

CHAPTER 27 IN SERBIA:

NO - PROGRESS REPORT



Shadow Report on Chapter 27
Environment and Climate Change

November 2016 – February 2018



KOALICIJA 27



IMPRESSUM

© Coalition 27 (2018) Chapter 27 in Serbia: No-Progress Report

Publisher: Young researchers of Serbia

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Proofreader: Paul Murray

Design: Jelena Šušnjar

Print: Studio Avangarda

Circulation: 300

Belgrade, 2018.

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INTRODUCTION

The report Chapter 27 in Serbia: No-Progress Report is the fifth annual Report of Coalition 27, following the publication of the annual report of the European Commission. Given that there was a change in the dynamics of the European Commission reporting, Coalition 27 published a report in 2017 in a shorter form. The No-Progress Report deals with topics from the period covered by the previous report in more details, with the addition of new developments which took place until late February 2018.

The most significant change in the previous period was the establishment of the Ministry of Environmental Protection. The establishment of the Ministry has finally created the conditions for the environmental protection to stop being second to other sectors. Today, eight months after the establishment of the Ministry, some progress has been seen, but the impression is that concrete results are missing and there is room for improvement.

The second big event is the adoption of the EU Enlargement Strategy for the Western Balkans¹. It is indicative that Chapter 27 has not been mentioned in the Strategy at all, while the environment has been briefly mentioned in several places. For this reason, we believe that it is the duty of civil society organisations to make additional efforts in order to position this topic at the list of priorities due to its importance.

It should be noted that progress was slowed during this period as well, due to the interruption of the work of the National Assembly during the election campaign for the presidential elections and the reconstruction of the Government following the election of the new President of the Republic. Due to the winter break, there was no significant legislative activity in the National Assembly compared to the period covered in the previous report, and, given the fact that representatives of the authorities announced the possibility for a new reconstruction of the Government in March 2018, there is a great chance that another period of uncertainties lies ahead.

The exact date for the opening of Negotiating Chapter 27 is still unknown, and the process of preparing the negotiating position of the Republic of Serbia is taking place with the limited participation of stakeholders (civil society organisations, academic and professional community). According to the announcement of the Minister of Environmental Protection, the negotiating position should be written by the end of June 2018, and the Minister indicated that the opening of Chapter 27 could be possible at that time. The harmonisation with the EU *acquis* covered by this chapter will enable reaching a significantly higher level of environmental protection and the fight against the consequences of new climate conditions, and it demands a full commitment of the Government.

The report Chapter 27 in Serbia: No-Progress Report deals with the key events in the areas of environment and climate change (Chapter 27 in the EU accession negotiations) in the Republic of Serbia in the period from November 2017 to February 2018. The report assesses those events and makes recommendations for strengthening the process of transposition and implementation of the EU legislation covered by this chapter.

Coalition 27 was established by civil society organisations in 2014 primarily to monitor and contribute to the negotiations in Chapter 27. The report was prepared by eleven member organisations of Coalition 27: Belgrade Open School, The Bird Study and Protection Society of Serbia, Centre for Ecology and Sustainable Development, Climate Action Network Europe, Environment Engineering Group, Environment Improvement Centre, GM Optimist, One Degree Serbia, Safer Chemicals Alternative, Young Researchers of Serbia and the World Organization for Nature (WWF).

The report covers ten thematic areas: horizontal legislation, air quality, waste management, water quality, nature protection, industrial pollution and risk management, chemicals management, noise and climate change. Given that forestry has a significant impact on a lot of areas in the environment (nature protection, climate change, etc.), we have decided to give an overview of this area in this report. The report does not deal with civil protection issues. In each thematic area, we considered the development of events in policy and legislation, the implementation of regulations, financing, and recommendations are given to improve the process. We have especially highlighted and addressed general trends in financing in the areas of environment and climate change.

The report also contains two annexes: (1) a comparative table of recommendations from the previous report of Coalition 27 and this year's report; and (2) an explanation of the methodology and a list of authors (organisations) for each area.

We would like to thank RES Foundation for its contribution to the development of the air quality chapter, as well as the Serbian Association of Recyclers of Packaging Waste, the Society of Young Researchers of Bor, the UNECOOP and the Waste Industry Association of Serbia "Brave Cleaner" on their contributions to the preparation of the waste management chapter.

The report has been published with the assistance of the CSOnnect programme implemented by the Regional Environment Centre for Central and Eastern Europe (REC).

¹ The official title: *A credible enlargement perspective for and enhanced EU engagement with the Western Balkans*

FINANCING IN THE FIELD OF ENVIRONMENT AND CLIMATE CHANGE

Chapter 27 is financially the most demanding chapter, so the question of financing this area and alignment with the EU acquis by 2030 is one of the most important issues our country faces. According to the National Environmental Approximation Strategy (2010), the full harmonisation costs were calculated and estimated at EUR 10.6 billion by 2030. However, the latest estimates, according to Minister Goran Trivan, put that figure at EUR 15 billion².

According to the Law on Environmental Protection, the financing of environmental protection is met by applying the “user pays” principle, the “polluter pays” principle, and the “liability” principle, while funds for financing environmental protection are provided from the budget of the Republic of Serbia, the budget of the autonomous province, local government funds, funds from other states, international organizations, financial institutions and bodies, as well as domestic and foreign business entities and individuals, EU funds and other international funds, donations, gifts, contributions, assistance, etc.

Environmental policy is not a priority of the Government of the Republic of Serbia; a fact which is made clear through the lack of state financing in this area.

The Republic of Serbia has made no progress in relation to one of the three key environmental and climate change recommendations from the last annual report of the European Commission for the Republic of Serbia from 2016³; the provision of adequate funds for the new instrument for financing environmental activities (**Green Fund**). Despite announcements by the Ministry on several occasions, the fund remains a budget line with a limited scope. The Government of the Republic of Serbia adopted the Decision on the Establishment of the Green Fund in 2016⁴, however, bylaws that should regulate its work have not yet been adopted. The adoption of these bylaws is a prerequisite for making public calls for the selection of projects and for drafting a budget plan. However the Government has not yet determined the conditions which have to be met by potential beneficiaries of the funds, which include: the conditions and method of allocation of funds, criteria and merits for assessing the requirements for allocation of funds, the means of monitoring how the the funds are being spent and contractual rights and obligations. Nevertheless, the Law on the Budget of the Republic of Serbia for 2017⁵ allocated 2.29 billion dinars for the Green Fund; almost all of which (2.19 billion dinars) was allocated to the recycling industry (because there is a clear legal framework, plans and practices already in place). The Law on the Budget

² The text of the statement available at: <https://www.blic.rs/vesti/ekonomija/trivan-u-ekologiju-treba-da-ulozimo-15-milijardi-evra/bb8eemv>

³ The complete report available at: http://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/izvestaj_ek_srbija_2016.pdf

⁴ The text of the Decision available at: http://www.paragraf.rs/izmene_i_dopune/101116-odluka_o_osnivanju_zele-nog_fonda_republike_srbije.html

⁵ The Law on the Budget of the Republic of Serbia for 2017 available at: <http://www.parlament.gov.rs/upload/documents/3081-16.pdf>

for 2018⁶ allocated somewhat higher funds to the Green Fund; 2.99 billion dinars but again, incentives to the recycling industry total 2.19 billion dinars, a figure which makes up 73% of the total assets of the Green Fund. The total funds envisaged for the Ministry of Environmental Protection in 2018 amount to 5.85 billion dinars.

Establishing an efficient system of financing environmental protection, especially at the local level, is still far from being realised. Amendments to the Law on the Budget System⁷ created the possibility of allocating funds from environmental fees to other users and other unrelated activities at the national and local levels. The resulting serious lack of public financial funds cannot be replaced by additional sources coming mainly from EU funds.

In 2016, the Republic of Serbia allocated less than 0.5% of GDP to environmental policy, compared to European Union countries which spent an average of 2%.⁸ In 2014, environmental taxes averaged about 1.56% of GDP among the member states of the Organization for Economic Cooperation and Development (OECD).⁹

According to the Statistical Office of the Republic of Serbia,¹⁰ the average **annual growth** of environmental tax revenues in the period 2008-2015 was 12.5%. The average **annual share** of environmental tax revenue in the gross domestic product (GDP) in the period 2008-2015 was 3.4%. According to the Statistical Office of the Republic of Serbia, environmental taxes included energy taxes, taxes in the field of transport, pollution taxes and taxes on the use of resources.

According to data from the latest Report on Economic Instruments for Environmental Protection in Serbia referring to 2016, the “total revenues of budget environmental protection funds at all levels coming from environmental fees amounted to RSD 10,883.84 million in 2016, or 0.26% GDP”¹¹. This was an improvement of 8.6% compared to the previous year. The revenues of the republic budget from fees in 2016 amounted to 5.91 billion dinars, while the funds collected by local governments’ budget funds for the environment amounted to 4.95 billion dinars¹². It is important to note that not all tax revenues from the area of environmental protection end up in the Ministry of Environmental Protection budget. Revenues from energy taxes, transport taxes, pollution taxes and taxes on the use of natural assets are in fact revenues of relevant state institutions and only part of these revenues end up in the budget funds for the environment¹³.

⁶ The Law on the Budget of the Republic of Serbia for 2018, page 128. The Law available at: <http://www.mfin.gov.rs/UserFiles/File/zakoni/2017/Zakon%20o%20budzetu%202018.pdf>

⁷ The text of the law available at: <https://www.trezor.gov.rs/uploads/file/Zakoni/Zakon%20o%20budzetskom%20sistemu%2016.12.2016.pdf>

⁸ The data available at: [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:National_expenditure_on_environmental_protection_EU-28_2006%E2%80%9315_\(million_EUR_and_%25_of_GDP\)_V2.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:National_expenditure_on_environmental_protection_EU-28_2006%E2%80%9315_(million_EUR_and_%25_of_GDP)_V2.png)

⁹ The data available at: <http://www.oecd.org/env/tools-evaluation/environmentaltaxation.htm>

¹⁰ Available at: <http://www.stat.gov.rs/WebSite/public/PublicationView.aspx?pKey=41&pLevel=1&pubType=2&pubKey=4378>

¹¹ Serbian Environmental Protection Agency (2018). *The Report on Economic Instruments for Environmental Protection in Serbia for 2016*. Available at: http://www.sepa.gov.rs/download/posebni/EkonInstr_2016.pdf

¹² Ibid.

¹³ Ibid.

According to research by the “Stanište” Ecological Association and the European Policy Centre,¹⁴ **most local governments spend less on environmental policy than they collect through environmental fee revenue.** The total amount of unspent funds in the last six years reached RSD 6.5 billion. Contrary to what is stated in the Rulebook on the Standard Classification Framework and the Chart of Accounts for the Budget System revenues in local budget funds from environmental protection are not only exclusively spent on environmental projects. Research has shown that in a large number of local governments environmental protection funds are spent and classified under the domain of environmental protection without actually belonging to that sector, for the activities such as: maintenance of rural roads, maintenance of the manmade waterways network, hail protection systems, construction of sports facilities, asphaltting streets, pest control, zoos, animal control services, court fines for dog bites, winter maintenance, replacement of asbestos pipes, water supply network maintenance, subsidies for water, gas debt, heating, boilers, and flood recovery measures.

The Draft Law on Fees for the Use of Public Goods was finally made public in December 2017, and the public consultation was concluded on the 5th of March, 2018. Coalition 27 submitted its comments and proposals on the Draft of this law to the relevant ministry during public consultations. Legal solution proposed by the Government should unify all fees in one, instead of them being determined by 13 different laws, as has been the case to date. **The aforementioned Draft Law confirms the abolition of the dedicated character of the funds collected from environmental protection fees; enabling the funds collected for environment protection to be used for other purposes.**

According to the Post-Screening Document, Serbia should have prepared a planning document entitled “Multiannual Investment and Financing Plan”¹⁵ by 2016, but still, there has been no information on whether this document has been completed.

Bearing in mind the significant funds that Serbia will need in the coming years to reach the EU standards in this area, it is clear that the proposed system of financing environmental protection will not be able to secure them.

¹⁴ The report available at: <http://cep.org.rs/wp-content/uploads/2017/10/Lokalne-finansije-i-%C5%BEivotna-sredina.pdf>

¹⁵ The complete document available at: <http://eukonvent.org/wp-content/uploads/2015/07/Status-i-planovi-preno%C5%A1enja-i-sprovo%C4%91enja-pravnih-tekovina-EU-za-poglavlje-27-%C5%BDivotna-sredina-i-klimatske-promene.pdf>

01. HORIZONTAL LEGISLATION

OVERVIEW

On March the 1st, 2018, the Government of the Republic of Serbia adopted the second revised National Program for the Adoption of the EU Acquis (NPAA) for the period 2018-2021. Having in mind the previous objectives and their non-fulfillment in the last period (2016-2018), this document provides an overview and a timeframe for the adoption of legal regulations in the field of environmental protection once again delaying adoption of amendments and modifications to the law and bylaws that should regulate some of the key areas of horizontal legislation.

The implementation of the regulations in the area of horizontal legislation has improved to a certain extent, but overall capacity is still lacking, especially at the local level. The quality of Environmental Impact Assessment (EIA) studies are still generally low. Transparency and proactive involvement of the public in the environmental decision-making process has been improved to a lesser extent, but still insufficiently. Because of that, participation of the public in these processes is sporadic and of insufficient quality.

The problems with access to information of public importance in environmental issues has been noticeable through a growing number of complaints about the decisions of the Ministry in charge, which have been submitted to the Commissioner for Information of Public Importance and Personal Data Protection. Inspection activities in the field of environment present a problem due to limited capacity for quality implementation. Judicial practice in environmental matters is still under development, as evidenced by the growing number of charges in relation to environmental crime, but at the same time there are less and less convictions.

The non-earmarked character of the funds collected from the environmental fees and taxes and the possibility of spending these funds for other purposes (introduced after the Law on the Budget System had been amended) was confirmed by the new Draft Law on Fees for the Use of Public Goods.

LEGISLATIVE FRAMEWORK

The Environmental Impact Assessment Directive 2011/92/EU has not yet been fully transposed into the domestic legislative framework. Issues that have not been made fully compliant with the EU legal regulations in this area concern environmental impact assessment in a transboundary context (Article 7 of the Directive), as well as projects that are subject to environmental impact assessment, which are clearly defined in both Annex I and II of the Directive. In the latest revision of the NPAA, as of February 2018, the adoption of the Law on the Confirmation of the Multilateral Agreement between the countries of South-East Europe for Implementation of the Convention on Environmental Impact Assessment in a Transboundary Context – transposing Article 7, is envisaged for the first quarter of 2018. At the time of writing this report (March

2018), the proposal of the said Law has not yet entered parliamentary procedure¹⁶, and the law is unlikely to be adopted within the specified timeframe. The new Regulation amending the existing Regulation on determining the List (I) of projects for which the environmental impact assessment is obligatory and the List (II) of projects for which the environmental impact assessment can be required should have been adopted by the end of 2016. The new, revised NPAA envisages its adoption by the end of 2018. Directive 2014/52/EU on the assessment of the impact of certain public and private projects on the environment has introduced amendments to improve the quality of the impact assessment procedure. Harmonisation with this directive is planned for the last quarter of 2018 by the revision of the NPAA, with amendments and modifications to the Law on Environmental Impact Assessment and amendments and modifications to a number of bylaws¹⁷.

In January 2018, the Ministry of Construction, Transport and Infrastructure announced a program of public consultations on the Draft Law on Amendments and Modifications to the Planning and Construction Law¹⁸. The presented Draft Law still did not address the existing inconsistencies with the Environmental Impact Assessment Law. Thus, an opportunity has been missed to introduce impact assessment procedure into the procedure for obtaining a building permit in a clear manner; which is why the impact assessment procedure often has only a formal character. Regulating the inconsistencies with the Law on EIA and the Law on Strategic Environmental Assessment (SEA), the Planning and Construction Law would become harmonised with Article 2 of the Environmental Impact Assessment Directive 2011/92/EU which explicitly binds states to “adopt all measures necessary to ensure that, before consent is given, projects likely to have significant effects on the environment... are made subject to a requirement for development consent and an assessment with regard to their effects”. The inconsistency of these two laws is largely the result of insufficient horizontal coordination between the relevant ministries.

Directive 2001/42/EC on Strategic Environmental Assessment has been partly transposed into domestic legislation. Planned amendments and modifications to the Law on Strategic Environmental Assessment and the adoption of the missing bylaws have been moved to the end of 2018. This delay of harmonisation with the provisions of the Directive means that the procedures of strategic environmental assessment will remain largely unregulated and of uneven quality, and will depend primarily on the capacity of the relevant authority conducting the procedure.

¹⁶ The mentioned Draft Law is on the list of laws in the procedure on the internet page of the Parliament of the Republic of Serbia <http://www.parlament.gov.rs/akti/zakoni-u-proceduri/zakoni-u-proceduri.1037.html> (last visited on March the 3rd, 2018).

¹⁷ Bylaws regulating the environmental impact assessment procedure: Rulebook on public insight, presentation and public discussion about the environmental impact assessment study; Rulebook on work of technical committee for environmental impact assessment study; Rulebook on the content of the request on the need for environmental impact assessment and contents of the request for defining the scope and content of environmental impact assessment study; Rulebook on the content, appearance, and manner of keeping the register of completed proceedings and decisions made on environmental impact assessments; Rulebook on the content of the environmental impact assessment study.

¹⁸ The public consultation program on the Draft Law on Amendments and Modifications to the Planning and Construction Law is available at: <http://www.mgsi.gov.rs/cir/aktuelnosti/program-javne-rasprave-o-nacrtu-zakona-izmenama-i-dopunama-zakona-o-planiranju-i>

Directive 2003/4/EC on public access to environmental information has been almost completely transposed into domestic legislation, concluding with the Law on Amendments and Modifications to the Law on Environmental Protection (“Official Gazette of the Republic of Serbia”, No. 014/2016). This Law regulates the active and passive flow of information in the field of the environment. When it comes to achieving full compliance, it is necessary to ensure annual updating of the ecoregister, as well as strengthening the capacity of the Environmental Protection Agency to expand the scope of reporting.

Directive 2003/35/EC regulating public participation in the drawing up of certain environmental plans and programmes has been partly transposed into domestic legislation. However, in order to fully harmonise the legislation in this area, it is necessary to adopt amendments to the Law on Environmental Impact Assessment, which, in accordance with the revised NPAA, is planned for the fourth quarter of 2018. In addition, in the second revised version of the NPAA from 2016, in the plan of transposition of legislation in order to fully align with this Directive, it was planned to adopt amendments to the Law on Waters in the fourth quarter of 2017. However, in the third revision of the NPAA from 2018, in the part referring to the horizontal legislation, there are no plans for the adoption of amendments to the Law on Waters (its amendments have been planned for Chapter 27 in part that refers to regulating water management and are envisaged to be in place by the fourth quarter of 2019).

Directive 2004/35/EC on environmental liability remains in the initial phase of the transposition. It has been partly transposed through five laws and four bylaws. According to the Third Revised Version of the NPAA, the adoption of the Environmental Liability Law in terms of preventing environmental damage has been postponed again, this time for the second quarter of 2019.

The provisions of Directive 2008/99/EC – Criminal Acts in the Field of the Environment, were partly transposed through the following laws: The Criminal Code, the Law on Liability of Legal Entities to Criminal Offences and the Law on Nature Protection. Complete harmonisation with the provisions of the Directive will be achieved by adopting the Law on Amendments and Modifications to the Criminal Code, which is envisaged for the last quarter of 2018.

Directive 2007/2/EC on establishing an Infrastructure for Spatial Information in the European Community, the so-called INSPIRE, has not been fully transposed into domestic law. The Law on State Surveying and Cadastre provides a framework for the INSPIRE Directive, while for its complete adoption it is necessary to adopt the Law on National Spatial Data Infrastructure, which has not yet been implemented. The Draft Law on National Spatial Data Infrastructure was published last year, and the deadline for its adoption was the last quarter of 2017; it remains unpublished while this year’s NPAA review does not state a new deadline for its adoption.

IMPLEMENTATION OF LEGISLATION

After the establishment of the Ministry of Environmental Protection, certain progress has been achieved in transparency and timely informing of the public of the processes of the environmental impact assessment and strategic environmental assessment carried out by the Ministry. However, the procedures carried out by local governments remain most often non-transparent and inaccessible to the public. For example, the procedure of a repeated public insight and strategic environmental assessment for part of the Draft Detailed Plan of the Regulation of Infrastructure Corridor in the Golija Nature Park in November 2017 was published in the newspaper *Danas*, but not on the municipal website.

Announcing public consultations on the environmental impact assessment study of the “Kula Belgrade” project on the website of the Ministry of Environmental Protection was conducted in a manner that was not in the spirit of proactive transparency. The news of the public consultation, which was originally scheduled for December the 28th, was published on December the 5th, 2017. The public consultation was postponed twice, once for technical reasons, and the second time because the members of the team who conducted the Study on EIA did not appear at the scheduled public consultation. In both cases, no new, current news about the new date for the public consultation was published; instead new information was published within the obsolete news briefing from December 5, 2017. This resulted in the fact that only a few representatives of civil society appeared at the consultation scheduled for January the 23rd, 2018, while on February the 2nd, when the public consultation was finally held, none of the representatives of civil society or any interested public appeared.

The quality of impact assessment studies remains low, even in cases of high-profile projects.¹⁹ The lack of bylaws that regulate the contents of documents and the work of actors in the environmental impact assessment procedure contribute to such a situation.

After the establishment of the new Ministry of Environmental Protection, the problem of the impact of mini-hydropower plants on the environment once again came into the focus of the public; under pressure of local communities, civil society organisations²⁰, representatives of the academic community²¹ and the media. The Ministry announced revision of the impact assessment procedures, as well as of the issued approvals and decisions for mini-hydropower plant projects in protected areas. In February 2018, the first decision on repeating the procedure for granting consent to the

19 Example: A public consultation on the Study on environmental impact assessment of the construction of “Kula Belgrade”, was cancelled twice due to the poor quality of the study and the unpreparedness of the project representatives, once in December 2017 and next time in January 2018. Due to the vague procedure and the lack of clearly defined minimum quality of the content of the Study, the further process of project realisation was extended for at least two months.

20 The data available at: <http://www.politika.rs/sr/clanak/387802/Da-Stara-planina-ne-ostane-zedna>

21 Small hydropower plants cause big problems, the interview with Professor Ratko Ristić, the Dean of the Faculty of Forestry at the University in Belgrade, *Politika*, December the 15th, 2017. Available at: <http://www.politika.rs/sr/clanak/394573/Male-hidroelektrane-prave-velike-probleme> <https://www.jutarnijglasnik.info/ekologija/dr-ratko-ristic-od-izgradnje-elektarana-na-staroj-planini-samo-bi-pojedinci-i-interesne-grupe-imali-korist/>

environmental impact assessment study was made public²².

