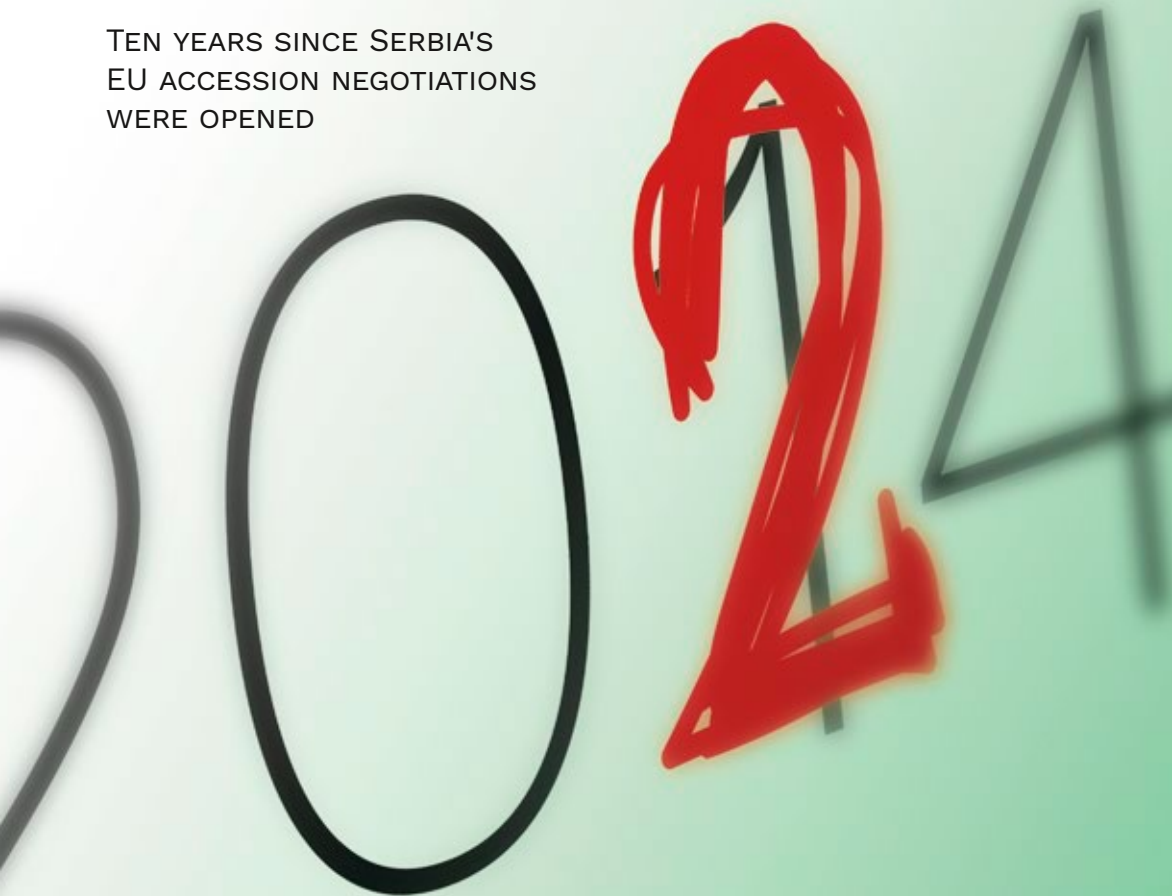


Years Go By, **We Stand Still**

TEN YEARS SINCE SERBIA'S
EU ACCESSION NEGOTIATIONS
WERE OPENED



Shadow Report on Chapter 27

ENVIRONMENT AND CLIMATE CHANGE

APRIL 2023 – APRIL 2024

The background of the page is a faded, grayscale image of a mountain range. The mountains are layered, creating a sense of depth and atmosphere. The overall tone is light and ethereal.

Chapter 27 in Serbia:
**Years Go By,
We Stand Still**

Shadow Report on Chapter 27:
Environment and Climate Change

April 2023 – April 2024

Impressum

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** The title of the publication in Serbian is taken from the song "Godine prolaze" by the band Bajaga i Instruktori, from the album "Prodavnica tajni", published in 1988. The lyrics were written by Momčilo Bajagić Bajaga.*

XXX



Environmental reforms supporting programme



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Introduction

You are holding the eleventh Shadow Report by Coalition 27 on Serbia's progress within Chapter 27 — Environment and Climate Change. It covers the period between May 2023 and the end of April 2024. We have titled this year's report "Years Go By, We Stand Still" — a phrase encapsulating the Coalition's assessment of the progress made in this area over the previous decade.

In the meantime, the depth of the EU acquis related to environmental protection, climate change, and — broader still — sustainable development, has been growing. During the reporting period alone, several key news stories took place that show the speed of development of the regulatory framework. The EU adopted the Corporate Sustainability Due Diligence Directive (CSDDD), which supplements the Corporate Sustainability Reporting Directive (CSRD). These two extremely important directives regulate the field of companies' business activities and makes sure they are in line with the principles of sustainability. The Regulation on Deforestation-Free Products (EUDR) was also adopted. October 2023 marked the beginning of the first reporting transitional period within the Carbon Border Adjustment Mechanism (CBAM). These new regulations are set to impact Serbian companies doing business with companies in the EU, regardless of whether our legal system has adopted them. We cannot control the speed of the moving target, but the real question is whether we find ourselves closer or further away from it today, 10 years after we started our reporting. In the face of such an objective, even treading water represents small steps forward, especially since there is a lack of strategic approach or clear ambitions backed by investments.

The one certainty is that the approximation of standards requires greater investment in environmental protection. The financial framework for environmental protection has been a regular part of our reporting over the past few years. This year, we have decided to provide a more systematic overview, so we have summarized those findings in a new chapter titled "Environmental

Protection Investments from 2014 to 2023 — You Get What You Pay For". This overview concludes that there has been an upward trend in the amount of financial resources allocated for environmental protection, including current and capital expenditures. However, the efforts have been sporadic, lacking defined plans and programs. The need to hire additional staff has not been taken into consideration, nor are their results being evaluated against higher strategic goals.

An analysis shows the state has invested only around 30% of the funds planned within the National Environmental Approximation Strategy of the Republic of Serbia from 2011; additionally, only 20% of the planned investments in infrastructure (capital expenditure) have been made. This is well below the level of investment needed to make significant progress and harmonize with the EU acquis.

The institutional conditions for systemic investments in environmental protection are still absent, because the Green Fund was dissolved in 2021. Up until that time, it had been operating, not as an independent institution, but as a budget line. As a reminder, the Fund for Environmental Protection was founded in 2009, as an institution with the authority to collect funds from ecological taxes and charges and invest them in projects to improve the state of the environment. This provided an institutional basis for the polluter pays principle because companies were obliged to remit fees directly into the fund, which would then direct them toward projects via tenders. In September 2012, the law repealing the Fund for Environmental Protection was passed, which meant that the ecological tax would be directed into the national budget. In 2017, the Green Fund became a budget fund so that expenditures for activities to improve the state of the environment could be tracked in a more transparent manner. The Law on the Budget for 2021 no longer included the Green Fund.

If we want to approximate the ever-increasing EU standards, we need to create the institutional conditions and financial mechanisms to consistently support reforms, as well as hire the staff required to implement those processes.

Coalition 27 consists of 8 organizations: Safer Chemicals Alternative, Belgrade Open School, Bird Protection and Study Society of Serbia, Climate Action Network Europe (CAN Europe), Environment Improvement Centre, Environment Engineering Group, Young Researchers of Serbia, and World Wide Fund for Nature Adria — Serbia (WWF Adria — Serbia).

The report encompasses 10 thematic areas: horizontal legislation, air quality, waste management, water quality, nature protection, chemicals management, industrial pollution and risk management, noise, climate change and forestry. Given that forestry has a major impact on numerous areas in the environment (nature protection, climate change, etc.), this year's report (as well as the previous ones) provides an overview of that area as well. The report does not address issues of civil defense. In each thematic area, developments in the adoption of public policies and legislation, regulatory implementation, and financing are discussed, and recommendations are made for improving the process.

The report also contains the following appendices:

- 1.** List of abbreviations;
- 2.** Comparative table of recommendations from the previous report by Coalition 27 and this year's report;
- 3.** Explanation of the methodologies used and a list of authors (organizations) for each chapter;
- 4.** Green cards that provide information on how local self-government units operate in Serbia and how they apply policies and standards in the field of environment protection..

We would like to express our gratitude to the Association of Young Researchers of Bor and the members of the Coalition 27 Advisory Board: Damjan Rehm Bogunović and Goran Sekulić (from The Nature Conservancy), for their contribution to the preparation of this report through useful comments and advice, as well as to the civil society organizations that contributed to data collection at local self-governments through project activities alongside member organizations of Coalition 27.



Analysis of Environmental Protection Financing in the 2014-2023 period

Environmental protection investments 2014–2023:
you get what you pay for

Introduction

The year 2024 marks a decade since the First Intergovernmental Conference between Serbia and the European Union, where Serbia finally got the green light to start official negotiations on joining the EU. Although extensive preparatory work began in the mid-2000s, it was only in 2014 that the European integration process was raised to a higher political level, which entailed not only regular but also much more serious monitoring of domestic regulations' compliance with the EU acquis, classified into 35 negotiating chapters. Due to its complexity, it was clear from the very beginning that for a successful negotiation, Chapter 27: Environment and Climate Change requires special political and administrative attention, including the active participation of civil society and the broader professional community. This is reflected in the fact that as much as a third of the total EU legislation that the candidate countries must first transpose and then implement relates to Chapter 27. Additionally, this negotiating chapter is recognized as one of the more expensive ones — for Serbia, potentially even more than usual, because of the extent to which the infrastructure in this area has been neglected. Namely, environmental protection was perceived as a luxury that Serbia could not afford for years before being granted the status of a candidate country, which is why the political agenda could almost exclusively accommodate economic development and social issues only. These are all reasons why approximation in the area of environmental protection is, as a rule, a challenging and long-lasting process. For example, the Central and Eastern European (CEE) countries that became EU members in 2004 and 2007 needed 8 to 10 years to complete this process. Bearing in mind that Serbia has been on the same path for a full decade now, it seems that this is the right moment to ask the question: how far has Serbia progressed from 2014 until today?

Annual European Commission Progress Reports,¹ all the previous Coalition 27 shadow reports for Chapter 27², and numerous other analyses by relevant institutions unequivocally indicate that the progress made from 2014 to 2023

1 <https://www.mei.gov.rs/srp/dokumenta/eu-dokumenta/godisnji-izvestaji-ek/>

2 <https://www.koalicija27.org/izvestaji-iz-senke/>

was rather modest. To a certain extent, all dimensions of the approximation process can be assessed unfavorably — the expected environmental improvement, the degree of EU acquis transposition into domestic legislation³, and the capacity of domestic institutions to ensure its effective implementation in the field. In addition to the obvious lack of political will to place solving accumulated environmental problems at the top of the list of national priorities, the main reason for such disappointing results is probably the fact that financial investments in environmental protection in this period, despite ambitious plans, still remained at a consistently low level. The focus of this analysis is precisely the economic and financial aspect of the approximation in this area, and the basic research question is: how much should Serbia have invested, and how much did it actually invest in environmental protection in the past ten years? At the very beginning, it is important to point out that Serbia has not yet established a mechanism for the comprehensive monitoring of financial investments in environmental protection at the level of the national economy according to the methodology applied by Eurostat for EU member states. Consequently, in order to answer the question, the estimated costs in the environmental protection sector published by the Statistical Office of the Republic of Serbia were analyzed,⁴ followed by the national budget expenditures for environmental protection from 2014 to 2023.

Before the actual analysis of the financial resources spent so far, it is necessary to consider how much it should have cost Serbia to adopt the EU acquis within the framework of Chapter 27. Despite the fact that several sectoral strategies have been adopted in the meantime, which contain updated assessments of the necessary investments for environmental protection, in this analysis, the financial plan from the National Environmental Approximation Strategy for the Republic of Serbia (NEAS), which was adopted in December 2011, was taken as

3 Though it is true that Serbia has really made significant progress in the part of the transposition of EU regulations into domestic legislation over the previous ten years, according to the original plan from the National Environmental Approximation Strategy, that process should have been completed in 2014.

4 Data on the costs of environmental protection published by the Statistical Office of the Republic of Serbia are obtained on the basis of a statistical survey that includes a relatively large sample of economic entities, but which does not provide a complete insight into the total national costs in this sector in accordance with Eurostat's methodology. Hence, there is a possibility that the investments in environmental protection of certain institutional sectors are to some extent underestimated, but the existing data represent the best available estimate of the total costs of environmental protection in the Republic of Serbia.

relevant.⁵ This strategic document was supposed to be an umbrella framework and guide for the adoption of the EU acquis in this area, and it set deadlines and concrete steps for Serbia's progress on three tracks simultaneously:

- 1.** transposition of EU regulations in the area of environmental protection into domestic legislation;
- 2.** strengthening institutional capacities for the implementation, monitoring, and application of EU regulations;
- 3.** building the missing infrastructure in the environmental sector, without which it is impossible to ensure compliance with EU regulations in practice.

There are several reasons why, from an analytical standpoint, the approximation costs from NEAS represent a good, albeit approximate, measure of the funds that Serbia should have invested in environmental protection from 2014 until today. First of all, this document estimates the costs in a comprehensive and consistent manner, their distribution by main areas of environmental protection (administrative, operational, and capital expenditures) is clearly shown, and, for the majority of the analyzed period, it was also the best official and publicly available assessment of the investments required for environmental protection. However, from today's perspective, the estimation of the costs of approximation, which was made at the end of 2011, was certainly conservative. Namely, this financial plan did not cover the numerous EU policy changes in the area of environmental protection, which were adopted in the meantime, and which automatically became obligatory for Serbia as a candidate country. The fact that this is a conservative cost estimate is confirmed by data that can be found in recent sectoral strategies and individual Directive Specific Implementation Plans (DSIP), including estimates given in the Environmental Protection Strategy, which is currently being prepared.⁶ Bearing all this in mind, the financial plan from NEAS was indeed very ambitious and announced a radical turn in comparison to the funds that Serbia had previously invested

5 http://demo.paragraf.rs/demo/combined/Old/t/t2011_10/t10_0349.htm

6 According to the still preliminary estimates from the draft, almost EUR 20 billion will be needed in the 2024–2033 period to implement the activities planned in the Environmental Protection Strategy.

in environmental protection, but, at most, it represented the lower limit of the total costs of adopting the entire EU acquis in this area, and the final sum is now certainly higher.

Based on the current state of environmental infrastructure and an extrapolation of the experiences of comparable CEE countries that have already become EU member states, NEAS estimated that Serbia's total costs for fulfilling the requirements under Chapter 27 could amount to around EUR 10.6 billion by 2030. Slightly more than half of this amount was allocated to capital expenditures for constructing the missing infrastructure (around EUR 5.5 billion), while the administrative and operational costs of the approximation were collectively estimated at EUR 5.1 billion.⁷ Based on individual sectors, the largest financial resources by far should have been allocated for water quality — around EUR 5.5 billion, which accounted for 53% of the total costs of approximation. Slightly more than a quarter of the estimated financial resources was earmarked for the waste management sector (EUR 2.8 billion), around 15% for solving industrial pollution (EUR 1.3 billion), and approximately 6% of the total amount for other sectors — air quality, climate change, nature conservation, and chemicals and GMOs. Based on the data provided in NEAS, only a part of the estimated amounts for the 2014–2023 period was calculated, and in order to carry out this comparative analysis, it is necessary to make two methodological corrections to the data, which are briefly explained below.

- The shown approximation costs in the area of environmental protection amounting to EUR 10.6 billion represent the net present value of cash flows until 2030 and need to be translated into nominal amounts. Net Present Value (NPV) is a concept used in finance to express the value of future cash flows, in order to mitigate distortions that occur due to changes in the value of money over time (e.g. the purchasing power of euros decreases over time due to inflation). Reduction to the present value implies discounting

⁷ Administrative costs are estimated at slightly over EUR 500 million, and include expenses due to the planned increase in the number of employees working on environmental protection (such as salaries, social insurance contributions, or additional training), but also other related expenses such as providing additional office space, equipment, laboratories, etc. Operating costs (around EUR 4.6 billion) represent the total current expenditures related to the implementation of the new regulations, including the funds needed to maintain the newly built infrastructure.

multi-year cash flows at a certain rate (an annual depreciation rate of 5% was chosen in NEAS based on the current practice in the EU), which is why the NPV of future costs is generally lower than their nominal amount. If we take the concrete example of the estimated costs of approximation until 2030, the NSV of EUR 10.6 billion would actually correspond to nominal payments of almost EUR 18 billion. Regarding the 2014–2023 period, which is the focus of this analysis, the recalculated nominal value of the approximation costs from NEAS amounts to around EUR 11.4 billion — and this is actually the amount that should have been invested in environmental protection if the approximation process had gone according to the original plan.

- Approximation costs in the area of environmental protection should have made up a larger part, but they are not equal to the total expected expenditures in this sector from 2014 to the present day. The estimated costs for Serbia’s approximation in the area of environmental protection should be distinguished from the total expenditures in this sector because a part of the funds was needed to finance existing national policies. In other words, the total costs for environmental protection in the 2014–2023 period represent the sum of the amount that Serbia allocated for this sector before the formal beginning of EU acquis adoption and the additional financial efforts required for its full implementation. Based on the analysis of environmental protection expenditures from 2009 to 2011, NEAS estimated that the “national component” of costs in this sector amounts to around 0.4% of GDP per year. Approximately half of the estimated amount was related to domestic policies in the waste management sector, around 20% went to water quality, and around 30% of the funds were needed for the implementation of national regulations in other sectors. This practically means that, during the 2014–2023 period, Serbia would have probably invested at least EUR 1.8 billion in the environmental protection sector even without progressing toward harmonization with EU regulations.

Analysis of environmental protection costs for the 2014–2023 period

The costs of environmental protection in the Republic of Serbia, according to the data of the Statistical Office of the Republic of Serbia (SORS), reached the amount of just over EUR 4 billion in the 2014–2023 period.⁸ Almost two-thirds of this amount (EUR 2.6 billion) were current expenditures, which include operational and administrative costs, while investments in the environmental sector cumulatively amounted to around EUR 1.4 billion. Observed by individual areas, by far the largest portion of the funds was allocated for waste management (over EUR 2.2 billion), which was mainly the result of relatively high current expenditures in this sector (around EUR 1.8 billion). During the observed period, Serbia spent close to EUR 750 million on air protection, while a little over EUR 500 million was set aside for water protection. The costs in the remaining environmental sectors collectively amounted to less than EUR 500 million.⁹

The available data suggests that in the past ten years, Serbia spent only around 30% of the environmental protection funds planned in the framework financial plan from NEAS. As pointed out in the introduction, around EUR 1.8 billion should have been set aside for financing domestic policies in the 2014–2023 period, and another EUR 11.4 billion for the consistent implementation of the approximation plan from NEAS — therefore, total expenditure of around EUR 13.2 billion were needed. Considering the fact that environmental protection expenditures so far amounted to slightly more than EUR 4 billion, from a financial point of view, it can be concluded that in ten years, Serbia has not even reached a third of its way toward the full implementation of the EU acquis in this sector. At the same time, this assessment is apparently optimistic, since the

8 The final data on the costs of environmental protection in 2023 are not yet available, and according to the SORS calendar, they will be made public on November 15, 2024. For the purposes of this analysis, the level of environmental protection costs in 2023 was independently projected based on the growing trend from the previous few years, taking into account other related sources of data, such as public expenditures in this sector from the final account of the budget of the Republic of Serbia for the year 2023. Data for the 2014–2022 period was taken from the SORS website (<https://www.stat.gov.rs/oblasti/zivotna-sredina/>).

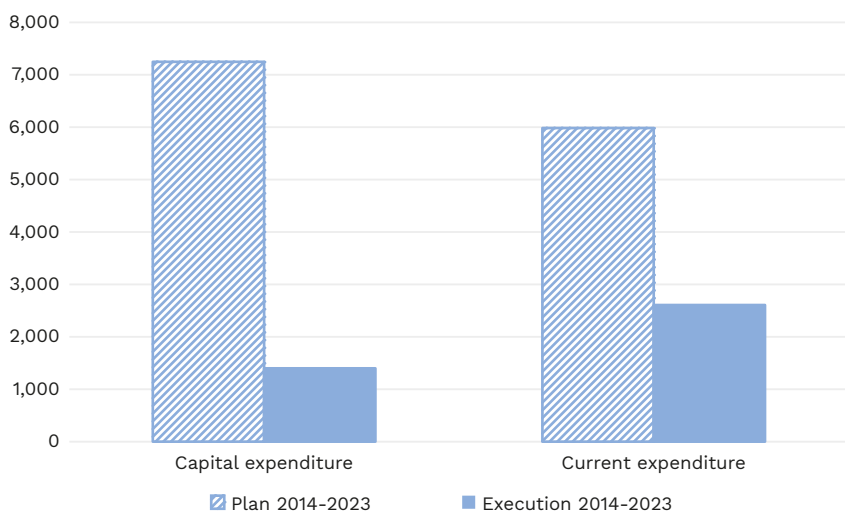
9 About EUR 160 million was allocated for nature protection, around EUR 9 million for noise and vibration protection, while a total of around EUR 320 million was spent for other activities in the area of environmental protection.

NEAS plan itself is quite conservative and the costs of Serbia's approximation have increased in the meantime due to the development of new EU policies.

A particularly large undershoot compared to the original plan was recorded in capital expenditures for the construction of the missing infrastructure in the environmental sector. Namely, due to the rather poor initial position of Serbia, the financial plan from NEAS justifiably predicted considerable funds for infrastructure investments — a cumulative amount of around EUR 7.2 billion by 2023. However, the total capital expenditures amounted to only around EUR 1.4 billion, which means that only around 20% of the necessary investments were made in the observed period (**Table 1**). As a result, Serbia is still far behind in terms of the quality and availability of basic infrastructure in the environmental sector, not only in relation to developed EU countries but also in comparison to the CEE countries closer to us.¹⁰ Due to chronically low investments in waste management, wastewater treatment, construction of sewage networks, reduction of air pollution, and other measures for environmental protection, and after ten years since the formal start of the approximation, according to many indicators, Serbia is one of the most polluted countries in Europe in this area. The shortfall in relation to the plan in current expenditures for environmental protection was not as drastic as in capital expenditures, but it was certainly large. In the 2014–2023 period, total current expenditures amounted to around EUR 2.6 billion, and with the consistent implementation of the plan from NEAS, it could be expected to grow to almost EUR 6 billion — which means that the execution percentage was close to 45%. However, in the absence of major new infrastructure investments, a significant part of current expenditures actually represents the costs of existing capacities in the communal services sector, which is why the funds spent so far can largely be classified as financing for domestic policies in the public utilities sector.

10 There are numerous indicators that confirm the above assessment: in Serbia, around two-thirds of the population is connected to the public sewage network (over 85% in CEE), only 16% of the population is covered by at least some type of wastewater treatment (around 85% in CEE and over 90% in the EU), only 15% of municipal wastewater is treated at least through secondary treatment (around 70% in CEE, around 80% in the EU), as much as 95% of municipal and industrial waste is disposed of in landfills without any treatment (30 %–40% in CEE and EU), etc.

Table 1: Capital and current expenditures for environmental protection, 2014–2023, plan vs. execution (in millions of EUR)



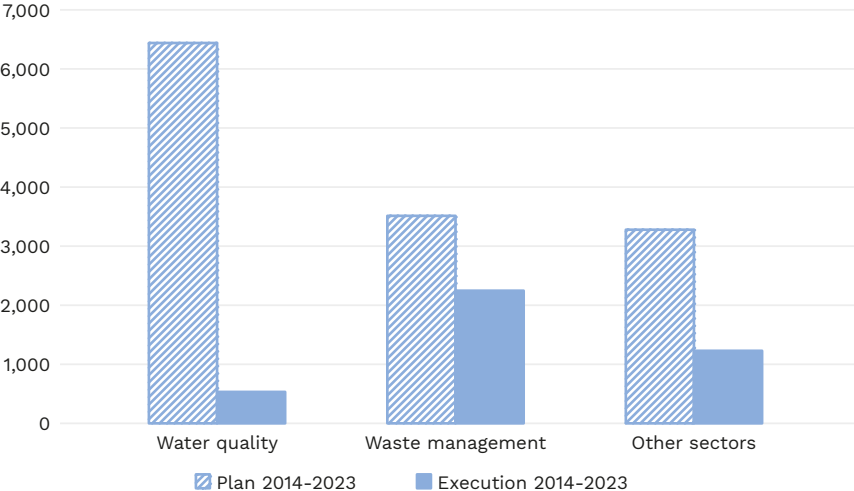
Source: Author's calculation based on the data from NEAS and SORS

Water management, and water protection in particular, was a rather unregulated area in Serbia until recently. Only in the past few years has a strategic framework in this area been completed — one more closely aligned with EU requirements and the principles of the Water Framework Directive. First, in 2018, the Water Management Strategy of the Territory of the Republic of Serbia Until 2034 was adopted, and only last year, the Water Management Plan on the Territory of the Republic of Serbia Until 2027 was adopted. That is why it is not surprising that it is precisely in this sector, which is otherwise assessed as the most financially demanding, that the largest failure to make the required investments was recorded (**Table 2**). Namely, according to the financial plan from NEAS, close to EUR 6.5 billion should have been invested in the 2014–2023 period to improve water quality, and only a little over half a billion was spent — not even 10%.

Regarding **waste management**, the percentage of realization was much higher (around 65%), since the actual costs amounted to around EUR 2.2 billion of the total EUR 3.5 billion planned. However, the problem in this sector is that

the gap in investments largely stems from insufficient capital expenditures, which is why Serbia, despite significant costs, is still not even close to establishing an efficient waste management system based on the principles of a circular economy. Although certain improvements have been made in the waste management sector in the past decade, the main challenges have not been resolved yet: only half of the collected and deposited waste ends up in landfills that meet sanitary requirements; in addition, out of the planned 26 regional landfills, only 10 are in use.¹¹ The number of illegal landfills is slowly decreasing, but it is still huge (according to the SEPA data, around 2,700 in 2022), the system for waste reuse is barely developed (and incomplete), etc. Costs in other environmental protection sectors collectively amounted to approximately a third of the amount that was foreseen in NEAS: around EUR 1.2 billion of the planned EUR 3.3 billion.

Table 2: Expenditures for environmental protection by sectors, 2014-2023, plan vs. execution (in millions of EUR)



Source: Author’s calculation based on the data from NEAS and SORS

11 With two municipal landfills that meet the prescribed standards, there are only 12 sanitary landfills in Serbia. However, even these landfills often work with numerous problems and often pose environmental and public health risks. The most recent major environmental incident was a fire at the Duboko regional landfill near Užice in May 2024.

