

ENVIRONMENTAL REGULATIONS

1.43

WHITE BOOK BALANCE SCORE CARD

Recommendations:	Introduced in the WB:	Significant progress	Certain progress	No progress
Adopt the Air Protection Strategy and accompanying planning documents and start implementing it. Continue with the transposition and implementation of regulations in this area;	2021			√
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;	2021			√
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;	2021		√	
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;	2021		√	
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;	2021			√
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;	2021			√
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.	2021		√	

CURRENT SITUATION

The situation in this area, like all other areas of society in the previously observed period, was under considerable influence of the COVID-19 pandemic. The consequences of the pandemic also had an influence on the environmental protection in Serbia overall, first of all in the sense that certain processes have slowed down, and concretely in the sense that the environment has somewhat lost its position of strategic priority with regards to health care and some other areas.

The most significant change relates to developments regarding 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. At the end of 2021, Cluster 4 was opened in the negotiations between Serbia and the EU, which also

encompasses chapter 27. A position with 8 criteria was delivered to the Republic of Serbia, which must be fulfilled so that the conditions for closing of chapter 27 would be fulfilled.

Since 2016, all EC annual progress reports on Serbia have mentioned the need to increase the administrative and financial capacity of the Ministry of Environmental Protection. A significant increase in budget funds intended for the improvement of environmental protection is noticeable. Budget funds are provided mainly through foreign borrowing and various forms of loans.

At the beginning of 2022., a public debate was held on the Draft Law on Environmental Impact Assessment and the Draft Law on Strategic Environmental Impact Assessment. It is not certain when these drafts will outgrow into laws. When this happens, a significant time shift in advance of the obligation to obtain consent for the environmental impact assessment study is expected (or a decision that such study is not neces-

sary) for projects where the environmental impact assessment study is mandatory (or where it can be mandatory). Due to the impact of the pandemic, ensuring the required participation of the public during the consultative process was very difficult due to the pandemic measures that were in force. With that in mind, the realization of the principles of the Aarhus convention was made difficult to some extent. In October 2022 the Ministry of Environmental Protection initiated consultations on the draft version of the Strategy for Applying Aarhus Convention and Action Plan – it remains to be seen whether and what results the work on these documents will give.

Also, in September 2022 the preparation of the Environmental Protection Strategy with Action Plan commenced. Given that the work on this strategic document has just begun, it is too early to assess its value.

For wastewater treatment, the construction of a big amount of WWTPs has been planned all around Serbia, which would contribute to the resolving of one of the biggest ecological problems in the country.

The Air Protection Strategy has not yet been adopted, even though the air pollution is a burning problem. In a larger number of urban agglomerations, the air pollution is above the maximal permissible limits, especially during winter.

About 12,5 million tons of waste are produced in Serbia in 2020., according to the data of the Environmental Protection Agency, of which almost 3 million tons are municipal waste. There is no plant for thermal treatment of hazardous waste in Serbia, so this waste for treatment purposes has been exported mainly to other European countries. As a consequence of obligations under the Basel Convention, Serbia will have to find an adequate solution for taking care of hazardous waste which arises on its territory, which includes the construction of facilities for thermal waste treatment. When it comes to municipal waste, many municipalities do not have recycling yards built, sufficient number of storage bins/containers and no waste collection system at source. Waste collection has been charged according to the square footage of an 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. The problem of the return of illegal landfills is still noticeable, on already cleaned locations. This situation indicates the need for rigorous application of legal regulations and for improvement of the work of competent authorities to prevent this problem from recurring. In June 2022, the

line Ministry has earmarked significant funds with the aim of cleaning about 700 wild landfills in 34 local self-governments. In 2020 Amendments to the Law on Waste Management were planned but this law has not been changed yet. Louder initiatives are also noticeable in the direction of using waste as energy source, first of all in the process of remediation and construction of a waste to energy facility on the Belgrade landfills of Vinca, but Elektroprivreda Srbije has also taken the first steps towards the possibility of co-combustion of coal and communal waste in thermal power plants first on boilers in TENT, and later TEKOB.

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. At the end of 2021 public discussion was completed, and its adoption is expected in the upcoming period. 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 Draft on the Environmental Impact Strategic Assessment Report on the Influence of the Action Plan for the Realization of the Water Management Strategy on the territory of the Republic of Serbia until 2034 on the environment. The Action Plan has not yet been adopted.