The Report of the Commissioner for Information of Public Importance and Personal Data Protection from 2016²³ states that 344 requests were filed against the Ministry of Agriculture and Environmental Protection, as well as 81 complaints. In the case of the Ministry of Agriculture and Environmental Protection, the ratio of submitted requests and complaints to the Commissioner for not providing information is 1 appeal to every 4.2 requests, while the average figure for all ministries is 1 appeal to every 9.5 requests, indicating the difficulty of obtaining information which is under the jurisdiction of the Ministry of Agriculture and Environmental Protection. During 2017, a separate Ministry of Environmental Protection was established for which the information will be available after the publication of the Report of the Commissioner for Information of Public Importance for 2017.

In the Inspection Report of the Environmental Inspection for 2017²⁴, as a recommendation for the improvement of work, it states: “*Increasing the number of employed inspectors in the Sector for Environmental Monitoring and Precaution in order to increase the efficiency of implementation of work plans in the field of inspection supervision*”. During 2017, exceptional inspections were carried out 838 times. In its Report on illegal shooting, poisoning, trapping, possessing and trade in wild birds in the Republic of Serbia for the period 2000-2017²⁵ the Bird Protection and Study Society states that “over 300 hunting grounds managed by hunting organizations belonging to the civil society sector are visited by 20 hunting appropriately authorised environmental inspectors”.

Also, there has been an increase in the number of criminal charges for environmental crimes. In 2016, there were 2,507 charges filed for this criminal act. The number of charges for environmental criminal acts has been steadily increasing since 2010²⁶. On the contrary, the number of convictions has been decreasing. The criminal act of illegal logging stands out as the most common²⁷. The Centre for Investigative Journalism indicates in its research that the number of criminal charges for illegal logging has almost doubled in the last ten years (1,314 charges in 2007 compared to 2,007 in 2016). On the other hand, the number of convictions for the same criminal offence halved during the same period (730 sentences in 2007 in relation to 382 sentences in 2016)²⁸.

22 Decision on the repetition of the procedure for granting consent to the Environmental Impact Assessment Study of the project for the construction of a small hydropower plant (SHPP) “Pakleštica”, <http://www.ekologija.gov.rs/resenje-o-ponavljanju-postupka-davanja-saglasnosti-na-studiju-o-proceni-uticaja-na-zivotnu-sredinu-projekta-izgradnje-male-hidroelektrane-mhe-paklestica/?lang=lat>

23 The Commissioner for Information of Public Importance and Personal Data Protection <https://www.poverenik.rs/images/stories/dokumentacija-nova/izvestajiPoverenika/2016/latizvestaj2016.pdf>

24 The report available at: http://www.ekologija.gov.rs/wp-content/uploads/inspekcija/Izvestaj/Inspekcija_zastitu_zivotne_sredine_2017.pdf?lang=lat

25 The report available at: <http://pticesrbije.rs/wp-content/uploads/2017/10/Serbia-bird-crime-report.pdf>

26 Bulletin: *Adult Perpetrators of Criminal Offences in the Republic of Serbia*; Statistical Office of the Republic of Serbia; 2016. http://www.stat.gov.rs/WebSite/repository/documents/00/02/72/06/SB-629-Punoletni_2016.pdf

27 The report available at: <http://www.srbijasume.rs/pdf/IzvGodProg2016.pdf>

28 The data available at: https://www.cins.rs/srpski/research_stories/article/zbog-ilegalne-sece-godisnje-nes-tane-hiljade-hektara-suma-

FINANCING

Despite the announcements from the appropriate authorities, bylaws which would ensure the operation of the Green Fund have not been adopted. After the abolition of the Environmental Protection Fund and the establishment of the Green Fund as a budget line in 2016, in accordance with the adopted Decision on the Establishment of the Green Fund of the Republic of Serbia, the adoption of bylaws that were scheduled for the beginning of 2017 has not happened. The Law on the Budget of the Republic of Serbia²⁹ for 2017 allocated 2.29 billion dinars for the Green Fund. More than 95% of this amount (2.19 billion dinars) was intended as incentives to the recycling industry. The Budget Law for 2018 envisaged an increase in the amount of the Green Fund to 2.99 billion dinars. Incentives to the recycling industry are again 2.19 billion dinars, which makes up 73% of the total assets of the Green Fund.

In the meantime, the state continued to charge taxes and fees for environmental protection. According to the Minister for Environmental Protection, the total amount of funds collected in this way in 2017 was over 10 billion dinars, of which about 50% was allocated to the budget of the Ministry of Environmental Protection in 2018³⁰. To be precise, the Ministry was allocated a total of 5.85 billion dinars³¹. This discrepancy was the result of the modifications to the Law on the Budget System of Serbia from 2015 when the funds collected as fees and taxes lost their earmarked character. These changes are in contradiction with one of the basic principles of environmental protection – “polluter pays”, on which the EU legal system rests³². The same principle is also recognised by the Serbian Law on Environmental Protection³³ (Article 9).

Having been prepared a long time ago, the Draft Law on Fees for the Use of Public Goods was made public in December 2017, and the public consultations lasted until the 5th of March 2018. The proposed legal solution should unify all fees in one, instead of them being determined by 13 different laws (as it has been the case to date). The aforementioned Draft Law confirms the abolition of the earmarked character of the funds collected from environmental protection fees, and enables the funds collected for environmental protection to be used for other purposes.

29 The law on the Budget of the Republic of Serbia for 2017: <http://www.parlament.gov.rs/upload/documents/3081-16.pdf>

30 The data available at: <http://rs.n1info.com/a354662/Vesti/Vesti/Trivan-Preispitacemo-status-zasticenih-prirodnih-dobara.html>

31 The law on the Budget of the Republic of Serbia for 2017, page 128: <http://www.mfin.gov.rs/UserFiles/File/zakoni/2017/Zakon%20o%20budzetu%202018.pdf>

32 Environmental Liability: <http://ec.europa.eu/environment/legal/liability/index.htm>

33 The Law on Nature Protection (“Official Gazette of the Republic of Serbia”, Nos. 135/2004, 36/2009, 36/2009 – other law, 72/2009 – other law, 43/2011 – Decision of the Constitutional Court and 14/2016): https://www.paragraf.rs/propisi/zakon_o_zastiti_zivotne_sredine.html

Considering significant resources that Serbia will need³⁴ in the coming years and decades to reach EU standards in the field of environment protection, it clear that current system of financing environmental protection will not be able to respond to the needs for reforms in this policy area, nor will it be sufficient to ensure its sustainability.

RECOMMENDATIONS

Legislative framework

- Pass all necessary bylaws in order to ensure proper functioning and independent monitoring of the Green Fund.
- Qualitatively improve the Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) processes by adopting necessary bylaws and planned amendments to the Laws on EIA and SEA.
- Harmonise List I (projects for which environmental impact assessment is mandatory) and List II (projects for which an impact assessment may be required) with Annexes I and II to Directive 2011/92/EU. Establish a list of plans and programmes for which a strategic environmental assessment is mandatory and lists of plans and programmes for which a strategic environmental assessment may be required.

Implementation of Legislation

- Improve public participation of the public in public consultation, especially at the local level through more transparent and comprehensive information. Creating a unified procedure for publishing information from public discussions would significantly contribute to the transparency of the process. The implementation of the *Guidelines for making web presentations from state administration, provincial authorities and local-government units*³⁵ which clearly indicate that relevant authorities should “regularly publish the most important information about their work, including news on all activities that are of interest to the general public” would also contribute to the provision of timely and transparent information to the public.

34 The exact amount of funds needed is not known; estimates vary from 10 to 15 billion euros in the next 20-30 years. Official estimates are not available, except for the estimates listed in the 2010 National Environmental Approximation Strategy for the Republic of Serbia (page 10), <http://www.misp-serbia.rs/wp-content/uploads/2010/05/EAS-Strategija-SRP-FINAL>; It takes 10.6 billion euros to protect the environment, <http://www.politika.rs/sr/clanak/326124/Drustvo/Potrebno-10-6-milijardi-evra-za-zastitu-zivotne-sredine>; For 20 years, 14 billion euros for environmental protection, http://www.rtv.rs/sr_lat/drustvo/za-20-godina-14-milijardi-evra-za-zastitu-zivotne-sredine_866350.html; It takes 10 to 15 billion euros for the protection of the environment, <http://ekonomski.net/za-zastitu-zivotne-sredine-potrebno-10-do-15-milijardi-evra.html>; It takes 15 billion euros for the environment: <https://www.danas.rs/drustvo/za-zivotnu-sredinu-potrebno-15-milijardi-evra/>

35 The Office for Information Technology and e-government of the Government of the Republic of Serbia, *Guidelines for making web presentations of state administration, provincial authorities and local self-government units*, (2014), page 12. Available at http://www.deu.gov.rs/doc/Smernice_5_0.pdf

- Ensure inclusion of cumulative impact assessment into studies of environmental impact assessment, particularly for hydro plant projects, wind parks, extraction of river sediments, etc, and adhere to the Rulebook on the content of the request for the need for impact assessment and the content of the request for the determination of the scope and content of the studies of environmental impact assessment (“Official Gazette of the Republic of Serbia”, No. 69/05).
- Publish investment plans for improvement of water and waste management at a local level regularly.
- Establish a practice of quality control of environmental impact assessment studies, as well as a review of the studies every five years.
- In order to achieve higher compliance with Directive 2003/35/EC, it is necessary to increase the capacity of Aarhus Centres in relation to the participation of the public during the preparation and modification or revision of plans and programmes.

02. AIR QUALITY

OVERVIEW

Public air protection policy aims to reduce threats to human health and the environment.

In the year 2018, there is almost no information about the relationship between the recorded air quality and the state of human health in the Republic of Serbia. The data on the state of air quality is scarce and far below the legal requirements in relation to both scope and quality, and even if it is available, it is not presented in the form of information **that could be used to either improve awareness of the importance of air quality or reduce the negative consequences of exposure to poor quality air**. Legal instruments such as categorisation of air quality in a given framework do not serve the purpose. Cities in which local measurements show exceedances of allowed concentrations of pollutants in a number of days happen to be classified in zones with the first category of air quality due to inadequate communication between the institutions responsible for monitoring the quality of air and the institutions responsible for air quality categorisation.

There are no law-stipulated instruments from the public policy domain, such as an Air Protection Strategy, or they are adopted with little data and limited implementation capabilities such as air quality plans or short-term action plans.

The provisions on emission limit values for pollutants, although aligned with the EU norms, are either not adhered to or it is impossible to find out whether they are adhered to or not. Emission measurement is not in line with legal regulations, although positive developments in this direction have been recorded.

Standards, best available techniques and other air pollution prevention tools are not applied sufficiently as air quality improvement tools.

Operators responsible for the most significant emissions are still not sanctioned for breaking the law, while the number of household polluters is too large to be resolved within the existing institutional framework.

Without a strong political will, significantly changed mandates of relevant institutions and coordination between institutions, it will not be possible to determine the current health and environmental consequences of air quality and improve that quality. Air quality is not listed as a priority area in media presentations by the representatives of the ministry responsible for environmental issues. The European Court of Justice has begun issuing sentences against those EU countries which fail to protect their citizens by failing to comply with the Air Quality Directive. Judging by the use of EU funds in the Republic of Serbia, it seems that the EU has little more interest than the national institutions in contributing to the improvement of air quality in the Republic of Serbia.

LEGISLATIVE FRAMEWORK

Table 1 Elements of the legal framework for air quality management in the Republic of Serbia

The Law on Air Protection

Regulation on determining the air quality control programme within the state network

Regulation on monitoring conditions and air quality requirements

Regulation on determining zones and agglomerations

Regulation on the methodology for the development of air pollutant emissions and projections inventory

Regulation on measurements of air pollutant emissions from stationary sources of pollution

Regulation on determining the list of air quality categories by zones and agglomerations in the territory of the Republic of Serbia for 2012

Regulation on limit values of air pollutant emissions from combustion installations

Regulation on limit values of air pollutant emissions from stationary sources of pollution, except from combustion installations

Rulebook on conditions for issuing air quality measurement permits and emission measurement permits from stationary sources of pollution

Rulebook on the content of the air quality plans

Rulebook on the content of short-term action plans

Rulebook on the methods for exchanging information concerning measuring points within the state and local networks, on measuring techniques, and on the methods of exchanging data obtained by air quality monitoring in the state and local networks

During the period analysed for the purposes of this report, there were no significant changes in the legislative framework.

Based on the available information, the Republic of Serbia seems to have prepared a National Emission Reduction Plan (NERP) and submitted it to the Energy Communi-

ty Secretariat in Vienna. The procedure by which this plan was adopted is unclear, as well as which institution adopted it. This plan determines the maximum annual emission levels of SO₂, NO_x and PM for plants covered by this plan. According to available information, this plan did not cover all plants which should have been included.

Having in mind the objectives of public air quality policy (public health and environmental protection) and the causes of air pollution in the Republic of Serbia (large combustion plants, household heating and transportation), the existing legislative framework needs to be supplemented by binding regulations that will regulate the efficiency and emissions of solid fuel devices. This can be done on the basis of the new Ecodesign Directive 2009/125/EC. Bearing in mind the frequency of using inefficient solid fuel cooking and wood stoves in households, it is necessary to critically consider not only the deadlines for transposing this directive but also the permitted emission limit values.

IMPLEMENTATION OF LEGISLATION

Adoption and implementation of a public policy that will enable reduction of threats to human health and the environment require an extensive and complex change more in an institutional and practical-political sense than in a legal sense. **Without a strong political will, vertical and horizontal policy coordination, the participation of the general public, the professional community and the adoption of a comprehensive development policy, it will not be possible to improve the air quality in the Republic of Serbia significantly and thereby protect the human right to health and a healthy environment.** In circumstances where the issues of the security of electricity supply, the fight against poverty, the functioning of the district heating system and the mobility of citizens are posed as issues contradicting the air quality policy, high-quality public policy in this area cannot arise. Therefore, the current situation regarding the implementation of air quality regulations is not surprising.

Availability and quality of data. The reliability and availability of measuring stations for measuring air quality in the national network have been steadily decreasing since the beginning of its operation. During 2011, of all installed SO₂, NO₂, CO, PM₁₀ and O₃ analysers, 94% of the analysers achieved the availability of valid hourly values higher than 90%. In the following years such a degree of measurement realisation was not achieved; in 2012 it was 68%, in 2013 it was 72%, in 2014 it was 30%, in 2015 it was 25%, and in 2016 it was 23%³⁶. From interviews with relevant institutions, it was gleaned that there were promises of increased funding aimed at improving the air quality measurement system. In the absence of publicly available budget execution documents, we must keep waiting for the reports from the relevant institutions on air quality for 2017 in order to judge whether the promised investments were realized.

Data exchange. The data from local network air quality measurement stations is not sufficiently represented in national reports. The last report, however, does demon-

³⁶ The annual report on the state of air quality in the Republic of Serbia in 2016, Serbian Environmental Protection Agency, 2017.

strate certain progress in this regard. Based on discussions held by the RES Foundation, it seems that neither the institutions that perform measurements at the local level are aware of the obligation to exchange data with the relevant institution at the national level. According to the “Rulebook on the methods for exchanging information concerning measuring points within the state and local networks, on measuring techniques, and on the methods of exchanging data obtained by the air quality monitoring in the state and local networks”³⁷, the exact way of exchanging of this information is prescribed. It is necessary to examine whether this non-compliance with this Rulebook is a reason for not providing relevant information or whether there are other contributing factors.

Local Networks – presentation and interpretation of air quality data. The analysis of publicly available air quality monitoring reports at the local level shows that the concentration of PM₁₀³⁸ is most often followed up within 56 days which is in accordance with the law. The legal framework stipulates that the value of 90.4 percentile (which should be less than 50 µg /m³) is used for the assessment of air quality. In some reports, this is not respected (for example in Zrenjanin³⁹ and Čačak⁴⁰) which can affect the assessed air quality. Also, in some cases, there is an incorrect interpretation of the permitted concentration values of certain pollutants since the reduced tolerance (for PM₁₀ and PM_{2.5}) is not taken into account. One such example can be seen in the report for the city of Niš⁴¹.

Requirements in terms of air quality. The legal framework in terms of air quality requirements is mostly compliant with the EU legal framework. However, it is difficult to actually assess air quality in a situation when the availability of data is questionable. According to the available data in the agglomerations of Belgrade and Užice during 2016, the air was category III. In the agglomerations of Smederevo and Kosjerić, during 2016, the category of air quality could not be determined due to lack of data. In the territories of the cities of Valjevo and Kragujevac, as well as in Subotica and Sremska Mitrovica, the air was category III during 2016, meaning it is excessively polluted.

Air Protection Strategy. The Republic of Serbia does not implement regulations that regulate air quality policy. The deadline for passing the most important air quality policy document – Air Protection Strategy expired in February 2015 (this deadline had already expired even under the old law in 2011). Activities on the preparation of this document have not yet started.

Air quality plans. The legal framework stipulates the preparation of air quality plans in situations when the air quality in a zone or an agglomeration belongs to category III, that is, when air pollution exceeds the effects of measures being taken, that is, when the environmental capacity is endangered, or there is constant air pollution

37 “Official Gazette of the Republic of Serbia”, No. 84/10

38 PM10 is particulate matter 10 micrometers or less in diameter.

39 The report available at: <http://www.zrenjanin.rs/userfiles/file/Zastita%20zivotne%20sredine/2016/Buka%20Godisnji%20izvestaj%202016.pdf>

40 The report available at: http://www.cacak.org.rs/userfiles/files/Urbanizam/Godisnji_vazduh_2016.pdf

41 The report available at: http://www.izjz-nis.org.rs/download/higijena/Aero_godisnji_2016.zip

in a certain area. It is clear that reliable data on air quality is crucial for the launch of air quality protection mechanisms. Local governments do not have sufficient capacity to prepare and implement these plans in effective manner. Responsible institutions at the national level recognise this problem but do not have the capacity to influence the improvement of the situation independently. In January 2018, the air quality plan for the city of Pančevo was adopted.

National Emission Reduction Plan. It appears that, on the basis of the information available, the Republic of Serbia prepared the NERP and submitted it to the Energy Community Secretariat in Vienna. This plan prescribes the maximum annual emission levels of SO₂, NO_x and PM for plants covered by this plan. As an illustration of the feasibility of this plan, we can take an example of sulphur dioxide emissions. The maximum annual SO₂ emissions for 2018 for the thermal power plants covered by the plan range from 6% to 27% of the plants’ 2016 emissions.⁴² In other words, it is necessary to reduce SO₂ emissions between 4 and more than 16 times, so that the emission level is within the allowed limits. Such reductions will certainly not be possible to achieve in a short period of time. As already mentioned, this plan did not include all facilities that needed to be included.

Emission limit values, their monitoring and inventory generation. According to the data of the “Electric Power Industry of Serbia” (EPS), this operator improved the tracking of its emissions in 2016 and started continuous measurement of emissions at some of its plants, although it obtained the approval of the relevant authority only in 2017. SO₂ emission limit values were far exceeded on all plants⁴³. According to the same data, the source of information for some plants are individual measurements, despite this being contrary to the law.

Presentation of information. Annual and monthly reports of the Environmental Protection Agency do not contain sufficiently clear information on the number of stations that were not operational during the reporting period. This is especially noticeable in monthly reports in which such information is not available at all. Nevertheless, air quality assessments are made based on existing measurements. In this way, it may happen that users of the reporting service have wrong information about air quality in the Republic of Serbia in general or in some parts. Also, reports of local institutions, apart from the already mentioned incorrect interpretations of data, are not always readily available to citizens, although there are numerous different examples as well.

BATs, BREFs, standards and inspections. Continuous postponement of the implementation of the Law on Integrated Prevention and Control of the Environment Pollution prevents the use of powerful tools to prevent air pollution. In such a situation, the only way to be able to have an influence on large pollutants is to measure their emissions. As stated, there are also some challenges in that area. On the other hand, devices used for combustion of solid fuel in households, which are smaller but more numerous pollutants, do not have to comply with any standard regarding the efficiency or emissions of pollutants and can be unconditionally sold on the domestic market. In this way, the pol-

42 National Emission Reduction Plan, Environmental Report in PE “Electric Power Industry of Serbia” for 2016.

43 Ibid.

lution from these devices is practically uncontrolled, although according to the reports of the Environmental Protection Agency the use of these devices is the most significant source of pollution by PM₁₀ particles in Serbia⁴⁴. Emissions from transportation are also caused by a large number of vehicles not complying with the standards.

The Environmental Inspectorate is another tool that is available to improve air quality. However, the Inspectorate cannot compensate for huge deficiencies in the strategic, legal and institutional framework. In addition, the inspectorate is poorly technically equipped and has problems with an unfavourable age structure of employees because the current governmental policy of not replacing retiring employees threatens the capacity of those institutions with currently high ratios of elder employees. Inspection reports also point to the fact that sentences imposed on polluters by the court of law are often below the minimum legal limits⁴⁵.

FINANCING^{46, 47}

The funds for the monitoring of the quality of air for the years 2017 and 2018 have been envisaged in the identical amount of 79,646,000 dinars. It is not possible to determine what was the execution of the budget for 2017. The Budget Review for 2016 did not show this budget item.

No information is available as to whether or not part of the funds envisaged for the functioning of the Green Fund for 2017 was spent on air quality improvement activities.

The improvement of air quality must come as a result of the reaction of large operators primarily to the established legal and institutional framework.

RECOMMENDATIONS

Legislative framework

- Start the process of adopting the Air Quality Strategy urgently.
- Initiate the process of establishing binding standards for low-power combustion appliances used in households (wood stoves and solid fuel stoves).
- The existing legislative framework needs to be complemented by binding regulations that will regulate efficiency and emissions of solid fuel combustion devices.

44 *The Annual Report on the State of Air Quality in the Republic of Serbia in 2016*, Serbian Environmental Protection Agency, 2017.

45 The report available at: http://www.eko.minpolj.gov.rs/wp-content/uploads/izvestaji/Godisnji_izveštaj_2016.pdf

46 All data on funds allocation for 2017 taken from the Law on the Budget of the Republic of Serbia for 2017 http://www.paragraf.rs/propisi/zakon_o_budzetu_republike_srbije_za_2017_godinu-5.html

47 All data on funds allocation for 2018 taken from the Law on the Budget of the Republic of Serbia for 2018 <http://www.mfin.gov.rs/UserFiles/File/zakoni/2017/Zakon%20o%20budzetu%202018.pdf>

Implementation of Legislation

As noted, the implementation of regulations in this area depends in the first place on the readiness and capabilities of the operators to harmonise their business operations with legal norms, and the ability of institutions to implement regulations.

