I. Environment and Sustainable Development

Background: Main Areas of Focus.
Since the UNDP Country Office in the Russian Federation was established in 1997, a regional approach to the environmental programme has been developed for the priority areas identified in the CCF: environmental management, biodiversity conservation, and climate change issues. Many of the issues the Government has asked UNDP to assist with are located in the remote and least developed regions of Russia. The CO is using environment projects as an entry point to initiative balanced, socio-economic interventions in regions where the difficulties of the transition process are the greatest. The CO’s environment programme has been established using UNDP’s relationships and partnerships with the GEF, Capacity 21, bilateral and multilateral donors (CIDA, Norway, etc.) and the Government. The projects encourage regions to strike a sustainable balance between resource exploitation, and sustainable development and environmental conservation.

- **Biodiversity:** In order to ensure long-term sustainable use and conservation of the biodiversity of global significance, series of UNDP/GEF biodiversity conservation projects has been developed in the Russia’s North, Siberia and Far East (Taimyr Peninsula, Komi Republic, Kamchatka peninsula, Commander Islands, Altai-Sayan Ecoregion and Daurian Steppe). These initiatives, along with others under development, will enhance capacities of national and regional institutions by strengthening environmental management, natural resource management and landscape management.

- **Climate Change:** UNDP/GEF Climate Change and energy efficiency programme in Russia aims at enhancing local capacities to overcome barriers to energy efficiency at the national, regional, and local levels. The UNDP Climate Change programme includes a number of energy efficiency initiatives for the municipal sector in the North-West (Murmansk, Arkhangelsk and Tver oblasts and republic of Karelia) and Central Russia (Vladimir), a programme for reduction of coal bed methane emissions in the Kemerovo region, and geothermal energy project in Kamchatka implemented by EBRD.

- **Sustainable development and RIO+10 preparations:** The CO works closely with Capacity 21 to facilitate the RIO+10 preparations in Russia. The main government counterpart for the process is the Ministry of Economic Development and Trade of the Russian Federation. A joint workshop will be organized in January-February 2002 by the Ministry of Economic Development, UNDP and Capacity 21 in Moscow on the RIO+10 preparation in the NIS countries.

- **Work with indigenous community:** Indigenous groups are one of the main target groups in many of the environment projects given the fact that they located in and around many of the project sites. As one of the most disadvantaged and vulnerable groups in Russia, support to indigenous people is built into all UNDP/GEF environmental projects through creation of alternative livelihood options for indigenous population, preservation of traditional environmental knowledge and participation of indigenous groups in the management structures. The CO is currently developing a capacity building initiative for the Russian Association of Indigenous Peoples of the North (RAIPON) that will complement and strengthen the activities of bilateral and multilateral donors.

- **Regional Programmes:** The CO is involved in the UNDP/GEF regional environmental programmes, including the Caspian Environmental Programme, the Black Sea Environmental Programme, the Dniepr River Environmental Programme, the Tumen River Area Development Programme and the TumenNET.
UNDP-Russia environmental activities in the Russian regions

- **Kamchatka**: UNDP started its cooperation with the Kamchatka Oblast in 1998. Four UNDP/GEF projects are under development and nearing the full implementation stage. It is expected that the $12 million Protected Areas project will start later this year. The others include conservation of wild salmon diversity; conservation of the Commander Islands; and the North Pacific transboundary fishery management project. The CO also facilitates implementation of GEF/EBRD geothermal energy project for Mutnovsky Geothermal Plant. The scope and programmatic approach of the UNDP/GEF programme in Kamchatka makes it a significant part of the overall UNDP portfolio.

- **Taimyr Peninsular**: UNDP, the Administration of the Taimyr Autonomous Okrug and the Ministry of Natural Resources of Russia developed a biodiversity conservation programme for the central migratory corridor of the Taimyr Peninsular aiming at integrating landscape-scale management practices into the regional land use. The programme will include components on conservation planning and land-use framework, institutional mechanism for participatory landscape-scale conservation and management, protected areas management, establishment of a financing plan, indigenous people issues and awareness raising activities. The project will be complemented with a UNDP initiative to support socio-economic development with indigenous people of the Russia’ North building upon partnerships with the regional government, local and indigenous communities, private sector, bilateral and international donors.

- **Altai-Sayan Eco-region**: The globally significant Altai-Sayan Eco-region crosses the boundaries of four countries: Russia, Mongolia, Kazakhstan and China. In Russia, the eco-region includes six regions: Altay Kray, Republiks of Altay, Tyva and Khakasia, Krasnoyarsk Kray and Kemerovo Oblast. In 2000 UNDP CO initiated development of a biodiversity conservation project for the Altai-Sayan Ecoregion. The UNDP/GEF project framework creates a broader cooperation framework that includes partnerships with Capacity 21, other UN Agencies (UNESCO), bilateral donors (Germany, USAID), and international NGOs.

