water management?*

- ▶ *What do you consider a good way to support/promote eco-sustainable business practices and innovation supporting pollution reduction?*
- ▶ *Are there any institutions, at the national or regional level, that promote investments in green technologies, circular economy models, or novel green infrastructures for pollution reduction, waste management, and recycling related to marine pollution?*
- ▶ *Are there any financial institutions and (equity) funds active in your country that strategically target and support companies or early-stage ventures that develop solutions for the pollution problem?*

These consultation themes do not include all topics related to pollution in water ways and marine pollution in the Black Sea, nor can they embrace all potential activities for the investment and analytical components of BBSEA as outlined above. However, they offer a good entry point for discussion. Not least, with the progress of the consultations in the other countries, the thematic focus could evolve and integrate additional facets based on the audience, interest, or the overall needs of the consultation.