- To begin with, it is necessary to ensure that relevant institutions enforce regulations related to legal deadlines for the establishment of public policies on air quality, regulations related to air quality measurement, information exchange on air quality and obligations under international agreements.
- Information on detected exceeded hourly and daily allowed thresholds (AT) should include information about non-operational air quality monitoring stations.
- Responsible stakeholders for air quality monitoring should ensure that the measuring system is well maintained and that data is made available to the public, particularly in urban agglomerations such as Belgrade.
- Inter-sectoral cooperation needs to be improved in order to enable full implementation of the legislation already in place in the country.
- Local governments/cities should improve the quality and visibility and ensure simple public access to air quality monitoring data provided by local monitoring networks.

Financing

- Provide funding to ensure the uninterrupted operating quality of air quality monitoring networks.
- Provide funding for the uninterrupted operation of the inspectorate.

03. WASTE MANAGEMENT

OVERVIEW

The scope and complexity of waste management, as well as a large number and type of actors, makes it particularly challenging to harmonise EU regulations with the legislative framework of the Republic of Serbia. The very question of implementation of regulation and implementation control is a major challenge. Serbia is burdened with a large amount of historical waste and negative practices, primarily seen in polluters avoiding the responsibility for inadequate waste disposal; shifting the resolution of problems of historical waste to future generations without the political will to prioritise this issue.

The total amount of waste produced in the Republic of Serbia, according to the data submitted to the National Register of Pollution Sources, run by the Serbian Environmental Protection Agency, is estimated to be around 9 million tons a year, or 1.3 tons of waste annually per capita in the period 2011-2016.⁴⁸

The share of hazardous waste in the period 2011-2016 ranged from 0.7% to 1.2% in relation to the total amount of generated waste.

Observing the amount of waste per waste category (based on the Waste Catalogue) the largest quantity of waste is in category 10 – with thermal process waste amounting to about 70% of the total quantity of this waste produced. The largest producers of this type of waste are thermal power plants that produce coal fly ash during their work, but also other types of waste such as slag, waste from slag processing, sludge and filter cakes.

In accordance with the Rulebook on the methodology for the collection of data regarding the content and quantities of municipal waste on the territory of the local-government unit (“Official Gazette of the Republic of Serbia”, No. 61/10), local governments have the obligation to conduct analyses on the amount and the content of municipal waste on their territories four times a year. During 2016, data was provided by 95 local governments, which was a reduction in the number of local governments that complied with legal regulations in this area (in 2013, 107 local government reports were submitted). Where no reports were delivered, an estimation of the amount of municipal waste was made. Based on the data submitted to the Environmental Protection Agency and estimations carried out, it was established that the total amount of generated municipal waste in the period from 2010 to 2016 was reduced from 2.65 million tons a year in 2010 to 1.89 million tons a year in 2016. At the same time, the average coverage of waste collection increased from 72% in 2010 to 82% in 2016. This, unfortunately, shows that about 20% of municipal waste is still outside of the waste collection and disposal system carried out by Public Utility companies. When we take into account each inhabitant of the

48 The Ministry of Environmental Protection, the Environment Protection Agency, 2017, *Waste Management in the Republic of Serbia in the period 2011 – 2016*. Belgrade. The complete report available at: http://www.sepa.gov.rs/download/NRIZ_podaci/Otpad2011-2016.pdf

Republic of Serbia in 2016, we can say that they produced 0.73 kg of waste a day, or about 270 kg/year.⁴⁹

The main challenges in waste management in Serbia are still to ensure good coverage and capacity for providing basic services, such as collection, transportation and sanitary waste disposal. On the basis of the data provided to the Environmental Protection Agency⁵⁰ by 297 operators with a permit for the re-utilisation of waste, during 2016, 1.68 million tons of waste was subjected to treatment. Of the total amount of processed waste, the most represented were waste metals containing iron, waste from thermal processes, slag and coal flying ash, followed by paper and cardboard packaging.

Local governments are obliged to provide conditions for the selection and recycling of municipal waste and establish collection centres for household waste. These obligations arising from Article 53, points 1 and 2 of the Amendments and Modifications to the Law on Waste Management (“Official Gazette of the Republic of Serbia”, No 14/16) were implemented merely at a symbolic level.

The system of primary and secondary selection of packaging waste in the utility sector has not been established in most local-governments; a fact which jeopardises the fulfilment of national targets for re-utilization and recycling of packaging waste. The data presented in the Waste Management Report in the Republic of Serbia for the period 2011-2016 shows a tendency of reducing the amount of packaging waste collected separately by public utility companies.⁵¹

A special hazard to health and the environment is hazardous waste. In 2016, 74,318 tons of hazardous waste were produced, i.e., 10.5 kg per capita per year. The largest quantity of hazardous waste produced (according to the classification of waste from the Waste Catalogue) is hazardous waste from category 10 – Waste from thermal processes, which was 29,806 tons in 2016, i.e., 40% of the total quantity of produced hazardous waste.⁵²

A special problem is the fact that “hazardous household waste” generated in households is mixed with other waste.

During 2016, 307,446 tons of waste was exported from Serbia, of which 16,708 tons was hazardous and 290,738 tons non-hazardous waste. The largest percentage of exported hazardous waste consists of lead batteries and car batteries, followed by mixtures of materials from mechanical treatment of waste and waste acid. More than 60% of the exported waste is made up of metals, but there are significant quantities of waste paper, cardboard, glass, plastic packaging and slag from thermal processes.⁵³

There is a trend of exporting large quantities of waste for which there are

49 Ibid.

50 Ibid.

51 Ibid.

52 Ibid.

53 Ibid.

processing capacities in Serbia, while at the same time, 112,000 tons of waste paper, paper and cardboard packaging were imported into Serbia. In total, 221,064 tons of waste was imported into Serbia in 2016, of which 163 tons were lead batteries from Montenegro which are characterised as hazardous waste.

Disposal of non-hazardous waste is planned to be carried out in sanitary landfills, 10 of which have been constructed to date, while 3 are under construction (Subotica, Nova Varoš, Indija). Of the 10 sanitary landfills, 8 are regional (Užice, Lapovo, Kikinda, Jagodina, Leskovac, Pirot, Sremska Mitrovica, Pančevo), while 2 of them are local (Vranje and Gornji Milanovac).⁵⁴

Each local government was obliged to develop a Local Waste Management Plan, and each region a Regional Waste Management Plan. All submitted waste management plans are available on a special website of the Serbian Environmental Protection Agency⁵⁵.

According to the existing data, 6 municipalities have not yet joined any of the regions for waste management, and the regional approach is one of the basic principles prescribed by the Law on Waste Management ("Official Gazette of the Republic of Serbia", No. 36/09, 88/10, and 14/16).

A large number of municipalities and cities still have their own non sanitary landfills. According to the data provided by local governments to the Environmental Protection Agency (by completing the Landfill Questionnaire on their territory) PUCs run organised waste disposal to 123 landfills (non-sanitary – dumps). These are mainly landfills that are earmarked for closure and rehabilitation by the Waste Management Strategy; since most of them do not have a minimum of technical standards. This number should not be taken as the national total because 44 local governments have not fulfilled their legal obligation and are yet to submit the requested data on landfills in their territory. The capacities of the existing illegal non sanitary landfills have been exhausted in most municipalities, and the failure to meet the minimum technical standards leads to chronic contamination of underground and surface waters and land with a constant danger of explosions and fires due to the lack of a landfill gas disposal system.⁵⁶

There is no systematic monitoring of environmental parameters, so it is not possible to accurately determine the conditions and extent of the impact of such a state of pollution on human health and the environment. About 70% of active non sanitary landfills are not envisaged in spatial planning documents and do not have an environmental impact study or work permits required. On the basis of the data submitted to the Environmental Protection Agency, 2170 non-sanitary landfills were registered, with a note that 48 local government units did not provide data on non-sanitary landfills.⁵⁷

54 Ibid.

55 The webpage of the Environmental Protection Agency: <http://www.sepa.gov.rs/>

56 *Waste Management in the Republic of Serbia in the period 2011-2016*, the Ministry of Environmental Protection, the Environment Protection Agency, 2017, Belgrade. The complete report available at: http://www.sepa.gov.rs/download/NRIZ_podaci/Otpad2011-2016.pdf

57 Ibid.

Such a state of affairs and the attitude towards waste by local governments is not only unacceptable from the aspect of environmental protection and the impact on human health, but rather represents a conscious violation of existing legal frameworks, which is not adequately responded to by the relevant authorities.

LEGISLATIVE FRAMEWORK

By adopting the Law on Waste Management ("Official Gazette of the Republic of Serbia", No. 36/09 and 88/10, 14/16), the Law on Packaging and Packaging Waste ("Official Gazette of the Republic of Serbia", No. 36/2009), the Law on Mining and Geological Surveys ("Official Gazette of the Republic of Serbia", No. 101/15), a legal framework for the establishment of a waste management system has been created in accordance with the principles and regulations of the EU. The National Environmental Approximation Strategy of the Republic of Serbia⁵⁸ provided an overview of the necessary investment in the field of waste management, which is of crucial importance for the system in Serbia to reach the level of standards in the European Union, as well as a clear timeframe for doing so. Unfortunately, the guidelines are not respected to their full extent. Additional guidelines for the development of the system were given by the Strategy for Waste Management for the period 2010-2019 ("Official Gazette of the Republic of Serbia", No. 29/2010), as a basic strategic document providing guidelines and proposing steps for rational and sustainable waste management, in line with the EU policy in this area.

The Law on Waste Management regulates issues related to: types and classification of waste; waste management planning; waste management entities; responsibilities and obligations in waste management; organization of waste management; management of special waste streams; conditions and the procedure for issuing waste management licenses; cross-border movement of waste; waste and database reporting; waste management financing; control; penalties and other issues of importance for the establishment and functioning of a waste management system. This law ensures the establishment of an integrated waste management system, which should monitor waste from its point of creation, through its collection, transport, storage, treatment up until its final disposal.

The Law on Waste Management has transposed the basic principles of the EU waste management system into domestic legislation: the principle of self-sufficiency; the principle of proximity and regional approach to waste management; the principle of waste management hierarchy; the principle of liability and the "polluter pays" principle. Also, the following legislation has been partially transposed to the national legislation by this law and accompanying bylaws: Waste Framework Directive 2008/98 / EC, Battery Directive 2006/66/EC, Waste Electrical and Electronic Equipment Directive (WEEE) 2012/19/EC, Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Waste (RoHS II) 2011/65/EC, Landfill Directive 1999/31/E, Directive on the disposal of polychlorinated biphenyls and polychlorinated terphenyls (PCBs & PCTs) 96/59/C with amendments (EC) 596/2009, Regulation (EC)

58 <http://www.misp-serbia.rs/wp-content/uploads/2010/05/EAS-Strategija-SRP-FINAL>

No. 1013/2006 on shipments of waste and Regulation (EC) No. 1418/2007, Directive on end-of-life vehicles (ELVs) 2000/53/EC.

The Law on Packaging and Packaging Waste ("Official Gazette of the Republic of Serbia", No. 36/09) regulates the following: environmental conditions that the packaging must fulfil in order to be placed on the market; management of packaging and packaging waste; reporting on packaging and packaging waste; economic instruments; control; penalties and other issues of importance for the management of packaging and packaging waste.

The goal of this law is to ensure: the preservation of natural resources in accordance with the principle of sustainable development; protection of the environment and human health; to enable the development of modern packaging technology; establish optimum packaging and packaging waste management models in accordance with the principle of division of responsibility; ensure the functioning of the market in the territory of the Republic of Serbia; prevent creation of trade barriers; avoid disorders and restrictions in competition.

The Law on Packaging and Packaging Waste and the accompanying bylaws completely transposed the Directive on Packaging and Packaging Waste 94/62/EC, but without the amending Directive 2015/720/EC concerning the reduction of the use of lightweight plastic carrier bags.

The Regulation on determining packaging waste reduction plan for the period 2015-2019 ("Official Gazette of the Republic of Serbia", No. 144/14) established the national targets for the management of packaging and packaging waste, related to the collection of packaging and packaging waste, reuse and recycling of packaging waste.

The Law on Mining and Geological Explorations and Government Regulations on the conditions and procedures for issuing the permits for waste management, as well as the criteria, characterization, classification and reporting on mining waste ("Official Gazette of the Republic of Serbia", No. 53/17) have transposed into domestic legislation the principles and priorities of the European Parliament and Council Directive 2006/21/EC on the management of waste from extractive industries, as well as relevant Commission decisions in relation to the Directives (2009/335/EC, 2009/337/EC, 2009/358/EC, 2009/359/EC and 2009/360/EC). According to the provisions of Directive 2006/21/EC on the management of mining waste and the ways it is transposed, mining waste is the waste generated during the geological exploration, exploitation, preparation and storage of mineral resources (except for water) and the working of quarries. The National Program for the Adoption of the Acquis foresees the preparation and adoption of bylaws to completely transpose Directive 2006/21/EU in the period 2016-2018. On May the 29th, the Government adopted the Regulation on the conditions and procedures for issuing permits for waste management, as well as the criteria, characterisation, classification and reporting on mining waste ("Official Gazette of the Republic of Serbia", No. 53/17)⁵⁹,

effective January the 1st, 2020. The directive must be completely implemented by the end of 2022.

The Cadastre of Mining Waste is underway, aiming to develop and improve the mining waste management system in Serbia⁶⁰.

The transposition of Directive 86/278/EEC on the protection of the environment, and in particular of the soil, when sewage sludge is used in agriculture is still at an early stage, and bylaws that should enable its transposition into domestic legislation are planned to be adopted by the end of the third quarter of 2020.

Regulation (EU) No. 1257/2013 on ship recycling has not been transposed into domestic legislation.

The latest form in the field of waste management is the Hazardous Waste Movement Document, adopted on February the 13th, 2017. Pursuant to Article 46, paragraph 10 of the Law on Waste Management ("Official Gazette of the Republic of Serbia", No. 36/09, 88/10 and 14/16), the Rulebook on the form of hazardous waste movement document, the form of prior notification, the manner of submission and filling in instructions ("Official Gazette of the Republic of Serbia", No. 17/2017). The form of the Document on the movement of hazardous waste shall be submitted to the Environmental Protection Agency in an electronic form by entering data into the information system of the National Register of Pollution Sources, no later than 15 days from the end of the movement of waste with final, additional waste data in accordance with the law regulating data protection. The form of prior notification (notification of hazardous waste movement) shall be submitted in an electronic form to the Environmental Protection Agency by entering data into the information system of the National Register of Pollution Sources⁶¹ at least 48 hours before starting the movement of the waste. Without submitting the prior notification form within the legal deadline, the Hazardous Waste Movement Document cannot be created.

IMPLEMENTATION OF LEGISLATION

The main problem in the area of waste management is the failure to comply with regulations and the lack of legal sanctions towards those who violate such regulations, especially when it comes to local governments and public utility companies.

The Law on Inspection Supervision ("Official Gazette of the Republic of Serbia", No. 36/2015) stipulates that the Ministry is obliged to publish control lists on its website for its area of responsibility and all types of reviews. On the website of the Ministry of Environmental Protection there are 25 control lists for waste management. Control lists are documents with a list of priority checking issues whose content is related to regulations by areas/sub-areas. The Environmental Inspectorate is obliged to publish the Inspection Plan for the current year on its website. The frequency of

59 From the presentation of Toplica Marjanović from the organisation Young Researchers of Bor, 12th Symposium "Recycling Technologies and Sustainable Development".

60 The project website: <http://katastarrudarskogotpada.rs/>

61 Data entry is carried out at the webpage: <http://www.sepa.gov.rs/index.php?menu=20170&id=20004&akcija=-showAll>

inspection depends on the degree of risk the operator poses to human health and the environment. An operator with a higher degree of risk will have a greater number of controls during the year. The degree of risk in waste management is determined by an inspector during the preparation for supervision as well as in the course of the supervision. Problems were detected on the control lists from 2016, so some were altered in 2017. The main problem is that the questions were not harmonised with the amendments and modifications to the Law on Waste Management and other certain bylaws. Modifications in the control lists resulted in the production of a control list for risk assessment for an operator of a waste management facility with instructions for its implementation.⁶²

Data on waste management in the Republic of Serbia is collected in accordance with the Law on Waste Management. The reporting covers all types of waste, except that which is listed in Article 4 of the Law – Implementation exemptions. All reporting entities are obliged to keep a daily record of the quantities of generated, recovered, used, deposited, imported or exported waste and to submit annual reports to the Serbian Environmental Protection Agency⁶³.

Data is collected in accordance with the:

1. Rulebook on the methodology for the development of national and local registers of sources of environmental pollution as well as methodology for types, methods and time limits for data collecting (“Official Gazette of the Republic of Serbia”, No. 91/2010, 10/2013 and 98/2016),
2. Rulebook on the form of a daily record and annual waste report with the filling in instructions (“Official Gazette of the Republic of Serbia”, No. 95/2010) and 88/2015),
3. Rulebook on forms of reports on packaging and packaging waste management (“Official Gazette of the Republic of Serbia”, No. 21/2010 and 10/2013),
4. Regulation on products that become specific waste streams after use, on the daily log form for records of the quantity and type of products produced and imported, and on the annual report, on the method and time-frame for submitting the annual report, on the fee payers, the calculation criteria, the amount and the method for the calculation and payment of the fee (“Official Gazette of the Republic of Serbia”, No. 54/2010, 86/2011, 41/2013 – other rulebook and 3/2014),
5. Rulebook on the form of hazardous waste movement document, prior notification form, submission manner and filling in instructions (“Official Gazette of the Republic of Serbia”, No. 17/17).

Companies that produce or manage packaging and packaging waste are obliged to comply with the provisions of the Law on Packaging and Packaging Waste and other relevant bylaws in their work, and submit annual reports to the relevant authorities.

⁶² All control lists available at: <http://www.ekologija.gov.rs/dozvole-obraci/spisak-kontrolnih-listi-u-sektoru-inspekcije-za-zastitu-zivotne-sredine/oblast-kontrola-upravljanja-otpadom/>

⁶³ National Register of Pollution Sources

A manufacturer, importer, packer/filler and supplier, can manage waste packaging in three ways:

1. Transfer its obligations to an operator of the packaging waste management system in accordance with Article 24 of the Law and to submit an annual report to the Environmental Protection Agency.
2. Provide its own management of packaging waste in accordance with Articles 25 and 26 and submit an annual report to the Environmental Protection Agency.
3. Submit an annual report to the Environmental Protection Agency and to pay the fee that will be determined by the Ministry on the basis of the Report submitted, in accordance with the Regulation on criteria for the calculation of packaging or pack fees and exemption from fee payment, fee payers, fee amount and the manner of fee calculation and payment (“Official Gazette of the Republic of Serbia”, No. 8/10).

In Serbia, 6 operators have a license for packing waste management: Sekopak, Ekostar pak, Cenex, Tehno eko pak, Ekopak sistem and Delta pak.

The amount of packaging that was released to the market of the Republic of Serbia in 2016 by legal entities or entrepreneurs who transferred their obligations to operators was 344,661.8 tons, while 277 companies who did not transfer their obligation to an operator for packaging waste management placed a total 4,139 tons on the market. The system operators reported that they collected 155,645 tons of packaging waste in 2016, which amounts to 47.4% of the total quantities placed on the market, which resulted in the national target of 44% being exceeded by 3%.

In practice, system operators charge the packaging fee for the quantities of packaging placed on the market from companies that have transferred the obligation to them, and these funds are invested in the collection system for packaging waste. The large number of system operators competing for their share of the market has led to packaging fees in Serbia being several times lower than that in other countries of the region. As a result, financial investments in the sector are currently insufficient to achieve the effect expected by the application of the law i.e. the establishment of infrastructure for separate collection of packaging waste in the utility sector. Operators were forced to fulfil their obligation to meet the national re-use and recycling goals by investing in cheaper sources of collection: the collection of packaging waste generated in the industry and the commercial sector. The percentage of collection for packaging waste located in companies exceeds the targets set by the Directive which is still valid (Directive 94/62/EC on Packaging and Packing Waste) while achieving the specific goal for packing of the glass found mainly in municipal waste and HoReCa sector is extremely problematic.

Also, waste PET packaging located in municipal waste, according to data from the Serbian Association of Packaging Waste Recyclers, is collected mostly by informal collectors who collect about 80% of PET bottles recycled in Serbia, while only 20% comes from the collection of utility companies.

Although the EU directive has been completely transposed into the Law on Packaging

and Packaging Waste, there are numerous problems in its implementation. Since the beginning of the implementation of the Law, not a single inspection supervision has been carried out; with either obligors or with system operators. In most local governments, there is no system in place for the primary selection of household waste, nor is there a satisfactory number of sorters where secondary waste selection can be carried out. Although the existing system has provided excellent results in the collection of packaging waste from the industrial and the commercial sector, the insufficiently developed collection of packaging waste in the utility sector, has led to the missing of prescribed targets in this area and is threatening targets set for forthcoming years.

FINANCING

The “polluter pays” principle is the basis of financial mechanisms for waste management. Affected entities and citizens pay different services and fees for waste collection, removal and disposal and/or environmental protection that vary among local governments and regions. Part of the collected funds raised from fees is spent on the removal of illegal landfills, due to the ineffective system of finding and prosecuting the culprits for their creation, which additionally reduces the possibility of investing these funds in building new waste management systems. Part of the funds collected in the Green Fund through the Ministry of Environmental Protection is paid to the recycling industry.

The relevant authorities have stated that the funds necessary for the establishment of the waste management system are large and insist that it will not be possible to establish the system without additional assistance in the form of donations or the establishment of public-private partnerships. In reality, there is a certain imbalance in terms of the necessary investment and available resources, but with the responsible management and rational utilisation of the existing funds, much less additional funds would be required.

RECOMMENDATIONS

Legislative framework

- Improve the waste management control system with particular emphasis on the movement and disposal of waste.
- Improve the legal framework in order to establish more rigorous control of system operators and greater transparency of their work.
- Develop partnerships with the civil sector and include them in the process of drafting new regulations and monitoring the application of existing ones.
- Suspend all activities related to the amendment of the Law on Waste Management, which would “legalise” the import of waste for co-processing and use as alternative fuel.

Implementation of Legislation

- Create an economic model that will motivate local governments to deposit waste in sanitary landfills and accelerate the process of rehabilitating or closing illegal landfills.
- Provide prerequisites for the application of waste management hierarchy principles with emphasis on waste prevention, reuse and recycling of waste.
- Provide a public reporting system for emissions from illegal landfills operated by PUCs.
- Ensure the application of the “polluter pays” principle and carry out inspections of the industries in question in order to ensure accurate reporting.
- Improve public awareness of the importance of establishing a waste management system and the consequences that inadequate management has on human health and the environment.
- Develop capacity of institutions at all levels for monitoring and controlling the implementation of regulations.
- Develop an efficient judicial system, capable of monitoring and efficiently implementing regulations in the field of waste management.