- **Volga Region**: The CO’s plans include a new integrated, socio-economic and environment programme for the Volga Basin. The programme will create a framework for sustainable development for the 39 subjects of the Federation that are part of the Volga Basin. The UNDP/GEF biodiversity conservation programme for the Lower Volga (PDF B), and an SME and social sector development project for the Astrakhan Oblast, in partnership with Lukoil Group, will be part of this initiative.

II. Sustainable Livelihood and Economic Development

**Background: Main areas of focus.**

The aim of the Government of the Russian Federation for 2001-2003 is economic and social upgrading that will ensure the integration of the country into the world economy. At the request and in close consultation with the relevant Government institutions the UNDP programme activities in the area of socio-economic development aim at: Creation of an appropriate framework for the establishment of favorable investment climate in the country; Promotion of modern Russian technologies and presentation of existing investment opportunities in various member-states of the Federation; Training and retraining of personnel with special emphasis on vulnerable groups of the population; Reform of penitentiary system. The expected results of UNDP assistance for the period 2001-2003 include increased levels of FDI; increased export of Russian technology and expertise; increased use of efficient, environmentally friendly technologies; increased capacity to manage employment creation as well as judicial reform at the federal level.

- **Promotion of employment**: Ironically, as a result of the transition situation in the Russian Federation, former professionals and hi-tech specialists are now said to be amongst the most vulnerable groups. In order to assist the Government in resolving one of the most acute problems of easing tension on the labour market, the CO has brought to Russia a unique employment technology, adaptable to the conditions of the Russian Federation. As a result of such efforts, UNDP has entered into a cost-sharing partnership with the Moscow regional government and Norway to start a pilot programme to alleviate the problems of unemployment of the “highly qualified”. Based on a licensed model in use in Norway and using the consulting services of the Norwegian licensor, employment-training centres have been established in two towns outside Moscow with high concentrations of the “highly qualified unemployed”. They are being given training and support for integrating themselves for the new
economic realities. UNDP pursues further third party cost-sharing beyond the initial two-year time frame and expanding the project to the North-West of Russia.

- **Penitentiary reform:** The transition to market-based relations, accompanied by deep crisis-related effects on the overall Russian economics, has made a negative impact on the functioning of the Penitentiary System in the country. At the request of and in cooperation with the Ministry of Justice of the Russian Federation a large scale programme on improvement of social conditions for prisoners in Russia has recently been launched by the UNDP CO. This programme will include measures to (1) improve the medical and sanitary state of penitentiary institutions and prisoners; (2) develop anti-tuberculosis and HIV/AIDS prevention programmes; (3) introduce modern employment and training systems within penitentiary institutions; (4) enhance the technological capabilities of the penitentiary system. Implementation of the above programme will result in facilitating of the substantive reform of the Russia’s judicial system.

- **Regional development:** While working with the regions of the Russian Federation, the CO pursues a holistic, multi-sectoral approach. As an example of such integrated efforts, the UNDP supports the Regional Programme of the Komi Republic “The Republic of Komi: Competitive and Sustainable Industrial Development” which was formulated by the Government of the Republic of Komi for the period 2000 – 2003. The UNDP programme is formulated to strengthen the impact of the Government’s policy initiatives through the development of industrial and business support services, institutions and networks. This will provide an important foundation to promote strategic partnerships and environmentally sustainable and competitive industrial performance in new economic realities. The project addresses immediate concerns of the Government, such as development investment strategy and promotion of priority projects, including private financing of infrastructure projects, better utilization of abundant natural resources, through cleaner production and energy efficiency measures and technologies. In the framework of this larger project, the new UNDP/GEF project was initiated to conserve virgin forests of the Pehora delta in the Komi Republic.

### III. Governance

**Background: Main Areas of Focus.**

In the CCF, the Russian Federation and UNDP agree that the focus of the UNDP Governance programme would be in the following areas: capacity building in the educational sector, penitentiary system, judicial system, and regional administrations; and the provision of tools that stimulate advocacy and policy dialogue, and the development of civil society. However, the programme has been expanded so that UNDP can contribute to the national debate on poverty issues, add a developmental focus to the ongoing work related to the Chernobyl disaster, and facilitate multi-sectoral support on HIV/AIDS issues.