Note: Almost a third of the estimated costs for the water management sector in the NEAS financial plan related to improving the drinking water quality, which SORS does not include in the calculation of costs of environmental protection, so in this case, the amounts shown are not entirely comparable. However, even if we revise the plan and exclude the estimated approximation costs related to the improvement of drinking water quality, it can be concluded that the percentage of cost realization in this sector was only around 12%.

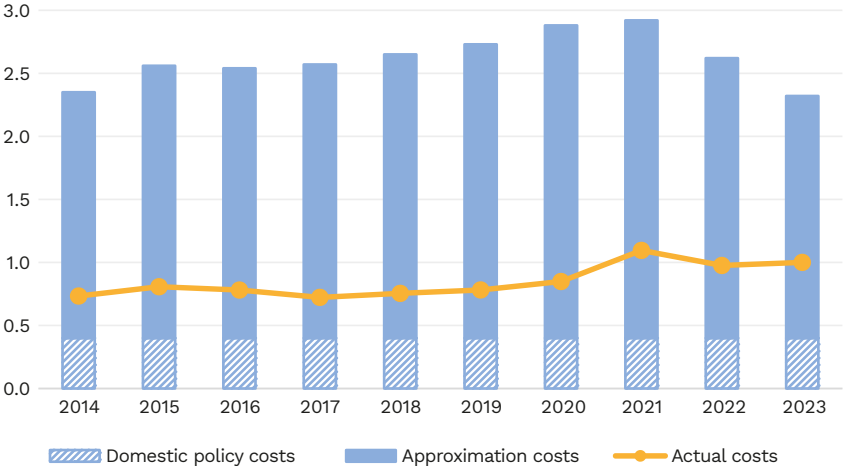
Annual expenditures for environmental protection increased slightly in the 2014–2023 period, both nominally and as a percentage of GDP, but that increase was significantly less than what was necessary for Serbia to make visible progress toward meeting EU requirements in this area. Nominal costs for environmental protection have more than doubled since 2014 — from EUR 260 million to an estimated EUR 640 million in 2023.¹² On the other hand, their relative growth in relation to GDP was expected to be less pronounced: after a fairly stable level of expenditures for healthcare of 0.7%–0.8% of GDP in the 2014–2020 period, from 2021, these expenditures have risen to around 1% of GDP per year. Although this is certainly a step in the right direction, **Table 3** confirms that it is far below the level of investment that would facilitate Serbia’s noticeable approximation in the environmental sector. Namely, under the assumption that the measures planned in NEAS would be applied consistently, annual expenditures for environmental protection during 2014–2023 should have been in the range of 2%–3% of GDP. From the position of the current level of Serbian investment in this sector, the plan from NEAS may seem overly ambitious, but it is important to emphasize that this has been the usual level of environment expenditures in comparable CEE countries for a long time (in the 2014–2022 period, an average of approx. 2% of GDP).¹³ In terms of the availability of basic infrastructure compared to the CEE region, Serbia clearly lags behind, and in order to reduce this gap, the annual investments in environmental protection during a certain period must be slightly above the average in these countries.

12 For the year 2023, an estimated EUR 50 million increase in total investments in environmental protection compared to 2022 was assumed, when the costs of environmental protection amounted to close to EUR 590 million.

13 Most of the CEE countries earmarked slightly more than 2% of GDP per year for the environment in the 2014–2023 period. Latvia (an average of 1.2% per year) and Hungary (1.5% of GDP) had the lowest expenditures on healthcare, while the Czech Republic had the highest expenditures (an average of 3% of GDP).

However, the level of investment was nowhere near required — in each of the observed years, the actual expenditures for environmental protection reached only a third or close to half of the amount (in 2023) that was estimated in NEAS as necessary for the adoption of the EU acquis within the framework of Chapter 27.

Table 3: Actual and estimated costs of environmental protection in the 2014–2023 period (as % of GDP)



Source: Author’s calculation based on the data from NEAS and SORS

Note: In accordance with the methodology applied in NEAS, the costs of domestic policies were kept at the level of 0.4% of GDP during the entire analyzed period.

The realization of the ambitious financial plan from NEAS required the implementation of a whole series of reform measures for economic approximation in the area of environmental protection, which were essentially a prerequisite for the mobilization of significant financial resources and a sustainable increase in investments in this sector. First of all, the need to substantially strengthen administrative, planning, and financial capacities in the relevant ministry and other state bodies with environmental protection competencies was recognized. Additionally, NEAS predicted further restructuring of the Environmental

Protection Fund (SEPF) in order to strengthen the implementation of the “polluter pays” principle, i.e., optimize the system for reimbursement of costs from actual polluters through fees and other economic instruments. At the local level, the main role in the approximation process should have been played by public utility companies (PUC). Along with the planned increase in the scope of their activities, expansion, and modernization of their services, PUCs were supposed to be the main channel for reimbursing part of the approximation costs from consumers. In the end, despite all the planned structural measures, there was a financial gap for the realization of the planned activities, which should have been borne by the National Budget — and this is precisely the part of the financing structure that will be the subject of the next section. A detailed analysis of the results achieved in other aspects of economic approximation goes beyond the scope of this analysis. However, as a general assessment, there is strong evidence for the position that progress in all the mentioned reform areas was very limited during the 2014–2023 period.

Institutional capacities for environmental management and oversight at the central and local levels of government are still weak. One observation from the European Commission’s progress reports, which has been repeated year after year, is that Serbia should significantly strengthen the administrative capacities in the environmental protection sector at all levels of government, including inspectorates and judicial authorities.¹⁴ There are a large number of independent estimates on how many employees are missing from environmental protection jobs in Serbia — e.g. the Fiscal Council estimated in its report from 2018¹⁵ that there was an urgent need even back then to hire at least several hundred employees to perform administrative and inspection tasks, prepare and implement projects, and transpose European directives into domestic legislation. There are several independent sources that confirm that such recommendations for increasing the number of employees in environmental protection jobs have not yet been implemented in practice, which is also confirmed by the data on the number of employees in a small sample

14 This assessment is also included in the European Commission’s latest Progress Report for 2023. https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/izvestaj_ek_23.pdf

15 Fiscal Council (2018). Environmental Protection Investments: A Social and Fiscal Priority, June 2018, available at: <https://www.fiskalnisaet.rs/doc/analize-stavovi-predlozi/FS-Investicije-u-zastitu-zivotne-sredine.pdf>

of state bodies at the central level of government (Ministry of Environmental Protection, Environmental Protection Agency, Institute for Nature Conservation of Serbia, and Republic Hydrometeorological Service). According to data from CROSO in **Table 1**, in the 2018–2023 period, the number of employees at these state bodies increased by only 4%. At the same time, even that modest growth was largely the result of an increase in the number of temporary employees rather than permanent staff, which may call into question the strengthening of institutional capacities in the long term.

Table 1: Number of employees in the environmental protection sector at selected state bodies, 2018–2023

STATE INSTITUTION	2018	2019	2020	2021	2022	2023
Ministry of Environmental Protection	294	282	272	317	326	353
Environmental Protection Agency	92	92	86	88	88	96
Institute for Nature Conservation of Serbia	76	74	70	76	85	90
Republic Hydrometeorological Institute of Serbia	565	555	566	535	521	531
Total	1027	1003	994	1016	1020	1070

Source: Central Register of Mandatory Social Insurance

Instead of the planned strengthening of the Environmental Protection Fund, this institution was abolished in 2012, and was essentially not re-established, despite numerous promises. The Environmental Protection Fund (SEPF) was established in 2009 as an independent body of the Government to provide financial resources for the development and protection of the environment in accordance with the “polluter pays” principle. However, although NEAS recognized this institution as an important source of funding for policies in this area, it was terminated by a special law in 2012. This decision abolished the targeted character of the fees collected from polluters, and these funds became general public revenue, which greatly reduced transparency and made it impossible to monitor how the state spends the funds collected on this basis. Apparently, this also reduced the incentive for further reform of the system

of fees and charges, which, according to NEAS, should have been one of the levers for generating additional financial resources. An analysis of the funds collected from fees and charges, which had originally been the income of the defunct SEPF, shows that the amount remained approximately constant during the entire 2014–2023 period, at around EUR 100 million per year (**Table 2**). Even after several announcements and continuous recommendations of the European Commission that Serbia should operationalize the Environmental Protection Fund, no progress was made beyond defining a special Green Fund budget line in 2018 (renamed Green Agenda from 2021 onward). Expenditures from this budget line are financed from general budget revenues, which is why it is still impossible to establish a direct connection between the fees charged for environmental pollution and budget expenditures in this sector.

Table 2: Projected revenues of the defunct SEPF in the 2014–2023 period (in millions of EUR)

FEES	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	UKUPNO
Fee for collecting, using and trade in protected flora, fauna, and fungi	0.9	0.6	0.6	0.5	0.8	0.6	1	0.8	1.1	0.9	7.6
Fee for substances that damage the ozone layer and fee for plastic polyethylene bags	0.2	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	1.3
Fees for CO ₂ and NO ₂ emissions, powdered matter and generated and stored waste	41.3	25.3	33.5	47.8	50.7	53.2	27.5	28.1	24.0	16.4	347.9
Fee for environmental protection and improvement	24.6	27.4	26.8	30.6	33.6	15.1	19.2	30.3	29.6	32.3	269.4
Fee for products that become special waste streams after use	22.9	24.3	27.0	30.1	34.1	37.2	36.6	44.8	43.0	48.9	349.0
Fee for packaging or packaged products that become packaging waste after use	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.0	0.2	0.1	1.2
Total	90.1	77.8	88.1	09.4	119.6	106.4	84.6	104.1	98.0	98.6	976.5

Source: Treasury Department, Ministry of Finance of the Republic of Serbia

A comprehensive reform of PUCs was not implemented, nor was there a structural change in the tariff policy in the field of communal services. NEAS highlighted the inefficient operation of PUCs as one of the major obstacles for successful economic approximation in the area of public utilities, partly due to the unrealistically low social prices of communal services. For years, their growth was limited by the inflation rate, which means that in real terms they remained constant or even decreased. This strategic document concludes that the economic and financial sustainability of PUCs should be one of the Government's main priorities in the short and medium term. However, the 2017 Fiscal Council Report¹⁶ suggests that the implementation of this reform was extremely poor — the PUC's annual losses amounted to around EUR 200 million per year (which had to be covered by subsidies from local budgets), and the main causes for their poor operation were redundant employees, a low rate of claim collection, technical losses, and low prices. A more serious reform of PUCs was also absent in the period after 2017, and consumer price index data suggest that there were no structural changes in the pricing policy for communal services. Namely, in the 2014–2023 period, the cumulative rate of inflation in Serbia was around 50%, while the prices of utility services rose in the range of 45%–60%. This means that the prices of utility services in real terms remained almost unchanged compared to the level from ten years ago, which was certainly not enough to recoup the costs of approximation from end consumers to the extent that was foreseen in NEAS.

Analysis of budget expenditures for environmental protection for the 2014–2023 period

The financial plan presented in NEAS predicted that the adoption of the EU acquis related to Chapter 27 would require significant funds from the national budget in the 2014–2023 period, even assuming that other economic aspects of the approximation, including an efficient withdrawal of EU pre-accession funds, were implemented according to the plan. Namely, in the original plan, it was expected that Serbia would not be able to fully recoup the costs of envi-

16 Fiscal Council: Local Public Finances: Issues, Risks, and Recommendations, June 2017, available at: [https://www.fiskalniisavet.rs/doc/analize-stavovi-predlozi/Lokalne%20javne%20finansije_%20Problemi,%20rizici%20i%20preporuke%20\(2017\).pdf](https://www.fiskalniisavet.rs/doc/analize-stavovi-predlozi/Lokalne%20javne%20finansije_%20Problemi,%20rizici%20i%20preporuke%20(2017).pdf)

ronmental protection from the fees it collects from consumers and donations before 2024; as a result, that financing gap had to be filled with National Budget funds (from general revenue or loans). The budget costs of approximation were estimated at EUR 200 to EUR 400 million per year, i.e., at a little over EUR 2.8 billion for the entire 2014–2023 period. However, similar to the analysis of the estimated costs of environmental protection at the level of the entire economy, in this case, there is also a so-called national component of expenditure, which refers to the financing of existing policies in this sector without any additional harmonization with EU standards. There are no official estimates of the costs of domestic policies financed from the National Budget, but based on the analysis of budget expenditures for environmental protection in the 2009–2011 period (i.e., before the adoption of NEAS), it can be concluded that they amounted to at least EUR 30–40 million per year. Even with the assumption that the actual costs of domestic policies are closer to the lower limit of the estimated range, according to the plan from NEAS, budget expenditures for environmental protection should have exceeded EUR 3 billion in the analyzed period.

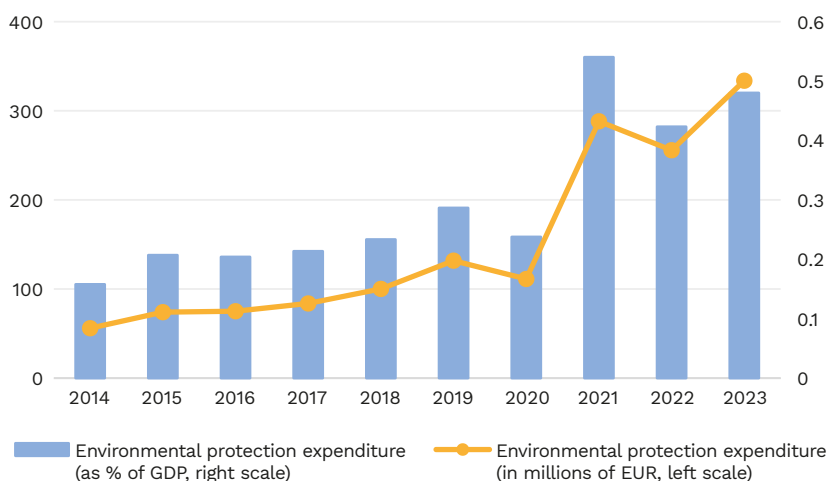
The analysis of budget expenditures for environmental protection was carried out on publicly available data from the Law on the Final Account of the Budget of the Republic of Serbia from 2014 to 2023. A complicating factor in this analysis is that Serbia still does not have a sufficiently developed and detailed classification of budget expenditures by state functions, based on which it would be relatively easy to identify the total expenditures for environmental protection and classify them by area. Currently, usually only expenditures within the competence of the line ministry and the Environmental Protection Agency are consistently classified as belonging to this sector in the national budget,¹⁷ while the costs of other budget users are most often classified in other areas, even though they essentially concern environmental protection. For example, over the last few years, the Ministry of Construction, Transport, and Infrastructure (MCTI) was responsible for the implementation of several projects in the environmental protection sector, but they were all functionally classified in the transport sector. An independent analysis of the distribution

17 Though, here too, only the generic designation "560 — Environmental protection not classified elsewhere" is used, which does not say much about the specific purpose of budget funds.

of individual budget users, programs, and project activities expanded the scope of public expenditures that can be brought into direct connection with environmental protection, and this information was used to confirm the final purpose of the financial resources with explanations from the budget program section. For objective reasons, the obtained estimates cannot be completely precise, but they are sufficiently salient and suitable for an analysis of multi-year trends in environmental protection costs.

Total expenditures from the budget of the Republic of Serbia for environmental protection in the 2014–2023 period was close to RSD 180 billion or around EUR 1.5 billion. Observed on an annual level, expenditures for environmental protection have significantly increased in nominal terms— from less than EUR 60 million to slightly over EUR 330 million in 2023. However, as can be seen in **Table 4**, that growth was not as pronounced when viewed in relation to the change in Serbia’s GDP. Budget expenditures for environmental protection in the 2014–2020 period were stable at a low amount, just over 0.2% of GDP per year, and a more significant increase started from 2021 — to an average level of close to 0.5% of GDP. It is interesting to note that the total budget expenditures for environmental protection (current and capital) until 2019 were significantly lower than the revenues collected by the state from the fees for environmental pollution, which originally belonged to the defunct SEPF (see **Table 2**).

Table 4: National budget expenditure for environmental protection, 2014–2023

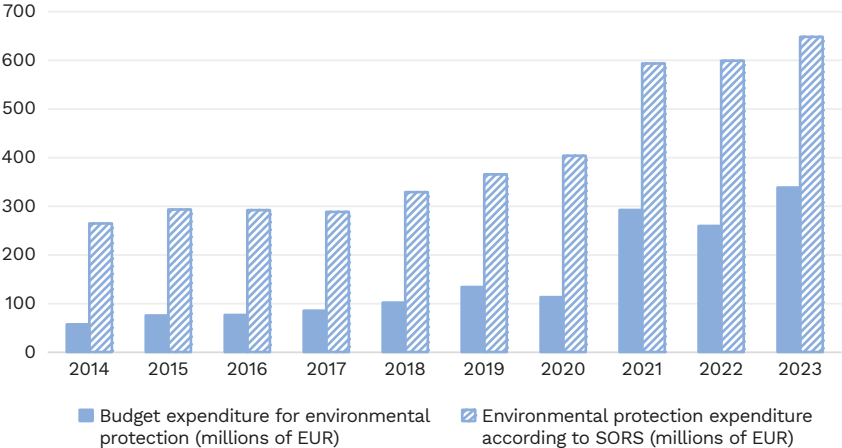


Source: Author’s calculation based on the data from the final accounts of the Budget of the Republic of Serbia

The analysis of the structure of the total expenditures from the National Budget suggests that, during the entire 2014–2023 period, the share of costs for financing policies in the environmental sector was relatively low — they accounted for an average of 1.2% of the annual national budget. Again, there is a clear difference between the two periods: from 2014 to 2020, the Government directed an average of only 0.9% of its expenditures toward environmental protection, but in the last three years (2021–2023), their share in the total national expenditures almost doubled (1.7%). However, what stands out as a clear trend is that Serbia is relying more and more on national budget funds for financing environmental protection. In 2014, budget expenditures were at around 20% of national expenses in the environmental protection sector, while in 2023 they will most likely exceed 50%. **Table 5** clearly shows that the increase in total investment in this sector over the past few years is mainly due to higher expenditures from the national budget, while the growth of investment from other sources of financing (private sector, PUCs, local self-government budgets, etc.) was noticeably smaller. The fact that other sectors are signif-

icantly behind the national budget in terms of investment growth confirms from a financial point of view the previous assessment that Serbia has made progress in transposing EU requirements into domestic regulations, but that it is significantly behind in their practical implementation.

Table 5: National Budget expenditures vs. assessment of national costs of environmental protection, 2014–2023

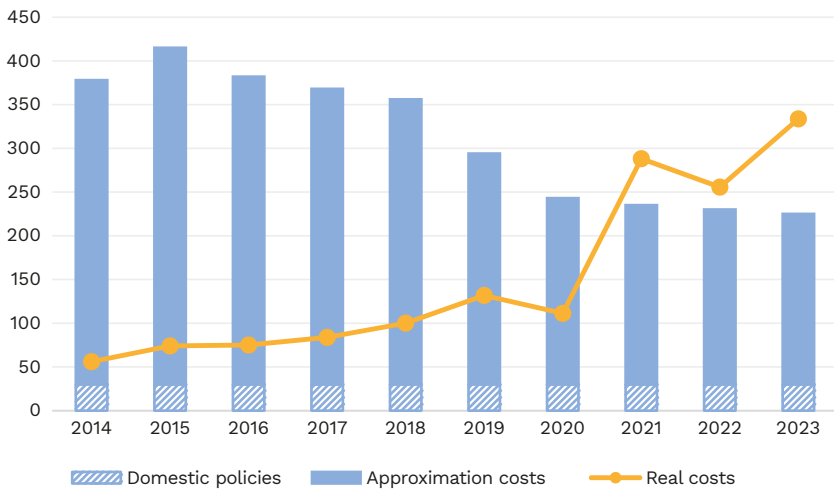


Source: Final accounts of the Budget of the Republic and SORS, the author’s estimate for the national expenses of environmental protection in 2023

In the context of the estimated costs of approximation that should have been financed from the National Budget, it is evident that budget expenditures for environmental protection in the 2014–2023 period were significantly lower than expected. It has already been pointed out that the consistent implementation of the financial plan from NEAS required funds from the National Budget in the amount of at least EUR 3 billion, while the actual expenditures were half as much — around EUR 1.5 billion. It was only from 2021 that annual budget expenditures started to actually approach the level that had been planned during the entire analyzed period (**Table 6**). However, it should be kept in mind that the assessment of the necessary budget funds from NEAS was based on the assumption that all other aspects of economic approximation discussed in the previous section were successfully implemented — which was not even close to

reality. Without a stronger mobilization of funds from other funding sources, the current (historically relatively high) budgetary expenditure for environmental protection would have to be even higher for the implementation of the EU acquis regarding Chapter 27 to be achieved within a reasonable timeframe.

Table 6: Actual and required budget expenditures according to NEAS, 2014–2023 (in millions of EUR)



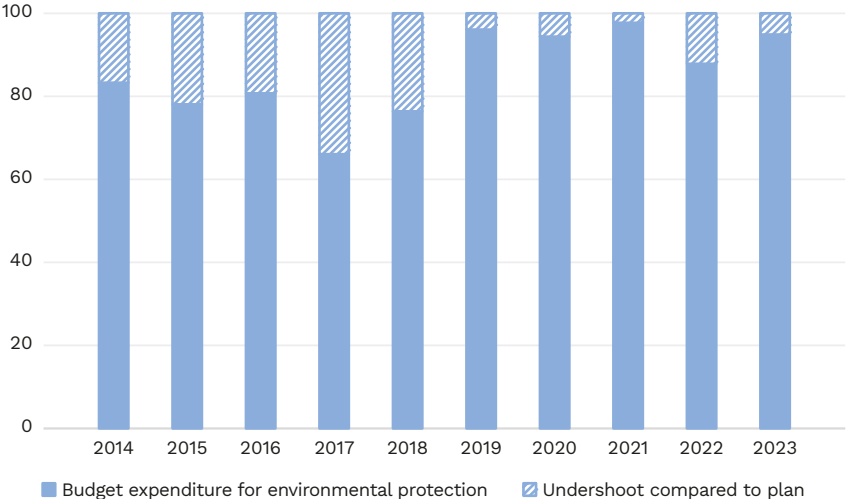
Source: Author's calculation based on data from the final accounts of the Budget of the Republic and NEAS

Apart from the fact that the budget expenditures for environmental protection were low, during the first half of the analyzed period, an additional problem was that the already modest budget plans were not effectively executed. Namely, in the 2014–2018 period, the realization percentage of the environmental protection budget was only around 75% on average (**Table 7**), which means that the competent budget users failed to spend approximately a quarter of the funds they had available.¹⁸ The standard explanations in the public sphere — that low investments in environmental protection were a consequence of the unenviable situation in Serbia's public finances and the implementation of fiscal

18 The data on planned budget expenditures represent the amounts that were foreseen in the original annual budget, i.e., in the last rebalancing if there were official amendments to the initial Budget Law during the year.

consolidation in the 2015–2017 period — are probably only partially true. The analyses suggest that this was largely the result of the inability of competent institutions to effectively carry out all activities planned in the budget. The example of 2017 is particularly striking because the final expenditures were a third lower than initially planned and not even a single dinar was spent on twenty projects for which funds had been budgeted.¹⁹ Additionally, according to budget data, the only ambitious staffing drive for additional administrative, management, and environmental inspectorate positions in the previous ten years was planned for 2017, but new jobs were not created, and only half of the (increased) budget funds were spent on staffing expenses.

Table 7: Planned vs. executed budget expenditures for environmental protection, 2014–2023 (in %)



Source: Author’s calculation based on data from the final accounts of the Budget of the Republic

¹⁹ Several larger projects can be used as an illustration: Water Supply and Wastewater Treatment Program for Medium-Sized Municipalities in Serbia (around RSD 2.5 billion), the Project for Permanent Disposal of Hazardous Waste (RSD 205 million), the Project for Expansion of a Wastewater Collection System in Kula (RSD 150 million), the Project for the Construction of the Main Collector for WWTP Leskovac (RSD 60 million), etc. Another example lies in the fact that the funds for the establishment of the National Ecological Network and Natura 2000 were budgeted for three consecutive years (2016–2018), but were not spent.

The claim that fiscal consolidation between 2015 and 2017 was not the main reason for the insufficient investment in environmental protection at the time is also supported by the fact that these expenditures were not initially increased even after the situation in the National Budget stabilized in 2018. A significant increase in environmental protection expenditure started from 2021, but this is most likely only partially the result of efforts to enable budget users to manage a larger volume of funds efficiently. Namely, almost half of the recorded increase in environmental protection expenditure (over EUR 200 million in three years) was realized through the Clean Serbia project,²⁰ which was formally under the jurisdiction of the Ministry of Construction, Transport, and Infrastructure, but is actually part of a group of projects that were designated as “infrastructure projects of importance” by the Lex Specialis from 2020. Publicly available information around this program is very scarce — it is not specified exactly what it includes and what the deadlines are for the completion of the works, nor is its implementation presented transparently enough to be monitored in real time in more detail.²¹ Based on publicly available information, it seems that the construction of sewage infrastructure and additional capacities for the disposal of solid municipal waste was largely entrusted to Chinese partners, while the budget line “Ministry of Construction, Transport, and Infrastructure — Implementation of Infrastructure Projects of Importance for the Republic of Serbia” only pays out funds for the completed works. Considering the fact that the implementation of this and similar projects is partially or completely exempt from the general legal regulations in the field of public procurement, expropriation, planning, and construction, it is clear that this “non-institutional” part of the increase in budget expenditures for environmental protection from 2021 did not come as a result of the enhancement of domestic capacity.

One of the assumptions that the NEAS plan rested on was that the ministry responsible for environmental protection (at that time it was the Ministry of Environmental Protection, Mining, and Spatial Planning) would transform into

20 About the project – Clean Serbia Project (cistasrbija.rs)

21 A rare example of the official information on the implementation of the Clean Serbia program is the recently published brochure, 100 Days of Work of the Ministry of Construction, Transport, and Infrastructure, which can be found on the Ministry’s website. As stated, the second phase of this project, whose total value is estimated at EUR 216 million (without VAT), has just begun, while the rate of realization of the first phase, whose total estimated value is around EUR 337 million (without VAT), is at 73%.

