

ENVIRONMENTAL REGULATIONS

1.56

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Introduce stronger rules and monitoring of air quality, in particular in large industrial environments and strengthen polluters sanctioning.	2010		√	
Introduce new funding for energy efficient and clean heating and strengthen local capacities in that area with the aim of fossil fuel use reduction in heating season.	2020		√	
Increase incentives for use of hybrid and electric cars;	2020		√	
Re-examine the idea of introducing producers' responsibility for collective take-back schemes for the recycling of all special waste streams (packaging, WEEE, ELV's, tyres, etc.).	2019			√
Stimulate investments into the treatment of animal waste and ensure adequate solutions for such waste.	2015			√
Solving the problems of waste management and wastewater treatment, strengthening the financial and personnel capacities of local governments, which are responsible for carrying out the abovementioned tasks.	2019		√	
Improving the regulations in the field of electronic communications and implementing the regulations in the field of environmental protection and protection against non-ionizing radiation in order to ensure a smooth implementation of 4G technology and create preconditions for the implementation of 5G technology;	2019			√
Improving the medical waste treatment particularly in light of COVID-19 which caused excessive quantities of medical waste.	2020			√
Speed up the process of adopting laws and by-laws in order to ensure a proper implementation of regulations related to environmental protection.	2018		√	

CURRENT SITUATION

The most significant change relates to developments with regard to Chapter 27, which deals with environmental protection and climate change issues. This chapter is one of the most complex and demanding chapters because it requires the application of environmental standards and integration into all other development policies and at the same time it is the most expensive. The final version of the Negotiating position was adopted in January 2020. The EC drafted the Common Position, which was sent to EU member states in November 2020. The next step is the EC decision to open this chapter for negotiations. The submitted Negotiating position contains 14 appendices, most of which are implementation plans (DSIPs) that justify the need for transitional periods for certain directives. The main reasons why Serbia is looking for transitional periods for waste and wastewater management are the lack of infrastructure necessary to meet the required standards. A

transitional period is necessary for 68 industrial plants for the purposes of implementing the Industrial Emissions Directive.

Since 2016, all EC annual progress reports on Serbia have mentioned the need to increase the administrative and financial capacity of the Ministry of Environment and the operationalization of the Green Fund and the provision of adequate funding for the fund have been set as a precondition for further progress and the opening of Chapter 27. As part of fiscal consolidation, all earmarked budget funds, including those for environmental protection, have been abolished and all earmarked revenues have been directed to the general budget. Reforms to reduce the fiscal burden on the economy have changed the legal framework for local fees for environmental protection and improvement, so they have been significantly reduced. The result is a decline in activities in monitoring the status of the environment of local governments, which in fact have been

left without the ability to influence the status of the environment in their territory and the centralization has been achieved in the field of environmental protection. This type of centralization of funds has been criticized in EC reports.

In the field of water supply, it has been planned to finance priority projects for the improvement of the water supply system in about 60 municipalities in Serbia through an EIB loan.

For wastewater treatment, partial financing of the construction of new WWTPs in Čačak, Niš and Kragujevac has been planned.

In addition to the Air Protection Strategy (whose program will be developed in 2021), air quality plans and short-term action plans by local governments should be adopted. Based on the air quality assessment, 13 local government units shall adopt these plans. The consent of the Ministries has been given to 6 plans, while one has been returned for correction and the remaining plans have not been submitted for approval.

About 12 million tons of waste are produced in Serbia annually, of which as many as 10 million are not treated in any way. More than 80% of the total waste is generated by the mining and energy sectors, while 2.3 million tons are municipal waste. There is no plant for thermal treatment of hazardous waste in Serbia, so this waste has been exported for treatment to European plants. According to the Basel Convention, Serbia has committed itself to have a thermal waste treatment plant built by 2020 and to solve the problem of hazardous waste at the place of origin. When it comes to municipal waste, many municipalities do not have recycling yards built, a sufficient number of storage bins/containers and no waste collection system at source. Waste collection has been charged according to the square footage of the apartment and not according to the amount of waste produced. Therefore, as well as due to weak or no penal policy, the number of illegal landfills has been estimated at around 3500. Out of a total of 816 cleared sites of illegal landfills, waste disposal has been returned to 746. This situation indicates the need for rigorous application of legal regulations and improvement of the work of bodies that have the authority to prevent this problem from recurring. Amendments to the Law on Waste Management were planned for 2020 but this law has not been changed yet.