- **Chernobyl:** UNDP Russia is reorienting its Chernobyl-related programme from stand-alone projects to a holistic programme approach based on a synergy of economic, health and environmental aspects. The new strategy and focus for the Chernobyl response was developed by the UN Interregional Situation Analysis Mission on Chernobyl that was undertaken by UNDP and UNICEF in Ukraine, Russia and Belarus in July-August 2001. The new Chernobyl programme will be implemented as a medium-term, cross-sectoral development initiative with an emphasis on community development, economic and social rehabilitation and environmental governance. The objective for the coming months is to reach a consensus on the strategy and to mobilize resources for its implementation, combining the efforts and expertise of the UN, the Governments, bilateral and multilateral donors and civil society. For this purpose, following the official launch of the UN Mission report, UNDP Russia will conduct negotiations with the Government seeking the Government’s support and active participation in the implementation of the new approach.

- **Civil Society (Global Compact):** The UNDP CO undertakes efforts to strengthen its relations and interaction with NGOs. Major attention is being paid to working out a cooperation framework with NGO associations and the most influential NGOs in terms of capacity building, networking and volunteerism. We regard environment, gender, HIV/AIDS and human rights as the priority areas. NGOs in Russia require assistance in the creation of databases on civil society institutions, in the creation of participation mechanisms for NGO experts in legal processes, both on national and local level, in providing infrastructure to be able to study best practices from other countries. UNDP
systematically scrutinizes all current projects for NGO component to activate already existing possibilities to enhance the role of civil society.

NGO participation in the follow-up activities to the first Global Compact (19 November 2001) to be held by the Ministry of Foreign Affairs, with support from UNDP, has been discussed with the MFA due to the fact that NGO representatives will not participate in the first meeting. The issue is not resolved, although we have assurances that civil society will be involved in the follow up. UNDP needs to obtain MFA’s “buy-in” and support for involving and increasing the role of CSOs in the Global compact process.

- **HIV/AIDS:** The importance of having HIV/AIDS included in the up-dated SRF was necessitated by the country’s demands to prevent and reduce the spread of HIV/AIDS. The previous programmes failed to reflect the significant challenges Russia faces in addressing the issue. In this respect, a multi-sectoral approach has been prepared and will be used as a basis for formulating new projects/programmes on HIV/AIDS in order to combine national efforts and the UNDP Global corporate priority in combating HIV/AIDS epidemic. In response to this approach, UNDP is chairing a process that includes five UN agencies (UNICEF, ILO, UNFPA, WHO and UNDP) so the UN system can develop a multi-sectoral project with the UN Foundation that meets the needs of the Government.

In addition, the CO will provide assistance using Project Acceleration Funds (PAF) so the Russian Government for the establishment of a high-level inter-ministerial national Committee on HIV/AIDS. The Committee will ensure the proper planning and effective co-ordination of and state support to the HIV prevention and impact mitigation activities implemented by different state, NGO and social institutions/organizations. Advocacy workshops and public communication messages will promote and explain the role and place of the National Committee in the HIV-related policy preparation and decision-making.

- **North Caucasus:** Increased pressure is being placed on the international community by both donors and the Government of the Russian Federation to transition from relief interventions to sustained recovery. This implies the formulation of a new strategy addressing rehabilitation and recovery for the North Caucasus Region as a whole, and particularly in those republics that are most affected by the ongoing conflict in Chechnya. UNDP will assist in this endeavour and mobilize resources from both donor and national sources.

UNDP’s strategy for the North Caucasus Region has a two pronged complementary thrust: one focusing on the immediate needs of the conflict zone and the other addressing, over the medium term, the broader regional poverty reduction and development needs. Activities foreseen herein will exclusively relate to the immediate needs of the conflict zone. Its geographical focus will be the republics of Ingushetia and Chechnya, where programme emphasis will be supporting transitional recovery for IDPs. The beneficiaries are the IDPs and, by extension, their local host populations. Additionally, the local and regional authorities, as well as some of the national NGOs, are also beneficiary populations.

- **Poverty:** Poverty is one of the most acute problems in today’s Russia. However, unlike some countries of the region, Russia still has no national anti-poverty strategy. The United Nations Country Team in the Russian Federation, with the support of the UN Development Group Office and the Swedish Government, has developed a document entitled “Strategy to promote poverty eradication in Russia: analysis and recommendations”. The work was organized in 10 clusters: social transfers, health concern, wages policy, enterprise restructuring, employability of vulnerable groups, family implications, gender aspects, regional aspects legal and administrative concern, statistical monitoring.

The main aims of the study are to support the United Nations Common Country Assessment process in the Russian Federation in the field of poverty alleviation, and to contribute to the design and development of a comprehensive national poverty alleviation strategy. The Report will be presented to the Government in December 2001 and may serve as the backbone to Russia’s future anti-poverty strategy.