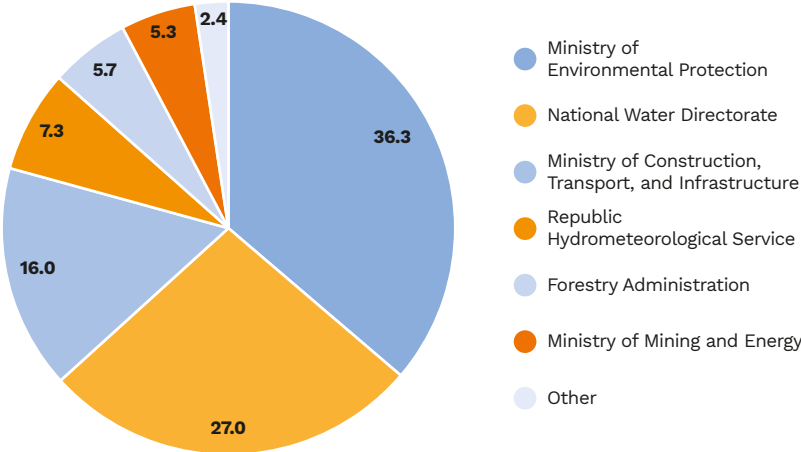
the main operational structure for the approximation of Serbia in this sector. International experiences indicate that capacity building and a certain degree of centralization of competences in the relevant ministry was a crucial step for the better coordination of activities and increased investment in a multi-sector area such as environmental protection. Judging by the fact that one of the recommendations of the European Commission, which has been repeated for years, is that it is necessary to establish a coordinated institutional structure to ensure the implementation of investments of the size and quality that Serbia needs,²² it is evident that, during the previous ten years, there was insufficient progress in this part of the reform agenda.

The analysis of budget expenditures in the 2014–2023 period confirms the assessment that competences in the environmental sector in Serbia are probably too fragmented, which makes it difficult to coordinate activities between different state bodies and reduces their ability to specialize for work in this area. Namely, the costs of environmental protection in the observed period were financed from the budgets of as many as five different ministries and several other direct budget users, of which the Republic Hydrometeorological Service of Serbia had the largest resources. As shown in **Table 8**, the largest part of the expenditure (around EUR 550 million) was financed from the Ministry of Environmental Protection, including SEPA and other institutions in the area of environmental protection (e.g. the Institute for Nature Conservation of Serbia), but these funds represented just over a third (36.3%) of the total national budget expenditure for this purpose. A total of around EUR 500 million (33%) was paid out through the National Water Directorate and the Forestry Administration from the budget of the Ministry of Agriculture, Forestry and Water Management. It has already been mentioned that the Ministry of Construction, Transport, and Infrastructure plays an increasingly important role when it comes to investments in environmental protection, so that almost EUR 250 million have been spent for this purpose from the Ministry's budget — most of it in the last three years. The Republic Hydrometeorological Service, as the primary institution for meteorological, climatic, and hydrological observations and

22 See Commission Staff Working Document: Republic of Serbia — Report for 2022, October 2022, available at: https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/Serbia_Report_2022_SR.%5B1%5D.pdf

analyses, has spent slightly over EUR 110 million since 2014, which represented 7.3% of the total budget expenditures for environmental protection. In the past few years, there has been an increase in expenditures from the Ministry of Mining and Energy, which can be directly linked to the environment and climate change — a cumulative amount of over EUR 80 million in ten years (5.3%). Total expenditures for environmental protection from other budget users are close to EUR 40 million (2.4%), and the largest part were funds from the Ministry (formerly the Office) for Public Investment.

Table 8: Distribution of expenditures for environmental protection by budget users, 2014–2023 (in %)



Source: Author’s calculation based on the data from the final account of the budget of the Republic of Serbia

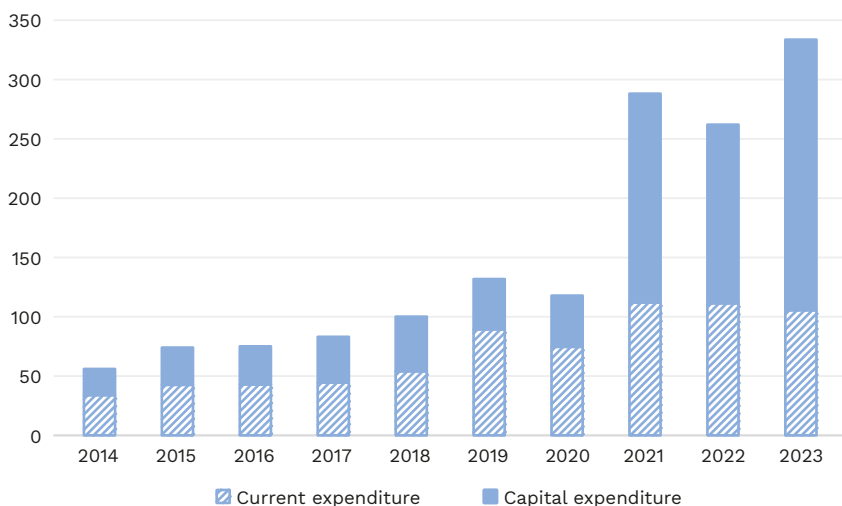
Note: The National Water Directorate was assigned expenses that were financed from the Water Budget Fund of the Republic of Serbia, which existed until 2020, and the Forestry Administration was assigned expenses from the former Fund for Forests and Hunting Development of the Republic of Serbia (which also existed until 2020).

The economic structure of budget expenditures for environmental protection in the 2014–2023 period cannot be assessed favorably, primarily due to low

infrastructure investments. Namely, of the total budget expenditures for environmental protection in the observed period, almost half (47%, or over EUR 700 million) were current expenditures in this sector — employee salaries and related contributions, all operational costs (e.g., materials and current maintenance), and various incentives and transfers to support the functioning of existing capacities in the environmental sector. Almost the same amount of funds (just over EUR 800 million or 53% of the total budget for the environment) went to capital expenditures and transfers to build the missing infrastructure in this area. Bearing in mind the very poor initial position of Serbia, which was already recognized in NEAS, and the fact that the construction of communal infrastructure is mainly the responsibility of the public sector, in order to achieve visible progress in the application of the EU acquis within the framework of Chapter 27, investments in environmental protection should have been at least double the current budget expenditures for this sector.

Table 9 shows the economic structure of budget expenditures by individual years, and an improvement can be observed from 2021 — i.e., Serbia came closer to the economic structure of budget expenditures that it should have aimed for during the entire 2014–2023 period. Although this is certainly a step in the right direction, due to the fact that it is largely a consequence of the implementation of the Clean Serbia project, about which there is little official information and which is implemented without transparent and rigorous tender procedures, it is still impossible to give a reliable assessment of the quality of these public investments. In its Progress Report for 2022, the European Commission also pointed out the lack of information about this program, which is why it is difficult to independently assess the extent to which these state investment projects are in line with the highest EU standards in the field of environmental protection.

Table 9: Economic structure of budget expenditures for environmental protection, 2014–2023

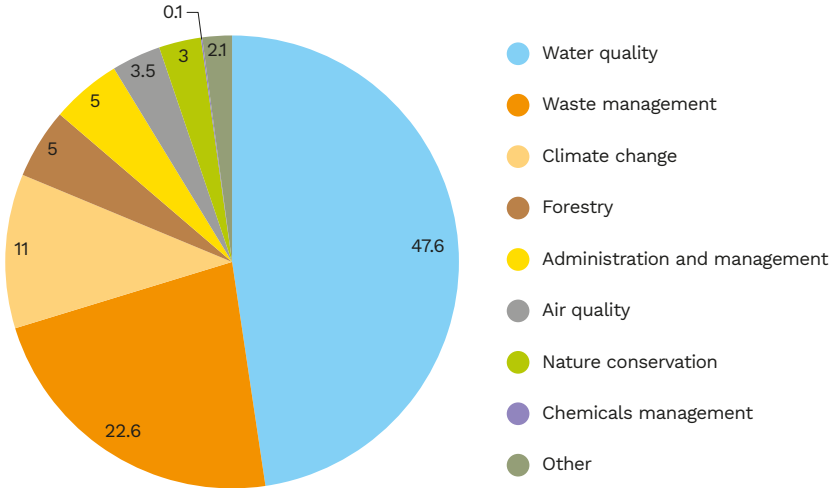


Source: Author's calculation based on the data from the final account of the Budget of the Republic of Serbia

An analysis of budget expenditures by the environmental protection area in the 2014–2023 period reveals a structure similar to the level of the national economy — around 70% of the funds were directed to the water and waste management sectors and approximately 30% to all other areas of environmental protection. As can be seen in **Table 10**, almost half of the budget funds were spent on water quality management, i.e., EUR 725 million or 47.6% of the total budget for environmental protection in the analyzed period. It is important to note here that the obtained amount represents the costs of integral water management, so, unlike the SORS data used in the first part of the analysis, it also includes the area of water supply, in addition to water protection. Budgetary expenditures for the waste management sector amounted to around EUR 345 million in the previous ten years, which represents almost a quarter of all national expenditures for waste management (22.6%). The share of other environmental areas in the total budget expenditures was proportionally much lower: climate (11%, around EUR 170 million), forestry and administration and management (5% each, i.e., around EUR 75 million each), air quality (3.5%

or a little over EUR 50 million), nature conservation (3% or EUR 45 million), chemicals management (0.1% or around EUR 1.7 million), while a little over EUR 30 million has been allocated in total for other environmental protection activities — that is, 2.1% of the green budget. In addition to the distribution of total budget expenditures, the specific purpose of these funds was analyzed in more detail by environmental protection areas, and below is a summary of the obtained results.

Table 10: Budget expenditures by environmental protection areas, 2014–2023 (in %)



Source: Author’s calculation based on the data from the final accounts of the Budget of the Republic of Serbia

Note: There were no programs and projects explicitly financed from the National Budget over the analyzed period for other environmental sectors that are part of Chapter 27 and that were regularly covered in the Coalition 27 Shadow Reports, such as industrial pollution and noise protection.

The annual National Budget expenditures in the area of water quality increased from only around EUR 20 million in 2014 to EUR 180 million in 2023, 9 times increase, and over the analyzed ten-year period, they cumulatively reached the amount of around EUR 725 million. This estimate represents the sum of all

budget expenditures for environmental protection in the water management sector — the administration and management, oversight, ongoing maintenance, and investments and capital transfers to other levels of government for infrastructure projects. Analyses show that, out of the total investments in this sector, around EUR 315 million or 45% were used to prevent water pollution, while the remaining EUR 410 million (55%) were spent for other purposes in this sector — drinking water supply, arranging watercourses, and irrigation. The National Water Directorate was responsible for the largest part of expenditures in the 2014–2023 period (around EUR 410 million), followed by the Ministry of Construction, Transport, and Infrastructure (around EUR 225 million), while less than EUR 70 million was spent from the budget of the Ministry of Environmental Protection. When it comes to the distribution of responsibilities between these state bodies, the expenses of the Ministry of Environmental Protection and the Ministry of Construction, Transport, and Infrastructure are practically entirely dedicated to wastewater management and protection against pollution, while the Water Directorate is entrusted with other tasks in water management (except for one small project related to the water protection, the value of which is around EUR 100,000 per year).

Without a doubt, by far the largest project in the field of water protection and the most ambitious infrastructure undertaking in the environmental sector launched in Serbia during the 2014–2023 period was the Clean Serbia project, which has already spent around EUR 250 million of budget funds. The goal of this program, the total value of which is estimated at around EUR 3.5 billion, is the construction of wastewater treatment plants (WWTP), sewage networks, and pumping stations in 65 cities and municipalities, i.e., at a total of 89 locations. As a result of the project, Serbia should end up with 157 WWTPs and around 5.2 million km of new sewage pipes, which roughly corresponds to half of the country's estimated needs. In addition to this comprehensive program, a number of individual projects were financed from the National Budget (e.g., around EUR 4 million was allocated from the budget in the 2018–2021 period for the construction of the WWTP in Leskovac), including budget lines for co-financing projects at the local self-government level and transfers from IPA funds. Two years after the project for the collection and purification of waste-

water from the central sewage system of the City of Belgrade first appeared in the budget with no withdrawal of funds (in 2023), the work finally began, and EUR 7.2 million was spent from the National Budget. After more than a decade of silence and unfulfilled promises,²³ this could finally enable Belgrade to remove its infamous label as the only million-strong city in Europe that has not solved the issue of municipal wastewater treatment.

Additionally, it is evident that projects in the field of water protection often start appearing in the budget for years before their implementation actually begins. Apart from the Belgrade example, the same applies to budget lines intended for credit support within the Water Supply and Wastewater Treatment Program for Medium-Sized Municipalities in Serbia III, V, VI — which appeared during the budget in the 2019–2023 period — but an analysis of the final accounts shows that there was no disbursement of funds from them at all. A similar example is the Sludge Construction Project at the wastewater treatment plant in the City of Šabac — it appeared in the budget during the 2016–2018 period, but the final accounts of the National Budgets show that the planned funds were ultimately not spent. These situations seem to be a symptom of systemic weaknesses in planning, administration, and project management, and past experience shows that the fact that a project is included in the National Budget does not necessarily mean that its implementation will actually begin in that fiscal year.

Annual National Budget expenditures in the area of waste management grew from EUR 13 million in 2014 to EUR 80 million in 2023, and during the entire observed period, they reached the amount of almost EUR 350 million. In contrast to the water management sector, where there are several budget users responsible for the execution of a significant portion of the expenditure, in the waste management sector, the largest part of the budget funds by far was paid out from the Ministry of Environmental Protection. However, a more detailed analysis reveals that almost 70% of the public expenditures for waste

23 In the last ten years, there were several official announcements and plans for the beginning of construction of the WWTP and the missing sewage network in Belgrade. For example, at the end of 2015, the city administration announced that this problem would be permanently solved by the construction of 5 WWTPs by 2020. After that, the number of planned plants increased to as many as 14, but without concrete developments in the field. As of 2020, the only activity undertaken toward this goal was the signing of a cooperation agreement between the City of Belgrade and a Chinese company, China Machinery Engineering Corporation, to finance research and design for the central sewage system wastewater collection and purification.

management (around EUR 240 million) in the 2014–2023 period related to a single project: Incentives for Waste Reuse and Recycling. It is important to point out that the program of subsidizing the development of the domestic recycling industry was originally conceptualized as a temporary measure, which was supposed to be an important part of providing financing for the private sector until the expected establishment of a sustainable system for waste management in accordance with the principles of the circular economy (efficient organization of waste collection, primary separation of waste, construction of new capacities for recycling, etc.). Given that, ten years later, Serbia is not even close to such a waste management system. Despite the significant budget funds that have been used to subsidize the recycling industry, modest results have been achieved. Namely, according to the latest SEPA data, only 18% of solid municipal waste is currently recycled (for comparison, in CEE region it is over 50%), with a significant contribution of the informal sector in the collection of secondary raw materials, while only 5% of the total generated waste is reused (over 70% in CEE and EU).

Only since 2021 has there been a systematic and noticeable increase in budget allocations essentially intended for improving the situation in the waste management sector. The five most significant projects with the greatest amounts of funding in the 2021–2023 period are: 1) Closure and Rehabilitation of Existing Unsanitary Landfills — around EUR 10 million ; 2) Implementation of the Waste Management System Construction Project — EUR 8.6 million ; 3) Procurement of Waste Collection and Recycling Equipment — EUR 9.3 million ; 4) Prevention of Illegal Disposal and Removal of Waste — EUR 3.1 million; and 5) Removal and Permanent Disposal of Hazardous Waste in the Territory of the Republic of Serbia — EUR 16.1 million.

Annual budget expenditures in the area of climate change increased from EUR 7 million in 2014 to around EUR 25 million in 2023, reaching a total amount of almost EUR 170 million in the analyzed period. Only in the past few years has Serbia become more actively involved in the fight against climate change and the transition to cleaner energy, as evidenced by the intensification of efforts to develop a regulatory and strategic framework in this area. First,

the Law on Climate Change was adopted in June 2021,²⁴ then in the middle of 2023, the Government adopted the Low-Carbon Development Strategy for the period from 2023 to 2030 with projections until 2050, and the Integrated National Energy and Climate Plan (INECP) covering the same period was also adopted this year. Achieving goals in terms of decarbonization, reduction of greenhouse gas emissions, increase in the share of renewable sources in energy production and consumption, energy efficiency, etc. will require huge investments from the public sector in the coming years — estimated at close to EUR 11 billion by 2030.

However, in the absence of an appropriate institutional and strategic framework, budget expenditures in this area during the 2014–2023 period were at an extremely low level. Moreover, as many as two-thirds of the funds allocated to this area in the analysis actually concern operational costs and projects under the responsibility of the Republic Hydrometeorological Service, since it is the main institution for climate and hydrological measurements and analyses. This, in fact, means that a total of only around EUR 60 million was spent on concrete measures and policies related to climate change and the green transition. Individually, the largest budget expenditure that can be defined in this way are incentives for the improvement of energy efficiency, for which around EUR 25 million has been spent since 2014, paid out through the Directorate for Financing and Encouraging Energy Efficiency (formerly the Budget Fund for the Improvement of Energy Efficiency). Additionally, from 2021, several projects in the field of renewable energy sources and energy efficiency will be financed by the Ministry of Mining and Energy,²⁵ which were funded in the amount of just over EUR 20 million in the 2021–2023 period. The fact that INECP plans that public sector investments in energy efficiency should amount to as much as EUR 8 billion by 2030 — i.e., 150–200 times more than budget allocations in the previous ten years — shows how small those funds have been so far.

24 Adoption of the Law on Climate Change was delayed for three years, but it was finally adopted in March 2021. However, it is still impossible to implement the law in practice due to the delay in the adoption of by-laws that would regulate its provisions more closely.

25 These are the following projects: Energy Efficiency and Energy Management in Municipalities in Serbia, Energy Efficiency in Central Government Buildings, Energy Efficiency in Public Buildings and Renewable Energy Sources in the District Heating Sector, Clean Energy and Energy Efficiency for Citizens, Renewable Energy Promotion Program — Biomass Market Development (KfW).

The annual budget expenditures for forestry increased from around EUR 4 million in 2014 to around EUR 11 million in 2023, when they cumulatively reached the amount of just over EUR 75 million. All national expenditures in this area are currently under the jurisdiction of the Forestry Administration, after the Budget Fund for Forests was abolished in 2020. Basically, there are three main programs that disbursed budgetary funds for forestry in the 2014–2023 period: 1) Forest Management (around EUR 20 million); 2) Forest Oversight (EUR 3.8 million); and 3) Sustainable Development and Improvement of Forestry, through which EUR 52.5 million of subsidies were paid to public non-financial companies and organizations operating in this sector over the past ten years.

Budget allocations for administration and management in the area of environmental protection increased from around EUR 4 million in 2014 to just over EUR 10 million in 2023, and for the entire 2014–2023 period, they amounted to around EUR 75 million. This analytically heterogeneous group of budget expenditures includes items related to general affairs under the responsibility of the Ministry of Environmental Protection (regulation of environmental protection policy, inspection oversight, administration), as well as the total budget of the Environmental Protection Agency, which is in charge of monitoring, quality control, and reporting on the state of the environment in the Republic of Serbia. Additionally, all specific project activities that can be connected with the horizontal sector and the strengthening of institutional capacities for the adoption of the EU *acquis* in the environmental sector are classified here. These are, for example, the projects: Coordination of Harmonization With EU Goals Within the Green Agenda, Digital Transformation and Sustainability and UN Agenda 2030 (Ministry of European Integration); Encouraging the Implementation of Educational, Research, and Development Studies and Projects in the Field of Environmental Protection (Ministry of Environmental Protection); Development of Local Infrastructure and Institutional Strengthening of Local Governments (Ministry of Construction, Transport, and Infrastructure); Support for European Integration and Preparation of Projects for the 2014–2020 Period (IPA 2014, Ministry of Environmental Protection) and others.

Budget expenditures for the area of air quality amounted to slightly over EUR 50 million in the 2014–2023 period. In the analysis, all project activities that,

in a broader sense, can contribute to the improvement of air quality in the cities and municipalities of the Republic of Serbia are classified under this area. Bearing this in mind, the single largest budget expenditure are funds invested in the rehabilitation of the district heating system, which amounted to a total of EUR 38 million over the previous ten years.²⁶ Until 2019, these were, in fact, the only projects financed from the national budget that can be linked to measures to improve air quality. Beginning in 2020, Serbia introduced incentives for the purchase of environmentally friendly vehicles, for which around EUR 7.5 million have been spent so far from the national budget. As of 2021, a budget line for reducing air pollution from individual stoves has been opened, and so far, almost EUR 3 million has been transferred for this purpose to local self-governments that received funds in open calls by the Ministry of Environmental Protection. In the end, EUR 4.3 million was spent on the purchase, replacement, reconstruction, and repair of boiler rooms in the previous two years.

Nature conservation is an area in which, during the 2014–2023 period, around EUR 45 million was cumulatively invested. In 2014, only around EUR 2 million were disbursed from the national budget for nature conservation, but the annual amount has since grown to EUR 7.2 million in 2023. In the analyzed period, there were no significant changes to the policy in this area, so the total budget expenditures can be divided into several main projects: 1) Arrangement and Improvement of the System of Nature Conservation and Biodiversity Preservation (EUR 4.6 million); 2) Support for the Work of the Institute for Nature Conservation (nearly EUR 11 million); 3) Afforestation to Protect and Preserve Natural Diversity (EUR 3.4 million); 4) Preservation and Protection of Land as a Natural Resource (EUR 6.6 million);²⁷ 5) Protection and Conservation of Strictly Protected Species and Protected Migratory Species (EUR 0.1 million). The single largest expenditure from the national budget for nature conservation are actually incentives for co-financing the program for the management of

26 The single largest project related to the rehabilitation of the district heating system in Kragujevac, for which EUR 12.5 million was spent.

27 This amount includes budget expenditures for rehabilitation, closure and reclamation of the tailings landfill from the Zajača smelter (EUR 2.7 million), as well as remediation and reclamation at the site of the FAM Kruševac factory (EUR 0.6 million).

protected natural areas of national importance, for which a total of around EUR 20 million was spent over the past ten years.

However, although the largest amount of budgetary funds has been spent for co-financing the management of protected natural areas, the chronic lack of funds and the generally disorganized financing system is one of the pressing problems in the nature conservation sector. Namely, NEAS recognized that, in the medium and long term, the absolute priority of the Government should be the development of economic instruments that would enable a sustainable increase in resources for nature conservation and biodiversity protection, and recommended that, in the meantime, this area should mostly be financed directly from the budget. However, during the entire 2014–2023 period, budget subsidies were sufficient to cover only a small part of the financial needs for the efficient management of protected natural resources, while a comprehensive reform of other potential sources of financing was not implemented. The nominal increase of funds allocated from the budget for this purpose by around 75% during the observed period (from around RSD 200 million in 2014 to around RSD 350 million last year) can only at first glance lead to the conclusion that the situation is improving. If we take into account the fact that prices in Serbia have simultaneously increased by around 50%, that labor costs have almost doubled, as well as the fact that the area under state protection during the analyzed period has increased by around 205,000 hectares,²⁸ it could easily turn out that budget expenditure in real terms and per unit area of protected land effectively remained the same or even decreased.

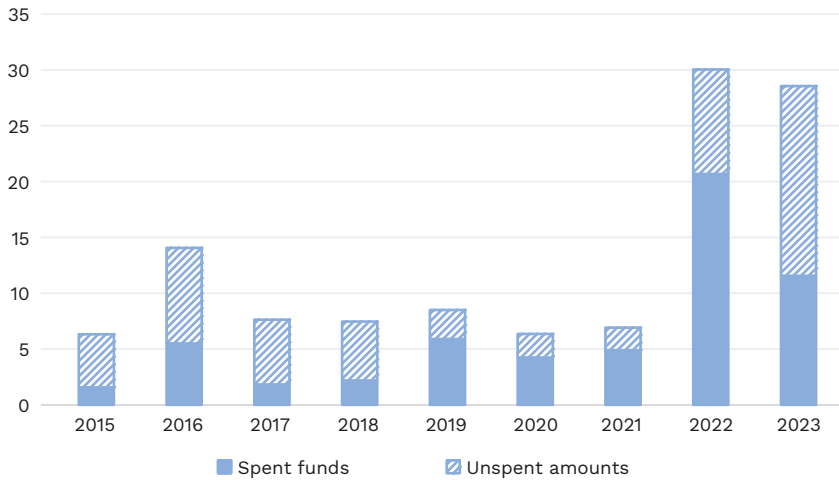
Budget expenditures for the area of chemicals and biocidal products management grew constantly during the analyzed period — from around EUR 0.1 million in 2016 to close to EUR 0.4 million in 2023. Observed cumulatively, the national expenditures for this area amounted to around EUR 1.7 million and accounted for only 0.1% of the total budget expenditures for environmental protection in the 2014–2023 period. The main program financed from the national budget was the regulation of the chemicals and biocidal products

28 The overview of protected areas in the Republic of Serbia published by the Institute for Nature Conservation suggests that, in the 2014–2023 period, six nature parks (88,860 hectares) were established, as were 13 landscapes of exceptional qualities (91,105 hectares) and four nature reserves (25,254 hectares).

management system, which accounted for the largest portion of the funds (around 85%). Around RSD 23 million was spent from the national budget during 2018 and 2019 for the Strengthening the Synergies Between the Basel, Rotterdam, Stockholm and Minamata Conventions at the National Level project. Finally, starting in 2023, the Ministry of Environmental Protection launched a new project called Further Strengthening of Capacities for Risk Assessment of Dangerous Substances Through Their Entire Environmental Life Cycle, which cost the budget almost RSD 9 million last year. This project should last three years and be realized with the financial support of UNEP, with the total value of the donation being \$250,000.

For every area of environmental protection, the analysis shows that Serbia was quite unsuccessful in withdrawing EU grants within the Instrument for Pre-Accession Assistance intended for this sector. By comparing budgeted and actually executed expenditures that were financed from IPA funds, it can be concluded that their average degree of realization was only around 50% in the 2015–2023 period. As can be seen in **Table 11**, in the 2015–2021 period, Serbia did not manage to spend even the relatively modest budgeted amounts of around EUR 10 million per year, while the execution percentage was even below 30% in several years (2015, 2017, and 2018). In the previous two years, there was a significant increase in the planned volume of budget expenditures financed from IPA funds, to around EUR 30 million per year, but the percentage of realization is still relatively small — less than 70% in 2022, i.e., only around 40% in 2023.

Table 11: Financing of environmental protection with IPA funds, 2015-2023 (in millions of EUR)



Source: Author's calculation based on the data from the final account of the budget of the Republic



Horizontal Legislation

Overview

There were no significant legislative additions to the area of horizontal legislation in the reporting period. Two key laws that should provide the instruments necessary for good environmental management have not been adopted yet, although public discussions on the Draft Law on Environmental Impact Assessment and the Draft Law on Strategic Environmental Impact Assessment were completed in mid-January 2022.