Financing

- Provide financial support to regions and local government units to prepare the documentation necessary to obtain the EU funds needed for the construction of sanitary landfills.
- Provide funds for co-financing projects for the rehabilitation of illegal landfills, the introduction of a selective collection of waste, the construction of transfer stations and the construction of sanitary landfills.
- Provide resources for information and education on the importance of establishing a waste management system and, in partnership with CSOs and the media; inform and educate the public.

WASTE MANAGEMENT



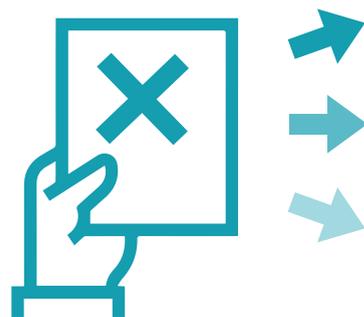
Every citizen of Serbia generates **0,73 kg of waste** per day.

That is nearly **270 kg** per year.



Nearly 70%

of all active landfills do not have a completed environmental impact assessment study and miss the required work permit.



Based on the data provided to the Serbian Environmental Protection Agency, the number of registered **illegal landfills is 2170.**

Note: 48 local self-governments did not provide information on illegal landfills.

04. WATER QUALITY

OVERVIEW

Water quality is often referred to as one of the most demanding areas in the process of EU accession, given the necessary resources and capacity demanded. Unfortunately, the current development of the situation in the Republic of Serbia indicates that the Government has decided not to deal more seriously with this area. Although the need is great, the increase in investment and strengthening of professional capacities in the relevant institutions is still lacking.

Among the main problems in this area is the small percentage of wastewater treatment, poor control of the use of groundwater, poor control of the use of river sediments, illegal construction along the rivers, uncontrolled and rapid construction of small hydropower plants. Also, the insufficient integration of sustainable water resources management into other sectors continues to be an obstacle for the systematic improvement of the state of the water system.

The development of specific implementation plans for the four EU directives in the field of water is underway: The Water Framework Directive, the Nitrates Directive, the Urban Wastewater Treatment Directive and the Drinking Water Directive. The implementation of several international projects (GEF-DYNA, FORRET) are underway, which can initiate the improvement of water resources management practice in Serbia.

LEGISLATIVE FRAMEWORK

The following documents have been adopted so far:

- The Strategy on Water Management in the Republic of Serbia until 2034, ("Official Gazette of the Republic of Serbia", No. 3/2017);
- The Law on Amendments and Modifications to the Law on Waters ("Official Gazette of the Republic of Serbia", No. 101/2016).

Even after the adoption of the Law on Amendments and Modifications to the Law on Waters water legislation in the Republic of Serbia has not been fully harmonised with EU legislation.

A Water Management plan for the Danube River Basin in the territory of the Republic of Serbia has not been adopted. The Draft Plan has been prepared, however, since the Plan does not fully follow the provisions of the Water Framework Directive, it has been decided not to adopt this draft. The drafting of a new Law on Waters is underway. It will fully implement the EU water legislation, and in accordance with this new Law, water management plans will be timely harmonised with the third cycle of the development of river basin management plans in the EU (2022-2027). The Ministry of Agriculture, Forestry and Water Management has established a working group to develop elements for the development of water

management plans, which also includes the civil sector. The working group has held one working meeting so far.

Drafting of specific plans for the implementation of the EU water directives (DSIP) is underway: The Water Framework Directive, the Nitrate Directive, the Urban Wastewater Treatment Directive and the Drinking Water Directive. The process of development of DSIPs is carried out within the project "Further Implementation of the National Environmental Approximation Strategy"⁶⁴, which has been participatory from the very beginning and includes representatives of civil organisations (representatives of the member organizations of Coalition 27 are members of the working groups). All members of the working groups were required to sign confidentiality statements obliging them not to share information they receive during working groups with third parties and with the general public. In a letter from the Water Directorate addressing all members of the working groups, this information was designated as part of the negotiating platform and, in accordance with the Regulation on Office Management, it becomes available to the public only with the opening of the negotiating chapters with the EU.

IMPLEMENTATION OF LEGISLATION

The problems in the application and implementation of planning and legal documents in the area of water management are still numerous. In the previous period, there were no significant breakthroughs in terms of capacity building of relevant institutions and organisations. **On the contrary, the impression is that the capacities are getting weaker, that is, there is a loss of quality professional personnel.**

The main problem remains the control and prevention of water pollution, the control of the use of river sediments, the control of the use of groundwater, as well as the control of construction and the prevention of illegal construction along the rivers. According to the Water Directorate, **Serbia currently has 17 water management inspectors, which is insufficient to adequately cover the entire territory of Serbia in all aspects of water management.**

The intensive and poorly controlled exploitation of river sediments, primarily of the gravel on the Drina and Morava, continues to be a serious problem both for water management and for other related sectors (nature protection, agriculture, and tourism). Through the publication "Natural Resources and Corruption Practices", compiled by a group of civil society organisations⁶⁵ published in 2017, the main problems in this area were explained, and they can be summarised as follows:

- The criteria for deciding upon exploitation are extremely low. Regardless of the obvious impact on water and natural resources, the application approval rate is very high. According to the available information, there is not a single

case of exploitation of gravel for which a study of the environmental impact assessment has been carried out,

- lack and poor quality of the inspection control of gravel exploiting companies,
- inadequate reporting of quantities excavated (users report quantities themselves) and consequently inadequate collection of fees for the use of public goods,
- non-compliance with the prescribed conditions (water conditions, conditions of nature protection).

The local population around the area with a large number of exploitation sites became aware of the seriousness of this problem and the consequences which result from inadequate planning and the exploitation of river sediments. Baring this in mind, the absence of reaction by the relevant authorities is strange. Apart from defensive reactions to the above-mentioned publication⁶⁶, there have been no particularly serious intentions to address this problem. With the last amendments to the Law on Waters, the obligation to develop a plan for the extraction of river sediments has been introduced. The first plan of that kind was adopted in September 2017⁶⁷, but the public was not involved in its development. It remains to be seen whether this document will provide better planning and control of the use of river sediments.

The second worrisome point of management and conservation of water resources in Serbia is the construction of small hydropower plants. **Similar to the case of exploitation of river sediments, there is an obvious absence of a strategic approach to planning and controlling the construction of these facilities, as well as their exploitation.** An EU-funded project for developing a cadastre of small hydropower plants (EuropeAid/135623 IH/SER/RS) is under implementation. The details of this project, as well as the mere fact of whether public participation has been planned and made possible, are not known.

The area of water quality is often referred to as the most financially demanding within Chapter 27. The largest funds are needed for infrastructure measures to improve water quality, that is, to construct a wastewater treatment plant. Funds are also required to solve the problem of drinking water consumption and to build a flood protection system. It is clear that Serbia with its economy will not be able to finance these costs alone, which are estimated at several billion euros. **What is worrying is the absence of a strategic approach to addressing this challenge and seeking alternative solutions to reduce costs.** Certainly, part of the costs could be reduced through the development of special technologies, transfer of knowledge, application of natural solutions in water purification and flood mitigation.

64 The project EuropeAid/135629/IH/SER/RS

65 "Natural Resources and Corruption Practices", Belgrade Open School, Podrinje Anti-Corruption Team and "Rzav-God save Rzav", The publication available at: <https://drive.google.com/file/d/0ByE6Kk5HRKJDZVJvNWR0RUuN3c/view>

66 The response of the Water Directorate to the publication: <https://drive.google.com/file/d/1mFvZigR2q97vTFInO-ETxdqNt7Tgy6KeS/view>

67 Rulebook on establishing the plan for river sediments extraction for the period from August 2017 to August 2019. "Official Gazette of the Republic of Serbia", No. 82/2017

Positive examples of water management practice in Serbia are reflected through good cooperation with international institutions, primarily with the International Commission for the Protection of the Danube River (ICPDR) and with the International Sava River Basin Commission (ISRBC). Through the cooperation of the relevant institutions in Serbia with these two international institutions, several important projects have been realised, such as:

- Development of a cross-border forest retention project for integrated risk management of floods, environments and forests – FORRET, realised within the framework of the Interreg Cross-Border Cooperation Program between Serbia and Croatia
- Danube River Basin Hydromorphology and River Restoration – GEF DYNA⁶⁸.

Within the implementation of the EU water legislation; the Water Framework Directive, special attention must be paid to restoring rivers and wetlands habitats, that is, improving their ecological status. We hope that the two projects mentioned above will initiate Serbia's stronger progress in this aspect.

The challenge of better inter-sectoral collaboration and cooperation in water management remains a serious obstacle to progress in this area.

FINANCING

Total budgetary allocations for water management are difficult to assess since they are executed through several budget lines and several ministries (capital investments, co-financing of international projects, etc.), but there is a consensus of the professional community that those allocations are, in total, still much lower than needed.

According to the Regulation on Determining Water Management Programme in 2017⁶⁹, 2.5 billion dinars have been allocated from the Budgetary Fund for Waters for water treatment and use, protection of waters against pollution, watercourse regulation, protection against adverse effects of waters and for planning and international cooperation in the area of water. In 2018, 3.3 billion dinars were allocated for the same purposes⁷⁰. This increase in budgetary resources in the water sector should not be taken for granted, because it only applies to the part of the finances that flow into the water sector, but it does give some hope that those essentially needed funds will be strengthened.

⁶⁸ Project details available at <https://www.thegef.org/project/danube-river-basin-hydromorphology-and-river-restoration-dyna>

⁶⁹ "Official Gazette of the Republic of Serbia", No. 17/2017.

⁷⁰ Regulation on Determining Water Management Programme in 2018. "Official Gazette of the Republic of Serbia", No. 13/2018.

RECOMMENDATIONS

Legislative framework

- Integration of nature directives (Birds and Habitats Directives) in water management. Better coordination between the water management and environmental protection sectors is needed with regard to the implementation of EU directives.
- Development of a concrete plan and measures for improvement of monitoring of water quality according to the Water Framework Directive requirements.
- Develop specific strategies to improve investment in wastewater treatment facilities. Initiate development of strategies and models for knowledge transfer on wastewater treatment technologies to reduce the costs and mobilise domestic capacities.

Implementation of Legislation

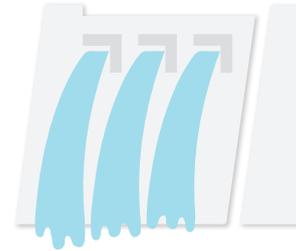
- Develop and consolidate the capacity of public institutions in charge of water management, particularly at the local level – the complexity of water management issues demands much more human and technical capacities. Responsible institutions should analyse existing capacities and develop a plan to improve them as soon as possible. To succeed in this, expert institutions, as well as CSOs, should advocate for better political and financial support for the water management sector.
- Develop structured cooperation with other relevant sectors: environment protection, energy, agriculture, and spatial planning. This should involve establishing permanent communication and information exchange between these sectors.
- Further improvement of public participation in policy development in the water management sector is of crucial importance. Public consultations should result in far more than minimal legal requirements. Involvement of interested parties should start at the earliest stages of policy development.
- Integration of nature based solutions in water management practices and better consideration of ecosystem services. Specific capacities for these issues should be developed in relevant institutions.
- A more decisive approach to water pricing policy.
- Improve control and mitigation of the main identified threats: intensive and poorly planned mini-hydropower plant development, gravel extraction, pollu-

tion, uncontrolled use of ground waters, illegal construction along the rivers. River habitats, wetlands and water resources in general are highly threatened in Serbia. Immediate action at a national level is required.

Financing

- A permanent increase of the budgetary allocations for financing activities in relation to water management and protection.

WATER QUALITY



There are over **350** allocated sites for the construction of mini hydro power plants in Serbia.

If all of them are built, at least **350 kilometers of rivers in Serbia** will be captured by pipelines.

SERBIA 10%



LESS THAN 10% OF THE POPULATION IN SERBIA IS COVERED BY SOME LEVEL OF MUNICIPAL WASTE WATER TREATMENT. IN THE EU THAT NUMBER IS

EU 80%



ABOVE 80%

Healthy and preserved freshwater ecosystems can significantly contribute to flood mitigation and reduce the effects of climate change.

05. NATURE PROTECTION

OVERVIEW

The problems of nature protection in Serbia are numerous and occur in all aspects of this area, some of which include stagnation of areas under protection, non-compliance of sectoral policies, lack of active protection measures, lack of funds, management problems, problems of implementation of management documents, insufficiently consistent implementation of laws, insufficient control and monitoring, inefficient identification and inadequate processing of offenders in the field of nature protection amongst others. Solving these problems must be systematically addressed, with co-operation between different sectors and increased investment in this area.

There have been intensive activities on capacity building, transposition of the Birds Directive and the Habitats Directive, as well as preparations for the establishment of the Ecological Network and NATURA 2000 for almost ten years. These activities have been carried out through programs and projects of Ministry and CSOs. Still, very little progress has been made, and nature protection remains a marginalised area.

Having established the new Ministry of Environmental Protection, an opportunity arose to organise and intensify the work on the protection of species and habitats. However, judging by the organisational structure of the Ministry, that is, the number of employees in the sector for nature protection, the financial resources allocated to this area and the activities planned and implemented, nature protection will continue to face numerous problems.

Cooperation between institutions; the negotiating group for Chapter 27 and CSOs in the field of nature protection should be improved, with particular emphasis on the need to continue the exchange of information on the preparation of the negotiating position for the field of nature protection.

LEGISLATIVE FRAMEWORK

Consultations for the drafting of the Strategy for Nature Protection of the Republic of Serbia for the period 2016 to 2026 were carried out in 2014, but this process was stalled by mid-November 2016 when the Ministry of Agriculture and Environmental Protection announced a public consultation into the draft document, with the public having the right to comment during a 10 day period. Although the Ministry undertook to publish the Public Insight Report on the website, it has not been published to date, nor is the public aware of the current status of this Strategy.⁷¹

The Nature Protection Law of the Republic of Serbia has introduced a new instrument for nature protection – Appropriate Assessment, as the basic mechanism for the protection of the European ecological network Natura 2000. The Regulation on

Appropriate Assessment is one of the key regulations for transposing and implementing Article 6 of the EU Habitats Directive. The process of developing the Regulation on Appropriate Assessment, in which representatives of civil society organisations participated, was completed by the relevant Ministry, but the Regulation, although announced and planned for 2017, has not yet been adopted by the Government of the Republic of Serbia. According to the new plan, the adoption of this document is expected in June 2018.⁷²

In December 2016, Serbia took a step backwards in the process of joining the European Union and respecting international agreements when the Minister responsible for environmental protection amended the Rulebook on the declaration and protection of protected and strictly protected species of plants, animals and fungi (“Official Gazette of Republic of Serbia”, No 98/2016)⁷³. The amendment consisted of the return of the L code (hunting species) to four types of birds (Northern Goshawk, Grey Heron, Hooded Crow and Great Cormorant)⁷⁴, which is contrary to the provisions of the EU Birds Directive the Berne Convention. Regardless of the intent of the legislator to indicate the species to be subject to derogation, it is essential that the general regulation allows setting of quotas and hunting throughout the year for species not listed in Annex II of the Birds Directive (the species for which hunting is allowed in the EU, that is, in the Member States.) This fact, as well as the fact that the current practice does not recognise the minimum procedures necessary for derogation, **shows that still, after many years, the Republic of Serbia has not succeeded in completely aligning its legislation (articles 7 and 9) with the provisions of the Birds Directive.**

The City of Belgrade Development Strategy until 2021⁷⁵ was adopted in June 2017. The drafting of the Strategy was carried out without public participation, and no public insight was provided prior to the adoption of the Strategy. The strategy envisages, among other things, a new port on the Danube in an Important Bird Area (IBA)⁷⁶ and a potential Natura 2000 area.

It is expected that improvements in the protection of wildlife species and their habitats will be achieved through the adoption of the Law on the Confirmation of the Agreement on the Conservation of Populations of European Bats, derived from the international Convention on the Conservation of Migratory Species of Wild Animals⁷⁷. The procedure for passing this law is currently in progress, and it is not indicated whether the public will be involved in this process.

⁷² The complete Government Work Plan available at: <http://www.civilnodrustvo.gov.rs/upload/documents/zakoni/Plan%20Rada%20Vlade%202018.PDF>

⁷³ The Rulebook available at: http://www.paragraf.rs/izmene_i_dopune/081216-pravilnik_o_dopunama_pravilnika_o_proglasenju_i_zastiti_strogo_zasticenih_i_zasticenih_divljih_vrsta_biljaka_zivotinja_i_gljiva.html

⁷⁴ The Rulebook available at: http://www.paragraf.rs/izmene_i_dopune/080916-pravilnik_o_izmenama_i_dopuni_pravilnika_o_proglasavanju_lovostajem_zasticenih_vrsta_divljaci.html

⁷⁵ The complete strategy available at: http://www.beograd.rs/images/file/8482b593767213b8926a3fc6988e-ca50_1021365819.pdf

⁷⁶ Puzović, S., Sekulić, G., Stojnić, N., Grubač, B., Tucakov, M. (2009). *Important Bird Areas in Serbia*. Ministry of Environment and Spatial Planning, Institute for Nature Protection of Serbia, Provincial Secretariat for Environmental Protection and Sustainable Development, pp. 88-91.

⁷⁷ Information available at: <http://www.ekologija.gov.rs/odrzan-22-sastanak-savetodavnog-odbora-sporazuma-o-ocuvanju-populacija-slepih-miseva-u-evropi-unepeurobats/>

⁷¹ Data available at: <http://www.ekologija.gov.rs/javni-uid-o-predlogu-strategije-o-zastiti-prirode/> i <http://www.ekologija.gov.rs/saopstenja/saopstenja-sektora-za-prirodne-resurse/>

Some progress has been achieved in the process of organising and networking the relevant authorities in charge of responding to cases of destruction of nature, through the development of a Draft Protocol on proceedings and cooperation of institutions and organisations in combating illegal killing, trapping and trade of wild animals. In order to intensify the process of adoption of the Protocol, a meeting was held between the Ministry of Agriculture and Environmental Protection and the Ministry of Internal Affairs. CSOs were involved and invited to provide expert opinions on the document during the process of drafting the Protocol. However, it is not yet known whether the drafting of the Protocol has been completed or whether the procedure for its adoption has been initiated.

According to information on the initiation of the protection procedure published on the website of the Ministry, in 2017, the procedure of protection for a total of 31 areas was initiated. 15 of these passed the protection audit, and, a protection procedure was initiated for the protection of one protected habitat in December 2016. During the first two months of 2018, four other protected areas were proposed. The total area proposed for protection has been increased by about 69 thousand hectares (69,118.49 ha).⁷⁸ There is no information from the Ministry about the further process of initiated protection procedures, so the proposed areas are still under possible negative impacts without clear mechanisms for their protection.

At the beginning of 2018, progress was made in preparations of the negotiating position for Chapter 27 in the field of nature protection. For this purpose, the Proposal for Technical Adaptation (amendments and modifications) of the Habitats Directive and the Birds Directive has been drafted, with the professional community being actively involved in the process of drafting this document through online consultations that lasted a number of days and a one-day public consultation.

At the beginning of 2018, the Ministry of Finance of the Republic of Serbia organised a public consultation on the Draft Law on Fees⁷⁹. The Draft Law on Fees for the Use of Public Goods confirms the abolition of the dedicated character of the funds collected from the collection of environmental protection fees, which would prevent sustainable, efficient and effective financing in the field of environmental protection. In addition, it directly violates the basic principle on which the EU environmental protection policy is based – the “polluter pays” principle. It is necessary to adopt appropriate bylaws which will make the Green Fund operational and the funds collected as environment protection fees available to the Fund. According to the same Draft Law, funds collected from fees for the use of protected areas remain available to managers of public goods. Fees are a significant source of funding for protected areas, and a ‘Polluter Pays’ solution allows the direct use of these assets in the protection of nature.

78 <http://www.ekologija.gov.rs/obavestjenja/zastita-prirode/>

79 Information available at: http://www.mfin.gov.rs/pages/article.php?&id=13522&change_lang=Is

IMPLEMENTATION OF LEGISLATION

Implementation of laws and regulations of the Republic of Serbia remains the weakest link of its executive power. The main reason is the lack of capacity of civil servants, local governments, police and inspection services, as well as strong political influence.

According to the information obtained from the Ministry of Environmental Protection upon a request for access to information of public importance, the establishment of the Ecological Network and Natura 2000, although planned, did not take place during 2017. According to the Ministry, the reason for this was the complicated financial model for payment of these services, which is implemented through the Institute for Nature Conservation as a coordinator. It is planned to implement a new IPA project to deal with the establishment of Natura 2000, and civil society organisations were consulted in the drafting of the ToR.

When it comes to the implementation of laws related to the protection of nature and functioning of protected areas, what has been observed is the destruction of habitats by the illegal construction of tourism related and other facilities in protected areas. In addition, during field visits of experts from civil society organisations, intensive logging was observed in some areas, but the data on the reasons for logging and its volume are inaccessible to the public. For nature, the most dangerous threat comes from ‘clearcutting’ which is conducted in protected areas, sometimes in the most strictly protected areas. Protected areas managers, which are mainly public companies, do not have sufficient capacity to implement protection measures nor the adequate financial resources to support for their effective functioning. Neither is there adequate control of the work undertaken by relevant authorities, and they often carry out illegal activities for their own benefit.

Illegal hunting of wildlife species, especially birds, has been recognised as a major problem in Serbia, one which has been continuing year after year⁸⁰. The reason for this is ignorance and disregard of the law, inadequate control of hunting by the relevant institutions, lack of police capacity and inspection services, as well as the absence of penalties for crimes committed.

In light of the meeting of the representatives of the signatory countries of the Berne Convention⁸¹ held in Malta in June 2017⁸² and the charges filed by several associations of citizens against the Republic of Serbia for violation of the provisions of this agreement, in early 2018, the Ministry of Environmental Protection initiated a meeting of parties involved, with the aim to consider possible solutions to this problem. Although this act of the representatives of the relevant institution can be considered as showing

80 The report on illegal shooting, poisoning, trapping, possessing and trade of wild birds in the Republic of Serbia for the period 2000-2017 can be seen at: <http://pticesrbije.rs/wp-content/uploads/2017/10/Serbia-bird-crime-report.pdf>

81 The text of the Berne Convention available at: <http://www.vojvodinasume.rs/wp-content/uploads/2012/04/sertifikacija/Zakon%20o%20potvrdivanju%20Konvencije%20o%20ocuvanju%20evropske%20divlje%20flore%20i%20faune%20i%20prirodnih%20stanista%20-%20Berna.pdf>

82 More information available at: <https://www.coe.int/en/web/berne-convention/-/select-group-of-experts-on-illegal-killing-of-birds-and-group-of-experts-on-the-conservation-of-birds>

an interest in overcoming the problem, it has been shown in practice that agreements and advice brought up at conferences of this type are generally not applied. Due to the insufficient initiative of the relevant authorities for solving the problems in protecting European flora, fauna and habitats, violation of the mentioned international convention is a common occurrence in the Republic of Serbia.

