



HOW TO MEASURE ENFORCEMENT RESULTS:

OECD INITIATIVES ON ENVIRONMENTAL COMPLIANCE PROMOTION AND ENFORCEMENT

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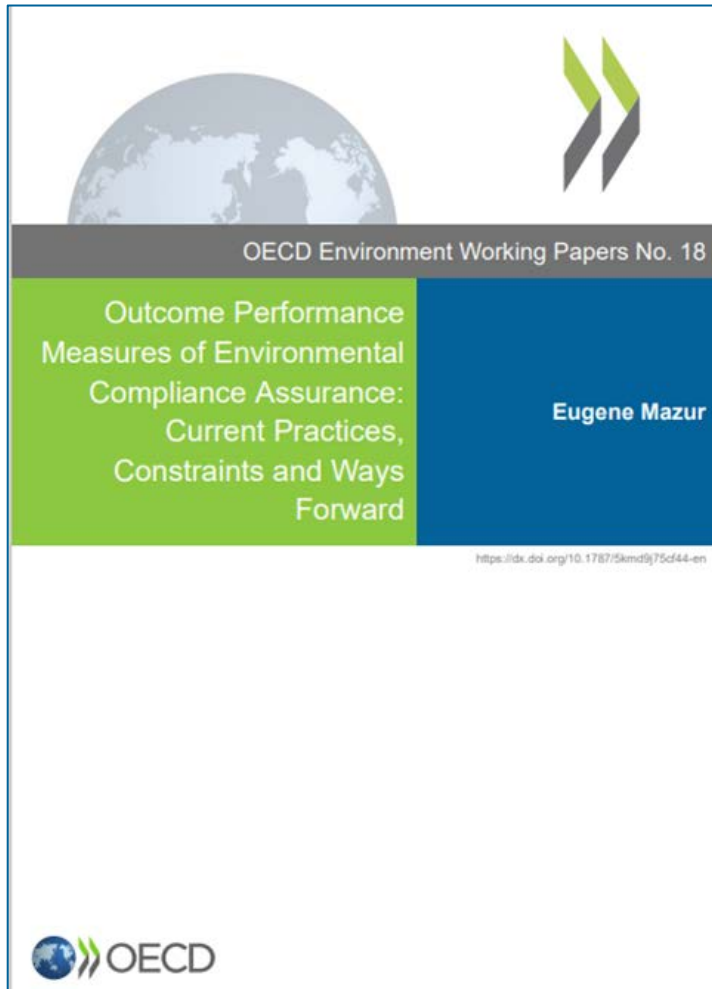


Outline

- OECD work on outcome performance measures of environmental compliance assurance
- OECD work on the role of digital technologies in improving the design and enforcement of public policies
- The OECD Recommendation on Environmental Compliance Assurance
- EU4Environment Action: Monitoring and measuring enforcement results in the Eastern Partnership countries



OECD report on Outcome Performance Measures of Environmental Compliance Assurance: Current Practices, Constraints and Ways Forward



Analysis of the experience of 10 OECD countries in the design and implementation of quantitative indicators used to assess the outcomes of environmental enforcement authorities' efforts to ensure compliance with pollution prevention and control regulations



The place of performance indicators in environmental compliance assurance

- Assessment of progress
- Internal accountability
- External accountability
- Programmatic planning and budgeting
- Creating deterrence
- Oversight and benchmarking



Main types of indicators in compliance assurance

Inputs

- resources

Outputs

- activities, e.g. number of inspections, detected violations, penalties imposed etc.

Intermediate outcomes

measures of knowledge and behaviour of the regulated community e.g.