The reporting period was marked by the drafting of the Environmental Protection Strategy with an action plan, led by the Ministry of Environmental Protection. At the beginning of August, the Ministry of Environmental Protection invited civil society organizations to apply for membership in the working group for the development of the Strategy for the Implementation of the Convention on Access to Information, Public Participation in Decision-Making, and Access to Justice in Environmental Matters (Aarhus Convention) with an action plan.

The Report on the work of the Environmental Protection Inspectorate indicates that there is a need to increase the number of inspectors, improve working conditions, and provide the appropriate equipment in order to facilitate more efficient inspection work.

The largest number of complaints received by the ombudsman concerned issues of air, water, and soil pollution, with special emphasis on the problem of noise and unpleasant odors. Reports on criminal acts against the environment were filed against 1,823 persons, mostly regarding timber theft and forest devastation, but also due to the importation of dangerous substances into Serbia and the illegal processing, disposal, and storage of them.

Strategic and Legislative Framework

Environmental Impact Assessment and Directive 2011/92/EU (Replaced by Directive 2014/52/EU)

The new Law on Environmental Impact Assessment has not been adopted yet, although the Law entered the parliamentary procedure in October 2023. The public debate on the Draft Law on Environmental Impact Assessment was conducted from December 24, 2021 to January 14, 2022, while the final public debate report was published in August 2022.

The draft law expands the competencies of the Ministry of Environmental Protection and will lead to the unnecessary centralization of impact assessment procedures. This trend is contrary to the measures contained in the Negotiating Position for Chapter 27, which state that, in order to improve the implementation of the requirements regarding environmental impact assessment, the capacities of employees who work on environmental protection tasks at the local level should be strengthened. We wrote in more detail about the content of the Law, public debates, and the comments sent in the previous two reports of the Coalition 27.²⁹

According to the Government Annual Work Plan for 2023, the deadline for proposing the Law on Environmental Impact Assessment to the National Assembly was June 2023.³⁰ In order for the Directive on Environmental Impact Assessment (Directive 2014/52/EU) to be fully transposed into domestic legislation, apart from the adoption of the new Law, the Regulation on Determining the List of Projects for Which the Impact Assessment Is Obligatory (List I) and List of

29 <https://www.koalicija27.org/izvestaji-iz-senke/>

30 Government of the Republic of Serbia (2023): Government Annual Work Plan for 2023, available at: https://www.srbija.gov.rs/extfile/sr/370541/plan-rada_vlade_2023_cyr.pdf

Projects for Which the Environmental Impact Assessment Can Be Required (List II) must be adopted, as well. According to the current Government Annual Work Plan, the deadline for the adoption of the Regulation was September 2023.³¹

In the Negotiating Position for Chapter 27, the Republic of Serbia recognized the quality of impact assessments and the public consultation process as the main challenges in the implementation of the Directive.³²

Strategic Impact Assessment and Directive 2001/42/EC

The new Law on Strategic Environmental Impact Assessment was not adopted. According to Government Annual Work Plan for 2023, the deadline for proposing the Law on Strategic Environmental Impact Assessment to the National Assembly was June 2023.³³ The Law entered the parliamentary procedure in October 2023, but it was not placed on the agenda of the Assembly, which was dissolved in the meantime, so the Law was also withdrawn.

The public debate on the Draft Law on Strategic Environmental Impact Assessment took place from December 24, 2021 to January 14, 2022,³⁴ in parallel with the public debate on the Draft Law on Environmental Impact Assessment. A report on this process was also published in August 2022.³⁵

The Negotiating Position states that the problem of poor coordination and information exchange between different levels of the Government in the implementation of the impact assessment process will be solved through the development of a special database on activities related to impact assessment

31 Ibid.

32 Government of the Republic of Serbia (2019): Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 – Environment and Climate Change, available at: https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

33 Government of the Republic of Serbia (2023): Government Annual Work Plan for 2023, available at: https://www.srbija.gov.rs/extfile/sr/370541/plan-rada_vlade_2023_cyr.pdf

34 Ministry of Environmental Protection: Report on the Public Debate on the Draft Law on Strategic Environmental Impact Assessment, available at: <https://www.ekologija.gov.rs/lat/informacije-od-javnog-znacaja/javne-rasprave/izvestaj-o-javnoj-raspravi-o-nacrtu-zakona-o-strateskoj-proceni-uticaja-na-zivotnu-sredinu>

35 Ministry of Environmental Protection: Report on the Public Debate on the Draft Law on Strategic Environmental Impact Assessment, available at: <https://www.ekologija.gov.rs/lat/informacije-od-javnog-znacaja/javne-rasprave/izvestaj-o-javnoj-raspravi-o-nacrtu-zakona-o-strateskoj-proceni-uticaja-na-zivotnu-sredinu>

and strategic impact assessment procedures at the national, provincial, and local levels. This database has not been created yet. To achieve full harmonization with European legislation, it will be necessary to adopt the Rulebook on the Work of the Expert Commission for the Evaluation of Strategic Environmental Impact Assessment Reports and the Rulebook on the Procedure for Public Insight, Presentation, and Public Discussion of the Strategic Environmental Impact Assessment Report.

Public Participation in the Development of Certain Plans and Programs and Directive 2003/35/EC

For full compliance with this Directive, the adoption of a number of laws is necessary, namely: the Law on Environmental Impact Assessment, the Law on Integrated Prevention and Control of Environmental Pollution, and the Law on Amendments to the Law on Water. The Negotiating Position of the Republic of Serbia for Chapter 27 states that the Directive was supposed to be fully transposed by the end of 2020.³⁶

Environmental Crimes and Directive 2008/99/EC

No progress has been made in harmonizing legal regulations related to criminal law in the field of environmental protection. Directive 2008/99/E3 is still partially transposed into domestic legislation. The last amendments to the Criminal Code were made in 2019.

Directive 2007/2/EC — INSPIRE Directive

In the Negotiating Position for Chapter 27, in order to fully implement the INSPIRE Directive, the Republic of Serbia requested a transition period of two years and four months from the date of EU accession. The duration of

36 Government of the Republic of Serbia (2019): Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change, available at: https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

the transition period for the full implementation of the Directive³⁷ should be determined by the Specific Implementation Plan for the INSPIRE Directive.

In order to further harmonize the legislative framework with the EU acquis, a series of by-laws that would define issues such as regulations related to monitoring and reporting (2020), interoperability, network services, and access to geodata sets and services, including public access and data exchange between public authorities (2020) are set to be adopted.³⁸

Availability of Environmental Information and Directive 2003/04/EC

Directive 2003/4/EC on public access to environmental information has been almost completely transposed into domestic legislation.

The Negotiating Position for Chapter 27, which was adopted in 2019, envisaged the completion of the process by the end of 2020. However, the Law on Amendments to the Law on Free Access to Information of Public Importance was adopted in November 2021.³⁹ The final version of the Law on Free Access to Information of Public Importance expanded the range of bodies against which a complaint cannot be filed with the commissioner, adding the National Bank of Serbia to the list of privileged bodies whose decisions can only be appealed via an administrative dispute, which can last for years in practice.

Responsibility for Preventing and Eliminating Environmental Damage and Directive 2004/35/EC

There was no progress regarding the adoption of the Law on Liability for Environmental Damage, i.e., the transposition of the Environmental Liability Directive 2004/35/EC. The Directive is in the initial phase of transposition into domestic legislation and requires the adoption of the Law on Liability for

37 Government of the Republic of Serbia (2019): Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change, available at: https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

38 Ibid.

39 Official Gazette of the RS, no. 120/2004, 54/2007, 104/2009, 36/2010, and 105/2021.

Environmental Damage.⁴⁰The drafting of the Law began in 2015, while the first public consultations regarding the Draft Law on Liability for Environmental Damage were held in 2019. On March 12, 2020, the Committee on Finance, State Budget, and Control of Public Saving of the Government of the Republic of Serbia adopted Conclusion no. 011-2328/2020 on conducting a public debate on the Draft Law on Liability for Environmental Damage in the period from March 16 to April 6, 2020. However, since a state of emergency was declared on March 15, 2020, the conclusion was not implemented. In the meantime, there were no activities related to the adoption of the Law.

40 Government of the Republic of Serbia (2019): Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change, available at: https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

Implementation of Regulations

Environmental Protection Strategy

At the beginning of 2023, the working group for drafting the Environmental Protection Strategy started convening, and 5 meetings were held by the end of the year. Its Work Plan, presented at the beginning of the process, underwent significant changes by the end of the year, so that the very process of creating the document deviated from the Plan.

The content of the future Draft Environmental Protection Strategy is based on the Green Agenda and is divided into 5 pillars: decarbonization, energy efficiency and reduction of industrial pollution, circular economy, reduction of environmental pollution with a special focus on air quality, protection and investment in biodiversity and ecosystems, and sustainable food systems and rural development. In addition to the aforementioned pillars, the need arose for the sixth one that would encompass and regulate horizontal issues. The pillar of horizontal issues will define and regulate matters such as the capacities and knowledge levels necessary for the application of EU standards concerning the Green Agenda at all levels, improvement of the implementation of the 3 pillars of the Aarhus Convention, further development of the system for monitoring the quality of environmental factors, and impact of climate change, as well as improvement of the financing system for environmental protection.

The Government Annual Work Plan for 2023 ambitiously planned to adopt this document by the end of the same year. Although this ambition was shared by the working group, due to overlapping responsibilities and the need for inter-departmental cooperation among a large number of institutions, this process and the harmonization of the document obviously required much more time than originally planned. As of the time period covered by this report, the first

draft of the document has not been prepared, and it is unknown when it will be presented to the public.

In order to increase transparency and promote civic participation in the earliest stages of the process of drafting documents, the Belgrade Open School, Young Researchers of Serbia, and the Renewables and Environmental Regulatory Institute (RERI) organized a broad consultation process with civil society organizations. It followed the work of the formal working group, which necessitated organizing consultative meetings after working group sessions. The agendas of these meetings were carefully tailored to the topics discussed by the working group, to enable participants to take part directly and make timely contributions to the process. From February to December 2023, 3 consultative meetings were held, with the participation of 32 civil society organizations from different parts of Serbia and representatives of the academic community, ministries, and international organizations. During this period, 440 comments and suggestions were collected, which the aforementioned 3 organizations, as members of the working group, included for further consideration. During 2024, the Ministry organized two more thematic meetings of the working group (in January and April), where the pillars of the Strategy related to decarbonization, biodiversity, and horizontal issues were discussed in more detail.

Strategy for the Implementation of the Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention) With an Action Plan

In the course of 2023, the Ministry of Environmental Protection issued a public call to civil society organizations to apply for membership in the working group on developing the Strategy for the Implementation of the Convention on Access to Information, Public Participation in Decision-Making, and Access to Justice in Environmental Matters (Aarhus Convention) with an Action Plan. Eight organizations that met the criteria were selected. During the reporting period, 2 meetings of the working group were held, where the Draft Strategy and action plan were presented. However, there is currently no precise plan for the finalization of these documents, so the drafting process will continue

in 2024, although the Government Annual Work Plan envisaged that this document should have been adopted by December 2023.

Public Participation

During 2023, the European Policy Center (CEP) conducted an analysis regarding the functioning of the eConsultation portal,⁴¹ which, as a separate part of the eGovernment system, should contribute to the greater transparency of the decision-making process, i.e., the availability of regulations and public policy documents to the general public and greater participation of citizens in their drafting. Despite the fact that state bodies are obliged to publish relevant information about public consultations and discussions in this way, the CEP research⁴² showed that the portal is still not in use across all state bodies — although it started working at the end of 2021. The practices between administrative bodies that use this method of communication with citizens are uneven, so in some cases, there is no information about any consultative processes; in addition, the portal is also used for purposes other than those intended. One of the examples of this is that the Ministry of Environmental Protection uses the portal to share news related to public tenders for the allocation of funds, with only 12 announcements out of the 75 available during the research period being related to public consultations and discussions. The conclusion of the analysis is that this instrument requires the improvement of the legal framework, as well as technical and human resources, in addition to raising the awareness of various actors about its importance in order to improve its use and ensure adequate citizen participation.

The Belgrade Open School (BOŠ) publication called *Putting Words into Practice — Towards a More Effective Public Participation Process: A Model of a Broad*

41 <https://ekonsultacije.gov.rs/>

42 European Policy Center — CEP: eConsultation Portal: New Instrument, Untapped Opportunities, available at: https://cep.org.rs/wp-content/uploads/2023/10/%D0%9F%D0%BE%D1%80%D1%82%D0%B0%D0%BB-%D0%B5%D0%9A%D0%BE%D0%BD%D1%81%D1%83%D0%BB%D1%82%D0%B0%D1%86%D0%B8%D1%98%D0%B5_%D0%BD%D0%BE%D0%B2%D0%B8-%D0%B8%D0%BD%D1%81%D1%82%D1%80%D1%83%D0%BC%D0%B5%D0%BD%D1%82-%D0%BD%D0%B5%D0%B8%D1%81%D0%BA%D0%BE%D1%80%D0%B8%D1%88%D1%9B%D0%B5%D0%BD%D0%B5-%D0%BF%D1%80%D0%B8%D0%BB%D0%B8%D0%BA%D0%B5.pdf

*Consultation Process*⁴³ also states that the environment for the participation of the interested public in decision-making processes is still not sufficiently encouraging. Highlighting the shortcomings of participatory practices, the challenges include unharmonized provisions, imprecisely formulated procedures, and a lack of knowledge on the part of the interested public and the administration that implements them, as well as inadequate provision of information to the interested public, a short time period set aside for participation, and the absence of feedback on the outcomes of the process, such as reports from public consultations and discussions.

When it comes to public participation, the practice also shows that various problems persist in this area. Public hearings are still often held during holidays, annual vacations, and under conditions that are not conducive to citizen participation. One of the most recent examples is the case of Valjevo. Namely, on April 13, 2024, the Ministry of Environmental Protection announced that the presentation of the Study on the Impact Assessment of the Hansgrohe Factory's Electroplating Facility and a public hearing were scheduled for May 17. However, on the date itself, a notice was posted on the door of the city administration that the hearing was postponed for June 7 because a member of the technical commission had fallen ill, and then, that same afternoon, it was announced that it would still be held on May 20. The announcement appeared in the local newspaper the next day, i.e., only 48 hours before the planned event. This case was exacerbated by the fact that local activists and RERI pointed out that the building in question had already been built, as well as that the study contained numerous deficiencies.⁴⁴

The reluctance to actually hear citizens' voices is also illustrated by the public call to civil society organizations to nominate candidates for membership in the working group for drawing up the Draft Law on Air Protection. One of the criteria for membership in this working group included that interested

43 Belgrade Open School: *Putting Words Into Practice — Towards a More Effective Public Participation Process: A Model of a Broad Consultation Process*, available at: <https://www.bos.rs/rs/uploaded/Sa%20re%C4%8Di%20na%20delo%20-%20Kako%20do%20delotvornijeg%20u%C4%8De%C5%A1%C4%87a%20javnosti%20Model%20C5%A1irokog%20procesa%20konsultacija.pdf>

44 <https://reri.org.rs/fabrika-za-proizvodnju-slavina-u-valjevu-procena-uticaja-na-zivotnu-sredinu-ili-javna-rasprava-o-izgradnji-objekta-koji-je-vec-izgradjen/>

associations needed to be registered and demonstrate expertise in the field of air protection over the last 8 years, which is why a complaint was submitted to the Ministry of Environmental Protection and the Ministry of Human and Minority Rights and Social Dialogue.⁴⁵

Another case that attracted negative attention last year was the urbanistic project for Hall 1 of the Belgrade Fair. Apart from citizens' associations appealing illegal procedural lapses related to city planning,⁴⁶ omissions in the project presentation call were also pointed out.⁴⁷ Some other inadequacies included the short deadline of only 7 days for the public presentation, as well as the fact that the commission is not obliged to respond to objections and hold a public discussion.⁴⁸

Environmental Protection Inspectorate

The Report on the Work of the Environmental Protection Inspectorate⁴⁹ states that the Inspection Plan for 2023⁵⁰ was fully implemented in all areas, while attention was also paid to preventive action. Prevention was reflected in the procedures for providing oversight based on requests from supervised subjects, in educational activities carried out during the first regular inspection control of economic subjects, as well as the provision of information to the public by publishing the Inspection Oversight Plan and checklists from various areas of environmental protection on the website of the relevant Ministry.

If we look at the number of inspections according to specific areas, the available data shows that the largest number was related to integrated pollution and

45 <https://reri.org.rs/reri-podneo-primedbu-na-javni-poziv-organizacijama-civilnog-drustva-za-ucesce-u-radnoj-grupi-za-izradu-nacrta-zakona-o-zastiti-vazduha/>

46 <https://www.masina.rs/hala-1-na-sajmu-nije-zasticena-urbanistickim-projektom-upozorava-ministarstvo-prostora/>

47 <https://reri.org.rs/beogradski-sajam-nezakonit-nn-urbanisticki-projekat-u-okviru-beogradskog-sajma/>

48 <https://ministarstvoprostora.org/urbanisticki-projekat-za-sajam-mora-da-se-ponisti/>

49 Ministry of Environmental Protection (2024): Environmental Protection Inspection Plan for 2023, available at: https://www.ekologija.gov.rs/sites/default/files/inline-files/Godi%C5%A1niji%20Izve%C5%A1taj%20o%20radu%20Inspekcije%20za%20za%C5%Atitu%20%C5%BEivotne%20sredine%20za%202023.%20godinu_0.pdf

50 Ministry of Environmental Protection: Inspection Plan for 2023, available at: <https://www.ekologija.gov.rs/sites/default/files/inline-files/Plan%20inspekcijskog%20nadzora%20za%202023%20-%20Inspekcija%20za%20za%C5%Atitu%20%C5%BEivotne%20sredine.pdf>

environmental protection from pollution, whereas the smallest number of them pertained to protection from non-ionizing radiation:

- field of integrated pollution and environmental protection from pollution — 924 inspections, 440 of which were unplanned;
- field of waste management — 681 inspections, 103 of which were unplanned;
- field of nature protection — 588 inspections, 416 of which were unplanned;
- field of control of chemicals and biocidal products — 164 inspections, 15 of which were unplanned;
- field of protection against chemical accidents — 145 inspections, 19 of which were unplanned;
- field of environmental noise protection — 32 inspections, 20 of which were unplanned;
- field of soil protection and oversight of unsanitary landfills — 28 inspections, 4 of which were unplanned;
- field of protection against non-ionizing radiation — 26 inspections, none unplanned.

When it comes to challenges in the work of the Environmental Protection Inspectorate, the Report primarily highlights problems concerning the inspection oversight of environmental protection in local self-governments. It states that in 2023, 14 LSGs did not have a person in charge of environmental protection inspection work (which is an increase compared to last year, when that number was 12⁵¹), while in those LSGs that have such employees, they often perform other tasks as well, which is why they cannot fulfill their annual plans or have complete operational plans. In accordance with that, the Sector for

51 Ministry of Environmental Protection (2023): Report on the Work of the Environmental Protection Inspectorate 2022, available at: <https://www.ekologija.gov.rs/sites/default/files/inline-files/Godi%C5%A1nji%20Izve%C5%A1taj%20o%20radu%20Inspekcije%20za%20za%C5%A1titu%20%C5%BEivotne%20sredine%20za%202022.pdf>

Environmental Oversight and Preventive Action coordinated the implementation of inspection oversight tasks within the purview of the Provincial Inspectorate for Environmental Protection of the AP of Vojvodina and LSGs, which meant that the Republic Inspectorate referred submissions to the Provincial Inspectorate for Environmental Protection of the AP of Vojvodina and LSGs, accompanied with a request to submit a report on the action taken on each case. To optimize the work of this body, it is necessary to improve the material and technical resources, primarily the procurement of vehicles in order to adequately carry out field oversight. However, as of last year, the need to increase the number of employees in the Sector for Environmental Oversight and Preventive Action is also indicated. (Interestingly, at the end of 2023, 56 inspectors were employed in the Sector for Environmental Oversight and Preventive Action — 1 less than in the previous year — while 85 positions were planned — again, 1 less than in 2022)⁵². Other recommendations for improving the work of this body include providing inspectors with various types of training and establishing better cooperation with judicial bodies.

As for the activities of the Environmental Protection Inspectorate, a publication by the Renewables and Environmental Regulatory Institute (RERI) entitled *Guidelines for Climate Change and Human Rights*,⁵³ published in the second half of last year, also includes a recommendation for the improvement of reporting and monitoring the state of the environment. Namely, inspection oversight over polluters should be improved, and inspectors should be able to exercise their full power, which includes submitting misdemeanor and criminal charges, as well as revoking operating licenses from polluters who violate regulations and exceed the statutory pollutant emissions.

52 Ibid.

53 RERI — Regulatory Institute for Renewable Energy and the Environment: *Guidelines for Climate Change and Human Rights*, available at: <https://reri.org.rs/wp-content/uploads/2023/08/Smernice-za-klimatske-promene-i-ljudska-prava-final.pdf>

Access to Information of Public Importance

Commissioner for Information of Public Importance and Personal Data Protection

A significant part of the regular annual report by the Commissioner for Information of Public Importance and Personal Data Protection⁵⁴ is dedicated to pointing out abuses of the right to access information of public importance. Namely, it states that in the past year, the commissioner's office received the largest number of complaints since the institution of the commissioner was established. The cause of the sudden increase in complaints is explained by the change in the judicial practice of the Constitutional Court in 2022, which determined that the reimbursement of legal representation costs incurred by information seekers in procedures before the commissioner was justified. Since this practice significantly complicates the commissioner's work due to being overburdened with numerous requests, which are assessed as unfounded, a proposal was sent to the National Assembly to pass amendments to the Law on Free Access to Information of Public Importance as a matter of urgency.

In 2023, the commissioner's office received 16,711 appeals related to violations of the right to access information of public importance, while 2,983 unresolved appeals were carried over from the previous year. The largest number of appeals were submitted by citizens and lawyers (91.17%) and civil society organizations (4.98%), followed by journalists, trade unions, representatives of political parties, authorities, business entities, etc.

54 Commissioner for Information of Public Importance and Protection of Personal Data (2024): Report on the Work of the Commissioner for Information of Public Importance and Protection of Personal Data for the Year 2023, available at: https://www.poverenik.rs/images/stories/dokumentacija-nova/izvestajiPoverenika/2023/Godi%C5%A1nji_izve%C5%A1taj_2023lat.pdf

Out of 10,594 resolved appeals, the largest number of cases were related to incomplete responses of the authorities to requests from information seekers (49.56%), while as many as 37.07% of complaints were filed because requests from information seekers were completely ignored (so-called “administrative silence”). Out of the total number of resolved appeals, 9.93% were filed against the decision of the authorities to reject the information seeker’s request as unfounded with an explanation. In 3.11% of appeals, the authorities responded explaining the decision, and 0.33% of appeals were filed at the request of information seekers asking for compensation for the costs of the procedure.

According to the report, a trend that has been ongoing for years continues — in a significant number of appeals that were well-founded, the commissioner’s appeal proceedings ended up being suspended since the authorities acted on the information seeker’s request upon learning that there was an appeal before the commissioner. Out of the 8,665 decisions in which the commissioner ordered the authorities to make information available to information seekers based on their complaints, the authorities failed to act in 218 cases (or 25.17%), which means that the rate of compliance with the commissioner’s decisions is on average 74.83%. It is also pointed out that less than half of the bodies that are required to submit an annual report on their work to the commissioner have done so (42.73%).

When it comes to reviewing requests and complaints against the ministries and their administrative bodies, out of a total of 4,991 requests and 1,193 complaints, 346 and 97, respectively, were related to the Ministry of Environmental Protection. It is further stated that for every 4.2 requests submitted, a complaint was filed with the commissioner by an information seeker for not receiving information from the relevant Ministry.

When it comes to the information of public importance related to the environment, it is emphasized that there is still a high percentage of information requests being denied, which is highly concerning, considering that this information is crucial for public health, which is why the provision of such information should be subject to shorter and urgent deadlines.

The privacy of the person to whom the information relates is the most frequently cited reason for rejecting applicants' requests. This practice can only be interpreted as ignorance, i.e., an unjustified reference to the privacy and protection of the personal data by public authorities. A significant number of denials result from misinterpretations of the Law, which is why requests are rejected on the grounds that the requested information is not of public importance, even though it meets all the criteria prescribed by the Law to qualify as such information.

During 2023, 14,984 citizens contacted the ombudsman, which represents an increase of slightly more than 8% compared to the previous reporting period. A total of 4,425 cases were opened, 41 of which were related to environmental protection. As in the previous year, the largest number of complaints on environmental protection related to air quality, protection from noise, and unpleasant odors from hospitality and agricultural facilities, i.e., resulting from various economic activities. In the context of exercising oversight over the regularity and legality of the work of administrative bodies, the Report of the Ombudsman⁵⁵ observes that, in specific cases, the inspectorates suspended the oversight procedure before determining the exact facts or failed to take certain legal measures that would eliminate the identified irregularities.

It also states that, despite the fact that 2 years have passed since the new Law on Environmental Noise Protection entered into force, only 4 local governments have adopted a decision on how to control the level of noise from hospitality facilities. When it comes to the Law on Amendments to the Law on Waste Management, the Report states that it is still too early to assess its effectiveness — given that this Law imposes stricter conditions for waste producers and waste management operators — but that more effective inspection oversight requires cooperation among various authorities.

As for the recommendations for improving the position of citizens in relation to administrative bodies, the ombudsman, *inter alia*, suggests that financial support should be provided by the Ministry of Environmental Protection to

55 Ombudsman (2024): Regular Annual Report of the Ombudsman for 2023, available at: <https://www.ombudsman.rs/attachments/article/7979/Redovan%20Godisnji%20izvestaj%20Zastitnika%20gradjana%20za%202023.%20godinu.pdf>

local self-governments so that they can execute entrusted tasks in the field of environmental protection. In addition, local self-governments should implement a more efficient system of monitoring the execution of these tasks upon inspection oversight in the field of environmental protections. At the same time, LSGs should establish better cooperation between their own and other inspectorates, especially when the same subject is handled by a number of them. LSGs that have not adopted decisions on how to control the level of noise from hospitality facilities and establish more effective supervision in this area should do so. Additionally, they should develop and adopt air quality plans and short-term air quality action plans, in case of pollution.