One of the major challenges in nature protection is the non-transparent and inadequate planning of small hydropower projects in protected areas, as well as a number of problems that arise during the implementation of the Environmental Impact Assessment. A particular hazard to nature is the cumulative impact of small hydropower plants, but also other projects the assessment of which is not implemented to the required extent.

As an example, we refer to specific projects in the Stara Planina Nature Park that have provoked protests by both citizens and the professional community. After a number of local initiatives, negative opinions received from the managers of the Nature Park Stara Planina and professional institutions, and based on the report on the expert supervision of the Institute for Nature Conservation of Serbia, the Ministry of Environmental Protection issued their Decision; once again granting consent to the Environmental Impact Assessment Study of the project for the construction of a small hydropower plant (SHPP) "Pakleštica", on the river Visočica.^{83 84}

The improvement of the Law on Environmental Impact Assessment, the amendments and modifications of which are underway, can contribute to the solution of this problem. The inclusion of the representatives of CSOs in the working group for amendments and modifications to this law is encouraging.

FINANCING ^{85, 86}

According to the Law on the Budget of the Republic of Serbia for 2017, 19.5 million dinars were allocated for activities on establishing the Ecological Network and 11.3 million for the establishment of Natura 2000. However, these funds were not spent for the allocated purpose. In the budget for 2018, only 5 million dinars were allocated for the establishment of Natura 2000, and the financing of the Ecological Network was completely overlooked. According to the Ministry, this activity should be financed

83 The letter of the Dean of the Faculty of Forestry available at: <https://temska.wordpress.com/>

84 The text of the Decision available at: http://www.ekologija.gov.rs/wp-content/uploads/procena_uticaja/Resenje_o_ponavljanju_postupka_Paklestica.pdf

85 All the data on funds allocation for 2017 were taken from the Law on the Budget of the Republic of Serbia for 2017 http://www.paragraf.rs/propisi/zakon_o_budzetu_republike_srbije_za_2017_godinu-5.html

86 All the data on funds allocation for 2018 were taken from the Law on the Budget of the Republic of Serbia for 2018 <http://www.mfin.gov.rs/UserFiles/File/zakoni/2017/Zakon%20o%20budzetu%202018.pdf>

through subsidies to the Institute for Nature Conservation, but it cannot be clearly concluded from the budget whether, and how much, funds have been allocated.

The 2017 budget envisaged 214.5 million dinars for subsidies for managers of protected natural assets of national interest, which is an alarmingly small allocation of funds for the conservation of nature in Serbia. 230 million dinars were also allocated to the same purpose in 2018, however, most of these funds are spent on employee salaries, maintenance of facilities, purchase of equipment and the like, while only a small part of the funds is spent on practical protection and improvement of the state of nature in protected areas such as; the revitalisation and maintenance of habitats and recovery of species.

No information is available as to whether the portion of the funds outlined for the functioning of the Green Fund for 2017 was spent for nature protection activities and in what manner.

In line with the Ministry's strategic goals, 70 million dinars were allocated in the budget for 2018 for forestation in order to protect and preserve landscape diversity.

Non-transparent allocation of funds in the budget and reporting on their spending are still among the most significant problems affecting the success of nature protection in Serbia. For example, funds have been allocated for the activity "Protection and conservation of strictly protected species of polecat populations and migratory species" for years (2017 – 7.3 million, 2018 – 6.6 million), while there have been no reports on the implementation of this activity.

RECOMMENDATIONS

Legislative framework

- Complete the Protocol on procedures and cooperation between institutions and organisations in combating illegal killing, trapping and trade of wild animals – by the Ministry of Environmental Protection with final consultations with experts and scientists as well as the adoption of the Protocol by the government of the Republic of Serbia by mid-2018.
- Revise the Law on National Parks, adopt announced amendments to the Law on Nature Protection, complete the Strategy for Nature Protection of Serbia with the participation of civil society and adopt all bylaws that have been already completed, but the adoption of which has been delayed (e.g. Regulation on Appropriate Assessment).
- Mutually harmonise laws in areas dealing with the protection of nature, particularly regarding laws ratifying international agreements.
- Fully transpose the provisions of the Habitats Directive and the Birds Directive into national legislation.

- Improve cooperation in the processes of developing strategies, laws and bylaws between nature protection, energy, construction and urban planning sectors, as well as cooperation on legislation enforcement particularly in Environmental Impact Assessment and Strategic Environmental Assessment processes.
- Improve cooperation between authorities and civil society organisations in the field of nature protection during the process of preparing new strategic documents, laws, during data collection and nature protection.
- Improve regulatory frameworks on protected areas, especially regulations on management, categorisation, and implementation of protective measures and inclusion of interested parties in the management of protected areas.
- Involve experts in the preparation of the negotiating position for Chapter 27 in the area of nature protection.

Implementation of Legislation

- Strengthen cooperation between all actors to prevent corruption in the nature protection sector (particularly related to illegal use of forests, water resources and hunting).
- Improve cooperation and the capacities of national institutions for nature protection (increase the number and qualifications of staff, as well as technical capacities).
- Ensure regular and adequate implementation of the activities on the establishment of the Ecological Network and Natura 2000 in Serbia.
- In 2018, strengthen inspection supervision in protected areas in order to prevent illegal activities causing habitat destruction (logging, grasslands ploughing, water habitats drainage).
- Ensure more active work of the relevant Ministry in solving problems and preventing violations of the provisions of the international Convention on the Conservation of European Wildlife and Natural Habitats in Serbia.
- Develop the implementation capacities of police, inspectors and judges regarding regulations on species and habitats protection.

Financing

- Allocate public funds for strengthening capacities at both local and national levels for the implementation of legislation.

- Improve planning and spending of the funds from the Budget of the Republic of Serbia for the establishment of the Ecological Network and Natura 2000 and protected areas in 2018 and 2019.
- Ensure the Green Fund provides adequate financing of nature protection in 2018 (identify priorities and criteria for allocating funds).
- Ensure transparent and adequate allocation of funds in the budget and reporting on their spending; allocate more funds for the practical protection of species and habitats.

06. INDUSTRIAL POLLUTION AND RISK MANAGEMENT

OVERVIEW

Environmental pollution problems in the Republic of Serbia are due to obsolete technologies and obsolete equipment, as well as low energy and raw material efficiency; all of which are the result of insufficient investment.

In order to prevent and control pollution, companies should reconstruct or innovate existing technological processes, as well as introduce the best available techniques and best practices for the environment.

Untreated industrial wastewater is one of the key sources of pollution of surface and groundwater in the Republic of Serbia. The largest polluters are the Smederevo Steel Plant, Thermal Power Plants Nikola Tesla A and B, Zorka from Šabac, Thermal Power Plant Kostolac, Bor and Sjenica Mines and the open mine at Kolubara. Only a very small number of industrial pollutants purify their wastewater.

Serbia also has to solve the problem of its “historical” pollution – hazardous and industrial waste that remains in companies that have failed or gone bankrupt.

In the past period, the legislative framework has not changed, and there have also been no consultations with the civil sector regarding changes of regulations.

Of the 228 operators that are subject to issuing of an integrated permit, most have applied for a permit, while 42 more permit requests are missing, of which 28 are for poultry and pig farming.

It is expected that any interested public will be informed and involved in the strategic environmental assessment of the National Emission Reduction Plan (the so-called NERP) from large fireplaces in 2018.

LEGISLATIVE FRAMEWORK

Regarding the updating of regulations related to this area, according to the media⁸⁷, in the period from June to December 2017, the experts of the project Legal Support to Negotiations, Jovan Rajić and Riccardo Quaggiato, prepared certain draft laws in order to harmonise national legislation with the Industrial Emissions Directive (IED) 2010/75/EU. What was prepared in the framework of the PLAC II project were the following: Draft Amendments to the Law on Integrated Prevention and Control of Environment Pollution, as well as a Draft Rulebook on the determination of start-up and shut-down periods for large combustion plants. In addition, a proposal has been prepared to improve Regulation on types of waste subject to thermal treatment, in accordance with EU regulations. The activities carried out were presented at a workshop organised on December the 14th for representatives of institutions involved in the implementation of the Industrial Emissions Directive. The interested public was not involved in this process.

With regard to the Industrial Emissions Directive, the First Draft of the Specific Implementation Plan for the IED was developed in the first quarter of 2016 (for Chapter II, III and V of the Directive), within the IPA 2011. Also, the information related to plans for the prevention and control of industrial pollution was collected from operators (according to their industry sectors). According to the Secretary of the negotiating group, Ms Sandra Milićević Sperlić, the industry is reluctant to provide the following necessary information to the relevant ministry: situation analysis, EU requirements description, deficiency analysis, measures to overcome deficiencies, cost estimates for implementation of measures, timetables, production information and export data on the EU market, monitoring, transboundary impact of plants, etc.

Through the implementation of the project Further Implementation of the IED in the Republic of Serbia, funded by SIDA (Swedish International Cooperation Agency), a Revision of the Specific Implementation Plan for Chapter II of the IED will be made.

Minister Trivan labelled the adjustment of the industry to European environmental protection standards as the most challenging segment of the negotiations⁸⁸.

The Ministry of Interior has prepared the text of the Draft Law on Disaster Risk Reduction and Emergency Management.

IMPLEMENTATION OF LEGISLATION

Chapter II IED – The responsibility for issuing integrated permits is divided between the Ministry of Environmental Protection, the Provincial Secretariat for Urban Planning and Environmental Protection and local governments. Inspections at all levels are responsible for the control and supervision of the plants that are required to have an integrated permit, and the Environmental Protection Agency collects data for the National Register of Pollution Sources and submits reports on the state of the environment.

Based on the current plans and the Law on Amendments and Modifications to the Law on Integrated Prevention and Control of the Environment Pollution (“Official Gazette of the Republic of Serbia”, No. 135/2004 and 25/2015), Serbia is going to issue integrated permits for operators which are obliged to obtain them, by December the 31st, 2020.

Integrated permits are issued at three levels (republic, provincial and in local governments), but there is insufficient capacity to implement this directive in its entirety, especially at the local level. The air quality monitoring system has not been improved either in terms of greater availability of relevant and credible data or in terms of greater coverage (the number of measuring points).

The number of plants subject to integrated permitting (according to data from December 2017) is 228 operators, and the current status of integrated permits is as follows⁸⁹:

88 Information available at: <http://rs.n1info.com/a353200/Vesti/Vesti/Trivan-Otvaranje-Poglavlja-27-moguće-u-ju-nu-2018.-godine.html>

89 As per the response to a request for information of public importance to CEKOR obtained from Rade Pejović, from the Ministry of Environmental Protection on March 2, 2018.

- Energy industries – 30 operators (2 issued permits and 19 requests submitted), 9 requests missing;
- Production and processing of metals – 19 operators (4 issued permits and 15 requests submitted);
- Mineral industry – 29 operators (7 issued permits and 21 requests submitted), 1 request missing;
- Chemical industry – 15 operators (2 issued permits and 11 requests submitted), 2 requests missing;
- Waste management – 9 operators (2 issued permits and 6 requests submitted), 1 request missing;
- Industrial production installations – 4 operators (4 requests submitted);
- Food processing installations – 21 operators (3 issued permits and 17 requests submitted), 1 request missing;
- Installations for the disposal and recycling of animal carcasses and animal waste with a capacity exceeding 10 tons per day – 5 operators (1 issued permit and 4 requests submitted);
- Installations for the intensive rearing of poultry or pigs – 93 operators (2 issued permits and 63 requests submitted), 28 requests missing;
- Installations for surface treatment of materials, items or products using organic solvents – 3 operators (3 requests submitted).

Due to the current state of the old large combustion plants (thermal power plants and heating plants) and due to the limited financial resources of the domestic energy sector, Serbia has begun developing the NERP document according to the methodology prescribed by the Energy Community in order to implement the LCP Directive and its emission limit values. Serbia has 37 plants which are subject to the LCP Directive.

On the basis of the Request for Access to Information of Public Importance in February 2018, members of the Coalition received a document entitled the National Emission Reduction Plan (the so-called NERP), which was submitted to the Energy Community. The coalition also received information that the Strategic Environment Assessment of NERP was planned for the first half of 2018, involving the interested public. It is not known whether the NERP document has been adopted by the authorities, and if yes, which ones.

Serbia, as a contracting party of the Energy Community for South East Europe, also committed itself to the environmental acquis (Article 12 of the Treaty and Annex II), until the prescribed deadline, i.e. until December the 31st, 2017, with the most significant part concerning the implementation of the Directive 2001/80/EC of the European Parliament and of the Council from October the 23rd, 2001 on the limitation of emissions of certain air pollutants from large combustion plants (LCP Directive).

FINANCING

Directive 2010/75 /EU is considered one of the most demanding to implement. Full implementation of the IED will require significant financial investments from operators. Taking into account the economic situation in the country and the operators, the implementation of measures will require negotiation over longer implementation periods. State-owned facilities are mainly from the energy sector. Serbia expects the private sector to provide the necessary investment for alignment with the directives in this sector.

RECOMMENDATIONS

Legislative framework

- Harmonise procedures for obtaining different licenses that precede an integrated permit. Accelerate the issuance of integrated permits.

Implementation of Legislation

- Take necessary steps to achieve full transposition of the Industrial Emissions Directive by 2018, as planned.
- Raise the level of information for the public and all relevant actors on DSIP for IED, as well as law enforcement in this field.
- Fully secure the right of the public to participate in decision-making process in cases when amendments are being made to integrated permits.
- The following documents shall be published on the Ministry's website and made available to the public: 1. Draft proposal for amendments to the Law on Integrated Pollution Prevention and Control; 2. Draft Regulations on the Procedure for determination of start-up and shut-down periods of large combustion plants; 3. Proposal for improvement of the Regulation
- Publish the NERP and invite the public to participate in the process of strategic assessment of the impact of its application.
- Publish and involve interested public in the development of specific implementation plans.
- Publish a report on the state of the environment for 2016 and 2017, with mapped locations where hazardous waste was found, as well as locations where historical industrial pollution was recorded.
- Increase capacities at all levels of public administration, including inspections.

07. CHEMICALS MANAGEMENT

OVERVIEW

The legislative framework created by the adoption of the Law on Chemicals and the Law on Biocidal Products along with the relevant bylaws has established a modern system of chemicals management, which is significantly harmonised with the EU regulations. It is necessary however to continue with its further development, through further harmonisation; taking into account new EU regulations, as well as amendments and modifications to the existing ones, and strengthening the capacities necessary for the implementation of regulations. After a period in which the harmonisation process was partially stalled, progress was achieved in 2017, especially with regard to the updating of regulations about classification and labelling of chemicals to ensure adaptation to technical and scientific progress (ATP)⁹⁰. The Biocidal Products Regulation has not yet been incorporated into national legislation.

Regarding the administrative capacities for performing professional activities in this area, there have been no significant changes in relation to the capacities in the previous period, although the new Rulebook on the systematisation of workplaces of the relevant ministry envisages a significant increase in the number of employees working in chemical and biocidal products management. Given that there is a lack of professional capacity for assessing the risk of biocidal products, the relevant authority has organised training for representatives of the scientific community in order to strengthen their capacities and later to engage them in regulatory risk assessment activities, which should be welcomed and continued in the upcoming period.

Regarding Persistent Organic Pollutants (POPs), although it was prepared in 2015, the updated National Implementation Plan (NIP) for the implementation of the Stockholm Convention on POPs by the Government of the Republic of Serbia has not yet been adopted. This made the implementation of activities from specific action plans (that are an integral part of the updated NIP) more difficult. In particular the continuation of the monitoring of POPs based on the established activities of the program for measuring the level of POPs in the environment and food, was made more difficult as was the inclusion of new POPs in the existing program.

The system of financing the management of chemicals and biocidal products does not comply with the basic principles laid down in EU regulations governing the management of chemicals, according to which the costs for regulatory procedures related to chemicals and biocidal products must be borne by economic entities that generate revenue by placing them on the market.

LEGISLATIVE FRAMEWORK

The legislative framework created by the adoption of the Law on Chemicals and the Law on Biocidal Products along with relevant bylaws has established a modern

system of chemicals management in compliance with the EU principles. The Law on Chemicals is largely aligned with the REACH Regulation (EU 1907/2006), with the exception of provisions for the implementation of which EU membership is necessary, such as registration and authorisation procedures. **It is necessary to continue with further development of the legislative framework, not only through further harmonisation of regulations by taking into account new EU regulations, as well as through amendments and modifications of the existing ones, but also through strengthening the capacities necessary for the implementation of regulations.**

Although there has been a slowdown in the process of further harmonisation with the amendments and modifications to the relevant EU regulations adopted in the EU after 2012, (which was analysed in detail in the previous reports) some progress was made in 2017.

Regarding the updating of regulations related to the classification and labelling of chemicals in order to adjust them in terms of technical and scientific progress, there was a positive shift. Namely, in 2017, the Rulebook on classification, packaging, labelling and advertising of chemicals and certain products in accordance with the globally harmonised system of classification and labelling of the United Nations ("Official Gazette of the Republic of Serbia", No. 52/17) and the Rulebook on the List of Classified Chemicals ("Official Gazette of the Republic of Serbia", No. 50/17) have been updated, thus bringing Serbian legislation in line with the EU to the seventh ATP. However, further harmonisation needs to be established, given that these regulations are additionally updated in the EU (ATPs 8, 9 and 10), and their implementation in the EU begins at different times during 2018. We emphasise that regular harmonisation of these regulations is of great importance since the delay in updating the List of Classified Chemicals has the effect of deviation of data on harmonised chemicals in Serbia and the EU. Therefore, in some cases there is a deviation in the implementation of the prescribed provisions on the classification and labelling of the same chemicals and mixtures when they are on the EU and when they are on the Serbian market. This is contrary to the basic aim of the Globally Harmonised System of Classification and Labelling of Chemicals (GHS) which states that chemicals on all markets be classified and labelled according to the same rules, or in the same way, which may result in difficulties in the free circulation of imported chemicals, as well as greater protection of human health and the environment.

With regard to updating of regulations on bans and restrictions on production, placing on the market and the use of chemicals throughout 2017, certain amendments have been adopted ("Official Gazette of the Republic of Serbia", No. 44/2017). However, further harmonisation with the amendments to Annex XVII REACH is needed, in particular the EU Regulation 2016/2235 from December 2016, which prohibits/restricts the use of bisphenol A in thermal paper at a concentration greater than or equal to 0.02%, with the beginning of application in the EU as of January the 2nd, 2020. Based on the NPAA⁹¹, these amendments are planned to enter into force in the first quarter of 2018.

90 Adaptation to Technical and scientific Progress (ATP)

91 The National Programme for the Adoption of the EU Acquis (NPAA), Third Revision (February 2018), The Ministry of European Integration.

The Republic of Serbia has transposed the EC Regulations on amendments and modifications to the EC Regulation No. 850/2004 on persistent organic pollutants (POPs) to national legislation through the adoption of the Rulebook amending the Rulebook on restrictions, banning production, placing on the market and use of chemicals ("Official Gazette of the Republic of Serbia", No. 44/17) and the Rulebook amending the Rulebook on the list of POPs, manner and procedure for POPs waste management and limit value of POPs concentrations related to disposal of waste containing POPs or contaminated with POPs ("Official Gazette of the Republic of Serbia", No. 17/17). However, it is important to note here that the Government of the Republic of Serbia has not adopted the updated National Implementation Plan (NIP) for the implementation of the Stockholm Convention on POPs yet, although it was prepared in 2015. It is consequently difficult to implement the activities defined in specific action plans that are an integral part of the updated NIP.

The List of candidate substances for the List of substances of very high concern (SVHC) was adopted in mid-2016, making it easier for consumers to exercise their rights on information on SVHC in products. However, further harmonisation needs to be continued as the list is additionally updated in the EU, most recently by adding the widely used substance Bisphenol A (BPA). The List of substances of concern was updated at the end of 2016 ("Official Gazette of the Republic of Serbia", No. 101/2016), so further harmonisation with the EU Regulation 2017/999 should be continued, since there are 43 substances on the EU list, while in Serbia there are 31. Based on the NPAA, further integration is planned for the second quarter of 2018.

There is a significant delay in the process of harmonisation of regulations relating to the methods of examining hazardous properties of chemicals; which have not been updated since 2012.

The Regulation on Biocidal Products (528/2012/EU) has not been transposed into national legislation. Since 2009, when the Law on Biocidal Products entered into force, the relevant authority has been carrying out the national procedure on the basis of which biocidal products are either placed on the market or within the procedure for the entry of a biocidal product into the Provisional List for the submission of a technical dossier. The drafting of the new Law on Biocidal Products for the purpose of harmonisation with the Biocidal Products Directive began in 2017, and the planned deadline for the adoption of the Draft Law is the fourth quarter of 2018 according to the NPAA. The adoption of the new law is planned for the second quarter of 2019. During 2017, the List of biocidal products registered in the Register of biocidal products in 2015 and 2016, as well as the Rulebook on the content of basic information on biocidal products and the active substance contained in biocidal products ("Official Gazette of the Republic of Serbia", No. 64/17) were updated.

Regarding administrative capacities to perform expert work in this area, there have been no significant changes in relation to the capacities in the previous period. Although the new Rulebook on the systematisation of the workplaces of the relevant ministry foresees a significant increase in the number of employees working in chemical and biocidal products management, it must be taken into consideration that the

limitation of the number of employees in state institutions is still in place, so it is not realistic to expect that there will be opportunities for significant strengthening of administrative and professional capacities within the newly formed Ministry of Environmental Protection; although this is necessary in order to reach the necessary level for the implementation of regulations.

For the fulfilment of all obligations that the relevant authority will have in accordance with the new Law on Biocidal Products in the period prior to accession to the EU (or for the full implementation after accession) it is necessary to further strengthen the administrative capacities of the administration.. Considering that there is a lack of professional capacity for risk assessment of biocidal products, it is important to note that through the implementation of activities within an international project⁹² in the area of chemicals and biocidal products management, a number of training courses have been organised for representatives of the state authorities dealing with these issues, as well as with **representatives of the professional community, with the aim of strengthening professional capacities in the scientific and academic sectors for effective implementation of legal regulations, primarily related to regulatory risk assessment.**

The plan is for the relevant authorities to benefit from the support of the scientific sector by delegating executive tasks such as substance evaluation and assessment of specific parts of dossiers for biocidal products that require specific knowledge, to scientific institutions or individual experts. **The establishment of a mechanism for improving the capacities of external experts and their engagement in regulatory risk assessment activities is needed not only for biocidal products but also for other chemicals**, since after the accession of Serbia to the European Union there is an obligation regarding the participation of the national capacities of the Member States in procedures that are implemented in a centralised way in the EU in this area. Also, a lack of expert capacities for the preparation and submission of proposals for harmonised classification and labelling of substances has been identified, since the relevant authority has not yet performed these tasks.