- compliance rates
- measures of recidivism and duration of non-compliance
- pollution release indicators
- indicators of improved environmental management practices and reduced risk
- measures of effectiveness of compliance assistance

Final outcomes

indicators of improvements of environmental quality

difficulty of measuring cause and effect




Three approaches to the design of outcome indicators of compliance assurance

Approach	Description
Performance assessment focused on the effectiveness of compliance assurance instruments across regulations and environmental problems	This approach allows the competent authority to measure the improved behavior of the regulated community as a result of compliance assistance, inspections and enforcement actions as well as to assess the ensuing pollution reductions.
Performance assessment focused on specific environmental problems reflecting the competent authority's strategic priorities	In this approach, outcome indicators are used to track high-risk industrial incidents, emissions of priority pollutants, etc.
Multi-tier performance assessment focused on pollutant-specific results of regulatory actions at the lower level and on the overall programme effectiveness at the higher level	Seeking to combine the strength of the first two approaches, this approach starts by looking at reductions of individual regulated pollutants as a result of compliance assurance activities and then aggregates them into a composite measure characterising the environmental impact of these reductions



Key challenges for developing and using compliance assurance outcome indicators

- Resource limitations for data collection and treatment
- Complexity of scope definition
- Difficulty of designing statistically-valid indicators of compliance behaviour
- Uncertainty in linking outputs with outcomes
- Challenges of interpreting outcome indicators
- Low comparability of indicators



Ways to improve the effectiveness of specific categories of compliance assurance outcome indicators

- Addressing specific segments of the regulated community
- Focusing on particular types of serious environmental violations
- Concentrating on priority pollutants
- Responding to a clear management need
- Having a plan on how and by whom the indicators should be used
- Regularly reviewing and revising the indicators
- Associating indicators with time-specific targets
- Analysing outcome indicators across time and in conjunction with an authority's input and output measures, and in the context of environmental and economic indicators



OECD report on Using Digital Technologies to Improve the Design and Enforcement of Public Policies



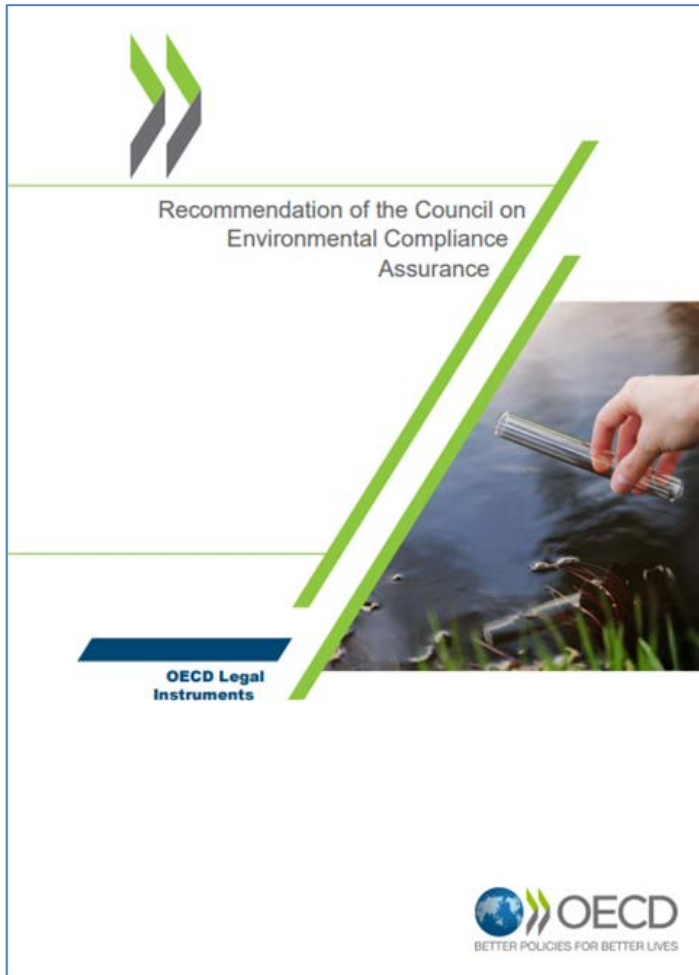
This report analyses how digital technologies can improve the design and enforcement of public policies in domains including competition, education, environment, innovation and taxation.