Addressing the issue of climate change and human rights, the Renewables and Environmental Regulatory Institute (RERI) has also compiled recommendations related to the work of the ombudsman. These include creating a special report on the violation of the right to a healthy environment and other human rights related to the endangerment of the environment and excessive exploitation of natural resources, as well as special reports on the violation of human rights in cities and municipalities that are exposed to long-term, high-intensity pollution.⁵⁶

Criminal Acts Against the Environment

According to the Report on the Work of the Office of the Public Prosecutor regarding the suppression of crime and protection of constitutionality and legality in 2023,⁵⁷ reports were filed against 1,823 persons for criminal offenses against the environment, which is 171 more than in the previous year.⁵⁸

When it comes to changes in the number of reports, an increase was recorded in those related to the failure to implement environmental protection measures,

56 RERI — Renewables and Environmental Regulatory Institute: Guidelines for Climate Change and Human Rights, available at: <https://reri.org.rs/wp-content/uploads/2023/08/Smernice-za-klimatske-promene-ijudska-prava-final.pdf>

57 Supreme Public Prosecutor's Office (2024): Report on the Work of the Office of the Public Prosecutor on the Suppression of Crime and Protection of Constitutionality and Legality in 2023, available at: http://www.vrhovnojt.gov.rs/docs/SKM_95824041013280.pdf

58 Supreme Public Prosecutor's Office: Report on the Work of the Office of the Public Prosecutor on the Suppression of Crime and Protection of Constitutionality and Legality in 2023, available at: http://www.rjt.gov.rs/docs/lzvestaj_Republika_Srbija_Republicko_javno_tuzila%C5%A1tvo_mart2023.pdf

contamination of food and drinking water, import of dangerous substances into Serbia, illegal processing, disposal, and storage of dangerous substances, illegal fishing, and destruction, damage, export abroad, and import into Serbia of protected natural assets. The largest increase was recorded in the criminal offense of environmental pollution — by as much as 915%.

A decrease in the number of reports was recorded for the following criminal offenses: environmental damage, violation of the right to information about the state of the environment, illegal hunting, timber theft, devastation of forests, and killing and abuse of animals. The most significant change was related to the criminal offense of violation of the right to information on the state of the environment — namely, there was a decrease of 97.92% compared to the previous reporting period.

Unlike in 2022, reports were also registered for the criminal acts of illegal construction and commissioning of facilities and plants that pollute the environment (against 3 persons), damage to facilities and devices for environmental protection (against 2 persons), transmission of infectious diseases among animals and plants (against 6 persons), negligent provision of veterinary assistance (against 2 persons), and using harmful means to treat animals (against 1 person). In addition, several cases that were carried over from the previous year were addressed this year, including a report for the criminal offense of unauthorized construction of nuclear facilities and cases related to the criminal offense of violation of the right to information about the state of the environment.

The structure of the reports on crimes against the environment:

- 203 persons were reported for the criminal offense of environmental pollution (an increase of 915% compared to 2022);
- 95 persons were reported for the criminal offense of failure to implement environmental protection measures (an increase of 427.77% compared to 2022);
- 3 persons were reported for the criminal offense of illegal construction and commissioning of facilities and plants that pollute the environment (last year, there were no reports);

- 2 persons were reported for the criminal offense of damage to facilities and devices for environmental protection (last year, there were no reports);
- 7 persons were reported for the criminal offense of environmental damage (a 65% decrease compared to 2022);
- 20 persons were reported for the criminal offense of destruction, damage, export abroad, and import into Serbia of protected natural assets (an increase of 25% compared to 2022);
- 165 persons were reported for the criminal offense of bringing dangerous substances into Serbia and illegal processing, disposal, and storage of dangerous substances (an increase of 146.26% compared to 2022);
- 162 persons were reported for the criminal offense of killing and abusing animals (an increase of 25.58% compared to 2022);
- 6 persons were reported for the criminal offense of transmission of infectious diseases among animals and plants (last year, there were no reports);
- 2 persons were reported for the criminal offense of negligent provision of veterinary assistance (last year, there were no reports);
- 1 person was reported for the criminal offense of using harmful means to treat animals (last year, there were no reports);
- 8 persons were reported for the criminal offense of contaminating food and drinking water, i.e., feeding animals (an increase of 166.66% compared to 2022);
- 57 persons were reported for the criminal offense of devastation of forests (a decrease of 16.18% compared to 2022);
- 979 persons were reported for the criminal offense of timber theft (a decrease of 17.53% compared to 2022);

- 62 persons were reported for the criminal offense of illegal hunting (a decrease of 35.42% compared to 2022);
- 51 persons were reported for the criminal offense of illegal fishing (an increase of 96.15% compared to 2021).

A significant number of reports in this area still remain unresolved. Namely, 870 reports regarding the crime of timber theft remain pending from the previous period. In addition, there are 116 unresolved reports for the crime of killing and abusing animals, 99 for polluting the environment, and 66 for importing dangerous substances into Serbia, illegal processing, disposal, and storage of dangerous substances. As for illegal hunting, reports against 54 persons are still pending, and the situation regarding 50 reports for the crime of destruction of forests, 44 cases of failure to implement environmental protection measures, 18 cases of violation of the right to information about the state of the environment, 17 cases of illegal fishing, and 13 cases of damage to the environment is the same. In terms of the criminal offense of destruction, damage, export abroad, and import into Serbia of protected natural assets, 9 reports from the previous year are still pending. Finally, when it comes to the criminal offenses of illegal construction and commissioning of facilities and plants that pollute the environment, damage to facilities and devices for environmental protection, and contaminating food and drinking water, 5, 3, and 2 reports were carried over, respectively.

As for addressing reports of economic crimes under the Law on Environmental Protection, the Law on Nature Protection, the Law on Air Protection, and the Law on Chemicals, a total of 17 reports were submitted (a decrease of 29.17% compared to 2022). In addition, 17 reports were carried over from the previous period, while convictions were reached in 15 cases. The cases under these laws were related to failure to implement environmental protection measures against uncontrolled spills or emissions of dangerous substances caused by the operation of industrial facilities, i.e., improper and long-term storage of substances characterized as dangerous. The Report emphasizes once again that it is not entirely clear why the number of reports submitted under this

Law has been extremely low for years, bearing in mind the prevalence of the topic of environmental pollution in the public space.

When it comes to addressing economic crimes, it should also be mentioned that during 2023, 15 reports were received regarding the regulation of economic crimes under the Law on Waste Management, which represents a decrease of 42.31% compared to last year.

Financing

According to the National Environmental Approximation Strategy, horizontal legislation does not require significant financial resources for harmonization, in contrast to the costs of implementing EU regulations in the field of environmental protection. The post-screening document points out that most of the costs in this sector, about EUR 15 million, will be incurred for the implementation of the INSPIRE Directive. There is not much information in the Negotiating Position for Chapter 27 about the estimated costs of further harmonization with EU legislation and the costs of implementation. The only information regarding funding is related to the INSPIRE Directive, stating that a detailed situational assessment, implementation plan, associated costs and funding mechanism will be part of the specific implementation plan for this Directive. Based on publicly available information, it is currently only possible to monitor general costs related to the administration, management, policy making, oversight, and monitoring in the field of environmental protection — while distinguishing between the costs of implementing the existing and new EU regulations is not possible.

The total costs of administration, management, oversight, and monitoring in the area of environmental protection in 2023 amounted to about RSD 1.2 billion (3.1% of the total budget for environmental protection), which is 18% lower than in 2022. The majority of this amount is earmarked for the general competences of the Ministry of Environmental Protection, including the Environmental Protection Inspectorate, for which RSD 710 million has been allocated. The expenses of the Agency for Environmental Protection, which is responsible for environmental quality monitoring and oversight, amounted to RSD 362 million in 2023. The Budget for 2024 plans to increase the total expenditures for the administration and management in the area of environmental protection by over 20% compared to last year's Budget — from RSD 1.2 billion to almost RSD 1.5 billion (3.2% of the total budget expenditures for environmental protection). Based on this increase, the budget of the Ministry of Environmental

Protection earmarked for general competences should increase to over RSD 890 million (an increase of about 25%), and the funds available to the Ministry of Environmental Protection for the implementation of its competences should rise to RSD 440 million (an increase of over 20%).

Recommendations



Strategic and Legislative Framework

1. Improve the quality of the processes of the Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) by adopting a new Law on Environmental Impact Assessment and Law on Strategic Impact Assessment, as well as the necessary by-laws.
2. Harmonize List I (the projects for which an impact assessment is necessary) and List II (the projects for which an impact assessment may be required) with Annexes I and II of Directive 2011/92/EU.
3. Create a list of plans and programs for which a strategic environmental impact assessment is mandatory and a list of plans and programs for which a strategic environmental impact assessment may be required.



Implementation of Regulations

4. Provide transparent and timely information to the public about conducting public debates via the internet and increase public awareness. Improve the functionality of eConsultation so that it meets the needs of the average user (access to documents, information about the beginning, duration, and venue of public debates, etc.).
5. Ensure the full implementation of the Regulation on the Methodology of Public Policy Management, Impact Analysis of Public Policies and Regulations, and the Content of Individual Public Policy Documents (8/2019-79) in the environmental protection sector.

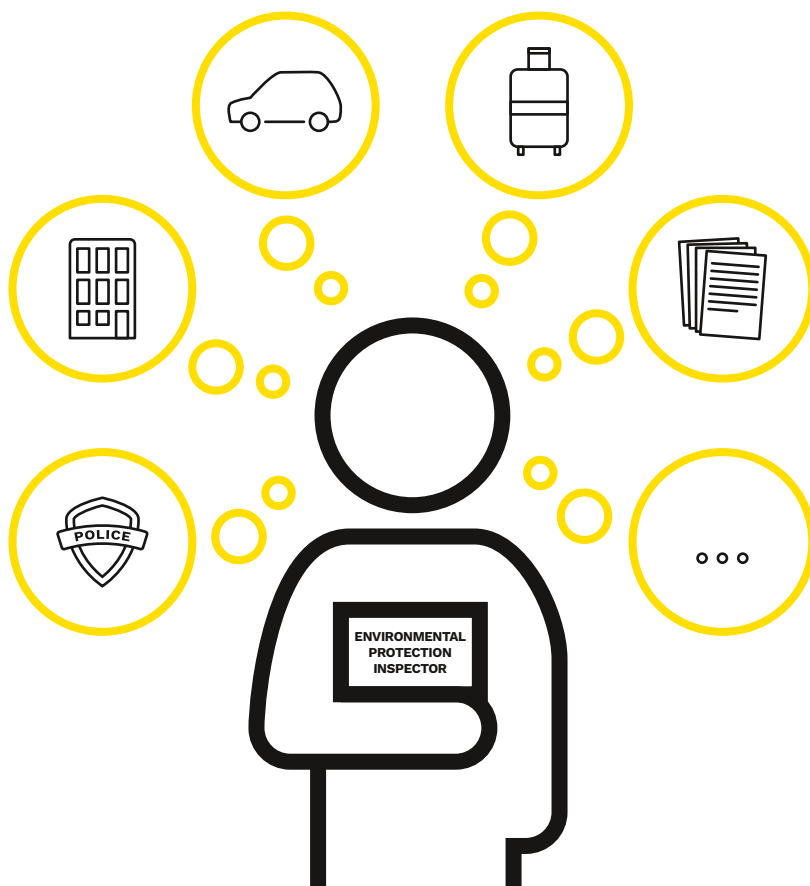
- 6.** Fully implement the guidelines set out in the Rulebook on the Contents of the Request on the Need for Environmental Impact Assessment and Contents of the Request for Defining the Scope and Content of Environmental Impact Assessment Study when drafting environmental impact assessment studies.
- 7.** Ensure the inclusion of a cumulative impact assessment in environmental impact assessment studies.
- 8.** Establish quality control of environmental impact assessment studies, as well as a review of studies every 5 years.
- 9.** Tighten the penal provisions for environmental pollution, and consistently apply the Law on Liability of Legal Entities for Criminal Offenses (Official Gazette of the RS, no. 97/08).



HORIZONTAL LEGISLATION

ENVIRONMENTAL PROTECTION INSPECTORS

in many local self-governments **perform other additional tasks**, most often those of a communal inspector, building, traffic, tourist inspector, environmental protection officer, and other tasks delegated to them by their superiors.



Source: Report on the Work of the Environmental Protection Inspectorate (2023):
<https://www.ekologija.gov.rs/sites/default/files/inline-files/>

Godišnjik%20Izveštaj%20o%20radu%20Inspekcije%20za%20zaštitu%20životne%20sredine%20za%202023.%20godinu_0.pdf



KOALICIJA 27



Air Quality



Overview

The Annual Report on Air Quality in Serbia for 2022, prepared by the Environmental Protection Agency, was published in mid-October 2023, even though the report for the previous year should be made available by February 28 of the current year, as per regulations.

According to the report, in 2022, the air was excessively polluted in 8 agglomerations and 13 cities in Serbia, which are cumulatively home to over 4 million inhabitants. Suspended PM_{10} and $PM_{2.5}$ particles, which have exceeded the limit values in several cities and agglomerations, are still the most widespread pollutants in excessive concentrations. Valjevo stood out as the city with the highest average annual concentration of PM_{10} particles — $67 \mu\text{g}/\text{m}^3$ — significantly above the threshold value of $40 \mu\text{g}/\text{m}^3$. Additionally, Valjevo experienced the most days with exceedances of daily limit values of PM_{10} particles.

Even though the Air Protection Program in the Republic of Serbia Until 2030 was adopted, it has not yet had an impact on the air protection policy in practice. These challenges are best illustrated by the case of Valjevo, which has had the most polluted air in Serbia for years according to various parameters, such as the average concentration of suspended PM_{10} particles and the number of days with excessive pollution.

Open calls for the co-financing of household energy rehabilitation measures, implemented by the Ministry of Mining and Energy through the Clean Energy and Energy Efficiency for Citizens⁵⁹ project, include a special line for socially vulnerable households as of this year. Although the increase in the share of co-financing, as well as the assistance specifically targeted at socially vulnerable citizens, represents a positive step, the extent to which these open calls will reach the citizens who need help the most is dubious. First of all, local self-governments were not obliged to apply for funds for socially vulnerable

59 t/n: srb. „Čista energija za sve”

citizens, so the number of municipalities that would provide support to these citizens in the first year when this line was introduced was significantly lower. In addition, the total funds allocated for this component of the project are significantly smaller than the funds intended for citizens who are not socially disadvantaged.

Strategic and Legislative Framework

On February 23, 2024⁶⁰, the Ministry of Human and Minority Rights and Social Dialogue, in cooperation with the Ministry of Environmental Protection, issued a public invitation to civil society organizations asking them to nominate candidates for membership in the working group for drafting the law on air protection.

The working group is made up of representatives from public administration bodies, the professional community, businesses, civil society, and other interested parties.

Civil society organizations pointed out a discriminatory condition related to the application process for the participation of such organizations in the working group — that all applicant organizations were required to have been registered for at least eight years prior to this public call.

The invitation stated that its objective was to select up to two civil society organizations whose representatives would participate in the working group through a public and transparent process.

The Renewables and Environmental Regulatory Institute (RERI) submitted a comment on the public call,⁶¹ since the conditions for the participation of civil society organizations are restrictive based on the date of registration and specific project experience in the last eight years. RERI states that these conditions inappropriately exclude organizations that have significant capacities, knowledge, and experience in the field of air protection but fail to meet the

60 <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/konkursi/javni-poziv-organizacijama-civilnog-drustva-za-predlaganje-kandidata-za-clanstvo-u-radnoj-grupi-za-izradu-nacrta-zakona-o-zastiti-vazduha>

61 <https://reri.org.rs/reri-podneo-primedbu-na-javni-poziv-organizacijama-civilnog-drustva-za-ucesce-u-radnoj-grupi-za-izradu-nacrta-zakona-o-zastiti-vazduha/>

formal criteria.⁶² The working group has yet to convene at the time of writing the report, but the list of selected members has been published. RERI has not received a response to this objection.

In June 2023, RERI and CEE Bankwatch sent a complaint to the Energy Community Secretariat⁶³ because Serbia was not in compliance with the rules on pollution control, which it committed to on January 1, 2018, by signing the Treaty establishing Energy Community. According to the treaty, the 120 MW Morava thermal power plant, which operates as part of the Electric Power Industry of Serbia⁶⁴ (EPS), was allowed to operate for a maximum of 20,000 hours until the end of 2023. Upon the expiry of those hours, it should have been closed or made to comply with European Union pollution control standards. However, by the end of 2022, TPP Morava had operated for a total of 23,051 hours⁶⁵ and continued to do so during 2023.

Although it was adopted in 2020, the National Emission Reduction Plan (NERP)⁶⁶ is still not being implemented, as exceedances of the permitted SO₂ emissions from thermal power plants⁶⁷ covered by the NERP have continued.

The Report on the State of the Environment for 2023⁶⁸ by the Electric Power Industry of Serbia (EPS) showed that the Nikola Tesla A and B and Kostolac B thermal power plants emitted a total of 226,816.10 and 45,802.68 SO₂ concentrations, respectively. In comparison to NERP's requirements, these are 5 and 6 times higher, respectively.

62 <https://reri.org.rs/wp-content/uploads/2024/02/Primedbe-Ministartsvo-zastite-zivotne-sredine.pdf>

63 <https://www.energy-community.org/legal/cases/2023/case0923RS.html>

64 t/n: srb. "Elektroprivreda Srbije"

65 <https://reri.org.rs/upucena-zalba-energetskoj-zajednici-zbog-nezakonitog-rada-termoelektrane-morava/>

66 <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/vlada/drugiakt/2020/10/1/reg>

67 <https://reg.pravno-informacioni-sistem.rs/api/Attachment/prilozi/429854/p2.html>

68 <https://www.eps.rs/lat/Documents/Izve%C5%A1taj%20o%20stanju%20c5%beivotne%20sredine%20u%20EPS%20AD%20za%202023.%20godinu.pdf>

Implementation of Regulations

The Annual Report on Air Quality in Serbia for 2022, prepared by the Environmental Protection Agency, was published in mid-October 2023. This is in spite of the fact that, according to regulations, the report for the previous year should be available by February 28 of the current year. As per the report, in 2022, the air was excessively polluted in all 8 agglomerations and 13 cities in Serbia, which are home to over 4 million inhabitants. Namely, pollution levels were excessive in Belgrade, Novi Sad, Niš, Bor, Pančevo, Smederevo, Užice, and Kosjerić (agglomerations), as well as in the following cities and municipalities: Kragujevac, Kostolac, Pirot, Loznica, Čačak, Paraćin, Zaječar, Kraljevo, Novi Pazar, Valjevo, Subotica, Sombor, and Zrenjanin.

PM₁₀ and PM_{2.5} Particles

PM₁₀ and PM_{2.5} particles are still the most widespread pollutants. As such, they have exceeded the limit values in several cities and agglomerations. Valjevo had the highest average annual concentration of PM₁₀ particles at 67 µg/m³, which is significantly above the limit value of 40 µg/m³. Valjevo also had the most days with exceedances of the daily limit value of PM₁₀ particles, with the Valjevo ZZJZ (Institute of Public Health) measuring station recording 178 days of excessive pollution with this matter. According to the regulations, there can be a maximum of 35 days with exceedances per year.

In addition to Valjevo, exceedances of suspended PM₁₀ particle limit values were also observed at the following stations: **Zaječar** (60 µg/m³), **Popovac** (49 µg/m³), **Novi Pazar** (49 µg/m³), **Užice** (47 µg/m³), **Smederevo Radinac** (47 µg/m³), **Loznica** (45 µg/m³), **Kraljevo Police Department** (44 µg/m³), **Kragujevac** (43 µg/m³), **Belgrade Zemun TB** (42 µg/m³), **Sombor Danube and Tisa** (42 µg/m³), **Pančevo Vojlovica** (42 µg/m³), **Bor Jugopetrol** (42 µg/m³), **Subotica Sonja**

Marinković Elementary School (41 $\mu\text{g}/\text{m}^3$), **Pančevo Starčevo** (41 $\mu\text{g}/\text{m}^3$), and **Belgrade Veliki Crljeni** (41 $\mu\text{g}/\text{m}^3$).⁶⁹

The highest daily concentration of PM_{10} particles was recorded at the **Belgrade Ovča station** — as high as 516 $\mu\text{g}/\text{m}^3$.

Additionally, exceedances of the annual limit value of $\text{PM}_{2.5}$ particles were recorded in the following cities and agglomerations: Pančevo, Smederevo, Užice, Kosjerić, Valjevo, Kraljevo, Čačak, Pirot, Subotica, Belgrade, Niš, and Novi Pazar. The highest annual concentrations were recorded in **Novi Pazar** (43 $\mu\text{g}/\text{m}^3$), **Užice** (41 $\mu\text{g}/\text{m}^3$), **Valjevo** (35 $\mu\text{g}/\text{m}^3$), **Pančevo (Vojlovica)** and **Smederevo (Radinac)** (33 $\mu\text{g}/\text{m}^3$ each), **Pirot** 31 $\mu\text{g}/\text{m}^3$, **Kraljevo, and Belgrade (Veliki Crljeni and Lazarevac stations, 30 $\mu\text{g}/\text{m}^3$ each).**⁷⁰

According to the agency's report, heating plants outputting less than 50 MW and individual stoves are the main sources of PM_{10} (64%) and $\text{PM}_{2.5}$ (80%) suspended particle emissions.

Some cities stand out for exceeding the limit values of nitrogen dioxide (NO_2) and other pollutants. For example, Belgrade, Niš, and Novi Pazar are among the sites where limit values were exceeded for suspended PM_{10} and $\text{PM}_{2.5}$ particles, as well as for **nitrogen dioxide (NO_2)**.⁷¹ During 2022, the annual limit value of 40 $\mu\text{g}/\text{m}^3$ for NO_2 was exceeded in Belgrade at the Despota Stefana station operated by the City Institute for Public Health — they amounted to 54 $\mu\text{g}/\text{m}^3$. The daily limit value of 85 $\mu\text{g}/\text{m}^3$ was exceeded in Belgrade at the Despota Stefana station for 20 days, at the Mostar station for 3 days, and in Novi Pazar and the Sveti Sava Elementary School in Niš for 1 day. The highest daily value (116 $\mu\text{g}/\text{m}^3$) was measured in Belgrade, at the Despota Stefana station. Transportation (41%), electricity, and thermal energy production (39% each) are the biggest contributors to nitrogen dioxide emissions at the national level.⁷²

69 Environmental Protection Agency (2023): Report on the State of Air Quality in the Republic of Serbia in 2022, page 5, available at: <https://sepa.gov.rs/wp-content/uploads/2024/10/Vazduh2022.pdf>

70 Ibid.

71 Ibid, page 24.

72 Environmental Protection Agency (2023): Report on the State of Air Quality in the Republic of Serbia in 2022 — Sources of Air Pollutant Emissions, page 13, available at: <https://sepa.gov.rs/wp-content/uploads/2024/10/Vazduh2022.pdf>

Sulfur Dioxide (SO₂)

According to the SEPA data, in 2022, an average annual concentration of sulfur dioxide above the threshold value of 50 µg/m³ was not recorded at any measuring station. However, exceedances of the daily limit value of 125 µg/m³ were recorded at several stations, such as **Bor City Park (for 4 days)**, while at the **Bor Institute** and **Beograd Obrenovac** stations, exceedances were registered on only **1 day**. It is important to note that only 3 exceedances of the daily limit values are allowed during a calendar year.

The hourly values also exceeded the limit value of 350 µg/m³ at several stations, such as: **Bor City Park (39 hours)**, **Belgrade Obrenovac (11 hours)**, **Bor Brezonik (8 hours)**, **Bor Institute (7 hours)**, **Kostolac (4 hours)**, **Belgrade Veliki Crljeni (3 hours)**, **Belgrade Obrenovac Ušće (3 hours)**, and **Šabac (2 hours)**. At the Bor City Park station, hourly values exceeded the limit value of 350 µg/m³ more than 24 times.⁷³

The largest source of sulfur dioxide emissions is the thermal generation of electricity, which accounts for as much as 92% of total emissions. The role of the industrial sector should be emphasized because, although it only contributes 4% to the total SO₂ emissions at the state level, this sector is the main source of emissions in the agglomeration of Bor.

In Bor, which stands out for its sulfur dioxide (SO₂) pollution, the limit values of SO₂, PM₁₀, as well as **the heavy metal lead**, were exceeded. Similarly, in other cities, limits were exceeded for various pollutants such as **arsenic, nickel, cadmium, and other heavy metals**.

Ground-Level Ozone

During 2022, exceedances of the target value of ground-level ozone, which is set at 120 µg/m³, were recorded for more than 25 days at several measuring stations. For example, at the **Belgrade KBC Dragiša Mišović station**, exceedances were recorded for as many as 84 days, while other stations, such

73 Ibid, page 19.

as Belgrade Vinča, Kamenički Vis EMEP, Kopaonik, Novi Sad Liman, Kikinda Centar, Pančevo Starčevo, New Belgrade, Belgrade Stari Grad, Pančevo Fire Station and Smederevo Radinac, recorded exceedances for 30–68 days.⁷⁴

When comparing the results of air quality monitoring for 2022 and 2021, Pirot and Kostolac stand out as new entries to the list of excessively polluted sites. On the other hand, unlike in 2021, Sremska Mitrovica is no longer on the list of cities with excessively polluted air. However, this change in the assessment of air quality was obviously a result of the fact that no monitoring of suspended PM particles was carried out there. The data from the measuring station under the jurisdiction of the city of Sremska Mitrovica was not used, and there is no data on measurements of the concentration of suspended PM₁₀ particles in this city. For the sake of comparison, in 2021, Sremska Mitrovica was classified as one of the cities with excessively polluted air precisely because the limit value of this pollutant was exceeded.

Distribution and Quality of Monitoring

The official measurements and assessment of air quality included the data from 220 automatic stations and measuring points, which is an increase of 19 measuring points compared to the previous year. In addition to the data from the Environmental Protection Agency and the state network, the data from local networks and measuring points was used in the assessment of air quality for 2022.

However, there has been a noticeable decline in the efficiency of monitoring, i.e., the availability of data. Namely, during the monitoring carried out in 2021, the highest recorded monitoring efficiency for any pollutant did not exceed 70%.

The level of air pollution in Serbia should also be viewed in conjunction with the announced changes regarding the limit values of the concentration of polluting substances, which our country will also have to abide by. The World Health Organization advocates for strict standards regarding the limit values of suspended PM_{2.5} particles since there is no safe level of concentration of this

74 Ibid, page 6.

pollutant, i.e. there is no level of concentration that does not cause harmful effects. The goal of the stricter standards related to pollutant concentrations is to reduce the number of premature deaths caused by exposure to PM_{2.5} by at least 55% compared to 2005 levels by 2030. In this regard, the European Parliament and the Council of the European Union have agreed on a new threshold and target values that are closer to the World Health Organization's guidelines, which will be regularly reevaluated. Revised annual limit values of PM_{2.5} will be reduced from 25 µg/m³ (the current limit value in the EU and Serbia) to 10 µg/m³.⁷⁵

Air Protection at the Local Level

The cities and municipalities that have been on the list of the most polluted ones in Serbia for years still face challenges with creating and implementing air quality plans, as well as short-term action plans. Likewise, the final adoption of the Air Protection Program of the Republic of Serbia for the 2022–2030 Period with an Action Plan⁷⁶ has not led to a practical change in the air protection policy yet. The challenges are most evident in the cases of Valjevo and Belgrade.