It is important to note that the project "Mercury Initial Assessment in the Republic of Serbia" is underway, and will be completed in the second quarter of 2018. This will provide the basis for building and further development of the necessary capacities for the implementation of the Regulation on Mercury (2017/852).

IMPLEMENTATION OF LEGISLATION

The Department for Chemicals within the Ministry of Environmental Protection is responsible for activities related to **the implementation of administrative proceedings** in this area. Prescribed administrative proceedings are implemented, but given the scope and content of the documentation required by these proceedings, as well as the confidentiality of certain data, it is necessary to improve the implementation of

⁹² Training courses were conducted within the IPA project "Further Development of Chemicals and Biocidal products Management in the Republic of Serbia" (ref. no. Twinning project SR 13 IB EN 03)

these proceedings through the **development of a modern electronic data submission system** with adequate protection and strictly defined levels of data access. This need has been identified within the Draft National Programme of Environmental Protection (NPEP) for the period 2015-2019 as a measure to improve the process of chemicals registration in the Chemicals Register. The same approach should be applied in the case of administrative procedures in relation to biocidal products.

Inspection supervision over the application of regulations governing chemicals and biocidal products is the responsibility of environmental, sanitary and market inspections as well as veterinary inspections monitoring the use of biocidal products in facilities where veterinary activities are performed. **The Law on Chemicals stipulates that relevant inspections shall establish a Joint Body for the purpose of planning, monitoring, harmonising and undertaking joint measures with regard to inspection supervision. However, there has been no information on the establishment of this body to date.**

The adoption of the new Rulebook on permits for performing business activities and/or permits for the use of particularly hazardous chemicals ("Official Gazette of the Republic of Serbia", No. 6/2017) which classified chemicals in the hazard class *skin corrosion/irritation* (subcategory 1B) as particularly hazardous chemicals caused additional problems in the implementation of this regulation in practice. First of all, there are no clear scientific criteria for the incorporation of chemicals classified into this sub-category of hazards into the 'particularly hazardous chemicals' category. Also, given that a large number of products of so-called household chemicals, primarily degreasers used to clean fatty deposits, the number of persons requiring a license to carry out business activities has increased significantly, including individual shops selling chemicals in this subcategory and hazard class. The system of issuing the relevant permits to distributors by local government has not yet come into practice to the desired extent. The new regulation on particularly hazardous chemicals does not ensure the protection of end-users (which was one of the goals of the regulation), because in the majority of cases a person using the chemical for general use is not subject to the regulation. The introduction of this measure is not based on the real danger aspect that subcategory 1b chemicals pose in practice and is not applicable to the type of product to which it is currently applied, or to the companies that have to implement it.

Further harmonisation of the regulations in the field of classification and labelling should be welcomed. However, in the implementation of regulations related to the labelling of chemicals, there was a problem regarding the changes in the text of the precautionary labels (P mark), especially in situations where the meaning of the text did not substantially change. It was the formulation that changed slightly, with a short deadline allowed to comply with these changes. This led to the non-conformity of labels on chemicals that are placed on the market to current regulations. Since the supplier is obliged to replace the existing labels with new ones within approximately three months, it represents a significant financial burden without the prior information that these costs could have been expected. The meaning of the precautionary tag itself has not substantially changed, nor was there a sufficiently long transitional pe-

riod that would have allowed for gradual and planned production of new labels when those already printed had been used. This suggests that transparency in the adoption of regulations and the predictability of costs related to the chemicals business on our market are not satisfactory and that such changes should be notified in a timely manner to business entities whose businesses can be affected. .

Although there is a dialogue between the authorities and the chemicals industry and other stakeholders, it needs to be continued in order to provide further information about their obligations regarding the application of EU regulations in the area of chemicals and biocidal products. In addition to the new legislative framework for biocidal products, it is necessary to establish adequate mechanisms for the operation of the domestic economy. Specifically, given the provisions of Article 95 of the Biocidal Products Regulation establishing the List of active substance suppliers and the fact that biocidal products containing active substances cannot be placed on the EU market if the suppliers of active substances are not listed on that list, adequate mechanisms must be established in a new legislative framework that will enable the domestic economy to prepare for such conditions when Serbia joins the EU. In addition, it is necessary to provide other conditions relating to the establishment of an information infrastructure for a secure connection with EU information systems and data protection measures. It is also essential to engage external capacities with regard to experts with adequate professional knowledge to assess the risk of biocidal products for the purpose of issuing approval by the relevant authority of the Republic of Serbia.

The current Law on Biocidal Products envisages a national procedure on the basis of which biocidal products are placed on the market, or a procedure for the entry of a biocidal product into the Provisional List for the submission of a technical dossier. Laboratory testing of the efficacy of a biocidal product in accordance with the manner in which it is used is a mandatory document to be submitted in this process. However, in Serbia, and often in the wider region, there is no laboratory capacity to test the efficacy of all types of biocidal products, especially repellents. Some EU Member States do not require efficacy studies at the national level products for those types of biocidal products where there are no harmonised testing methods. Considering that the Report on Active Substance Assessment prepared by the European Chemicals Agency contains information on the purpose and effective concentration of the active substance in a biocidal product, this data should be used for those types of biocidal products for which there are no laboratory capacities; or there are no harmonised testing methods until the necessary conditions are met. However, the current practice in Serbia is that a request for the Registration of a biocidal product is rejected by the relevant authority in the absence of laboratory testing of the biocidal product so that particular products existing on the EU market cannot be placed on the market in Serbia.

Regarding POPs chemicals, given that the updated National Implementation Plan (NIP) for the implementation of the Stockholm Convention by the Government of the Republic of Serbia has not yet been adopted, implementation of activities from specific action plans that are an integrated part of the updated NIP has been made difficult. Particularly difficult is both the continuation of POPs monitoring based on the established activities of the program for measuring the level of POPs in the environment and food,

as well as the inclusion of new POPs in the existing program. In order to establish a functional POPs monitoring system, it is necessary to improve the capacity of laboratories for measuring, especially new POPs, through accreditation of methods, procurement of laboratory equipment and training of laboratory staff. It is necessary to highlight some of the achieved results within the UNIDO/GEF project “Environmentally sound management and final disposal of PCBs in the Republic of Serbia”, above all the development of Technical Guidelines on the environmentally sound management of POPs as wastes in accordance with the guidelines of the Stockholm Convention on POPs.

Given that the legislation on chemicals covers only one phase of the life cycle of chemicals, i.e. placing on the market and use of chemicals, and that there are other phases of the chemicals’ life cycle, from production to disposal, it is of essential importance to establish cooperation and coordination between departments in charge of implementing regulations on chemicals and other relevant sectors, primarily in the field of environmental protection. This cooperation and coordination are necessary given the need for the synchronization of activities that are within the competences of different sectors to ensure adequate management of chemicals throughout their entire life cycle and for implementation of the principles of the Strategic Approach to International Chemicals Management (SAICM)⁹³. **To date, no information is available concerning the establishment and the work of the Joint Body or the adoption of the Integrated Chemicals Management Programme, which is envisaged by the Law on Chemicals (Article 7).**

In 2017, the civil society organisation “Safer Chemicals Alternative”, a member of Coalition 27, conducted a study of the content of the hazardous chemical Bisphenol A in thermal paper and published a report in the **“Toxic Cash Receipts” campaign**⁹⁴. Laboratory tests of samples of thermal paper (fiscal receipts, banking slips, etc.) were carried out at the Institute of Public Health of Serbia “Dr Milan Jovanović Batut”. They tested the presence of the substance Bisphenol A in the samples from the majority of distributors and importers in the Republic of Serbia, as well as large retail chains. The results showed that almost **all fiscal receipts in Serbia contain the dangerous substance Bisphenol A, which received great attention in the media.** Bisphenol A is a substance that has been proven to have a harmful effect on fertility; it interferes with the endocrine system, causes allergic reactions to the skin and irritation of the respiratory organs, and leads to severe eye damage. This chemical is used in the production of thermal paper as a chemical solution for dye. It is not chemically bound to the paper, so in contact with the skin, it migrates into the skin and is absorbed⁹⁵.

Exactly because of that, in December 2016, the European Commission issued a regulation banning, or limiting the use of Bisphenol A in thermal paper⁹⁶, primarily in order to reduce health risks for people who are exposed to BPA from fiscal receipts on

93 Strategic Approach to International Chemicals Management – SAICM

94 Safer Chemicals Alternative ALHem 2017. Toxic Cash Receipts – Testing for Presence of Bisphenol A in thermal paper, plastic and cardboard food packaging.

95 JRC EC 2010. Updated European Union risk assessment report, 4,4'-isopropylidenediphenol (Bisphenol-A): environment addendum of February 2008 – Study.

96 Commission Regulation (EU) 2016/2235 on 12 December 2016 amending Annex XVII to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) as regards Bisphenol A. Journal of the European Union, Regulation 2016/2235, Dec 2016.

a daily basis, such as employees at cash registers in retail chains, especially pregnant women. This decision will be applied in the EU as of January the 2nd, 2020. **So far, the Republic of Serbia has not transposed this regulation into domestic legislation, but the update of the relevant regulation, based on the NPAA, was announced for March 2018.** In addition, Bisphenol A has been listed on the Candidate List of substances of very high concern in the European Union since January last year; as it has been proven that it can potentially affect fertility and interfere with the endocrine system⁹⁷.

For the second year in succession (in 2017 and 2018), the Government of the Republic of Serbia is organising a prize game “Take an account and win” in which it is necessary for the participants to collect and send a certain number of fiscal cash receipts in order to win some of the awards. Bearing in mind all that has been mentioned above, **the implementation of the prize game increases the risk of Bisphenol A, since citizens have extended contact with fiscal cash receipts by keeping their receipts and later counting and placing them in envelopes, thereby multiplying their exposure and therefore the risk.**

Although all members of Coalition 27 support the strengthening of tax culture in order to reduce the shadow economy in the Republic of Serbia, it is unacceptable that such a campaign is carried out to the detriment of citizens’ health, as there are other measures that would be as equally successful and without harmful effects on human health. These measures could include: strengthening of inspection supervision, more efficient sanctioning of non-compliance with regulations in this area, improvement of business environment, and introduction of incentives for the economy. In addition, it is necessary to draw attention to **the dangerous practice of recycling this paper**, because this procedure is another way of introducing this dangerous chemical into the body, through food which has been in contact with recycled paper packaging used for food packaging (boxes for confectionery products, pizza boxes). The Law on Environmental Protection rests on the **principle of prevention and precaution**, which means that **each activity must be planned and implemented in such a way as to**, among other things, **represent the least risk to the environment and human health.** The implementation of the “Take an account and win” prize game in a situation where there is no ban on the use of Bisphenol A in thermal paper in the Republic of Serbia sits at odds with these principles.

FINANCING

Given that the financial aspect of chemicals and biocidal products management has been thoroughly analysed in previous reports, we note that there have been no changes since then. **The system of chemicals and biocidal products management is financed from the budget of the Republic of Serbia.** Given the structure and the manner in which the budget system functions, there are no available data on the amount of tax revenue spent on administrative procedures or the development of

97 ECHA, European Chemicals Agency. Candidate list of substances of very high concern for Authorization, published in accordance with Article 59(10) of the REACH Regulation: inclusions of substances of very high concern in the Candidate List for eventual inclusion in Annex XIV ED/30/2017, ED/01/2017, ED/01/2018.

the chemicals and biocidal products management system. Also, it is not known **if a part of the costs of the chemicals and biocidal products management system is paid for from contributions from other taxpayers, i.e. those who do not generate revenue from chemicals and/or biocidal products, and if this is the case, to what amount.** This is not in accordance with the basic principles set out in REACH and the EU Regulation of biocidal products, or the accompanying EU implementing regulations on fees (Regulation (EC) No. 340/2008 and Regulation (EU) No. 564/2013), according to which the costs of regulatory procedures related to chemicals and biocidal products should be borne by economic entities that generate revenue from their placing on the market.

RECOMMENDATIONS

Legislative framework

- Establish adequate dynamics for harmonisation with relevant amendments to EU regulations in this field.
- Adopt a new Law on Biocidal Products harmonised with EU Regulation 528/2012 on biocidal products to the extent to which it is possible due to centralised procedures at the EU level.
- Amend the Rulebook on permits for performing business activities, that is, on permits for the use of particularly hazardous chemicals: delist the hazard class skin corrosion/irritation (subcategory 1B) from the criteria for particularly hazardous chemicals. When the Law on Chemicals is next amended, we suggest the provisions about particularly hazardous chemicals be removed (they do not exist even in the EU), taking into account the existence of other risk control measures for hazardous chemicals that have been implemented in practice for some time.

Implementation of Legislation

- Continue improving existing administrative and professional capacities in this area and create mechanisms and conditions for engaging external experts in order to compensate for the current lack of capacity for regulatory risk assessment activities.
- The Government of the Republic of Serbia needs to adopt the updated NIP for the implementation of the Stockholm Convention on POPs as soon as possible in order to implement the activities defined in specific action plans, primarily the activities related to monitoring POPs in the environment and food.
- Improve implementation of administrative procedures through establishing

information infrastructure for electronic data submission, with appropriate protection and levels of data access.

- Establish a Joint Body for planning, monitoring, harmonising and undertaking joint measures of different inspectorates in charge of control and monitoring of chemicals and biocidal products.
- Establish a Joint Body for Integrated Chemicals Management in order to provide satisfactory cooperation and coordination between all relevant sectors and ensure safe chemical management throughout their entire life cycle, that is, adopt and start implementation of the Integrated Chemicals Management Programme.

Financing

- Determine fees for administrative procedures related to chemicals and establish financial mechanisms to ensure that costs of regulatory procedures related to chemicals and biocidal products are borne by business entities that generate revenue from their placement on the market.

08. NOISE

OVERVIEW

The area of noise pollution is certainly not at the top of the list of priorities, as evidenced by the fact that from 2010 there have been no changes to the legal framework. This is also evident from the insufficient number of people dealing with this topic, as well as poor data availability.

LEGISLATIVE FRAMEWORK

The basic set of laws and bylaws (1 regulation and 5 rulebooks) were adopted in 2010. The complete transposition was planned to happen with the adoption of the Law on Amendments and Modifications to the Law on Noise Protection until 2016, as well as the adoption of bylaws up to 2018, which was not achieved. According to the new transposition plan, the Law on Amendments and Modifications to the Law on Noise Protection should be adopted in the fourth quarter of 2018, while in the fourth quarter of 2019, the Regulation on noise indicators, limit values, methods for assessment of noise indicators, disturbance and adverse noise effects in the environment should be adopted, as well as the Rulebook on the methodology for the development of action plans and the Rulebook on the content and methods for the development of strategic noise maps and the manner of their presentation to the public.⁹⁸

IMPLEMENTATION OF LEGISLATION

Directive 2002/49/EC relating to the assessment and management of environmental noise requires Member States to prepare and publish **noise maps**, and **noise management action plans** every 5 years for:

- agglomerations with more than 100,000 inhabitants
- major roads (more than 3 million vehicles a year)
- major railways (more than 30.000 trains a year)
- major airports (more than 50.000 movements a year, including small aircraft and helicopters)

When developing noise management action plans, Member States' authorities are required to **undertake public consultations**.

Because of the unwillingness of authorities to cooperate and the inaccessibility of information on the internet, it is difficult to estimate how far the country has progressed with the implementation of the directive. The only thing that can be

determined is that PE "Roads of Serbia" made strategic noise maps for all 843km of the road.⁹⁹

The full implementation of Directive 2002/49 /EC is envisaged to happen by the end of 2021.¹⁰⁰

FINANCING

According to NEAS (*National Environmental Approximation Strategy*) and Sector Strategy, an amount of EUR 17.6 million is envisaged for the implementation of the Directive, while according to the National Program, the costs for the noise sector are estimated at EUR 18.6 million. At the bilateral screening, it was recommended that the first two rounds of strategic noise maps and action plans are made simultaneously since all countries that join the EU must have the first two rounds of strategic noise maps and action plans in place. According to the cost of developing maps in member states, it is estimated that EUR 4.2 million is needed for both rounds of the strategic noise and action plans.

To date, the funds have been provided only from the IPA 2014 project "Development of a strategic noise map for the City of Niš", the start of which is planned for 2018. The result of the project will be a noise map for the City of Niš with a guide to municipalities/towns for developing noise maps.

RECOMMENDATIONS

Legislative framework

- Ensure the Law and bylaws are fully compliant with Directive 2002/49/EC.

Implementation of Legislation

- Develop strategic noise maps and action plans for 5 agglomerations (Belgrade, Novi Sad, Niš, Kragujevac and Subotica), as well as for the railway system and Nikola Tesla Airport.
- Make noise data publicly available (make a list of existing strategic noise maps and action plans for noise).
- Work on the training of noise experts (especially at the local level).

Financing

- Secure funds for the implementation of plans (and obligations) in the area of noise (according to the National Program, the costs for the noise sector are estimated at EUR 18.6 million).

98 The presentation of Sandra Sperlić from the REC master course held in Vrnjačka Banja in 2018.

99 Available at: http://www.mei.gov.rs/upload/documents/nacionalna_dokumenta/npaa/npaa_2018_2021.pdf

100 Ibid.

09. CLIMATE CHANGE

OVERVIEW

The period between November 2016 and February 2018 was marked by the disparity between the development of legislation and genuine commitment to progress in the prevention and mitigation of climate change. Despite the ratification of the Paris Agreement, announcing a series of legislative changes aiming at transposing the EU legislation and declarative commitment to the EU accession, the situation in relevant areas such as energy indicates devastatingly disproportionate investment; , with higher investment in the development of fossil energy sources when compared to solutions that contribute to the prevention and mitigation of climate change such as emissions reduction and increasing the share of renewable energy sources.

LEGISLATIVE FRAMEWORK

The Serbian Parliament ratified the Paris Agreement on May the 29th, 2017. This is important given that it provides a legal basis to step up the ambition of contribution to the Paris Agreement. However, no specific activities such as the Revision of the Intended Nationally Determined Contribution (INDC)¹⁰¹ nor an increase in the ambition to reduce greenhouse gas emissions (hereinafter referred to as GHG) have occurred. Previously, the Parliament also ratified the Doha amendment to the Kyoto Protocol in March 2017.

The development process of the National Climate Change Strategy was resumed after a six-month break. In December 2017, members of Coalition 27 participated in workshops that identified priority adaptation measures for the sectors of agriculture, forestry and water management.

In December 2017, the Communication Strategy on Climate Change was presented, which should set the framework for communicating climate policy at the national level. The document is intended for both the public, as well as the private and civil sectors, but it is not clear to what extent it will influence the development and improvement of the national climate policy.

The adoption of the Law on Climate Change¹⁰² is envisaged to take place by the

101 Intended Nationally Determined Contribution – INDC: Through the INDC, a state presents its steps to the international community in relation to combating climate change. The document reflects the ambitions of each country to reduce emissions, taking into account domestic circumstances, challenges and opportunities. Countries can also explain the adaptation plan, adaptation to the impacts of climate change, and indicate whether they need support from the international community, or they are able to provide support to other countries. One of the most important aspects of mitigation and adaptation to climate change is the transformation plan towards a low-carbon economy. Serbia submitted its INDC in 2015 and expressed its willingness to reduce emissions of greenhouse gases by 9.8% compared to 1990. INDC text available at: http://www4.unfccc.int/ndcregistry/PublishedDocuments/Serbia%20First/Republic_of_Serbia.pdf

102 On March 13, 2018, the Ministry of Environmental Protection announced a call for a public consultation on the Draft Law on Climate Change. The call available at: <http://www.ekologija.gov.rs/ministarstvo-zapocinjeposupak-javne-rasprave-za-zakon-o-klimatskim-promenama/?lang=lat>

end of 2018, and the Government Work Plan for 2018¹⁰³ envisages that it will transpose the Monitoring Mechanism Regulation (MMR) and Monitoring, Reporting and Verification (MRV) to the EU Emissions Trading System (EU ETS) and the Decision on joint fulfilment of commitments.

The National Climate Change Council met in its new form in March 2017. The Council is now open to civil society and represents a platform for discussions by a broader group of participants. Unfortunately, the outcomes¹⁰⁴ of this meeting did not convince us that the Council will make substantial progress on inter-sectoral cooperation in the future, due to the fact that after the date mentioned above there have been no new additional meetings held.

The Republic of Serbia submitted the Second National Communication¹⁰⁵ under the United Nations Framework Convention on Climate Change on October the 23rd, 2017. This was an opportunity to correct the shortcomings made in the First Two-Year Updated Report.¹⁰⁶

Unfortunately, the Second Communication left doubts as to the actual GHG emissions of the Republic of Serbia. In addition to the problem of non-transparency of the process due to questionable selection of the methodology, the report contains inaccurate data¹⁰⁷ on emissions of greenhouse gases. This resulted in the presentation of unrealistically high levels of emissions, which in the future can lead to insufficiently ambitious plans to reduce greenhouse gas emissions (plans that are currently inadequate and will result in an increase in emissions¹⁰⁸). For example, the data given in the Second Communication was used in the development of the Climate Change Strategy with the Action Plan.¹⁰⁹

The Program for the Implementation of the Energy Sector Development Strategy of the Republic of Serbia for the period by 2025 with projections by 2030, for the period 2017-2023, was adopted in October 2017.¹¹⁰ The Program includes a list of energy

103 The complete Government Work Plan available at: <http://www.civilnodrustvo.gov.rs/upload/documents/zakoni/Plan%20Rada%20Vlade%202018.PDF>

104 The data available at: <https://www.energetskiportal.rs/odrzana-4-sednica-nacionalnog-saveta-za-klimatske-promene/>

105 *The Second National Communication under the United Nations Framework Convention on Climate Change (2017)*, The Ministry of Environmental Protection, Belgrade. Available at: <http://www.klimatskepromene.rs/wp-content/uploads/2017/12/Drugi-izvestaj-o-promeni-klime-SNC-Srbija.pdf>

106 More on this in the previous Coalition 27 report available at: https://rs.boell.org/sites/default/files/koalicija_27_-_izvestaj_iz_senke_2016.pdf

107 Namely, *The Second Communication* relies on assessments of GHG emissions for 2014 based on the GHG inventory. These assessments did not take into account the reduction of emissions due to the floods in 2014. Real data on GHG emissions for 2014 are publicly available at (the Environmental Protection Agency also has them): <http://library.fes.de/pdf-files/bueros/belgrad/14038.pdf>

108 The data available: <http://www.bos.rs/ekz/intervjui-i-stavovi/1052/2015/12/01/novi-globalni-klimatski-dogovor-i-doprinos-republike-srbije.html>

109 *"After a short introduction to climate scenarios and respective impacts on each sector, given by national experts and referring to the Second National Communication, stakeholders were invited to assess the severity of impacts of climate change, using a risk based approach"* – The Newsletter of the project *"Climate Change Strategy and Action Plan"*, page 2: http://www.klimatskastrategija.eu/wp-content/uploads/2016/09/%D0%91%D0%B8%D0%B%D1%82%D0%B5%D0%BD_Final_SRB.pdf

110 The data available at: <https://balkangreenenergynews.com/rs/srbija-gasi-osam-blokova-u-termoelektrana-2024-godine/>

projects¹¹¹ for which state-funded investments are foreseen mainly for fossil-fuelled projects, while the list of renewable energy projects mainly foresees funding from the private sector. Although the Program proposes some measures to promote renewable sources, we think that this is insufficient compared to the funding foreseen for projects in the field of fossil fuels. Such an approach is contrary to the objectives of the Paris Agreement (more so if we take into consideration externalised costs of using fossil fuels, such as environmental pollution and contribution to climate change through greenhouse gas emissions, and treat them as aid/subsidization as they are currently neither communicated nor charged).