Digitalisation holds promise for better policy in four areas:

- Improving monitoring, supervision and enforcement
- Allowing for the implementation of new and more efficient policy instruments, and facilitating policy evaluation and experimentation
- Predicting emerging risks and opportunities and behavioural responses
- Enhancing government-citizen interaction and expanding stakeholder engagement



OECD Recommendation on Environmental Compliance Assurance



- Adopted by the OECD Council meeting at Ministerial level on 8 June 2023
- Aims to help Adherents in designing an effective and efficient package of tools for promoting, monitoring and enforcing compliance with environmental law
- Complemented by a Compendium of good practices in promoting, monitoring and enforcing environmental compliance



Measuring performance of environmental enforcement authorities

The OECD Recommendation on Environmental Compliance Assurance *“RECOMMENDS that Adherents take measures to address the challenges of multi-level governance, engage all stakeholders having compliance-related competencies, build institutional capacity and measure performance of environmental enforcement authorities”*.

Environmental enforcement authorities should:

- conduct regular performance assessments using input (resource), output (activity) and outcome (result) indicators
- emphasise outcome performance measures that characterise changes in compliance knowledge and behavior of the regulated community



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Green Economy in Eastern Partner Countries

Objective: help the Eastern Partnership countries preserve their natural capital and increase people's environmental well-being, by supporting environment-related action, demonstrating and unlocking opportunities for greener growth, and setting mechanisms to better manage environmental risks and impacts

Partner Countries: Armenia, Azerbaijan, Georgia, Republic of Moldova, Ukraine

Duration: 2019-2024

Budget: EUR 20 million (EU contribution: EUR 19.5 million)

Implementing Partners: OECD, UNEP, UNECE, UNIDO, the World Bank (started in 2021)

Overall direction: DG NEAR and DG Environment of the European Commission

#StrongerTogether
#EU4Environment

Action implemented by:





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Green Economy in Eastern Partner Countries

EU4Environment Action: Assessments of Environmental Compliance Assurance Systems

EU4Environment Action produced four assessments of national environmental compliance assurance systems:

- [Armenia](#) (2022)
- [Moldova](#) (2022)
- Azerbaijan (focus on inspections, forthcoming)
- Georgia (forthcoming)

Input and output indicators were analysed to identify strengths and challenges, and provide recommendation on:

- Promotion of compliance
- Monitoring of compliance
- Enforcement of compliance
- Institutional, legislative and permitting aspects





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Progress in environmental compliance assurance systems in the Eastern Partnership

- Setting up and strengthening of capacities of new environmental inspection bodies
- Adoption of risk methodologies for planning inspections
- Adoption of guidance documents for carrying out inspections
- Development of legislation on integrated permitting and inspection
- Expanded channels to receive alerts about environmental non-compliance
- Increased use of awareness-raising about environmental regulations
- Revision of penalties for non-compliance
- Development of legislation on environmental liability provisions in some countries



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Challenges in environmental compliance assurance systems in the Eastern Partnership

- Low awareness about environmental regulations among the regulated community
- Insufficient co-ordination between permitting and control institutions
- Lack of resources (qualified staff and inspectors, equipment, information management systems, laboratory accreditation and equipment)
- Inspection planning suffers from few planned inspections, unrefined risk planning methodologies and no shared database of permits
- Prevalence of administrative fines and low fine levels
- Lack of a requirement to remediate environmental damage caused and of financial security provisions for environmental damage



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EU4Environment Action activities on environmental compliance assurance

6 country reports

- Assessments of environmental compliance assurance systems
[Armenia](#) (2022), [Moldova](#) (2022), Azerbaijan (forthcoming), Georgia (forthcoming)
- Assessments of legal environmental liability provisions
[Moldova](#) (2023), Armenia (forthcoming)

Regional analysis

- Brochure on regional developments in environmental compliance assurance in the Eastern Partnership (forthcoming)
- Chapter in the OECD publication "[Green Economy Transition in Eastern Europe, the Caucasus and Central Asia: Progress and Ways Forward](#)"

3 regional capacity building events

- [Information systems](#) (2021)
- [Joint environmental inspections](#) (2022)
- [Environmental liability](#) (2022)

2 national trainings

- [Georgia](#) (identification and assessment of remediation measures) (2022)
- [Ukraine](#) (inspections according to the EU IED and the role of laboratories) (2023)

4 regional meetings

- [Risk-based approaches](#) (2020)
- [Enforcement](#) (2021)
- [Inspections](#) (2022)
- Final meeting (2024) (topic tbd)

Facilitation of participation in European network events (IMPEL, EUFJE)



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