

# **Economic Commission for Europe**

## **Committee on Environmental Policy**

### **Twentieth session**

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Item 8 (b) of the provisional agenda

### **Environmental Performance Review Programme:**

### **Third Environmental Performance Review of Serbia**

Information paper No. 5

15 October 2014

## **Third Environmental Performance Review of Serbia: recommendations**

### **Note by the secretariat**

#### *Summary*

The present document provides recommendations of the third Environmental Performance Review of Serbia agreed upon by the Expert Group on Environmental Performance at its meeting held in Geneva on 1 October 2014.

The Committee is invited to adopt these recommendations.

## **I. Environmental governance and financing**

### **Chapter 1: Legal and policymaking framework and its practical implementation**

#### Recommendation 1.1:

The Government should improve the implementation of environmental legislation by ensuring that the necessary implementation capacities are in place, time frames for implementation of specific measures are realistic and adequate resources are available.

#### Recommendation 1.2:

The Government should:

- (a) Improve the quality of strategic environment-related planning by:
  - (i) Ensuring timely development and adoption of strategic documents;
  - (ii) Preparing action plans for environmental strategies simultaneously with the strategies themselves;
  - (iii) Ensuring regular reporting on the implementation of strategic documents.
- (b) Ensure the development and adoption of the Action Plan for the National Environmental Protection Programme;
- (c) Define the institution responsible for coordination of monitoring and implementation of the National Strategy for Sustainable Development and ensure the regular preparation of implementation reports for the Strategy.

Recommendation 1.3:

The Ministry of Agriculture and Environmental Protection should:

- (a) In cooperation with the competent environmental authorities at the provincial and local levels, evaluate the implementation of the Law on Strategic Environmental Impact Assessment (Law on SEA) and enhance capacity for its implementation at the provincial and local levels, as needed;
- (b) Consider amending the Law on SEA, in particular by:
  - (i) Introducing requirements to consult health authorities at the screening and scoping stages and during the evaluation of the strategic environmental assessment (SEA) report;
  - (ii) Providing opportunities for the participation of the public concerned during the screening and scoping stages;
- (c) Raise awareness in other sectors, especially at the provincial and local levels, about the requirement to conduct an SEA;
- (d) Ensure implementation of the Law on SEA, in particular by strengthening the role of the competent and interested authorities, especially health authorities, during all stages of an SEA.

Recommendation 1.4:

The Government should:

- (a) Designate a governmental institution to develop and coordinate green economy approaches and facilitate green economy initiatives;
- (b) Integrate green economy transition approaches when revising existing or developing new strategic documents at all levels.

Recommendation 1.5:

The Government should ensure that an independent analysis of the institutional framework in the environmental sector is conducted, in order to identify problems, needs and ways to improve that framework.

Recommendation 1.6:

The Government, through the Ministry of Agriculture and Environmental Protection and the Ministry of Public Administration and Local Self-Governments, should:

- (a) Strengthen regular exchange of information with local self-government authorities on the execution of delegated environmental protection responsibilities and assist them in the execution of such responsibilities through the provision of necessary guidance and training;
- (b) Continuously involve local self-government authorities in the development of environmental policies and legislation within their purview;
- (c) Ensure that efficient mechanisms and adequate resources are provided to local self-government units for the execution of delegated environmental protection responsibilities.

Recommendation 1.7:

The Government should improve horizontal coordination on environmental and sustainable development matters, and in particular:

- (a) Develop mechanisms for horizontal coordination;
- (b) Ensure the effective operation of the National Council on Sustainable Development.

## **Chapter 2: Compliance and enforcement mechanisms**

Recommendation 2.1:

The Government should assess and redefine the division of compliance assurance mandates and reinforce the relevant vertical and horizontal coordination arrangements, including by:

- (a) Concentrating responsibilities for regulating large installations at the national level to overcome the problem of low capacity;
- (b) Improving cooperation between the competent regulatory authorities and the Environment Protection Agency so that the information collected by the Agency is fully used for monitoring and ensuring compliance;

- (c) Strengthening horizontal coordination and cooperation between inspection and permitting authorities;
- (d) Establishing a system of regular reporting on compliance from the lower levels to the central authorities, and issuing a consolidated national environmental compliance report.