No significant progress has been recorded in the area of adaptation to climate change, despite severe droughts during the summer of 2017 which caused great damage to the Serbian economy.¹¹² The First National Adaptation Plan has not been adopted by the Government. The level of participation in international initiatives such as the Covenant of Mayors for Climate and Energy and the Covenant of Mayors *Initiative* on Climate Change Adaptation has also been very low.¹¹³

IMPLEMENTATION OF LEGISLATION

There has been very limited progress made in the implementation of mitigation measures or in their adaptation, especially with regard to areas identified in the last report: administrative capacity, the inclusion of climate measures in other sectors, as well as cross-sectoral cooperation. Significant progress in the implementation of measures has been prevented since the legal framework for this area is still in development.

FINANCING

Mitigation and adaptation to climate change are still not the priority of the Government of Serbia, a fact which can be seen through their financing. Funds from the Green Fund for 2017 were not allocated at the beginning of the process of implementing measures for climate change adaptation in all sectors. No progress has been made with regard to the reform of subsidies on fossil fuels. Since the problem of climate change is inter-sectoral, it is necessary to pay special attention to current and planned activities in sectors such as energy, transportation, etc. and to the financing of those activities as well. An example illustrating the current situation is the afore-mentioned Regulation on the Program for the Implementation of the Energy Sector Development Strategy of the Republic of Serbia for the period until 2025 with projections by 2030, for the period 2017-2023, with plans for the state investment primarily being in the field of fossil fuels¹¹⁴.

¹¹¹ The complete list of projects available at: <http://www.mre.gov.rs/doc/javne%20rasprave/17.07.17/04.%20POS%2010%2007%202017.pdf>

¹¹² The data available: <http://www.euractiv.rs/vesti/102-srbija-i-eu/11690-sua-uzela-danak-ekonomskom-rastu-srbije.html>

¹¹³ According to the official data of Covenant of Mayors Initiative, the signatory is only the City of Niš: <https://www.covenantofmayors.eu/about/covenant-community/signatories.html>

¹¹⁴ The complete text of the Regulation is available at: <http://www.mre.gov.rs/doc/javne%20rasprave/17.07.17/04.%20POS%2010%2007%202017.pdf>

The action plans, strategies and financial plans of the state for this sector are still not adequately developed, despite frequent declarative statements that the state recognises the importance of early action in the fight against climate change. Current plans are incompatible even with the low level of climate ambitions we are currently witnessing.

RECOMMENDATIONS

Legislative framework

- Adopt the Law on Climate Change and envisage the transposition of the EU legal framework for climate by the end of 2018.
- Revise the NDC by the end of 2018 at the latest, in order to align it with EU 2030 targets, and ensure that the state reaches at least a 40% reduction in emissions compared to 1990 levels, ensuring that the country achieves a real reduction in emissions.
- It is necessary to establish a continuous mechanism for monitoring of development and work of local governments on the issues of mitigation and adaptation of climate change. The work on the creation of action plans for adapting to climate change is still needed.
- Revise all the elements of legislation (laws, documents, etc.) that are directly related to greenhouse gas emitters so as to include the climate change aspect (so-called mainstreaming).

Implementation of legislation

- Make better and more active use of the role of the National Climate Change Council and include CSO representatives in the work of the Council. Ensure inter-sectoral cooperation and include climate change mitigation and adaptation measures into other policies.
- Urgently (before the next climate negotiations) revise and address the shortcomings of the first two updated reports and inform UNFCCC accordingly, in accordance with issues raised by the civil society.
- Build on the progress made in 2016 on interested parties' engagement and continue cooperation with civil society; ensure the broadest possible public involvement and fair public consultation processes enabling local government units, civil society and citizens to actively participate in the development of the National Climate Change Strategy with the action plan and the revision of the NDC.
- Increase the number of civil servants within the ministries dealing with

climate change impacts in different sectors and focus on increasing their capacities.

- Continue and improve the practice of involving civil society organisations in relevant processes.

Financing

- Develop a financial mechanism to support strategic priorities (which have to comply with EU accession), among other things, by shifting funds from polluting fossil fuel subsidies to measures of mitigation and adaptation to climate change.

10. FORESTRY

OVERVIEW

Forestry is not dealt with as a separate topic under Chapter 27. It was only partially analysed during the screening process within the field of nature protection. However given that forestry has a major impact on many areas of the environment (nature protection, climate change, etc.), we have decided to give an overview of this area in our report.

There are two regulations governing trade in timber and timber products which are significant for the EU accession process: the FLEGT Regulation¹¹⁵ regulating tropical timber product import into the European Union and the EUTR regulation¹¹⁶ governing trade in timber and timber products. Serbia's readiness to apply these two regulations is currently assessed as very low. One of the major shortcomings of the forestry sector in Serbia is lack of a functional strategic document.

Although the state of forests in our country is generally assessed as satisfactory, there are numerous problems, some of which are: the high percentage of coppice forests (65%), widespread practice of illegal logging, lack of data on forests in private ownership and poor control of their use.

The interested public is largely shut off from the decision making in the forestry sector, and it is conducted mainly within a narrow circle of relevant institutions.

An integrated approach to forest management is still underdeveloped in Serbia. Other ecosystem services, except for the direct use of timber, have been neglected. What is necessary is better integration and cooperation with other sectors, especially because forest management has a very important role in mitigating and adapting to climate change.

LEGISLATIVE FRAMEWORK

In Serbia today, practically, there is no strategic document defining the forestry policy in an integrated way. The Forestry Development Strategy of the Republic of Serbia¹¹⁷ was created in 2006 and has not been revised since, and it is difficult to say that it has ever been put into practice. The reason for that is in the fact that an action plan defining funding sources and the dynamics of the implementation of this Strategy has never been made. Forestry in Serbia is regulated by the Law on Forests¹¹⁸. This Law envisages the development of the Forestry Development Program with the Action Plan, as well as the plans for the development of six forest areas. None of these documents has been created, nor adopted.

¹¹⁵ Council Regulation (EC) No. 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community

¹¹⁶ Regulation (EU) No. 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market

¹¹⁷ "Official Gazette of the Republic of Serbia", No. 59/2006

¹¹⁸ "Official Gazette of the Republic of Serbia", Nos. 30/2010, 93/2012 and 89/2015

The forestry area is not dealt with separately in Chapter 27; it was only partially analysed during the screening process within the area of nature protection. The subject of this analysis were the two EU directives: the FLEGT Regulation¹¹⁹ regulating tropical timber product imports into the European Union and the EUTR regulation¹²⁰ governing trade in timber and timber products. Regarding the regulations, Serbia has no obligation to transpose them into national legislation, but the screening clearly pointed to the fact that Serbia currently does not have the capacity to implement these two regulations. The relevant institutions are not defined, nor is there a clear control system that would make the implementation of the EU regulations possible.

EU strategic documents in the field of forestry (EU Forest Strategy from 2014, the Green Paper on Forest Protection in the EU) are not discussed within the professional community in Serbia.

IMPLEMENTATION OF LEGISLATION

The umbrella institution for forestry policy in Serbia is the Forest Directorate of the Ministry of Agriculture, Forestry and Water Management. All publicly owned forests are run by public enterprise companies (PE Srbijašume, PE Vojvodinašume, public enterprises managing national parks, municipal public enterprises, etc.). State forests account for about 50% of the forests in Serbia, the rest of them are privately owned.

The management of state-owned forest is mainly conducted in accordance with the planning documents envisaged by the law, which is not the case in private forests. Data that is necessary for adequate forest management is generally not available for forests in private ownership, and therefore the control of the utilisation of these forests is very poor.

Illegal logging is a prominent problem in private forests, but it is also present in forests run by public enterprise companies. It is estimated that at least 17,000 cubic meters of wood are illegally cut in Serbia every year¹²¹.

The scope of forest utilisation is defined by a forest management basis, which is developed for each management unit. The basis is adopted for a period of 10 years. This document contains an assessment of the state of forests, and prescribes management measures as well as the scope and dynamics of their implementation. Although it is a document that fully defines the use of public resources, the participation of the interested public is at a very low level, and it is usually reduced to formal public insight.

It is difficult to talk about the justification of the planned scope of utilisation (logging) that is determined, precisely because of the closed decision-making process that is mostly

119 Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community

120 Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market

121 Data available at: https://www.cins.rs/srpski/research_stories/article/zbog-illegalne-sece-godisnje-nestane-hiljade-hektara-suma-

entrusted to the beneficiary of public resources (public enterprises). The general condition of the state-owned forests is usually assessed as satisfactory, although certain problems have been expressed, such as the high presence of coppice forests (close to 65%).¹²²

Through the existing institutional framework, forest management is focused on the utilisation of wood while other forest benefits are largely neglected. First of all, this refers to the benefits forests offer in terms of their importance for mitigation and adaptation to climate change and other ecosystem services they provide.

The first national forest inventory in Serbia was made in the period 2003-2006. The second round of which has been envisaged as part of the project "Contribution of Sustainable Forest Management to a Low Emission and Resilient Development", the implementation which will begin in 2018 and will be financed through the GEF program.¹²³

The forest areas managed by PE Srbijašume and PE Vojvodinašume are certified in accordance with the FSC¹²⁴ standard, but a national standard for certification has yet to be developed. The preparation of the Provisional National Standard with the support of FSC is in ongoing.

Forestry has a major impact on other areas within Chapter 27, primarily on the protection of nature. It is certain that a significant part of the future Natura 2000 ecological network will include forested areas. Current management practices do not allow adequate application of the protection measures necessary for the protection of species of European concern (priority species defined by the Habitats Directive and the Birds Directive). Also, the current practice of forest management does not take sufficient account of the aspect of climate change, i.e. it does not allow for integrated management in order to mitigate and adapt to climate change.

FINANCING

The basic instrument for financing sustainable forest management in Serbia is the Budgetary Forest Fund. The funds of this budget fund are mostly collected on the basis of fees for the use of forests and forest land. About 70% of the funds collected through these taxes are directed to the Budgetary Forest Fund, and around 30% is paid to the municipalities where the forests are located. There are no mechanisms to ensure that funds allocated to municipal budgets are used to the benefit and protection of the forests. Most of the funds from the Budget Forest Fund are directed to measures for protecting and improving state-owned forests. In 2017, a total of 750 million dinars¹²⁵ was spent from the Budgetary Forest Fund. The largest part of these

122 Banković, S., Medarević, M., Pantić, D., Petrović, N., Šljukić, B., Obradović S. (2009). The Forest Fund of the Republic of Serbia – The State and the Problems, The Faculty of Forestry Gazette, No. 100, pages 7-30. Available at: <http://www.doiserbia.nb.rs/img/doi/0353-4537/2009/0353-45370900007B.pdf>

123 The data about the project are available at: <https://www.thegef.org/project/contribution-sustainable-forest-management-low-emission-and-resilient-development>

124 Forest Stewardship Council

125 Rulebook on determining the annual program of execution of Budgetary Forest Fund of the Republic of Serbia in 2017, "Official Gazette of the Republic of Serbia", No. 13/17.

funds (about 65%) was allocated to the construction and reconstruction of roads, while about 15% of the funds was allocated for forestation.

RECOMMENDATIONS

Legislative framework

- It is necessary to develop a national strategic document (development program) for forestry that will offer a long-term vision of the development of this area in Serbia with precise sources of funding and implementation dynamics. This document must take into account the relevant EU documents in this area (EU Forest Strategy, Green Paper on Forest Protection).
- Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and the FLEGT Regulations.

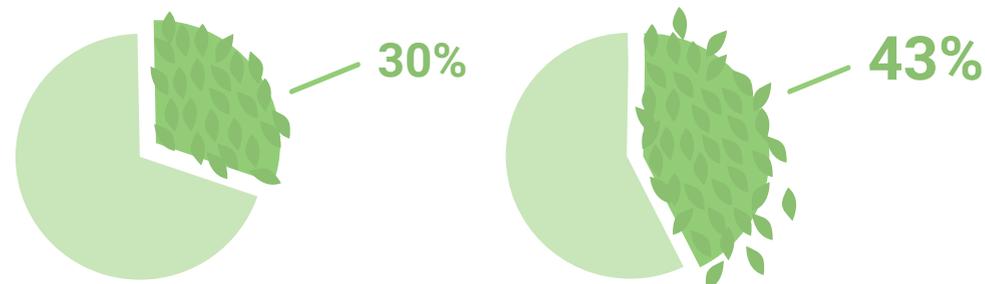
Implementation of legislation

- Strengthen the capacities of the relevant institutions with regard to the implementation of EU legislation in the field of nature protection (Habitats Directive and Birds Directive).
- Strengthen the capacities of relevant forestry institutions regarding EU integration in the field of climate change and energy.
- Enable greater public participation in the development of critical documents governing the use of forests (including the basics of forest management).
- Acknowledge and promote other ecosystem services provided by forests, except wood, and use them in forest management planning.
- Improve the quality of information on privately owned forests and increase control over their use.
- Improve cooperation with other sectors (nature protection, energy, climate change, water management) with the aim of integrated management of forest ecosystems.

Financing

- Direct the funds of the Budgetary Forest Fund to a greater extent towards financing of the protection and improvement of forest ecosystems providing services of general interest.

FORESTRY



Forested area in Serbia

Forested area in the EU



17,000 cubic meters of wood is cut illegally in Serbia each year. This corresponds to an area close to **100** hectares,

which means that **ABOUT 100 HECTARES** OF FOREST ARE CUT ILLEGALLY in Serbia every year.

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Horizontal Legislation



● Adopted
 ● Not adopted
 ● Partially adopted
 New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT	COMMENT	RECOMMENDATION FOR 2018		
<p>● Pass all necessary bylaws in order to ensure proper functioning and independent monitoring of the Green Fund.</p>	<p>In spite of the announcements by the competent authorities and officials, secondary legislation has not been adopted yet. The work of the Green Fund remains questionable. The competent authorities inform the media, but the public dialogue on the fund model has not been organised.</p>	<p>Pass all necessary bylaws in order to ensure proper functioning and independent monitoring of the Green Fund.</p>	<p>while a public presentation in Belgrade (as the only institute that enables direct dialogue between the public and legislator who proposed the Law) was announced as early as Monday, January 15. That did not allow the interested public enough time to get acquainted with the mentioned Draft and participate in a public presentation in a proper way. Public participation at the level of local self-government units remains at a low level, where public information is most often reduced to a notice board. It often happens that documents are adopted without any participation of the public: for example, the Development Strategy of the City of Belgrade was adopted without any public participation and without having conducted a strategic environmental assessment.</p>	<p>on all activities that are of interest to the general public" would also contribute to the provision of timely and transparent information to the public. The Office for Information Technology and e-government of the Government of the Republic of Serbia: Guidelines for making web presentations of state administration, provincial authorities and local self-government units, 2014, page 12.</p>
<p>● Enhance participation of the public in public consultation procedures by making the process more transparent and inclusive, primarily through providing timely information about hearings and published reports on public consultation.</p>	<p>The newly formed Ministry of Environmental Protection makes notable efforts to regularly publish information on the steps taken (impact assessments, strategic impact assessments, declaring protected areas, etc.). However, the organisation of the Ministry website often makes it difficult to access information, and unless specific documents are sought, some information is still not easily accessible. In some cases, the relevant institutions conducted an appropriate public debate procedure; the publication of information was not timely and did not enable the public to participate in the public debate actively. For example, the Ministry of Transport, Construction and Infrastructure announced a public consultation on the Draft Law on Amendments to the Law on Planning and Construction on Friday, January 12 2018,</p>	<p>Improve participation of the public in public consultation, especially at the local level through more transparent and comprehensive information. Creating a unified procedure for publishing information from public discussions would significantly contribute to the transparency of the process. The implementation of the <i>Guidelines for making web presentations of state administration, provincial authorities and local self-government units</i> which clearly indicate that competent authorities should "regularly publish the most important information about their work, including the news</p>	<p>● Improve Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) processes and expand the list of projects for which SEA and EIA procedures are required.</p> <p> /</p> <p>The processes of EIA and SEA will qualitatively be improved by the amendments to the Law on EIA and the Law on SEA, as well as by adopting bylaws that regulate public inspection procedures, public presentations, public consultation, work of the technical commission and the contents of all documents at different stages of EIA and SEA processes. As the adoption of all these acts was announced for the last quarter of 2018, it is obvious that during this year there will be no improvement in the quality of the process and the content of the documents in the process.</p> <p>Announced amendments to List I and List II are also planned for the end of 2018, while defining the list of projects for which SEA is required is left to the Minister responsible for environmental protection (Law on Strategic Impact Assessment, Article 5, and Paragraph 3). Until the moment of writing this report, such a list has not been published.</p>	<p>Qualitatively improve Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) processes by adopting necessary bylaws and planned amendments to the Laws on EIA and SEA.</p> <p>Harmonize List I (projects requiring impact assessment) and List II (projects for which an impact assessment may be required) with Annexes I and II to Directive 2011/92/EU.</p> <p>Establish a list of plans and programmes for which a strategic environmental assessment is mandatory and lists of plans and programmes for which a strategic environmental assessment may be required.</p>

http://www.deu.gov.rs/doc/Smernice_5_0.pdf



Air Quality

● Adopted ● Not adopted ● Partially adopted ○ New recommendation

● Ensure cumulative environmental impact assessments are conducted, particularly for hydro plant projects, wind parks, extraction of river sediments, etc.	Cumulative impact is rarely assessed when conducting EIAs for List II projects (projects for which the EIA is optional, such as small hydropower projects, gravel exploitation, deforestation, etc.), although the Rulebook on the content of the request for the need for impact assessment and the content of the request for the determination of the scope and content of the environmental impact assessment study explicitly states the need to make an assessment of the cumulative effects of projects.	Ensure inclusion of cumulative impact assessment into studies of environmental impact assessment, particularly for hydro plant projects, wind parks, extraction of river sediments, etc, and adhere to the Rulebook on the content of the request for the need for impact assessment and the content of the request for the determination of the scope and content of the studies of environmental impact assessment (Official Gazette of the Republic of Serbia", No. 69/05)
● Publish investment plans for improvement of water and waste management at a local level regularly.	Large-scale investments in water and waste management are envisaged in the coming years, which is the result of both the needs and the expectations. The capacity of the authorities to conduct proper consultation processes is weak, and in some cases, the lack of responsible processes has caused projects to be delayed or cancelled. Publishing investment plans and process transparency results in a better response to the needs of local communities and higher quality projects.	Publish investment plans for improvement of water and waste management at a local level regularly.
● Establish a practice of quality control of environmental impact assessment studies, as well as a review of studies every five years.	/	Establish a practice of quality control of environmental impact assessment studies, as well as a review of studies every five years.
○ In order to achieve higher compliance with Directive 2003/35/EC, it is necessary to increase the capacity of Aarhus Centres in relation to the participation of the public during the preparation and modification or revision of plans and programmes.		
○ Tighten penalty provisions for environmental pollution.		

RECOMMENDATION FROM THE PREVIOUS REPORT	COMMENT	RECOMMENDATION FOR 2018
● Responsible stakeholders for air quality monitoring should ensure that the measuring system is well maintained and that data is made available to the public, particularly in urban agglomerations such as Belgrade.	At this time, the data needed for verification are still not publicly available.	Responsible stakeholders for air quality monitoring should ensure that the measuring system is well maintained and that data is made available to the public. The system for air quality monitoring should be properly financed to ensure the uninterrupted quality operating of air quality monitoring networks, particularly in urban agglomerations such as Belgrade.
● Inter-sectoral cooperation needs to be improved in order to enable full implementation of the legislation already in place in the country.	No progress has been identified.	Inter-sectoral cooperation needs to be improved in order to enable full implementation of the legislation already in place in the country.
● Local governments/cities should improve the quality, visibility and ensure simple public access to air quality monitoring data provided by local monitoring networks.	There is still significant room for improvement.	Local governments/cities should improve the quality, visibility and ensure simple public access to air quality monitoring data provided by local monitoring networks.

- Start the process of adopting the Air Quality Strategy urgently.
- Initiate the process of establishing binding standards for low-power combustion appliances used in households (wood stoves and solid fuel stoves).
- It is necessary to ensure that relevant institutions enforce regulations related to the legal deadlines for the establishment of public policies on air quality, regulations related to air quality measurement, information exchange on air quality and obligations under international agreements.
- Provide funding for the uninterrupted operation of the inspection.
- Information on detected exceeded hourly and daily allowed thresholds (AT) should include information about non-operational air quality monitoring stations.

- Improve the legal framework in order to establish a more rigorous control of system operators and greater transparency of their work.
- Improve public awareness of the importance of establishing a waste management system and the consequences that inadequate management has on human health and the environment.
- Develop partnerships with the civil sector and include it in the process of drafting new regulations and monitoring the application of the existing ones.
- Develop capacity of institutions at all levels for monitoring and control of the implementation of regulations.
- Develop an efficient judicial system, capable of monitoring and efficiently implementing regulations in the field of waste management.
- Provide financial support to regions and local self-government units to prepare the documentation necessary to obtain the EU funds needed for the construction of sanitary landfills.
- Provide funds for financing of projects for rehabilitation of illegal landfills, the introduction of selective collection of waste, construction of transfer stations and construction of sanitary landfills.
- Provide resources for information and education on the importance of establishing a waste management system and, in partnership with CSOs and the media; inform and educate the public.
- Suspend all activities related to the amendment of the Law on Waste Management, which would "legalise" the import of waste for co-processing and use as an alternative fuel.

Waste Management



- Adopted
- Not adopted
- Partially adopted
- New recommendation

- Improve the waste management control system with particular emphasis on the movement and disposal of waste.
- Provide prerequisites for the application of waste management hierarchy principles with emphasis on waste prevention, reuse and recycling of waste.
- Create an economic model that will motivate local governments to deposit waste on sanitary landfills and accelerate the process of closing and rehabilitation of illegal landfills.
- Provide a public reporting system for emissions from illegal landfills operated by PUCs.
- Ensure the application of the "polluter pays" principle and carry out the inspection of the industries in question in order to ensure accurate reporting.