The city of Valjevo is a prominent example of all the challenges in the field of air protection in Serbia. This is because the city has occupied the first spot in Serbia regarding various parameters of air pollution for years, such as the average concentration of suspended PM₁₀ particles and the number of days with excessive pollution. In May 2024, the Ministry of Environmental Protection approved the Air Quality Plan for Valjevo. The adoption of this important local policy has led to some progress after several years.

According to an analysis by the organization iRevolution, during the period after the adoption of the program at the national level, there was a lack of adequate implementation and coordination between different levels of the government, from national to local. Additionally, there was no appropriate inspection supervision, nor were there clear indicators or evaluation mechanisms for

75 Air Quality: Council Ready to Start Talks With Parliament on New Rules to Strengthen Standards in the EU, available at: <https://www.consilium.europa.eu/en/press/press-releases/2023/11/09/air-quality-council-ready-to-start-talks-with-parliament-on-new-rules-to-strengthen-standards-in-the-eu/>

76 https://www.ekologija.gov.rs/sites/default/files/2023-03/en_aq_programme_adopted_version.pdf

monitoring the implementation of air pollution reduction projects, especially from individual furnaces.⁷⁷ The key recommendations include harmonizing a realistic assessment for heat pump replacement efforts, adding inspection oversight plans for 3 more companies that operate on the territory of Valjevo, creating a cadastre of individual stoves, updating the Local Register of Pollution Sources, as well as defining indicators for verifying the degree of implementation of measures and their efficacy. Finally, there was a recommendation related to the operations of the HK Krušik company, as the largest single source of high concentrations of pollutants — namely, that “the company, the Government of the Republic of Serbia, and the Ministry of Defence must reach an agreement to urgently change the energy source, pursuant to a Government conclusion”, and that measures and deadlines for phased implementation should be defined.⁷⁸

According to RERI’s assessments, the City of Belgrade failed to implement the Short-Term Air Quality Action Plan for the City of Belgrade from 2021 to 2023. Although it had been planned, a complete traffic ban for cargo and delivery vehicles between 7:00 a.m. and 8:00 p.m. in areas where increased emissions were recorded was not implemented. Additionally, a detailed operational plan outlining the actions that the competent organizational units within the City Administration of the City of Belgrade and others responsible for the implementation of measures from the short-term plan should take has not been drafted.⁷⁹ As for the medium-term measures mentioned in the Air Quality Plan, the main problem is that there are no quantitative indicators, only descriptive ones, which makes it difficult to monitor the implementation of the plan. Some of the key observations are as follows:

There were no initial activities to reduce emissions from individual stoves, and the obligation to collect initial data for the preparation and implementation of the feasibility study was postponed until the publication of the census data

77 I-Revolution, Improving the Implementation of the Air Protection Program 2030 for the City of Valjevo, available at <https://irevolucija.net/wp-content/uploads/2024/04/Analiza-Programa-zastite-vazduha-2030.pdf>

78 I-Revolution, Citizen Recommendations for the Improvement of the Air Protection Program 2030 for the City of Valjevo, available at <https://irevolucija.net/wp-content/uploads/2024/04/BOS-Preporuke.pdf>

79 RERI — Analysis of the Implementation of the Air Quality Plan for the City of Belgrade, p. 35, available at: www.reri.org.rs/wp-content/uploads/2023/09/Analiza-primene-Plana-kvaliteta-vazduha-za-Grad-Beograd-1.pdf

in 2022, which will certainly lead to the postponement of the implementation of this measure until after 2024.

The instruction on shutting down boiler rooms, connecting to the district heating system, or changing energy sources was adopted in 2023. Since the shutdown plan has yet to be determined, it is clear that the local boiler plants will not be shut down by the end of 2024, as it was initially planned.⁸⁰

The key recommendation is that a revision of the Air Quality Plan is necessary, with an assessment of the financial resources needed for its implementation and a list identifying all stakeholders tasked with implementing the planned measures and activities. Additionally, RERI states that the adoption of an operational action plan for the implementation of short-term measures should be a priority. The revision of the Air Quality Plan should be preceded by a detailed analysis of the measures aimed at improving air quality, undertaken before the adoption and during the implementation of the plan. The recorded effects of those measures should be included, as well.⁸¹

Funding for Clean Air Measures

Considering the fact that stoves are the dominant source of air pollution in Serbia, the Ministry of Environmental Protection and the Ministry of Mining and Energy co-finance the realization of air pollution reduction projects from individual sources, i.e., energy rehabilitation projects of family houses and buildings via tenders intended for local self-governments in Serbia. In February 2023, and then again in January 2024, the Ministry of Environmental Protection announced an open call for the distribution of funds for co-financing the implementation of projects to reduce air pollution from individual sources. In 2023, 25 applications were submitted, and RSD 99,462,000 was distributed to 19 cities and municipalities.⁸² In 2024, 26 applications were submitted, and

80 Ibid, p. 36.

81 Ibid, p. 37.

82 The decision for 2023 is available at this link: <https://www.ekologija.gov.rs/sites/default/files/inline-files/O%D0%B4%D0%BB%D1%83%D0%BA%D0%B0%20%D0%B8%D0%BD%D0%B4%D0%B8%D0%B2%D0%B8%D0%B4%D1%83%D0%B0%D0%BB%D0%BD%D0%B0.pdf>

RSD 130,000,000 was allocated to 20 cities and municipalities.⁸³ Funds awarded through this open call are capped at a maximum of 80% of the verified costs. The remaining amount of at least 20% of the costs is covered by the users of the funds, i.e., citizens.

Additionally, through the Clean Energy and Energy Efficiency for Citizens project implemented in cooperation with the World Bank, the Ministry of Mining and Energy allocates grants for the implementation of energy rehabilitation measures to households in the territory of local self-governments and city municipalities with which the ministry has signed contracts on co-financing the Energy Rehabilitation Program.⁸⁴

In 2023, 10,000 households in 131 local self-governments and city municipalities were covered. The new development in 2024 is that local self-governments and city municipalities can allocate funds to the citizens from socially vulnerable categories, in which case co-financing is regulated according to the following financial model: 45% is covered by the ministry and local self-governments or city municipalities each and 10% is covered by the socially vulnerable citizens themselves.

Increasing the share of co-financing by the ministry and local self-governments is particularly important, especially when considering the data on the degree and prevalence of energy poverty in Serbia. According to data from the publication called *Everything You Wanted to Know About Energy Poverty*,⁸⁵ published by the RES Foundation, most households (42%) rely on heating devices in individual rooms, such as solid fuel stoves, fireplaces, clay stoves, etc. One million households in Serbia use individual solid fuel devices as their main heating device. The findings were particularly analyzed with regard to surveyed participants who stated that they could not pay their bills regularly — they made up one-quarter of the sample. The majority (61%) of these households rely on heating devices in individual rooms, such as solid fuel stoves, as

83 The decision for 2024 is available at this link: https://www.ekologija.gov.rs/sites/default/files/inline-files/ODLUKA_0.pdf

84 The text of the open call and accompanying documentation is available at this link: <https://www.mre.gov.rs/tekst/sr/4362/javni-poziv.php>

85 <https://www.resfoundation.org/wp-content/uploads/2021/09/Sve-sto-ste-hтели-da-znate-o-energetskom-siromastvu-u-Srbiji.pdf>

opposed to 42% of all households surveyed. As many as two-thirds of socially vulnerable households use firewood for heating purposes. Despite this, 91% of them did not receive any assistance in obtaining it. Only a small number of citizens received help in this regard from state-level bodies and institutions (1.5%), municipality or city institutions (0.5%), social welfare centers (4.2%), and humanitarian organizations (2.8%).

Although the increase in the share of co-financing, as well as the assistance specifically targeted at socially vulnerable citizens, represent a positive step, the extent to which these open calls will reach the citizens who need help the most is dubious. First of all, local self-governments were not obliged to apply for funds for socially vulnerable citizens, so the number of municipalities that would provide support to socially vulnerable citizens in the first year in which this program was introduced was significantly lower, and the total funds allocated for this component of the project are significantly smaller than the funds intended for citizens who are not socially disadvantaged. According to the Decision on the Approval of Financing in the aforementioned open call, the funding in the amount of RSD 1,022,178,399 was approved for the portion of the program providing subsidies to citizens outside the socially vulnerable category. These funds were distributed to 137 local self-governments, which will participate in financing subsidies with an additional RSD 846,183,614.49 — a total of RSD 1,868,362,013.49. On the other hand, the funding for the portion of the program related to support for socially vulnerable citizens amounts to a total of RSD 221,954,204, jointly allocated by the ministry and 44 local self-governments implementing it.⁸⁶

Additionally, it is important to note that the Ministry of Environmental Protection designates a greater amount of funds for subsidizing the purchase of electric vehicles than for reducing air pollution originating from individual combustion plants. In the budget for 2024, RSD 170,000,000 is allocated toward subsidies intended for participation in financial leases for new vehicles or toward payment of a portion of the purchase price of a new vehicle (exclusively an elec-

86 Ministry of Mining and Energy, Decision on Approving the Program Financing Within the Clean Energy and Energy Efficiency for Citizens in Serbia Project, available at: <https://www.mre.gov.rs/extfile/sr/4653/Resenje%20o%20odobranju%20finansiranja%20JP1-24.pdf>

tric drive) — RSD 40,000,000 more than the funds allocated for the reduction of pollution originating from individual stoves. Additionally, businesses and entrepreneurs can also apply for these subsidies.⁸⁷ In practice, considering not only the amount of subsidies but also the price of an electric car, it is clear that this measure is primarily intended for the well-off part of the population, who can afford one. A measure conceived in such a way contradicts the priorities in reducing air pollution, especially taking into account the fact that individual stoves are the dominant source of pollution, as well as the connection between air pollution and the social vulnerability of a large part of the population that relies on this type of heating.

87 Government of the Republic of Serbia — Regulation on the Conditions and Method of Implementing the Subsidized Purchase of New Vehicles With an Exclusively Electric Drive, available at: <https://www.ekologija.gov.rs/sites/default/files/inline-files/%D0%A3%D1%80%D0%B5%D0%B4%D0%B1%D0%B0%20%D0%BE%20%D1%83%D1%81%D0%BB%D0%BE%D0%B2%D0%B8%D0%BC%D0%B0%20%D0%B8%20%D0%BD%D0%B0%D1%87%D0%B8%D0%BD%D1%83%20%D1%81%D0%BF%D1%80%D0%BE%D0%B2%D0%BE%D1%92%D0%B5%D1%9A%D0%B0%20%D1%81%D1%83%D0%B1%D0%B2%D0%B5%D0%BD%D1%86%D0%B8%D0%BE%D0%BD%D0%B8%D1%81%D0%B0%D0%BD%D0%B5%20%D0%BA%D1%83%D0%BF%D0%BE%D0%B2%D0%B8%D0%BDe%20%D0%BD%D0%BE%D0%B2%D0%B8%D1%85%20%D0%B2%D0%BE%D0%B7%D0%B8%D0%BB%D0%B0%20%D0%BA%D0%BE%D1%98%D0%B0%20%D0%B8%D0%BC%D0%B0%D1%98%D1%83%20%D0%B8%D1%81%D0%BA%D1%99%D1%83%D1%87%D0%B8%D0%B2%D0%BE%20%D0%B5%D0%BB%D0%B5%D0%BA%D1%82%D1%80%D0%B8%D1%87%D0%BD%D0%B8%20%D0%BF%D0%BE%D0%B3%D0%BE%D0%BD.pdf>

Financing

Around RSD 2 billion has been allocated from the budget of the Republic of Serbia for the measures and projects in the area of air pollution reduction in 2023, which represents a decrease of about 15% compared to 2022. Budgetary costs for air protection accounted for 5.1% of Serbia's total expenditures for environmental protection last year and were borne predominantly by departments of two ministries — the Ministry of Environmental Protection and the Ministry of Mining and Energy.

In 2023, the Ministry of Environmental Protection continued to implement several programs aimed at improving the energy efficiency of buildings and reducing air pollution from individual sources. The ministry allocated 99.4 million RSD to co-finance a program for replacing and modernizing individual stoves, implemented in cooperation with local governments. This represents a decrease of about 30% compared to 2022. However, the spendings on the procurement, reconstruction, and rehabilitation of boiler rooms for heating public buildings under local self-government jurisdictions nearly doubled from the previous year, reaching 338 million RSD.

Last year also saw the continuation of a project aimed at improving the district heating system in Kragujevac by replacing the existing coal-based system for thermal energy production. Approximately RSD 8 million was allocated for this initiative. Additionally, the Ministry of Environmental Protection maintained its subsidies for the purchase of new electric vehicles. The total incentives for environmentally friendly vehicles increased by almost 70% compared to 2022, reaching RSD 433 million.

The primary air quality project under the Ministry of Mining and Energy's jurisdiction is the rehabilitation of Serbia's district heating system (Phase V). In 2023, just over RSD 1.3 billion was allocated for this project. It involves the rehabilitation of 7 heating plants in Belgrade, Bor, Jagodina, Leskovac, Negotin,

Niš, and Senta. The project is financed through a combination of loans (30 million euros) and grants (2 million euros) from the KfW.

An analysis of local government budget execution in 2023 identified approximately RSD 360 million in expenditures aimed at reducing air pollution, including funds transferred from the national budget to local self-governments (LSGs). The main activities of local self-governments in this area align with projects funded by the national budget, primarily focusing on reducing air pollution from individual sources and replacing and reconstructing boiler rooms in public buildings.

Among individual cities and municipalities, the largest expenditures were recorded in Belgrade (RSD 197 million), followed by Valjevo (nearly RSD 50 million) and Bor (RSD 24 million). The local level is at the core of air protection policy, as the Law on Air Protection mandates the adoption of air quality plans in agglomerations with excessively polluted air (Category III). These plans define measures to reduce pollution, which the competent authorities are obligated to implement.

However, due to insufficient transparency, monitoring the implementation of these activities based on budget data has proven to be challenging. This lack of clarity makes it difficult to assess the effectiveness of local air quality improvement efforts and to hold authorities accountable for their commitments under the Law on Air Protection.

Belgrade and Bor stand out as examples of good practice in financial reporting on the implementation of air quality improvement measures. In Belgrade's city budget, 5 activities outlined in the Action Plan for Reducing Air Pollution are presented as separate projects, making it relatively easy to obtain data on implementation costs. The largest portion of funds was spent on procuring measuring stations with software solutions for air quality assessment and pollution prediction (over RSD 190 million). Additionally, about RSD 5 million was allocated to a project promoting more environmentally efficient driving to reduce air emissions from traffic.

In Bor's case, while the budget data is not broken down by individual activities, it clearly indicates expenditures for implementing measures defined in the Short-Term Action Plan for Reducing Air Pollution in the City of Bor.

The national budget for 2024 allocates slightly over RSD 1.8 billion for air protection, representing 4% of the total expenditure for environmental protection. This allocation is 7.7% less than the amount spent in 2023. The intention regarding the use of these funds is to continue implementing the same policies as last year. The budget of the Ministry of Environmental Protection includes RSD 170 million for subsidizing electric vehicle purchases, significantly less than last year. As for co-financing projects to reduce air pollution from individual sources, RSD 130 million has been allocated, a 30% increase from the previous year. There is a further increase in the planned budget funds for procurement, replacement, and rehabilitation of boiler rooms in public buildings — it has now reached RSD 800 million.

This year, RSD 211 million has been budgeted for the project aiming to modernize Kragujevac's district heating system, while RSD 533 million has been set aside for similar projects under the jurisdiction of the Ministry of Mining and Energy.

Recommendations



Strategic and Legislative Framework

- 1.** Start the process of establishing binding standards for low-power combustion appliances used in households (stoves and solid fuel stoves) in accordance with the Ecodesign Directive (2009/125/EC). Given the widespread use of inefficient stoves and solid fuel ovens in households, consider the accelerated transposition of this directive.
- 2.** Enable citizens to participate in the adoption of documents concerning air quality at both national and local levels.



Implementation of Regulations

- 3.** Ensure that competent institutions enforce regulations related to legal deadlines for the creation of public policies concerning air quality, regulations related to air quality monitoring, the exchange of air quality information, and obligations under international agreements.
- 4.** Monthly reports on detected exceedances of hourly and daily limit values (LV) must include information about which monitoring stations were/were not operating during that month.
- 5.** Stakeholders responsible for monitoring air quality should guarantee proper maintenance of measurement systems and data availability and finance uninterrupted high-quality operation of air quality monitoring networks, especially for urban agglomerations such as Belgrade.

6. Local governments/cities should improve the accuracy and visibility of air quality data, as well as ensure easy public access to air quality data provided by the local monitoring networks.



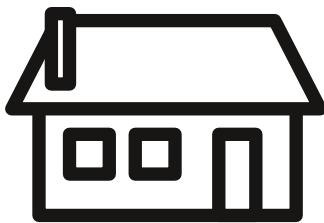
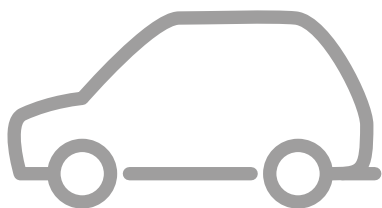
Financing

7. Secure financing for the unobstructed work of inspectorates for environmental protection.
8. Introduce a regulation according to which local self-governments shall be obliged to allocate a portion of the funds for financing the Energy Rehabilitation Program toward family houses and apartments belonging to socially vulnerable citizens. This should be implemented by local self-governments and city municipalities in cooperation with the Ministry of Mining and Energy.



AIR QUALITY

SOURCES OF PM POLLUTION



10%



64%

9%



80%

MINISTRY OF ENVIRONMENTAL PROTECTION SUBSIDIES

RSD **170**

million for purchasing
electric cars

RSD **130**

million for reducing air pollution
from individual furnaces

* Sources: http://sepa.gov.rs/download/Vazduh_2022.pdf
https://www.ekologija.gov.rs/sites/default/files/inline-files/ODLUKA_0.pdf



KOALICIJA 27



Waste Management

Overview

The waste management system continues to develop slowly, while the consequences for the environment caused by inadequate waste management are becoming increasingly evident. In addition to a large number of fires at illegal and unsanitary landfills, there have also been occurrences at sanitary ones, such as Duboko in Užice.

The system for collecting data and improving its accuracy in the waste management sector was not improved in the previous period. In terms of the amounts of municipal waste, these are still mostly estimating, rather than precise data obtained by measurement. Most of the municipal waste still ends up in illegal and unsanitary landfills, but there is a noticeable increase in the amount of municipal waste disposed of in sanitary landfills. Landfilling is the dominant mode of waste disposal, but the first incinerator for municipal waste has also started operating in Belgrade. In November 2023, a regulation was adopted specifying the technical and technological conditions for the design, construction, furnishing, and operation of incineration plants and types of waste that can be thermally treated. The regulation also covers emission limit values, which should further improve the segment of waste management, in addition to stimulating future investment in obtaining energy from waste.

In the previous period, planning documentation was improved and adopted at both the local and regional levels, which should create preconditions for the construction of waste management centers in several regions, both with the support of the EU and with financing through various loans, as well as the *Clean Serbia* program. When implemented, all of this should improve waste management practices, but there remains a significant question as to how these processes will be monitored and by whom since the capacities of competent institutions, as well as the civil sector, are not currently up to this task.

Strategic and Legislative Framework

In 2023, the Sludge Management Program in the Republic of Serbia for 2023–2032 was adopted.⁸⁶ By the end of the planning period (2023–2041), the Republic of Serbia is predicted to have around 0.5–0.6 million tonnes of digested and dewatered sludge (with an average dry matter content of 25% and a moisture content of 75%). This estimate depends on the engaged capacity of individual wastewater treatment plants. There is currently no established infrastructure or system for sludge disposal, and a final decision on the appropriate course of action is yet to be made. However, the improvement of the wastewater treatment system will certainly increase the amount of sludge that will require treatment, use, or disposal. The program defines short-term and long-term measures, based on the projection that the amount of sludge will increase throughout the country due to the planned construction of a large number of plants for municipal wastewater treatment.

The by-laws relevant to the field of waste management adopted in the reporting period are as follows:

- Regulation on Types of Waste Which Undergo Thermal Treatment, the Terms and Criteria for the Choice of Location, Technical and Technological Requirements for Project Planning, Construction, Equipping, and Operation of the Installation for Thermal Treatment of Waste, Manner of Handling the Remaining Waste After Incineration;⁸⁷

86 Official Gazette of the RS, no. 84/2023

87 Official Gazette of the RS, no. 103/2023

- Regulation on the Manner and Procedure for Sludge Management from Municipal Wastewater Treatment Plants;⁸⁸
- Regulation on the Types of Financial Guarantees and Equivalent Insurance Schemes to Ensure the Implementation of Waste Management Activities;⁸⁹
- Regulation on the Method and Procedure Managing Waste from Construction and Demolition Activities.⁹⁰

Adopting the Regulation on Types of Waste Which Undergo Thermal Treatment, the Terms and Criteria for the Choice of Location, Technical and Technological Requirements for Project Planning, Construction, Equipping, and Operation of the Installation for Thermal Treatment of Waste, Manner of Handling the Remaining Waste After Incineration will improve the conditions for thermal waste treatment and establish the conditions for preventing or limiting negative impacts on the environment, especially pollution via emissions into the air, soil, surface, and underground water, as well as possible risks to public health from the thermal treatment of waste.

88 Official Gazette of the RS, no. 103/2023

89 Official Gazette of the RS, no. 103/2023

90 Official Gazette of the RS, no. 93/2023 and 94/2023 – corr.

Implementation of Regulations

In August 2023, the Serbian Environmental Protection Agency (SEPA) published its Report on Waste Management in the Republic of Serbia from 2011 to 2022, which provides a more detailed overview of the situation in this area.

The number of reports filed by waste management facilities had been constantly increasing from 2011 to 2020, but in 2021, there was a slight decrease in the number of reports filed by waste reuse operators. The trend continued in 2022. The number of operators reporting waste disposal and importation was the same as the previous year, while the number of operators who reported waste exportation decreased.⁹¹

During 2022, as part of the ENVAP4 project, an analysis of the state of separate waste collection at the local self-government level was carried out. Based on the findings, out of the 98 municipalities that had submitted annual reports on municipal waste, only 36 measured the mixed waste collected (index number 20 03 01) and sent into landfills. The remaining 62 municipalities merely estimated the amount of municipal waste deposited, which should be approached with great scepticism (waste trucks are not weighed; instead, the amount of waste they could carry is calculated based on various estimation methods). However, there was an evident lack of infrastructure for measuring the amount of municipal waste collected and disposed of, as well as a lack of motivation on the part of municipal companies to overcome this problem, especially in smaller local self-governments. That is why all the data synthesized from annual reports is extremely unreliable.

91 Ministry of Environmental Protection, Environmental Protection Agency (2023): Report on Waste Management in the Republic of Serbia from 2011 to 2022, available at: <https://sepa.gov.rs/wp-content/uploads/2024/10/Otpad2011-2022.pdf>

According to the data submitted to the agency by June 1, 2023, the total amount of packaging placed on the market of the Republic of Serbia amounts to 401,229.5 tonnes. By June 1, 2023, 234 reports were submitted to the agency by businesses or entrepreneurs who opted not to transfer their obligations to packaging waste management operators. Seven operators are licensed to manage packaging waste: SEKOPAK, EKOSTAR PAK, DELTA-PAK, CENEKS, TEHNO EKO PAK, EKOPAK SISTEM, and UNO EKO PAK. In 2022, these 7 operators managed packaging and packaging waste for 1,918 legal entities that put packaged products on the market of our country.

Under the Law, the obligation to submit a report using the Document on the Movement of Hazardous Waste (the DKO Form) falls on the manufacturer, i.e., the owner and/or other holder and anyone else who takes custody of hazardous waste every time it is moved. During 2022, the upward trend in the number of reports has continued — in fact, it has increased by 8,600 compared to the previous year.

The share of hazardous waste from 2011 to 2022 ranged from 0.5% to 1.3% of the total generated waste. In 2022, the share of hazardous waste in the total amount of waste was 0.7%.

According to data from the Statistical Office of the Republic of Serbia, in 2022, the Serbian economy generated 174.7 million tonnes of waste. In total, 174.3 million tonnes of waste were treated, and 6.8% more waste was recycled compared to the previous year.

In 2022, in the Republic of Serbia, agriculture, forestry and fishing, mining and processing, electricity, gas, and steam supply, water supply and wastewater management, construction, and service sectors generated 174.7 million tonnes of waste, which represents an increase of 149.4% compared to the previous year.

When it comes to the amount of waste generated, viewed by sector and compared to the previous year, in 2022 the following trends were recorded: agriculture, forestry, and fishing sector — 3.0% growth, mining — 177.1% growth, manufacturing industry — 28.8% decline, electricity, gas, and steam supply

— 10.0% decline, water supply and wastewater management — 40.8% growth, construction — 11.9% growth, and service sectors activities — 8.4% growth.⁹²

High temperatures and heat waves caused by climate change can have significant consequences on waste decomposition and exacerbate its harmful impact due to the increased likelihood of fire. UNEP paid special attention to the issue of the impact of landfill fires on health and the environment in Serbia in the publication called *Wasted Air: Impact of Landfill Fires on Air Pollution and People's Health in Serbia*,⁹³ which was published in the first half of 2024.

The waste from the mining sector still represents the bulk of waste produced in Serbia. Moreover, if the announced opening of new mines, which is strongly opposed by citizens, goes through, it will further increase the amount of such waste and its burden on the environment.

On January 12, 2024, the Ministry of Environmental Protection announced a public call for awarding funds for co-financing the implementation of projects for preventing illegal waste disposal and removal in 2024. These projects include activities related to providing support to local self-governments in the prevention of illegal waste disposal and the creation of new illegal landfills on the territory of the Republic of Serbia. Out of 88 applications, 35 local self-governments received funds for the implementation of projects for preventing the illegal dumping of waste and its removal.⁹⁴ Previous experience has shown that many of the illegal landfills that have been removed are created again unless a clear and controlled system of depositing waste in designated places is established.

Based on the reports submitted by business entities to the Serbian Environmental Protection Agency (SEPA) in 2022, a total of 8.28 million tonnes of industrial waste was generated in the Republic of Serbia, 80,000 tonnes of which was

92 Statistical Office of the Republic of Serbia, Generated and Treated Waste in 2022; <https://www.stat.gov.rs/vesti/statisticalrelease/?p=13623&a=25&s=2502?s=2502>

93 *Wasted Air: Impact of Landfill Fires on Air Pollution and People's Health in Serbia – Working Paper. Air Pollution Series* (unep.org)

94 Ministry of Environmental Protection, <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/konkursi/preliminarna-rang-lista-projekata-za-finansiranje-iz-sredstava-ministarstva-zastite-zivotne-sredine-republike-srbije-po-javnom-konkursu-za-dodelu-sredstava-za-sufinansiranje-realizacije-projekata-prevencije-1>

hazardous. Coal fly ash and bottom ash, slag, and dust from thermal power plant boilers (code 10 01) make up 77% of the total amount of produced industrial waste. In addition to these, significant amounts of other types of waste are generated from thermal processes, primarily unprocessed slag and waste from slag processing in the iron and steel industry.