Recommendation 2.2:

The Government should further improve and streamline environmental assessment impact (EIA) and permit issuing procedures by:

- (a) Harmonizing planning and construction activities with the environmental conditions and requests under the EIA and IPPC procedures;
- (b) Ensuring an integrated approach and the coordination of the competent authorities in issuing IPPC permits;
- (c) Following up on the best available techniques requirements in procedures preceding the IPPC permitting;
- (d) Simplifying the regulatory regime for small and medium-sized enterprises.

Recommendation 2.3:

The Ministry of Agriculture and Environmental Protection should enable access to information and public participation in compliance mechanisms by:

- (a) Developing and applying proactive strategies for involving the public;
- (b) Strengthening public involvement in the integrated permitting of IPPC installations;
- (c) Regularly disclosing compliance and enforcement information and tailoring it to the needs and understanding of the general public.

Recommendation 2.4:

The Government should promote further improvements in the management of environmental-related inspection authorities, in particular at the planning and performance measurement and disclosure phases.

Recommendation 2.5:

The Government should enable an improvement in the procedures for and outcomes of judicial enforcement by:

- (a) Continuously providing joint training and other forms of capacity-building for inspection and judicial authorities;
- (b) Strengthening communication mechanisms between the executive and the judicial authorities, and improving feedback from the judiciary on all environmental cases brought before the courts, including those deemed inadmissible at a preliminary stage;
- (c) Developing standard operating procedures and manuals on the enforcement of environmental laws with a focus on the application of administrative fines.

### **Chapter 3: Economic instruments, environmental expenditure and investments for greening the economy**

Recommendation 3.1:

The Government, through the Ministry of Finance and the Ministry of Agriculture and Environmental Protection, should:

- (a) Conduct a regular assessment of the various pollution and product charges and adapt these instruments accordingly, taking into account, to the extent possible, damages caused by polluting behaviour as well as producer/importer responsibility;
- (b) Examine the environmental benefits of combining pollution charges with effective specific emission limit values for individual pollution sources.

Recommendation 3.2:

The Government, in cooperation with local self-governments and public utility companies, should introduce economic principles for the operation and management of public utility companies. This would also involve:

- (a) Adopting a formal tariff methodology for the calculation of full-cost recovery tariffs;
- (b) Gradually raising tariffs to cost-reflective levels, taking into account affordability issues;
- (c) Phasing out the strong cross-subsidization of household tariffs by enterprises;
- (d) Providing targeted social assistance for vulnerable groups that are using communal services;
- (e) Improving bill collection rates and reducing technical losses;
- (f) Creating greater incentives for the rational use of water services by introducing individual metering of water consumption by household in multi-family buildings;
- (g) Considering the introduction of household waste tariffs on a per capita basis (rather than per square metre of premises) and the feasibility of waste charges for enterprises per unit of volume or weight.

Recommendation 3.3:

The Government should:

- (a) Establish an effective financial mechanism to support the implementation of environmental policy and legislation;
- (b) Regularly review environmental expenditures (current and capital) and, inter alia, ensure that they are effectively aligned with environmental and natural resources management priorities in all governmental strategic documents;
- (b) Assess the effectiveness of the implementation of the projects financed and ensure that outputs are produced at the lowest possible cost;
- (d) Ensure that foreign financial assistance is aligned with national and local environmental priorities.

Recommendation 3.4:

The National Statistical Office should establish a comprehensive information system on environmental expenditures covering the Government sector and the private sector using methodologies that conform to international standards such as the Eurostat/OECD methodology for pollution abatement and control (PAC) expenditure and the United Nations Classification of Environmental Protection Activities (CEPA).

## **Chapter 4: Environmental monitoring, information and education**

Recommendation 4.1:

The Government, through the relevant ministries, should ensure that resources are provided and effective monitoring is performed for environmental media and themes, and in particular:

- (a) Introduce regulation on the monitoring of soil and designate competent authorities for the monitoring functions;
- (b) Establish a monitoring programme for biodiversity;
- (c) Improve the groundwater monitoring network;
- (d) Clarify the responsibility of small-scale water supply systems for drinking water monitoring;
- (e) Ensure that noise monitoring is systematically carried out at the local level.

Recommendation 4.2:

The Government should:

- (a) Introduce, where relevant, joint data collection activities to avoid double collection;
- (b) Develop the lacking environment-related databases and accelerate the integration of all environment-related databases into one environmental shared system;
- (c) Reconsider the frequency with which the state-of-the-environment report is produced, so it is aligned with the provisions of the Aarhus Convention.