Water Quality



● Adopted
 ● Not adopted
 ● Partially adopted
 New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT

COMMENT

RECOMMENDATION FOR 2018

● Develop and consolidate the capacity of public institutions in charge of water management, particularly at the local level – the complexity of water management issues demands much more human and technical capacities. Responsible institutions should analyse existing capacities and develop a plan to improve them as soon as possible. To succeed in this, expert institutions, as well as CSOs, should advocate for better political and financial support for water management sector.

No progress has been identified.

● Develop and consolidate the capacity of public institutions in charge of water management, particularly at the local level – the complexity of water management issues demands much more human and technical capacities. Responsible institutions should analyse existing capacities and develop a plan to improve them as soon as possible. To succeed in this, expert institutions, as well as CSOs, should advocate for better political and financial support for water management sector.

● Develop structured cooperation with other relevant sectors: environment protection, energy, agriculture, and spatial planning.

Some improvements have been made (involvement of representatives from other sectors in the development of DSIPs for EU directives related to water management).

● Develop structured cooperation with other relevant sectors: environment protection, energy, agriculture, and spatial planning.

This should involve establishing permanent communication and information exchange between these sectors.

This should involve establishing permanent communication and information exchange between these sectors.

● Further improvement of public participation in policy development in the water management sector is of crucial importance. Public consultations should result in far more beyond the minimal legal requirements. Involvement of the parties interested should start at the earliest stages of policy development.

Some progress is evident (public discussions, working groups), but such practice is not applied consistently.

● Further improvement of public participation in policy development in the water management sector is of crucial importance. Public consultations should result in far more beyond the minimal legal requirements. Involvement of the parties interested should start at the earliest stages of policy development.

● Integration of nature based solutions in water management practices and better consideration of ecosystem services. Specific capacities for these issues should be developed in relevant institutions.

Some recent projects funded by the EU include the concept of nature based solutions (for example the FORRET project).

● Integration of nature based solutions in water management practices and better consideration of ecosystem services. Specific capacities for these issues should be developed in relevant institutions.

● A more decisive approach to water pricing policy.

No progress has been identified.

A more decisive approach to water pricing policy.

● Development of a concrete plan and measures for improvement of monitoring of water quality according to the Water Framework Directive (WFD) requirements.

No progress has been identified.

● Development of a concrete plan and measures for improvement of monitoring of water quality according to the Water Framework Directive (WFD) requirements.

● Improve control and mitigation of the main identified threats: intensive and poorly planned mini-hydropower plant development, gravel extraction, pollution, uncontrolled use of ground waters, illegal construction along rivers: river habitats, wetlands and water resources in general are highly threatened in Serbia. Immediate action at a national level is needed.

Some measures are envisaged in the Law on Amendments to the Law on Waters.

● Improve control and mitigation of the main identified threats: intensive and poorly planned mini-hydropower plant development, gravel extraction, pollution, uncontrolled use of ground waters, illegal construction along rivers: river habitats, wetlands and water resources in general are highly threatened in Serbia. Immediate action at a national level is needed.



Nature Protection

● Adopted ● Not adopted ● Partially adopted ○ New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT

COMMENT

RECOMMENDATION FOR 2018

● Complete the Protocol on procedures and cooperation between institutions and organisations in combating illegal killing, trapping and trade of wild animals – by the Ministry of Environmental Protection with final consultations with experts and scientists as well as the adoption of the Protocol by the government of the Republic of Serbia by mid-2018.

The Protocol on procedures and cooperation between institutions and organisations in combating illegal killing, trapping and trade of wild animals has been drafted.

Complete the Protocol on procedures and cooperation between institutions and organisations in combating illegal killing, trapping and trade of wild animals – by the Ministry of Environmental Protection with final consultations with experts and scientists as well as the adoption of the Protocol by the government of the Republic of Serbia by mid-2018.

Strengthen cooperation between all actors to prevent corruption in the nature protection sector (particularly related to illegal use of forests, water resources and hunting).

Strengthen cooperation between all actors to prevent corruption in the nature protection sector (particularly related to illegal use of forests, water resources and hunting).

● Amend the Law on National Parks. Complete announced amendments to the Law on Nature Protection, complete the Strategy for Nature Protection of Serbia with the participation of civil society and adopt all bylaws that have been already completed, but the adoption of which is being delayed (e.g. Regulation on Appropriate Assessment).

The recommendation of Coalition 27 is not on the priority list of the relevant authorities.

Amend the Law on National Parks. Improve regulatory framework on protected areas, and especially regulations on management, categorisation, and implementation of protective measures and inclusion of interested parties in the management of protected areas. Complete announced amendments to the Law on Nature Protection

● Integration of nature directives (Birds and Habitats Directives) in water management.

Better coordination between water management sector and environmental protection sector is needed regarding the implementation of EU directives.

● Develop specific strategies to improve investment in wastewater treatment facilities. Initiate development of strategies and models for knowledge transfers on wastewater treatment technologies to reduce the costs and mobilise domestic capacities.

Some advances have been made by the Law on Amendments to the Law on Waters.

Integration of nature directives (Birds and Habitats Directives) in water management.

Better coordination between water management sector and environmental protection sector is needed regarding the implementation of EU directives.

Develop specific strategies to improve investment in wastewater treatment facilities. Initiate development of strategies and models for knowledge transfers on wastewater treatment technologies to reduce the costs and mobilise domestic capacities.

A permanent increase of the budgetary allocations for financing activities in relation to water management and protection.

○ There are some indications that budget allocations are increasing, but we still cannot talk about a stable trend.

(fully transpose the provisions of the Habitats Directive and the Birds Directive). Complete the Strategy for Nature Protection of Serbia with the participation of civil society and adopt all bylaws that have been already completed, but the adoption of which is being delayed (e.g. Regulation on Appropriate Assessment).

Improve cooperation in the processes of developing strategies, laws and bylaws between nature protection, energy, construction and urban planning sectors, as well as the cooperation on legislation enforcement particularly in Environmental Impact Assessment and Strategic Environmental Assessment processes.

Improve cooperation between authorities and civil society organisations in the field of nature protection, during the process of preparing new strategic documents, laws, during data collection and nature protection. Involve experts in the preparation of the negotiating position for Chapter 27 in the area of nature protection.

● Improve cooperation and the capacities of national institutions for nature protection (increase the number and qualifications of staff, as well as technical capacities). Allocate funding to strengthen capacities at local and national levels for the implementation of legislation.

● Improve planning and spending of the funds from the budget of the Republic of Serbia for the establishing of the ecological network and protected areas in 2018. Ensure the Green Fund provides adequate financing of nature protection in 2018 (identify priorities and criteria for allocating funds). Carry out the implementation of the Natura 2000 project (EuropeAid/133834/C/SUP/RS).

● Build the implementing capacities of police, inspectors and judges regarding regulations on species protection.

● Strengthen inspection supervision in protected areas in order to prevent illegal construction and logging in 2018.

● Harmonise laws dealing with the protection of nature, particularly regarding laws ratifying international agreements.

The nature protection sector does not have adequate support from the Government of the Republic of Serbia. Budget provisions are insufficient for the proper functioning of this sector. It has been unofficially indicated that organisation of personnel within the Ministry has been completed, as well as plans for employing more staff. However, the public has not been officially informed about details yet.

No data is available on the expenditure of funds allocated to the ecological network and nature protection in the Republic of Serbia in 2017.

There is no available data on capacity building processes.

There has been no progress since the last report.

There has been no progress since the last report.

Improve cooperation and the capacities of national institutions for nature protection (increase the number and qualifications of staff, as well as technical capacities). Allocate funding to strengthen capacities at local and national levels for the implementation of legislation.

Improve planning and spending of the funds from the budget of the Republic of Serbia for the establishing of the ecological network and protected areas in 2018.

Ensure the Green Fund provides adequate financing of nature protection in 2018 and 2019 (identify priorities and criteria for allocating funds) and set up an expenditure reporting system.

Build the implementing capacities of police, inspectors and judges regarding regulations on species protection.

Strengthen inspection supervision in protected areas in order to prevent illegal construction and logging in 2018.

Harmonise laws dealing with the protection of nature, particularly regarding laws ratifying international agreements.

● Improve cooperation in the processes of developing strategies, laws and bylaws between nature protection, energy, construction and urban planning sectors, as well as the cooperation on legislation enforcement particularly in Environmental Impact Assessment and Strategic Environmental Assessment processes.

● Improve cooperation between authorities and civil society organisations in the field of nature protection, during the process of preparing new strategic documents, laws, during data collection and nature protection.

No progress in this sector whatsoever. Energy-related projects continue to be planned and implemented in protected areas.

No progress. Civil society is still included for the sake of legitimating the process, while opinions of civil society stakeholders are not considered and adopted.

- Ensure regular and adequate implementation of the activities on the establishment of the Ecological Network and Natura 2000 in Serbia.
- Ensure more active work of the competent Ministry in solving problems and preventing violations of the provisions of the international Convention on the Conservation of European Wildlife and Natural Habitats in Serbia.

- Fully secure the right of the public to participate in decision-making process in cases when amendments are being made to integrated permits.

The Law on Integrated Pollution Prevention and Control has not changed in this respect.

Fully secure the right of the public to participate in decision-making process in cases when amendments are being made to integrated permits.

- The following documents shall be published on the Ministry's website and made available to the public: 1. Draft proposal for amendments to the Law on Integrated Pollution Prevention and Control; 2. Draft Regulations on the Procedure for determination of start-up and shut-down periods of large combustion plants; 3. Proposal for improvement of the Decree on types of waste which undergo thermal treatment.
- Publish the NERP and invite the public to participate in the process of strategic assessment of the impact of its application.
- Publish and involve interested public in the development of specific implementation plans.
- Publish a report on the state of the environment for 2016 and 2017, with mapped locations where hazardous waste was found, as well as locations where historical industrial pollution was recorded.
- Increase capacities at all levels of public administration, including inspections.

Industrial Pollution and Risk Management



- Adopted
- Not adopted
- Partially adopted
- New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT	COMMENT	RECOMMENDATION FOR 2018
● The Republic of Serbia should take immediate steps to comply with the Industrial Emissions Directive and harmonise procedures for obtaining various permits required for an integrated permit.	The Specific Implementation Plan for the Industrial Emissions Directive (IED), which was supposed to set out steps for harmonisation and projected costs, has not yet been completed. Moreover, procedures for obtaining an integrated permit have not been harmonised yet.	Take necessary steps to achieve full transposition of the Industrial Emissions Directive by 2018, as planned. Harmonise procedures for obtaining different licenses that precede an integrated permit. Accelerate the issuance of integrated permits.
● The competent Ministry and all relevant stakeholders should inform the public in Serbia in a transparent manner about all the steps taken to create the specific plans for implementation of the Industrial Emissions Directive (IED) and law enforcement in this field.	There is no publicly available information on whether industry operators have provided precise step-by-step data, costs, and time-frame to comply with IED, or information about what the provided data are. In the previous period, the Ministry has undertaken some activities related to the IPPC permits for farms.	Raise the level of information of the public and all relevant actors on DSIP for IED, as well as law enforcement in this field.

Chemicals Management



● Adopted
 ● Not adopted
 ● Partially adopted
 ○ New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT

COMMENT

RECOMMENDATION FOR 2018

● Establish adequate dynamics for harmonisation with relevant amendments to EU regulations in this field.

A positive trend has been noticed, particularly regarding adaptation to technical and scientific progress (ATP).

Establish adequate dynamics for harmonisation with relevant amendments to EU regulations in this field.

Adopt a new Law on Biocidal Products harmonised with EU Regulation 528/2012 on biocidal products to the extent to which it is possible due to centralised procedures at the EU level.

Adopt a new Law on Biocidal Products harmonised with EU Regulation 528/2012 on biocidal products to the extent to which it is possible due to centralised procedures at the EU level.

Amend the Rulebook on permits for performing business activities, that is, on permits for the use of particularly hazardous chemicals: delist the hazard class skin corrosion/irritation (subcategory 1B) from criteria for particularly hazardous chemicals. When the Law on Chemicals is next amended, we suggest the provisions about particularly hazardous chemicals to be removed (they do not exist even in the EU), taking into account the existence of other risk control measures for hazardous chemicals that have been implemented in practice for some time.

Amend the Rulebook on permits for performing business activities, that is, on permits for the use of particularly hazardous chemicals: delist the hazard class skin corrosion/irritation (subcategory 1B) from criteria for particularly hazardous chemicals. When the Law on Chemicals is next amended, we suggest the provisions about particularly hazardous chemicals to be removed (they do not exist even in the EU), taking into account the existence of other risk control measures for hazardous chemicals that have been implemented in practice for some time.

● Continue improving existing administrative and professional capacities in this area and create mechanisms and conditions for engaging external experts in order to compensate for the lack of capacities for regulatory risk assessment activities.

International projects in the area of chemicals and biocidal products management have provided training courses not only for representatives of state authorities but also for the wider professional community with the aim of strengthening professional capacities in the scientific and academic sector for effective implementation of regulatory risk assessment of chemicals and biocidal products. The number of employees working in the area of chemicals and biocidal products management has not increased.

Continue improving existing administrative and professional capacities in this area and create mechanisms and conditions for engaging external experts in order to compensate for the lack of capacities for regulatory risk assessment activities.

● Improve implementation of administrative procedures through establishing information infrastructure for electronic data submission, with appropriate protection and levels of data access.

No progress has been identified.

Improve implementation of administrative procedures through establishing information infrastructure for electronic data submission, with appropriate protection and levels of data access.

● Establish the Joint Body for planning, monitoring, harmonisation and undertaking joint measures of different inspectorates in charge of the control and monitoring of chemicals and biocidal products.

No progress has been identified.

Establish the Joint Body for planning, monitoring, harmonisation and undertaking joint measures of different inspectorates in charge of the control and monitoring of chemicals and biocidal products.

● Establish the Joint Body for Integrated Chemicals Management in order to provide satisfactory cooperation and coordination between all relevant sectors and ensure safe chemicals management throughout their entire life cycle, that is, adopt and start implementation of the Integrated Chemicals Management Programme.

No progress has been identified.

Establish the Joint Body for Integrated Chemicals Management in order to provide satisfactory cooperation and coordination between all relevant sectors and ensure safe chemicals management throughout their entire life cycle, that is, adopt and start implementation of the Integrated Chemicals Management Programme.

● Determine fees for administrative procedures related to chemicals and establish financial mechanisms to ensure that costs of regulatory procedures related to chemicals and biocidal products are borne by business entities that generate revenue from their placement on the market.

No progress has been identified.

Determine fees for administrative procedures related to chemicals and establish financial mechanisms to ensure that costs of regulatory procedures related to chemicals and biocidal products are borne by business entities that generate revenue from their placement on the market.

○ The Government of the Republic of Serbia needs to adopt the updated NIP for the implementation of the Stockholm Convention on POPs as soon as possible in order to implement the activities defined in specific action plans, primarily the activities related to monitoring POPs in the environment and food.

Noise



● Adopted ● Not adopted ● Partially adopted ○ New recommendation

○ Ensure the Law and bylaws are fully compliant with Directive 2002/49/EC.

○ Make noise data publicly available (make a list of existing strategic noise maps and action plans for noise).

○ Work on the training of noise experts (especially at the local level).

○ Secure funds for the implementation of plans (and obligations) in the area of noise (according to the National Program, the costs for the noise sector are estimated at 18.6 million euros).

○ Develop strategic noise maps and action plans for 5 agglomerations (Belgrade, Novi Sad, Niš, Kragujevac and Subotica), as well as for the railway and Nikola Tesla Airport.

Climate Change



● Adopted ● Not adopted ● Partially adopted ○ New recommendation

RECOMMENDATION FROM THE PREVIOUS REPORT

COMMENT

RECOMMENDATION FOR 2018

● Revise the NDC by the end of 2018 at the latest, in order to align it with the EU 2030 targets, and ensure that the state reaches at least a 40% reduction in emissions compared to 1990 levels, ensuring that the country achieves a real reduction in emissions.

This recommendation is time-bound, and we will only be able to reasonably evaluate it at the end of 2018. However, the fact that representatives of Coalition 27 – who are members of both the Working Group for the National Climate Change Strategy and the National Climate Council – have not been informed of any progress since March 2017 raises concern. Still, we continue to hope that the process will continue as soon as possible and soon offer initial results for discussion by all stakeholders.

Revise the NDC by the end of 2018 at the latest, in order to align it with the EU 2030 targets, and ensure that the state reaches at least a 40% reduction in emissions compared to 1990 levels, ensuring that the country achieves a real reduction in emissions.

● Make better use of the role of the National Climate Change Council and include CSO representatives in the work of the Council. Ensure inter-sectoral cooperation and include climate change mitigation and adaptation measures into other policies.

The National Climate Change Council has been reformed to include new members and civil society representatives. Members of Coalition 27 attended the meeting of the Council in March 2017 but have not witnessed true readiness to improve inter-sectoral coordination from other relevant Ministries (energy, finance, etc.).

Make better and more active use of the role of the National Climate Change Council and include CSO representatives in the work of the Council. Ensure inter-sectoral cooperation and include climate change mitigation and adaptation measures into other policies.

Address the shortcomings of the First Biennial Update Report in the next communication to the UNFCCC, in accordance with the issues raised by the civil society interested parties.

Serbia submitted the Second National Communication to the United Nations Framework Convention on Climate Change, in which unfortunately bad practice has continued, and this time, due to an inadequate methodology (inaccurate overview of the emission status, non-transparency of the process), the document was rendered meaningless.

Urgently (before the next climate negotiations) revise and address the shortcomings of the First Updated Report and the Second National Communication and inform UNFCCC accordingly, in accordance with the issues raised by the civil society.

Build on the progress made in 2016 on interested parties' engagement and continue cooperation with civil society; ensure the broadest possible public involvement and fair public consultation processes enabling local self-governments, civil society and citizens to actively participate in the development of the NCCS and the revision of the NDC.

The progress has been set back due to stagnation in the development of the National Climate Change Strategy which was supposed to be a showcase for the broad inclusion of civil society in the decision-making process. The Law is in its draft phase, and the adoption was announced to take place by the end of 2018. Setting up the National Climate Change Council was a significant step forward; however, the Council has met only once so far – in 2017.

Build on the progress made in 2016 on interested parties' engagement and continue cooperation with civil society; ensure the broadest possible public involvement and fair public consultation processes enabling local self-government units, civil society and citizens to actively participate in the development of the NCCS and the revision of the NDC.

Increase the number of civil servants within the ministries dealing with climate change impact in different sectors and focus on increasing their capacities.

The restructuring of the units inside the Ministry of Environment is on-going, but we do not have any information about the capacity increase of the Sector for Nature Protection and Climate Change or any similar organisational units.

Increase the number of civil servants within the ministries dealing with climate change impact in different sectors and focus on increasing their capacities.

Provide obligatory training for local self-governments to assess climate change exposure and vulnerabilities and as well as training for action plans for mitigation and adaptation to climate change.

A project titled "Climate Smart Development at Local Level" has been launched and several workshops have been held in the framework of collecting and managing data relevant to the fight against climate change and the planning of projects the implementation of which will lead to a reduction in GHG emissions.

Provide obligatory training for local self-governments to assess climate change exposure and vulnerabilities as well as training for development of action plans for mitigation and adaptation to climate change.

Develop a financial mechanism to support strategic priorities, among other things, by shifting funds from polluting fossil fuel subsidies to the measures of mitigation and adaptation to climate change.

The Green Fund has not financed climate activities, and no progress on the reform of fossil fuel subsidies has been achieved.

Develop a financial mechanism to support strategic priorities, among other things, by shifting funds from polluting fossil fuel subsidies to the measures of mitigation and adaptation to climate change.

Adopt the Climate Change Law and transpose the EU legal framework on climate by the end of 2018.

Revise all legal acts (laws, documents etc.) that are directly related to emitters of GHG in so that they include the aspect of climate change (so called climate change mainstreaming).

Continue and improve the practice of including CSOs in all relevant processes.

Forestry



● Adopted
 ● Not adopted
 ● Partially adopted
 New recommendation

It is necessary to develop a national strategic document (development program) for forestry that will offer a long-term vision of the development of this area in Serbia with precise sources of funding and implementation dynamics. This document must take into account the relevant EU documents in this area (EU Forest Strategy, Green Paper on Forest Protection).

Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and the FLEGT Regulation.

Strengthen the capacities of the competent institutions with regard to the implementation of EU legislation in the field of nature protection (Habitats Directive and Birds Directive).

Strengthen the capacities of competent forestry institutions regarding EU integration in the field of climate change and energy.

- Enable greater public participation in the development of critical documents governing the use of forests (including the basics of forest management).
- Acknowledge and promote other ecosystem services provided by forests, except wood, and use them in forest management planning.
- Improve the quality of information on privately owned forests and increase control over their use.
- Improve cooperation with other sectors (nature protection, energy, climate change, water management) with the aim of integrated management of forest ecosystems.
- Direct the funds of the Budget Forest Fund to a greater extent towards the financing of the protection and improvement of forest ecosystems providing services of general interest.

HORIZONTAL LEGISLATION



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects
- Data regarding the implementation of the EIA and SEA procedures is collected through participation in the public consultations and consultations with local authorities and CSO's

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AIR QUALITY



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Direct communication with experts in air quality (meetings, workshops, interviews)
- Consultations with competent public institutions

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WASTE MANAGEMENT



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Cooperation with experts from the field of waste management
- Analysis of relevant statistical data available on the internet

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WATER QUALITY



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects
- Direct communication with experts in water quality (meetings, workshops)
- Participation in working groups for drafting by-laws and national implementation plans (organized by Ministry of Environmental Protection)

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NATURE PROTECTION



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects
- Direct communication with experts in nature protection (meetings, workshops)
- Scientific field work, collecting and analyzing data on species and habitats
- Participation in working groups for drafting by-laws and national implementation plans (organized by Ministry of Environmental Protection)

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CHEMICALS MANAGEMENT



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of institutional and administrative capacities and implementation in practice

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INDUSTRIAL POLLUTION AND RISK MANAGEMENT



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects

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NOISE



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects

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CLIMATE CHANGE



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects
- Media monitoring

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FORESTRY



Methodology:

- Policy analysis – analysis of national legal and strategic documents and comparing with acquis – relevant documents and information were collected from official sources available on the Internet
- Analysis of relevant studies and projects
- Direct communication with experts in the field of forestry(meetings, workshops)

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Chapter 27 in Serbia: No-Progress Report has been published with the assistance of the CSOconnect programme implemented by the Regional Environmental Center for Central and Eastern Europe (REC). The program is financed by The Swedish International Development Cooperation Agency (SIDA). The opinions and recommendations expressed in this publication do not necessarily reflect those of SIDA. The contents of this publication are the sole responsibility of its authors.

The report was prepared with the valuable support of the Heinrich Böll Foundation.

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