Financing

Budget expenditures for waste management in 2023 amounted to RSD 9.4 billion (24% of the total national expenditures for environmental protection), representing a significant 65% increase in investment compared to 2022. The Ministry of Environmental Protection is responsible for these expenditures, including the costs of administering and organizing the waste management system. Subsidies for the domestic recycling industry constitute the largest single expenditure of the Ministry in this sector, with a record RSD 4.1 billion spent on incentives for waste reuse and utilization in 2023.

The past year also saw an increase in budget expenditures directly aimed at improving the situation in the field and enhancing the functioning of Serbia's waste management system. Over RSD 1.4 billion was spent on constructing regional waste management centers; RSD 890 million on rehabilitating and closing unsanitary landfills; RSD 592 million on relocating and permanently disposing of hazardous waste; RSD 500 million on procuring recycling equipment; RSD 417 million on implementing waste management system construction projects; and RSD 136 million on preventing illegal waste dumping and its removal.

Local self-government expenditures in the waste management sector amounted to approximately RSD 5.5 billion in 2023 (partly financed by transfers from the National Budget), about RSD 2.5 billion of which were infrastructure investments. The most significant investment projects that local self-governments (partially) financed during the last year include the construction of regional waste management and recycling centers, procurement of specialized vehicles, creation of project-technical documentation, rehabilitation and recultivation projects for municipal landfills, etc.

The analysis also determined that local self-governments paid out about RSD 1 billion for various services in the waste management sector, as well as about RSD 500 million in subsidies for regular operations of public utility companies.

Among individual local self-governments, the City of Belgrade had the largest expenditures for waste management (over RSD 2.3 billion), followed by the budget of the AP Vojvodina (RSD 890 million), Zrenjanin (RSD 426 million), Smederevo (RSD 247 million), Ruma (RSD 149 million), and Subotica (RSD 130 million). Other local self-governments' expenses in 2023 were below RSD 100 million.

In 2023, the Ministry of Environmental Protection did not announce an open call for support to civil society organizations. The last open call of the kind was announced in 2021. Since then, despite being planned by the Budget and later cancelled during rebalancing, no open calls have been announced. Civil society participation in the Ministry's working groups is not compensated — not even travel costs are reimbursed—indicating a trend of depleting civil society resources and reflecting the Ministry's relationship with these organizations.

For 2024, the Government has planned expenditures in the waste management sector amounting to RSD 10 billion (21.6% of the total national expenditures for environmental protection), a 6% increase from the previous year. The Ministry of Environmental Protection's section of the Budget plans expenses of RSD 8.1 billion, roughly the same as last year, but with some changes in the expenditure structure. Two new projects are planned: RSD 237 million for purchasing mobile shredders for construction waste, and RSD 762 million for establishing an integrated regional waste management system in Novi Sad, Bačka Palanka, Bački Petrovac, Beočin, Žablje, Temerin, and Vrbas. However, incentives for the recycling industry are set to decrease by about RSD 500 million (to RSD 3.5 billion).

The Government plans to continue implementing ongoing projects, with RSD 1.1 billion budgeted for the rehabilitation and closure of unsanitary landfills (an increase of about 20%), another RSD 1.1 billion for the construction of regional waste management centers, and RSD 500 million for purchasing waste collection and recycling equipment. As for the Ministry of Construction, Transport, and Infrastructure, RSD 180 million has been budgeted for the integrated solid waste management program in Serbia, which was also planned by last year's Budget, but it did not commence in 2023.

Recommendations



Strategic and Legislative Framework

1. Build partnerships with civil society and the business sector when adopting regulations, and establish clear communication with the public.
2. Improve the legal framework in order to enable the effective application of the principle of extended liability and the polluter pays principle.
3. Harmonize regional and local waste management plans with strategic documents at the national level.
4. Adopt the Draft Waste Prevention Plan.
5. Involve industry in the application of the circular economy.
6. Adopt a regulation to regulate the delivery of hazardous waste by natural persons to authorized operators.



Implementation of Regulations

7. Prevent the creation of new illegal landfills by expanding the coverage of municipal waste collection to 100% and increasing inspection oversight.
8. Introduce the obligation to monitor water, air, and soil at all municipal waste landfills to prevent fires and environmental pollution.
9. Raise public awareness of the importance of establishing a waste management system and the consequences of inappropriate waste management on public health and the environment.

- 10.** Provide for appropriate management of hazardous waste generated in Serbia in anticipation of the expected ban on exporting hazardous waste.
- 11.** Create capacity for the treatment or permanent storage of hazardous waste, in those cases where waste cannot be treated.
- 12.** Introduce more intense inspection oversight over the implementation of the Law on Packaging and Packaging Waste.
- 13.** Create a unified methodology for collecting and sending data to the Statistical Office of the Republic of Serbia and the Environmental Protection Agency and ensure the reliability of the data obtained.
- 14.** Systematically organize textile waste management. Organize a separate collection of textile waste and ensure that collected textile waste does not end up in landfills or incinerators.
- 15.** Ensure the implementation of the Law on Waste Management in practice.
- 16.** Ensure that the quantities of collected municipal waste are measured and that its morphological composition is determined by monitoring the implementation of the Law on Waste Management, supporting the procurement of necessary scales at unsanitary landfill sites, and providing training for employees at utility companies so that they can apply the Rulebook on the Methodology for the Collection of Data Regarding the Content and Quantities of Municipal Waste on the Territory of the Local Self-Government Unit.
- 17.** Establish a control system for the cross-border import, export, and transit of waste.
- 18.** Improve the existing data collection system, as well as data reliability.

- 19.** Introduce an independent Fund for Environmental Protection to distribute funds collected from the ecotax.
- 20.** Provide financial support to the civil sector.
- 21.** Ensure transparency in the process of financing projects in the field of waste management.



Financing

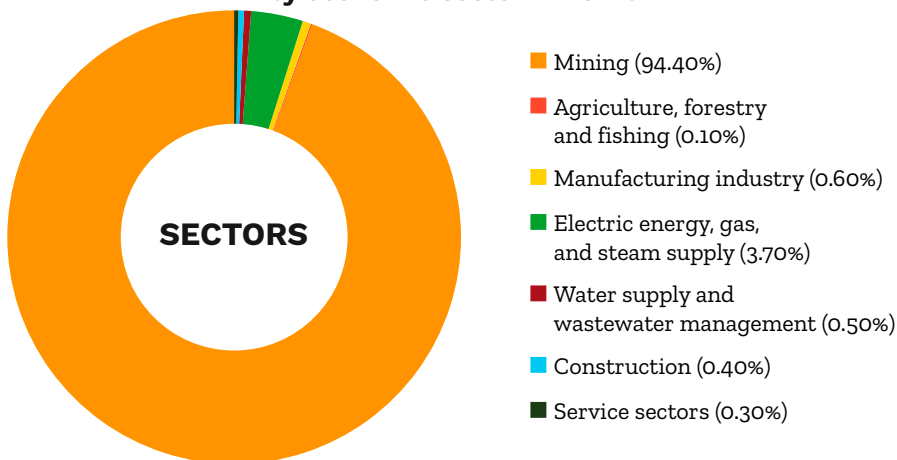
- 22.** Introduce economic instruments to reduce the amount of waste that ends up at landfills without treatment.
- 23.** Make a final decision regarding the introduction of a deposit system.
- 24.** Introduce umbrella insurance for hazardous waste operators so that insurance covers the costs of hazardous waste remediation and resulting damages if an operator's license is revoked.
- 25.** Adopt a by-law to define fees for importing medicines and placing them on the market due to the possibility that they will become hazardous waste after their expiration date.
- 26.** Ensure transparency and easy access to information regarding the costs of building infrastructure in the area of waste management (regional centers, landfills, equipment, etc.) and sources of financing.
- 27.** Ensure realistic financing of the costs of collection, transportation, treatment, and disposal of waste, according to the polluter pays principle.
- 28.** Ensure that waste management costs are included in the price of products and services in order to avoid shifting costs from consumers to citizens.

- 29.** Develop capacity and political will to use available EU funds and grants instead of credit arrangements for infrastructure construction.
- 30.** Introduce subsidies for opening small businesses that perform on-site packaging waste recycling.



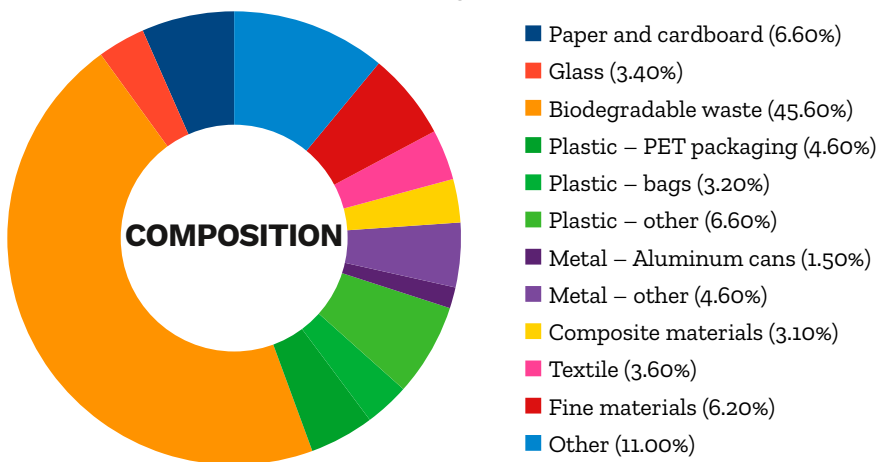
WASTE MANAGEMENT

STRUCTURE OF GENERATED WASTE IN THE REPUBLIC OF SERBIA by economic sector in 2022:



* **Source:** Statistical Office of the Republic of Serbia, 2023

MORPHOLOGICAL COMPOSITION OF COMMUNAL WASTE in 2022



* **Source:** Environmental Protection Agency, 2023



Water Quality

Overview

There were no amendments to the Law on Water in 2023, even though their adoption has been announced multiple times over the past few years. Several significant by-laws were adopted, which are also relevant for the EU accession process, i.e., for the harmonization of national legislation with the EU Water Framework Directive. After the adoption of the Water Management Program in 2022, there were no significant changes in the strategic framework for water management.

Investments in protecting water from pollution, i.e., in the construction of sewage networks and wastewater treatment systems, will continue to increase in 2023. The results are still barely visible in practice and it is necessary to speed up the construction of this infrastructure even further in order to significantly reduce the proportion of untreated wastewater in watercourses.

Pollution, intensive and often illegal construction near water bodies, excessive use of river sediments, and construction of small hydroelectric power plants (small hydro) still remain the main threats to the preservation of water resources. In the previous period, no significant progress toward mitigating them was recorded.

Administrative capacities for water management are still lower than necessary, especially when taking into account the complexity of this area in the process of harmonization with EU policies.

Strategic and Legislative Framework

In 2023, there were no changes to the Law on Water, nor were these changes foreseen in the Government's Work Plan for 2023.⁹⁵ The preparation of amendments or the drafting of the new Law on Water has been planned for a long time, and there were attempts in previous years to adopt these amendments, but they were halted due to pressures from civil society organizations. Drafting of the new Law on Water is foreseen in the National Program for the Adoption of the EU Acquis,⁹⁶ so it is unclear why the Ministry of Agriculture, Forestry, and Water Management, as the institution competent for water management, has failed to act on this issue so far.

When it comes to the by-laws in the field of water management passed in the previous period, the Rulebook on the Method and Criteria for Determining the Minimum Sustainable Flow should be highlighted.⁹⁷ The drafting of this Rulebook is foreseen by the Law on Water, which was published in 2010. The absence of this document caused numerous problems in the planning and approval of projects that affect watercourses, and above all in the processes related to the construction of small hydroelectric power plants.

The following by-law, which is significant for the improvement of water management, is the Rulebook on Defining Water Bodies and Surface and Underground Water Bodies adopted in 2023.⁹⁸ This Rulebook is particularly important for harmonization with European Union regulations, especially the Water Framework Directive. The identification of water bodies enables appropriate monitoring harmonized with EU standards, as well as the imple-

95 https://www.srbija.gov.rs/extfile/sr/370541/plan-rada_vlade_2023_cyr.pdf

96 NPAA_2022-2025_002.pdf (mei.gov.rs)

97 Official Gazette of the RS, no. 96/2023

98 Official Gazette of the RS, no. 7/2023, http://demo.paragraf.rs/demo/combined/Old/t/t2023_09/SG_072_2023_005.htm

mentation of water protection measures in line with the Water Framework Directive, the Nitrate Directive, and other relevant directives in the field of water. The rulebook identifies 3,216 bodies of surface water and 153 bodies of underground water.

During the reporting period, several additional by-laws, which are adopted periodically, were adopted for the present year, namely:

- Regulation on Establishing the Annual Water Status Monitoring Program for 2024;⁹⁹
- Regulation on Determining the Water Management Program in 2024;¹⁰⁰
- Order on Establishing the Operational Plan for Flood Defense for 2024;¹⁰¹
- Rulebook on Determining the River Sediments Extraction Plan.¹⁰²

The deadlines for the adoption of key acts for harmonization with European legislation in the field of water protection and management, which are foreseen by the National Program for the Adoption of the EU acquis, have been missed. It is also evident that the deadlines stipulated in the Negotiating Position for Chapter 27 must be revised.

The adoption of the Water Management Plan on the Territory of the Republic of Serbia for 2021–2027¹⁰³ has significantly improved the strategic framework of water management. Subsequently, the only documents adopted in this field have been planning documents that are adopted periodically (annual water management plans, operational flood defense plans, river sediment removal plan, and monitoring program).

99 http://demo.paragraf.rs/demo/combined/Old/t/t2024_03/SG_017_2024_001.htm

100 <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/vlada/uredba/2023/21/8/reg>

101 http://demo.paragraf.rs/demo/combined/Old/t/t2023_12/SG_117_2023_005.htm

102 http://demo.paragraf.rs/demo/combined/Old/t/t2023_12/SG_112_2023_007.htm

103 Official Gazette of the RS, no. 33/2022.

In February 2023, the Draft Flood Risk Management Plan was presented to the public.¹⁰⁴ The adoption of the Plan is defined by the Law on Water¹⁰⁵ (Articles 49, 50, and 51), and it is adopted for a period of six years. The draft is no longer available on the website of the Water Directorate of the Ministry of Agriculture, Forestry, and Water Management, so the current status of the Plan is not clear. The Draft Plan referred to the period from 2021 to 2027, which means that half of the implementation period has already passed, with the Plan not having been officially adopted yet.

104 https://rdvode.gov.rs/doc/Predlog_PURP_RS_do_%202027.docx

105 Official Gazette of the RS, no. 30/2010, 93/2012, 101/2016, 95/2018 and 95/2018 — as amended

Implementation of Regulations

Increased activities and investments in the construction of the sewage network and wastewater treatment plants (WWTP) continued in 2023. The Government is implementing these activities through a project under the working title Clean Serbia. The available data on this project is quite scanty and fragmentary. Nevertheless, the website of the project (<https://cistasrbija.rs>) has somewhat improved compared to previous years. A list of municipalities where WWTP will be built can now be found, alongside the projected length of the sewage network. According to the available data,¹⁰⁶ the construction of WWTPs in 73 municipalities (89 locations) and the construction of a sewage network in a total length of almost 2,000 km is planned. In 2023, the project entered its second phase, which entailed the beginning of construction in 8 municipalities in Serbia.

The implementation of these activities is still difficult to monitor since there is no unified report from which it would be possible to find out where all WWTP construction projects have commenced and at what stage of construction they are.

According to the published statistical data, in 2023, 6.7 % more wastewater was treated than in 2022.¹⁰⁷ The data on the percentage of the population connected to wastewater treatment has not been published for 2023. The last available data is from 2022, when this percentage was 15.2%.¹⁰⁸ Though the pace is quite slow, the percentage of treated wastewater is growing year by year. In this area, Serbia is far behind the vast majority of European countries, so it is necessary

106 <https://cistasrbija.rs/o-projektu/>

107 Statistical Office of the Republic of Serbia, source: <https://publikacije.stat.gov.rs/G2024/Html/G20241134.html>

108 Statistical Office of the Republic of Serbia, source: <https://data.stat.gov.rs/Home/Result/2501030302?languageCode=sr-Cyrl>

to intensify work on the construction and improvement of the system for the collection, removal, and treatment of municipal and industrial wastewater.

The results of the monitoring of surface and underground water in Serbia for the year 2023, which is carried out by the Environmental Protection Agency and the Republic Hydrometeorological Service, have not been published yet. According to the latest Report for 2022, water quality testing was performed on 79 profiles on watercourses, on 6 profiles on the canal network, on 2 reservoirs, and on 56 piezometers. The data on water quality does not significantly deviate from the results from previous years.

There are still significant problems in the public drinking water supply in Serbia, primarily related to the scope and condition of the distribution network. The percentage of the population connected to public water supply systems has not changed for several years and amounts to 75%. This is still relatively low when compared to EU countries, where coverage is generally around 100%. The relatively weak connection to water supply systems is even more pronounced when the population that does not live in urban areas is taken into account. When that is the case, the rate of connection is only about 67%.¹⁰⁹ The poor condition of the water distribution networks shows an extremely high rate of water loss in the network. According to the latest available data, that loss exceeds 35% of the water captured, or a 54% loss of sold water, i.e., of water aimed for consumption. The Report of the Ministry of Construction, Transport, and Infrastructure for the year 2022 contains even more alarming data on this topic. Namely, about 42% of collected water and as much as 74% of sold water is lost.¹¹⁰

Monitoring drinking water quality in the territory of the Republic of Serbia is carried out by institutes for public health. The latest available data from the Report of the Dr. Milan Jovanović Batut Institute for Public Health¹¹¹ for the

109 RS, source: <https://sdg.indikatori.rs/area/clean-water-and-sanitation/>

110 Ministry of Construction, Transport, and Infrastructure (2023): Report on Communal Activities on the Territory of the Republic of Serbia in 2022, available at: https://www.mgsi.gov.rs/sites/default/files/izvestaj_o_obavljanju_komunalnih_delatnosti_na_teritoriji_republike_srbije_u_2022_godini.docx

111 <https://www.batut.org.rs/download/izvestaji/Zdravstvena%20ispravnost%20vode%20za%20pice%202022.old>

year 2022 showed that out of 156 tested water pipes, 105 of them (67.3%) were up to code.

Among the waterworks with contaminated drinking water, 17 (10.9%) had physical and/or chemical contamination, 14 (8.9%) had microbiological defects, and 20 (12.8%) had combined defects (the Institute for Public Health of Serbia, 2023). These percentages have not changed significantly compared to 2021.

In addition to pollution, numerous pressures on water resources and water bodies are still present in Serbia. The unsystematic approach to planning and deciding on the construction of small hydroelectric power plants is still present, as is the problem of intensive exploitation of river sediments in the beds of certain watercourses. Although the legal and planning framework in these segments has been improved to some extent, the situation in the field is still unfavorable, and there are significant forms of watercourse endangering. There has also been no progress in regulating and limiting construction that directly threatens water bodies.

Although this is a very complex area that includes a large number of planning and legal documents relevant to EU accession, the institutions responsible for the field of water management in Serbia do not have adequate capacities. In recent years, no progress has been seen in terms of the capacity of institutions such as the Water Directorate of the Ministry of Agriculture, Forestry and Water Management or the Water Inspectorate.

Financing

In 2023, RSD 21 billion was allocated from the National Budget for integrated water management, which represents 53.8% of total national expenditure on environmental protection. This marked a significant 50% increase compared to 2022. The funding covered all aspects of water management: water supply, waterway maintenance, irrigation, and water pollution prevention.

The National Water Directorate oversees the first three areas, with total expenditures reaching RSD 7.9 billion in 2023. The largest portion went to waterway maintenance and flood prevention (RSD 3.5 billion), followed by irrigation system construction (RSD 1.9 billion), and the construction of the Svrčakovo dam and a reservoir near Arilje (RSD 1.2 billion). The directorate manages only one small water pollution prevention project, costing approximately RSD 15 million.

The Ministry of Construction, Transport, and Infrastructure currently oversees the main water pollution prevention initiatives, including Serbia's most ambitious infrastructure project for wastewater treatment and sanitation. The Clean Serbia project encompasses the construction of wastewater treatment plants (WWTPs), sewage networks, and pumping stations across 65 cities and municipalities. The ultimate goal is to build 157 WWTPs and approximately 5.2 million kilometers of new sewage networks throughout Serbia. This project is funded through a credit arrangement with the Bank of China, comprising an active credit line of about EUR 200 million and a second line worth EUR 184 million, approved by the National Assembly in July 2024. According to the Final Account of the National Budget for 2023, approximately RSD 10 billion was spent on this project last year. Additionally, 2023 saw the long-awaited launch of Belgrade's central sewage system wastewater collection and treatment project. After two years of budget allocation without withdrawal of funds, the Ministry finally utilized RSD 850 million for this initiative.

The Ministry of Environmental Protection spent nearly RSD 1.9 billion on water pollution prevention in 2023. Key projects included wastewater management in Leskovac, a wastewater treatment plant in Zubin Potok, and EU pre-accession aid-funded projects totaling over RSD 1 billion. The IPA 2017 project focuses on constructing a wastewater treatment plant in Kraljevo, including expanding the sewage network and building a stormwater drainage system to redirect wastewater from suburban settlements on the right bank of the Ibar River to the treatment plant. The IPA 2018 project encompasses the construction of a wastewater treatment plant in Niš at the Ciganski Ključ location, a small water treatment plant at the Medijana water factory, the construction of 6 collectors, and the development of sewage networks in 4 villages near Niš.

Local self-government expenditure on integrated water management reached approximately RSD 3.8 billion in 2023, including National Budget transfers. About RSD 2 billion went to investments, with the remainder covering operational costs, including subsidies for the regular work of local public utilities. A detailed analysis of local self-government expenditures reveals that the majority of funds were spent on building and refurbishing sewage networks (for communal and stormwater), the construction of WWTPs, and the costs for producing project documentation for missing wastewater infrastructure. When it comes to local self-governments, AP Vojvodina allocated the largest amount of funds from its budget to this area (RSD 1.1 billion), followed by Belgrade (RSD 905 million), Novi Sad (RSD 172 million), and Vršac (RSD 101 million). Other municipalities spent less than RSD 100 million each in 2023.

In 2024, the Government plans to continue implementing integrated water management projects and increase water management spending by nearly 20% compared to 2023, with total budget allocations of approximately RSD 25 billion — representing 54.1% of the national environmental protection budget. The National Water Directorate's budget is set at RSD 7 billion (RSD 800 million less than 2023), while the Ministry of Construction, Transport, and Infrastructure's funding has increased significantly. RSD 12.5 billion has been allocated to the Clean Serbia project (a 25% increase), and Belgrade's Central Sewage System Wastewater Collection and Treatment Project has received RSD 3 billion. The Ministry's 2024 budget also includes several new initiatives that

were previously budgeted but never implemented, such as the Water Supply and Wastewater Treatment Program for Medium-Sized Municipalities V and VI and the Green Cities project. The Ministry of Environmental Protection's section will continue working on its ongoing projects with a tripled budget of RSD 6.1 billion.

Recommendations



Strategic and Legislative Framework

- 1.** Integrate nature directives (Birds Directive and Habitats Directive) into the field of water management. Better coordination is needed between the water management sector and the environmental sector regarding the implementation of EU directives.
- 2.** Develop specific strategies to improve investment in wastewater treatment facilities. Initiate the development of models and strategies for knowledge transfer in the field of wastewater treatment in order to reduce costs and mobilize domestic capacities.
- 3.** Adopt strategic and planning documents in accordance with the obligations arising from the Water Framework Directive (Water Management Plan, Flood Risk Management Plan).



Implementation of Regulations

- 4.** Develop capacities and improve the organization of public institutions responsible for water management, especially at the local level — the complexity of water management issues requires stronger personnel and technical capacities. The competent institutions must conduct an analysis of the existing capacities as soon as possible and develop a plan for their improvement. To achieve this, professional institutions and CSOs need to advocate for greater political and financial support for the water management sector.

- 5.** Develop structured cooperation with other relevant sectors (environmental protection, energy, agriculture, and spatial planning). This requires constant communication and exchange of information between the sectors to be established.
- 6.** Further improve public participation in policy development in the water management sector. Public consultations should provide more opportunities for participation than the legal minimum. Stakeholder involvement should begin in the early stages of policy development.
- 7.** Integrate nature-based solutions into water management practices and consider ecosystem services more seriously. Specific capacities for these needs should be developed within the competent institutions.
- 8.** Improve control and mitigation of key threats (poorly planned small hydroelectric power plants, gravel extraction, pollution, uncontrolled use of groundwater, and illegal construction on river banks). River habitats, wetlands, and water resources in general are very endangered in Serbia. Urgent action is needed at the national level.
- 9.** Develop a single database on planning and constructing WWTPs that is available to the public, enabling more efficient and systematic planning and monitoring of project implementation throughout Serbia.
- 10.** Raise the capacities of the Water Inspectorate and increase the number of water inspectors.
- 11.** Establish water quality monitoring in accordance with the requirements of the Water Framework Directive.
- 12.** Determine the borders of water land in the cadaster.



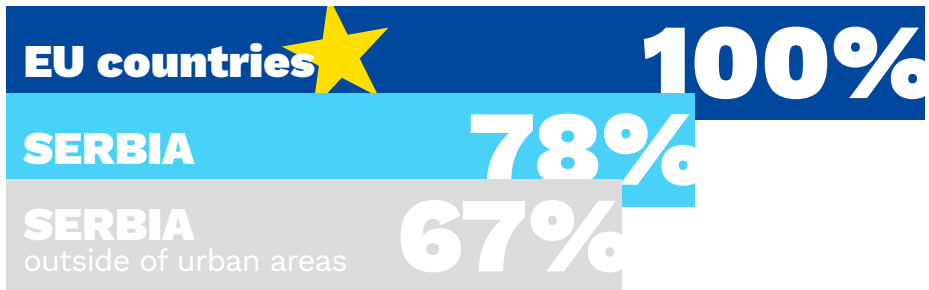
Financing

- 13.** Gradually increase water prices and fees for wastewater drainage and treatment services, in order to provide for the construction of the necessary facilities for water drainage and treatment and their normal operation.
- 14.** Permanently increase budget funds for financing water management activities and water protection.