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 that the umbrella climate strategy be adopted, one that would affect all sectors: energy, agriculture, forestry, water management, etc. The adoption of an integrated national energetic and climate plan is also expected, which would cover the period to 2030 (with projections up until 2050) – a public discussion on the draft of this plan is expected to last until the end of 2022.

The first by-laws which will enable inventory work in the management of gas emissions with the greenhouse effect have been enacted, but there is still significant room for improvement to be made in this area.

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 Environmental Protection Inspectorate. 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. In general, strategic planning, project management and transparency of processes aren't still on a satisfying level.

POSITIVE DEVELOPMENTS

The new Noise Protection Law has been adopted, with the aim of further harmonizing this area with the regulations of the EU, but also to resolve the chronic problem of noise from catering facilities. A new Law on Biocidal Products has been adopted as well, which provides additional harmonization with relevant EU regulations.

In 2022, a Decree on Types of Activities and Gases with the Greenhouse Effect, as one of the bylaws which is a precondition for issuing permits to facilities where an activity that leads to GHG emissions is carried out. When the other relevant by-laws are passed, it is expected that around 140 existing plants will have to obtain the mentioned permit.

In May 2022, an Action Plan for the Waste Management Program in the period 2022. - 2024. was adopted. This document represents a strategic plan for solving problems related to the waste management in the upcoming period.

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. Water protection is the area in which there was the most activity in terms of projects, preparing of design documentation and the construction itself, so it could be said that this area is prioritized in the environmental protection in Serbia. The realization of these projects requires significant financial funds, but it can be stated that progress in this area is noticeable, not only related to legal regulations.

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 extents do not meet the obligations under the NERP in terms of permitted emissions of pollutants, so additional efforts to harmonize with NERP are necessary.

The Air Protection Strategy, as an umbrella document at the state level for this area, has not yet been adopted. The air pollution and inactivity in this field have brought even louder complaints from the public in Serbia.

The Programme of Waste Management in the Republic of Serbia for the period 2022 – 2031 has been adopted, while the results will be seen in upcoming period.

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. 24 regional centers for waste management. These expectations aren't even nearly met. Also, the aims of the previous strategy have predicted a big coverage with the system of collecting waste – the draft of the new strategy estimates that the coverage is currently around 82%, but at the same time states that only 10 sanitary landfills in Serbia meet EU criteria, which means that a big part of the population still isn't covered with the system whose outcome are adequate sanitary landfills. 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 evident, but their realization and effects are yet to be seen.

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, in the synchronization of the expected introduction of CBAM mechanisms (carbon border adjustment mechanism) by the EU.

The non-existence of this mechanism currently gives Serbia a comparative advantage in respect of the EU market, which will be completely lost when the CBAM is introduced in the EU. This 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 production 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 wide interpretation of the right to justice from the article 81a of the Environmental Protection Law brings to the shorter or longer paralysis not only of projects which can have an influence on the environment, but also of projects aiming to improve the environment. This is because such interpretation allows certain actors of the interested public to, instead of defending the right to a healthy environment in the process of assessing the impact of the relevant project on the environment, attack such projects on every step, through complaints and administrative disputes on

every administrative act in the multitude of acts which such project demands (for example construction permit, energy permit, consent to impact assessment, water permit, etc.).

On the other hand, it is noticeable that current measures for the inclusion of the public aren't adequate, and that transparency of the enforcement procedures is not on an appropriate level. This results in situation that the public reacts too late to legally provided deadlines in procedures and channels its dissatisfaction through protests. The public voice has brought to modifications of certain decisions in the previous period like the ban on the construction of small hydroelectric power plants in protected areas and the annulment of the spatial plan for special purpose area for the Jadar project.

FIC RECOMMENDATIONS

- Adopt the missing strategic documents (including Air Protection Strategy and Waste Management strategy) and accompanying planning documents and start implementing them. 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;
- 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 appropriate 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;
- Through a more rigid interpretation or change of regulations, find a balance between the right of the interested public to challenge projects if they consider that they infringe the right to a healthy environment, and the interest of investors to conduct projects in an atmosphere of legal certainty and time efficiency, without the ecological acceptability of the project being attacked on every step, which consequently creates, sometimes perennial, time delays and significant costs.