Recommendation 4.3:

The Ministry of Agriculture and Environmental Protection together with the Environmental Protection Agency should ensure that the Eco-register is properly maintained, through the provision of adequate national funding and human resources, so that it serves its function of providing the public with access to an array of up-to-date environmental information and data.

Recommendation 4.4:

The Ministry of Education, Science and Technological Development and the Ministry of Agriculture and Environmental Protection should:

- (a) Further improve access to and the availability of environmental protection and sustainable development training and teaching aid materials for teachers;
- (b) Develop and implement a strategic approach to informal and non-formal education on environmental protection and sustainable development and strengthen the involvement of the communication media in this regard.

## **II. Domestic-international interface**

### **Chapter 5: Implementation of international environmental agreements**

#### Recommendation 5.1:

The Government should speed up the ratification procedure for the multilateral environmental agreements that have not yet been ratified.

#### Recommendation 5.2:

The Government should systematically and gradually reduce the country's dependence on international aid in order to fulfil its obligations under multilateral environmental agreements and aim to raise its capacity to act within a scenario in which most of the funds are provided from domestic sources.

#### Recommendation 5.3:

The Government should analyse trends related to each specific target of MDG7 and ensure that adequate funding is made available for implementation of the country's commitments on MDG7.

### **Chapter 6: Climate change**

#### Recommendation 6.1:

The Government should:

- (a) Develop and adopt a national climate change adaptation strategy and related action plan, ensure that all relevant sectors are included and secure funding for the strategy's implementation;
- (b) Ensure that adaptation issues are included in all sectoral strategic documents.

#### Recommendation 6.2:

The Government should develop and adopt a low-emission development strategy with an action plan and secure funding for the strategy's implementation.

#### Recommendation 6.3:

The Government should:

- (a) Introduce a one-stop-shop for investors to obtain all the necessary permits for the construction of renewable energy plants, and streamline and harmonize the licensing procedures;
- (b) Conduct a comprehensive study on the potential of renewable energy sources and the necessary investments for their development, and adopt targets accordingly.

#### Recommendation 6.4:

The Government should:

- (a) Speed up the development of the missing secondary legislation for implementation of the Law on the Efficient Use of Energy;
- (b) Control and enforce the application of energy performance standards for new residential and public buildings and major renovations of existing ones.

### **III. Interaction of environment with selected sectors/issues**

#### **Chapter 7: Water management**

Recommendation 7.1:

The Government should:

- (a) Finalize, adopt, ensure funding for and implement the water management strategy until 2030;
- (b) Adopt the necessary subsidiary legislation to the Law on Water.
- (c) Establish a national water council;
- (d) Launch a programme of investments for the construction of new and the maintenance or renovation of existing water infrastructure;

Recommendation 7.2

The Government, through the Ministry of Construction, Transport and Infrastructure, the Ministry of Public Administration and Local Self-Government and the Ministry of Agriculture and Environmental Protection, should:

- (a) Ensure the efficient use of water resources, and control the sustainability and vulnerability of water resources;
- (b) Adopt innovative solutions for the extensive reuse of treated wastewaters;
- (c) Promote the implementation of water safety plans by operators.

Recommendation 7.3:

The Government should:

- (a) Implement adequate measures in the existing flood risk management system, establish flood hazard maps and flood risk assessment;
- (b) Ensure adequate protection from floods and water erosion and develop appropriate policies and financial instruments to ensure the management of water risks at the least cost to society;
- (c) Review water scarcity and drought policies impacts on climate change adaptation.

#### **Chapter 8: Waste management**

Recommendation 8.1:

The Government should improve:

- (a) Cooperation with municipalities in the collection and verification of data on municipal waste;
- (b) Reporting procedures on all types of waste.

Recommendation 8.2:

The Ministry of Education, Science and Technological Development and the Ministry of Agriculture and Environmental Protection, in cooperation with the Serbian Radiation Protection and Nuclear Safety Agency, should speed up the process of accession to the Convention on Nuclear Safety and the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

Recommendation 8.3:

The Serbian Radiation Protection and Nuclear Safety Agency should carry out a nationwide inventory of radioactive waste.

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