The development of the Water Management Plan on the territory of the Republic of Serbia for the period from 2021 to 2027, as the basic instrument implementing the principles of the Water Framework Directive, has begun in Serbia

through the Twinning project and its adoption is expected by the end of 2021. A Flood Risk Management Plan is being prepared at the same time with the Water Management Plan on the territory of the Republic of Serbia. At the end of 2020, a Public Debate was conducted on the Proposal of the Action Plan for the Implementation of the Water Management Strategy on the territory of the Republic of Serbia until 2034. The Action Plan has not yet been adopted. The most important precondition for the implementation of the Drinking Water Directive and the Urban Wastewater Treatment Directive is the restructuring of public enterprises in accordance with the requirements of these directives, the improvement of cost collection and the dynamic harmonization/increase of tariffs.

The Law on Climate Change was adopted in March 2021. This Law is the first of its kind in the field of combating climate change and is the basis for the bylaws necessary to start the green transition. It is expected to adopt an umbrella climate strategy that would affect all sectors: energy, agriculture, forestry, water management, etc. Serbia should adopt the National Energy and Climate Plan by the end of 2021, which covers the period from 2021 to 2030, which is the request of the Energy Community.

For all aspects of the environment, the problem is the administrative capacity of actors at both the local and central levels. There are not enough employees in the public administration who deal with the environment and this is most felt in the Inspectorate for Environmental Protection. The capacity of the judiciary has been deficient in this area and it is important to create a database of all cases of environmental crime and environmental criminal acts.

Environmental investment management in Serbia does not have a clear strategic framework. The EU recommendation is that the Investment Plan should be turned into a national program, which would give priority to projects with the greatest positive impact on the environment.

POSITIVE DEVELOPMENTS

The amendment to the Regulation on limit values for emissions of pollutants into the air from combustion plants was adopted in 2021. The most important novelty is that now the facilities that did not have obligations according to the previous norm have been included. These are smaller plants that are a source of pollution and their control will be the responsibility of the Inspectorate for Environmental Protection.

According to the new regulation, emissions will also be measured in combustion plants with a power of less than 8 kWth, if they use liquid and gaseous fuels, or when it is less than 50 kWth, for plants that use solid fuels. In this way, data on the total share of small pollutants will be obtained.

In March 2020, the Decree on the conditions and manner of conducting subsidized purchase of new vehicles that have exclusively electric drive, as well as vehicles that, in addition to the internal combustion engine, also run on electric drive (hybrid drive), was passed. The Decree stipulates that legal entities, entrepreneurs and natural persons have the right to subsidized purchase of vehicles.

The Draft of the new Waste Management Strategy, which covers the period from 2020 to 2025, has been prepared. The new Strategy contains the National Waste Management Plan. The focus has changed from regional sanitary landfills to regional waste management centres where greater emphasis shall be placed on recycling and treatment of non-recyclable waste for energy or compost production, while the rest of that treatment would be used in the construction industry. The principle of circular economy and waste prevention will be introduced in accordance with the newer EU directives. Although there has been a public debate on this strategy, it has not yet been adopted. As for packaging waste, there are announcements that a new law will be drafted but at the moment the drafts are not available.

In the previous period, several projects for the construction of WWTP have been activated. Funds have been provided by the EU for a number of these projects. Several wastewater treatment systems have been brought to the final stage of construction in the previous period and the preparation of projects or the start of construction in several places has been announced.

By the end of 2021, the finalization of the strategic document National Energy and Climate Plan (NECP) is expected. This document should define and prescribe goals for increasing energy efficiency and the share of renewable energy sources in energy consumption as well as reducing GHG emissions by 2030, with a vision by 2050. In addition to defining the objectives, the document should also contain measures (administrative, economic, financial...) to meet these objectives.

The Proposal of the Nature Protection Program of the Republic of Serbia for the period from 2020 to 2022 was presented in December 2019.

The Law on Amendments to the Law on Nature Protection has been adopted. This regulation introduces the Precautionary Principle which allows immediate action in cases where there is an imminent danger to nature, even if there is not enough scientific data at that time. One of the reasons for the amendments to the Law is the ban on the construction of hydroelectric power plants in protected areas. The new law shall more precisely define the provisions related to the procedure for assessing the acceptability of the ecological network and the establishment of the ecological network, which is defined in accordance with the requirements of the European Directive on Conservation of Natural Habitats and Wild Fauna and Flora and the Directive on Conservation of Wild Birds.

REMAINING ISSUES

In February 2020, the Republic of Serbia adopted the National Plan for the Reduction of Emissions of Major Pollutants from Old Large Combustion Plants (NERP). Some old large plants to some extent do not meet the obligations under the NERP in terms of permitted emissions of pollutants. Old large combustion plants, which most often burn coal, should ensure full compliance with the adopted National Plan for the reduction of pollutant emissions.

The Air Protection Strategy, as an umbrella document at the state level for this area, has not yet been adopted.

Data from the SEPA network have showed that as many as 12 stations recorded excessive pollution for over 20 days in January 2020 alone. The highest number of days with excessive pollution were recorded in Valjevo (28), as well as in Kosjerić, Pančevo and Niš. The highest concentration of PM10 particles was recorded in Smederevo, 567 µg/m³, which is ten times higher than the allowed value.

Based on the National Waste Management Strategy from 2009, the closure and reclamation of existing landfills and the construction of 29 regional sanitary landfills have been planned. The current situation is such that 11 sanitary landfills have been commissioned and two are under construction. The objectives of the previous strategy have planned an ambitious 90% coverage of the population with the implementation of the strategy but based on currently functioning sanitary landfills about 38% of the population has been covered by this system. The remaining landfills and garbage dumps are not only potential polluters of the environment (primarily water and soil) but also pose a danger as possible locations for the spread of infection and fires are also frequent there.

Investments in the field of wastewater treatment are opportune, in the sense that projects have been made and construction shall start depending on the availability of funds from the donation. There is no clear plan regarding the construction of WWTP on the territory of Serbia.

The strategic framework for combating climate change is still at an unsatisfactory level. A low-carbon development strategy with an action plan has not yet been adopted, although a public hearing ended in January 2020. In the near future, it is necessary to adopt a mechanism for taxing CO2 emissions.

The non-existence of this mechanism currently gives Serbia a comparative advantage with the EU market, which will be an obstacle to further integration into the EU market in the sense of the so-called carbon border adjustment mechanism, which will have an impact not only on electricity exported to the EU but also on products originating from industries with high GHG emissions. The sectors for produc-

tion of cement, iron and steel, aluminium and fertilizers for agriculture will be in the first phase of the mechanism. Climate change with its accompanying regulations will be one of the biggest challenges for the Republic of Serbia in the future, among other things because the transposition of regulations has been delayed and awareness of climate change is relatively low.

The implementation of the Spatial Plan of the Republic of Serbia has been delayed due to the length of the process and the procedure for declaring protected areas. There has been a delay for various reasons, among other things due to the lack of resources and staff of the competent institutions to conduct the necessary research and studies that are necessary in the process of protection of the area. Some reasons are objective, monitoring of certain populations requires time and monitoring must be done at a certain time, but there are also insufficient number of projects that would improve the situation in this area.

FIC RECOMMENDATIONS

- Adopt the Air Protection Strategy and accompanying planning documents and start implementing it. Continue with the transposition and implementation of regulations in this area;
- Responsible actors for air quality monitoring should ensure quality maintenance of measurement systems and data availability as well as financing the smooth operation of air quality monitoring networks;
- Develop and adopt a new National Strategy for Waste Management, amendments to the Law on Waste Management, continue work on strategic documents in this area, such as the strategy for waste sludge management and the like;
- Create an economic model that will motivate local governments to dispose of waste in sanitary landfills and to accelerate the process of closing and remediation of landfills - garbage dumps. Provide preconditions for the application of the principles of the waste management hierarchy with an emphasis on waste prevention, reuse and waste recycling. Ensure further application of the "polluter pays" principle;
- Adopt a Regulation on acceptability assessment, which will establish the necessary standards for the approval of plans and projects that may have an impact on the ecological network;
- Ensure adequate and purposeful financing of nature protection from the Green Fund (determine priorities and criteria for allocation of funds). Continue activities on the establishment of the ecological network of the Republic of Serbia and the NATURA 2000 network. Allocate more funds for the practical protection of species and habitats;
- Accelerate the transposition and implementation of regulations related to climate change as well as the strategic framework for this area, which is the most neglected in terms of legislation and implementation and therefore needs special attention.