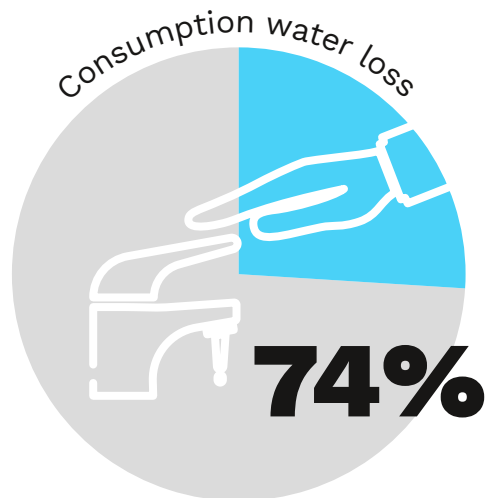
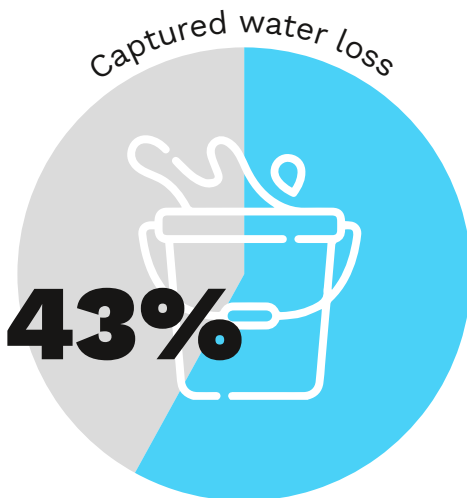


WATER QUALITY

Percentage of the population connected to public water supply systems



Network water loss



* Source: <https://sdg.indikatori.rs/area/clean-water-and-sanitation/>
https://www.mgsi.gov.rs/sites/default/files/izvestaj_o_obavljanju_komunalnih_delatnosti_na_teritoriji_republike_srbije_u_2022_godini.docx



Nature Protection

Overview

Nature protection and the conservation of Serbia's biodiversity have remained on the long wait list of the Serbian Government. While assessments and negotiations regarding whether the Law on Nature Protection merely needs to be amended or if a new law needs to be drafted are ongoing, intersectoral cooperation on nature protection is getting weaker. Policies and regulations are discussed only while they are on the daily political agenda, and there is little time and financial resources left for the conservation of sites, habitats, and species.

The working group for the development of the Environmental Protection Strategy of the Republic of Serbia — Pillar IV, which includes representatives from Coalition 27, identified a key problem at the very beginning of its work: "There are significant pressures on nature and the survival of ecosystems is under threat."

The key problem being defined in this way validates the views of Coalition 27: that management in the nature protection sector in Serbia is inefficient, as highlighted in the Shadow Reports from previous years.¹¹²

The drafting of the new Nature Protection Program for 2024–2032 began in late 2023, with input from the civil society. However, no information is available to the public about how the previous Program was implemented, what its results were, what lessons were learned, and what the foundation for planning the new Program is.

From May 2023 to the end of April 2024, meetings were held by working groups for the development of the Environmental Protection Strategy — Pillar IV — Biodiversity and Ecosystems; the Regulation on the Ecological Network; and the Nature Protection Program of the Republic of Serbia. The snap parliamentary

112 <https://www.koalicija27.org/en/shadow-reports/>

elections, held in December 2023, slowed down the work on these documents, so they were neither drafted nor adopted/implemented in the reporting period.

During the reporting period, 16 pieces of legislation on protected areas were adopted. Namely, 13 new protected areas were declared, and revision acts were adopted for 3.

Nature continues to be under pressure. In fact, 12 civil society organizations and 1 scientific institute of national importance have submitted objections to the Draft Plan for Detailed Regulation of the Solar Power Plant in KO¹¹³ Opovo and KO Baranda, which entailed the devastation of 3.800 ha of Pannonian salt steppes and continental salt ponds and marshes, located within the National Ecological Network, i.e., the Internationally Important Bird Area (IBA) Srednje Potamišje.

113 t/n: KO (srb.) katastarska opština — cadastral community

Strategic and Legislative Framework

The Government's Work Plan for 2023 envisaged the preparation of the Draft Law on Nature Protection by December 2023, but the drafting process has not started yet.¹¹⁴ The deadlines that have been set for by-laws as a part of the Government's Work Plan for 2023 have not been met either. The Regulation on the Ecological Network has not been adopted. The Plan envisages drafting several regulations on declaring protected areas, although no deadline for adoption was prescribed for the majority of these documents. With the new regulations on the declaration of protected areas (revision of existing protected areas or protection of the new ones), a significant step forward was made regarding the implementation of the Law on Nature Protection (Official Gazette of the RS, No. 36/2009, 88/ 2010, 91/2010 — as amended, 14/2016, 95/2018 — as amended, 71/2021). It refers to users' councils, by introducing an article that states: "The manager is obliged to form a users' council with the aim of fostering mutual cooperation and ensuring the interests of the local population and other users of the protected area no later than six months following the date this Regulation enters into force."¹¹⁵

Defining a complex appropriate assessment procedure that will affect projects and activities in the areas of the National Ecological Network and the Natura 2000 network in Serbia (which, according to estimates, will cover about 38% of the territory¹¹⁶) requires a better-structured discussion, with a wider circle of stakeholders. Additionally, the work on the Regulation on the Ecological Network, which began in 2023, as well as the adoption of the Regulation on the Appropriate Assessment, the preparation of which has been planned for several

114 https://www.mei.gov.rs/upload/documents/nacionalna_dokumenta/npaa/npaa_cetvrto_tromesecje_2023.pdf

115 <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/javne-rasprave/javni-uid-i-javna-rasprava-onactru-uredbe-o-proglasenju-i-studiji-zastite-parka-prirode-radan>

116 <http://www.natura2000.gov.rs/en/rich-biodiversity-of-serbia-will-be-part-of-the-natura-2000-network/>

years, should be accelerated, considering the fact that the existing legislation, which established the National Ecological Network and the procedure for appropriate assessment, has proven to be inadequate and difficult to implement.

The lack of harmonization of domestic regulations with the European Union legislation is evident in the example of the protection of species in accordance with the Birds Directive. Additional efforts are necessary to permanently protect a large number of bird species that are now considered wild game, and whose populations in Serbia are threatened.

The working group for the development of the Environmental Protection Strategy continued its work in this reporting period. The subgroup for the fourth pillar of the Strategy, Protection and Investment in Biodiversity and Ecosystems, met several times during 2023 and at the beginning of 2024, which has resulted in defined goals, measures, activities, competencies, and financial resources required for the portion of the Strategy related to biodiversity and ecosystems. Representatives of Coalition 27 are participating in the development of the Strategy, and have organized broader consultations with civil society. The general consensus is that the section of the Draft Environmental Protection Strategy — Green Agenda for the Republic of Serbia for 2024–2033, which covers protection and investment in biodiversity and ecosystems, lacks ambition.

As part of the Policy and Legal Advice Centre (PLAC III) project, an international expert was hired to support the harmonization of legislation with the EU *acquis* concerning non-native invasive species, which is a significant contribution in this area.

In the second half of 2023, a working group was formed to develop the Nature Protection Program from 2024 until 2032, aiming to meet the goals of the Kunming-Montreal Global Biodiversity Framework (KM-GBF).

The Kunming-Montreal Global Biodiversity Framework has 4 areas and 23 targets and represents an ambitious global strategy to transform society's relationship with biodiversity. The vision of the Global Biodiversity Framework until 2050 is: "**Living in harmony with nature.**" As a policy instrument for the implementation of the UN Convention on Biological Diversity, the National

Biodiversity Strategy must be harmonized with the new global framework and goals. A project to support early activities within the KM-GBF is underway, funded by the Global Environment Facility (GEF), with the support of the United Nations Environment Program (UNEP) and in cooperation with the Ministry of Environmental Protection. Within the framework of the project, the harmonization of the national strategy will be carried out, i.e., Nature Protection Programs, the harmonization of monitoring systems, policy and institutional coherence, as well as the financing of biodiversity protection.

In 2023, amendments were made to the Law on Charges for the Use of Public Goods.¹¹⁷ The public debate on the Draft Law was held from April 10 to May 3, 2023. The debate participants were mostly interested in amendments and the charges for the use of public areas and the use of protected areas, as well as the charges for the protection and improvement of the environment. The Law on Charges for the Use of Public Goods was adopted in October 2023.

In the second half of 2023, the Ministry of Agriculture, Forestry, and Water Management informed the public that the drafting of the Law on Amendments to the Law on Game and Hunting would commence. One of the main changes relates to the work of game wardens, i.e., their obligation to carry service weapons. In the version of the Law that is still in force, if a game warden loses the right to carry a weapon for any reason, they will automatically be stripped of their official status, which leaves a lot of room for abuse. In the proposed, amended version of the Act, carrying a service weapon would be optional. Among the proposed changes, there was also a one-year hunting ban or a permanent hunting ban in cases of repeated violations described in the same article. However, with the change of the Government of the Republic of Serbia, the procedure to amend the Law on Game and Hunting was suspended, and according to the latest information, the complete procedure will be repeated in the following period.

During the reporting period, 16 pieces of legislation on protected areas were adopted. Namely, 13 new protected areas were declared, and revision acts were

117 Official Gazette of the RS, no. 95/2018, 49/2019, 86/2019 — harmonized, 156/2020 — harmonized, 15/2021 — add. harmonized., 15/2023 — harmonized, 92/2023 and 120/2023 — harmonized.

adopted for 3. Among the larger areas, Potamišje at 22,633 ha, Cer at 6,260 ha, and Kanjiški Jaraši at 3,472 ha were declared to be areas of outstanding characteristics. **Table 3** contains an overview of all the areas that were protected in the previous period.

Table 3 : Protected areas from March 2023 to April 2024

Name of the area	Category	Surface area	Official Gazette number
Potamišje Area of Outstanding Characteristics	Category I	22,633 ha	Official Gazette of the RS, no. 93/2023
Dubočka Cave — Gaura Mare Natural Monument	Category II	16 ha	Official Gazette of the RS, no. 52/2023
Vražji Kamen Natural Monument	Category II	32 ha	Official Gazette of the RS, no. 52/2023
Uvac Special Nature Reserve	Category I	11,845 ha (revision from 7,543 ha)	Official Gazette of the RS, no. 14/2024 (Official Gazette of the RS, no. 27/2023)
Stara Tisa at the Biserno Island Nature Park	Category II	960 ha (revision from 392 ha)	Official Gazette of the APV, no. 35/2023
Slatine in the Zlatica Valley Nature Park	Category II	3,641 ha	Official Gazette of the APV, no. 24/2023
Gornje Potisje Wetland Nature Park	Category II	305 ha	Official Gazette of the APV, no. 35/2023
River Pčinja Valley Area of Outstanding Characteristics	Category I	4,228 ha (revision from 2,606 ha)	Official Gazette of the RS, no. 21/2023
Cer Area of Outstanding Characteristics	Category I	6,260 ha	Official Gazette of the RS, no. 54/2023
Đetinja Gorge Area of Outstanding Characteristics	Category III	853 ha	Official Gazette of the City of Užice, no. 23/2023
Ada Ciganlija Area of Outstanding Characteristics	Category III	471 ha	Official Gazette of the City of Belgrade, no. 41/2023
Kanjiški Jaraši Area of Outstanding Characteristics	Category II	3472 ha	Official Gazette of the APV, no. 35/2023
Mrkonjski Vis Natural Monument	Category III	145 ha	Official gazette of the City of Leskovac, no. 52/2023
Mulberry Tree at Šuljam Natural Monument	Category III	0.04 ha	Official Gazette of the City of Sremska Mitrovica, no. 16/2023

Name of the area	Category	Surface area	Official Gazette number
Zasavica Oak Tree Natural Monument	Category III	0.05 ha	Official Gazette of the City of Sremska Mitrovica, no. 16/2023
Mali Bosut Nature Park	Category I	282 ha	Official Gazette of the RS, no. 08/2024

For 2 areas, a public revision of the draft regulations on protection was carried out. One of them is Mojstirsko-Draške Mountains Nature Park, which should cover an area of 10,822 ha. The other one is the Radan Nature Park — the regulation on the revision of the protection of this area would increase the size of the protected area by 2,200 ha (from 41,313 ha to 43,513 ha).

Protection procedures have been initiated for 6 more areas, the largest of which is the Rudnik Area of Outstanding Characteristics, which should cover an area of 10,200 ha.

According to the above data, the total size of protected areas in Serbia increased by 44,602 ha in the reporting period. An additional 23,291 ha of newly protected territory is in the process of being established. Based on the data available on the website of the Institute for Nature Conservation,¹¹⁸ the percentage of the area under protection was 8.65% on April 3, 2024, which means a total of 765,527 ha is under protection. According to this data and the data on the areas that were declared while this Report was compiled, the percentage of the territory under protection increased by about 0.5%. The total increase in the territory under protection achieved during 2023 was slightly less than planned in the Action Plan for the Implementation of the Government Program for 2023–2026 (9%).

Based on the number of new protected areas and initiated protection procedures, it can be concluded that the Ministry of Environmental Protection maintains these activities at a relatively high level, and it is clear that this is one of the priorities of the Government’s work in the field of nature protection.

118 <https://zzps.rs/%d1%86%d0%b5%d0%bd%d1%82%d1%80%d0%b0%d0%bb%d0%bd%d0%b8-%d1%80%d0%b5%d0%b3%d0%b8%d1%81%d1%82%d0%b0%d1%80-%d0%b7%d0%b0%d1%88%d1%82%d0%b8%d1%9b%d0%b5%d0%bd%d0%b8%d1%85-%d0%bf%d1%80%d0%b8%d1%80%d0%be/>

The strong influence that interest groups outside the nature protection sector have on this process and its exposure to political pressure are exemplified by the quick declaration of the Mali Bosut Nature Park. Namely, for this small area of about 282 ha, which is in no way distinguished from other areas in the protection process, the Institute for Nature Conservation of Vojvodina Province submitted a completed protection study on December 4, 2023. As early as December 6, 2023, the Ministry announced the initiation of the protection procedure and then initiated a public review of the Draft Regulation on Protection on December 18, 2023. The Regulation on Protection was published in the Official Gazette of the RS on February 8, 2024. It is evident that this was an uncommonly fast protection procedure; in fact, the media also reported on this case.¹¹⁹ Another example of the untransparent influence that other sectors have on area protection processes can be seen in the unusually quick repeal and correction of the Regulation on the Revision of the Uvac Special Nature Reserve, which was first published in April 2023, and then again in February 2024.

119 <https://insajder.net teme/udruzenju-poslanika-dejana-bulatovica-vlada-srbije-dala-na-upravljanje-park-prirode-mali-bosut-video>

Implementation of Regulations

At the 7th Meeting of the Conference of the Parties to the Carpathian Convention, which was held in Belgrade in October 2023, the Ministerial Declaration was adopted, as well as a series of decisions that would facilitate the implementation of this framework convention. The Republic of Serbia will preside over the Convention for the next three years.

There are also challenges in carrying out assigned tasks. For example, the Institute for Nature Conservation of Serbia maintains a register of protected natural assets and an information system on nature protection for the territory of the Republic of Serbia (databases on protected natural assets, habitats, protected species, and ecological network areas). In addition, it prepares the Plan for the Protection of Natural Resources, as well as expert inputs for the Program for the Protection of Nature and Natural Resources of the Republic of Serbia and the Report on the State of Nature. Some of these databases and reports are not available to the interested public, which significantly complicates intersectoral cooperation and reduces the effectiveness of nature protection.

Although there is progress in the declaration of new protected areas, problems related to the management of existing ones remain. Some of them are inconsistency of lower level spatial plans and other sectoral documents with acts on the declaration of protected areas; insufficient cooperation of supervisory authorities with managers of protected areas, ecological network areas, and beyond, as well as inadequate punitive policy; insufficient capacities at all levels for the implementation of regulations, monitoring, and management; and inadequate organizational form and system of financing and management of protected areas, ecological networks, and species.

In the reporting period, there were no significant activities on establishing the European ecological network, Natura 2000, in Serbia. A new project dedicated

to establishing the Natura 2000 ecological network is expected, which will be financed from the IPA funds. Certain funds for protection and investment in biodiversity and ecosystems are provided through the EU for Green Agenda in Serbia project, implemented by UNDP.

Regional cooperation on nature protection and the implementation of the Green Agenda are realized through the work of the Biodiversity Task Force within the Regional Cooperation Council (RCC) Working Group for the Environment. An analysis and road map for the regional Biodiversity Strategy were prepared.

Twelve civil society organizations and one scientific institute of national importance have submitted objections to the Draft Plan for Detailed Regulation of the Solar Power Plant in KO Opovo and KO Baranda, which would cover 3,800 ha of Pannonian salt steppes and continental salt ponds and marshes, located within the National Ecological Network, i.e., the Internationally Important Bird Area (IBA) Srednje Potamišje.

The complaint, which was addressed to the Department for Property, Legal, Housing, and Communal Affairs, Urban Planning, Construction, and Environmental Protection of the Opovo Municipal Administration, states that the implementation of the project in question would mean the permanent devastation of extremely valuable habitats and the irreversible loss of an environmentally sensitive area, unique for the territory of Serbia and invaluable for Europe and the world.

In this area, 185 species of birds, 102 species of algae, as well as 14 species of reptiles and amphibians were recorded, while the database of the Biodiversity Information Center of the Faculty of Biology in Belgrade contains data on the presence of 127 species of plants and animals that require protection. Out of these, 21 species are included in the annexes of the Habitats Directive, 28 species are included in the annexes of the Bern Convention, 103 species are protected by the Rulebook on the Declaration and Protection of Strictly Protected Wild Species of Plants, Animals, Fungi, and Mushrooms, while 18 species are in the endemic/relict/rare category.

According to the recommendations of the International Union for Conservation of Nature (IUCN), the implementation of such projects is not justified in areas of high biodiversity, which the areas of the KO Opovo and KO Baranda certainly are.

Public inspection of the Draft Plan for Detailed Regulation of the Solar Power Plant in KO Opovo and KO Baranda and the Report on the Strategic Impact Assessment of the Detailed Regulation Plan of the Solar Power Plant in KO Opovo and KO Baranda was held in May 2024.^{120,121}

At the time when this Report was prepared, information on the further course of the adoption process of the Plan for Detailed Regulation of the Solar Power Plant in KO Opovo and KO Baranda was not publicly available.

As in previous years, illegal hunting of wild species was recorded, both with firearms and other prohibited means of hunting used to catch game alive. Illegal hunting was recorded in ponds and the basins of large rivers during the winter period using prohibited electric decoys, i.e., from motor vehicles in motion, concerning strictly protected species. During the bird migration season, the capture of live specimens of strictly protected species from the finch family intensified, with the use of live baits, traps, glue, and ornithological nets. Throughout the quail hunting season, in August and September, there was a drastic increase in the use of illegal electric decoys, as well as an increased presence of foreign hunting tourists. The most extreme example of this practice was recorded in the Municipality of Blace, where, for two days in a row, Italian hunters were caught hunting illegally, unaccompanied by users of the hunting grounds and without the necessary permits for hunting and carrying weapons. On that occasion, a Serbian hunting and tourism agency offering unlimited game hunting in its internet presentation in several world languages was also discovered. After the illegal activities were exposed, the

120 The comment refers to the period after the reporting period and was added due to the importance (i.e., topicality) of the event for the period covered by the Report.

121 <https://zavurbvo.rs/cir/aktuelnosti/planovi-na-javnom-uvidu/794-javni-vidu-u-nacrt-plana-detaljne-regulacije-solarne-elektreane-u-k-o-opovo-i-k-o-baranda>

leadership of this hunting association from Blace organized an internet hate campaign, which resulted in numerous death threats sent by the hunters to the activists.

During the reporting period, cases of suspected poisoning of wild bird species (most of which were strictly protected species) were recorded. This problem is extremely complex; as such, it requires the field engagement of members of a large number of competent institutions, namely: the public prosecutor's office, the police (office for high-tech crime), the Environmental Protection Inspectorate, the Phytosanitary Inspectorate, the Forestry and Hunting Inspectorate, the Veterinary Inspectorate, judges for preliminary proceedings, the Institute for Nature Conservation of Serbia, the Institute for Nature Conservation of Vojvodina Province, as well as the competent veterinary station. It should be noted that the presence of the interested public, i.e., experts from civil society organizations, is highly desirable.

In March 2024, in the vicinity of Kikinda, there was the largest recorded game mortality event in this part of Europe, when more than 800 birds from the crow family, as well as 19 roe deer, were found dead, with signs of acute poisoning. Despite the unprecedented number of game victims, only 8 animals were delivered to the Scientific Institute of Veterinary Medicine, which was an insufficient sample to prove the specific cause of the mortality event. Nonetheless, the Institute noted the presence of zinc phosphide, which, in contact with acidic environments, such as stomach acid, turns into gas and evaporates, suffocating victims. Just a few days later, in the vicinity of the village of Mol, a critically endangered golden eagle was found showing signs of acute poisoning. It should be noted that the competent authorities were absent in all cases of suspected wild species poisoning, of which there were more than 10 during the reporting period. This necessitates the formation of a special, intersectoral working group for the sake of adequate collection of evidentiary material, its analysis and processing, as well as the prosecution of these cases. The judicial conclusion made in relation to them is crucial for preventing this burning issue in general. In contrast, the position of the Ministry of Environmental Protection is that no working group will be formed and that the problem will be solved within the framework of the Rome Strategic Plan

on Eradicating Illegal Killing, Taking, and Trade in Wild Birds in Europe and the Mediterranean Region.

At the request of the Secretariat of the Bern Convention, the Ministry of Environmental Protection submitted the Report on Illegal Killing, Taking, and Trade in Wild Birds, as part of the IKB Scoreboard 2023 Report for the 2018–2023 Period,¹²² the latest and final version of which was adopted at the 43rd session of the Standing Committee of the Bern Convention. Looking at this document, in sector C, a significant discrepancy can be seen in the reporting of the Republic of Serbia for 2020 and 2023. In the Report from 2020, it was stated that the Republic of Serbia adopted a national action plan on this matter, which is actively implemented and monitored, as well as that there is cross-sectoral cooperation, which includes exchange of information and collaboration. In contrast, the Republic of Serbia stated in the 2023 Report that the National Plan for Illegal Killing, Taking, and Trade in Wild Birds is still being prepared within the Green Agenda project, in coordination with the Kingdom of Sweden and the United Nations Development Program (UNDP). At the same time, it was noted that a national committee with mapped stakeholders will be established by 2030, in accordance with the Conclusion of the Government of the Republic of Serbia on accepting Recommendation No. 205 (2019). It remains dubious under what circumstances such drastic failure to comply occurred in the reporting period for 2020 and 2023. It can be said with certainty that the National Plan for the Illegal Killing, Taking, and Trade in Wild Birds was not prepared — therefore, it could not be implemented.

In the reporting period, the monitoring of advertisements related to the trade in taxidermized specimens of strictly protected and protected species and their derivatives (the circulation of which is limited or prohibited by the Law on Nature Protection) was carried out. During the research, 68 advertisements were recorded, within which taxidermized specimens/derivatives of 78 species were found — reptiles from the order of crocodiles, big cats such as leopards, tigers, and jaguars, bears, and large birds of prey were most prevalent.

122 <https://rm.coe.int/tpvs26-2023-3rd-ikb-scoreboard-analysis/1680acfd8a>

During 2023, the Environmental Protection Inspectorate performed 133 regular and 416 extraordinary inspections in the field of nature protection. Compared to 2022, the number of regular inspections decreased (217 in 2022), but at the same time, the number of extraordinary inspections increased significantly (200 in 2022). Additionally, the number of inspections regarding persons who have been harmed by strictly protected species of wild animals has also risen dramatically. In 2022, the number of such inspections was 39, and in 2023, there were 176 inspections. The number of preventive inspections by managers of protected areas in 2023 was 18. This is significantly fewer than in 2022, when 45 such inspections were carried out. In 2023, the Inspectorate submitted 22 misdemeanor reports and 3 reports for economic offenses, with verdicts reached in 10 cases. Those numbers do not deviate significantly from the numbers recorded in the reports from previous years.

The Inspection Report for 2023 states that the Annual Work Plan has been fully implemented.

The number of submissions from citizens to the Environmental Protection Inspectorate has been increasing year by year, but the number of actions taken by the Inspectorate on citizens' submissions has not. One of the reasons is that citizens often have difficulties in fulfilling administrative requests because they cannot always find the relevant data that is needed for the Inspectorate to respond adequately.

Financing

In 2023, RSD 840 million was allocated from the National Budget for nature conservation (2.2% of the national expenditure on environmental protection), which represents an increase of approximately 25% compared to 2022. All nature conservation projects fall under the purview of the Ministry of Environmental Protection. RSD 135 million was spent on improving the nature conservation system and preserving biodiversity, primarily covering administration and management costs. This figure should be considered alongside the RSD 172 million budgetary support for the Institute for Nature Conservation of Serbia.

The largest single expenditure in this area was the incentives for managing protected natural resources of national interest, for which approximately RSD 350 million was allocated in 2023 — a 20% increase from the previous year. A new addition to the nature conservation sector was an afforestation project aimed at protecting natural diversity, which spent RSD 95 million in 2023. This project co-financed the procurement of seedlings and afforestation work using native tree and shrub species on land under city and municipal jurisdiction. Additionally, RSD 56 million was spent on a project to preserve and protect land as a natural resource, aiming to prevent or eliminate harmful changes to the land to preserve its function as a natural resource.

An analysis of budget expenditures at the local government level shows that expenditures classified as nature conservation amounted to nearly RSD 800 million in 2023, including funds that local self-governments received from the National Budget for co-financing projects. However, a more detailed analysis revealed that this amount often includes administrative costs for all environmental activities at the local level, which cannot be clearly separated from the work that is exclusively related to nature conservation based on publicly available data. In other words, the financial resources actually invested in nature conservation are likely somewhat smaller, as some local self-govern-

ments book other environmental sector expenditures under the generic label of nature conservation.

The most significant activities of local self-governments were related to implementing projects for which they received funds in tenders from the Ministry of Environmental Protection (afforestation and land protection), as well as budget grants for managing protected natural resources under city and municipal jurisdiction. Among individual local self-governments, the largest amount of funds for nature conservation were paid from the budget of the AP Vojvodina (about RSD 215 million), the City of Belgrade (RSD 128 million), and Požarevac (RSD 120 million), while other cities and municipalities generally spent significantly less than RSD 50 million.

The 2024 Budget plans an increase in expenditures for nature conservation by about 50% compared to last year's level. Budget expenditures for nature conservation are planned at almost RSD 1.3 billion this year, though their share in total national environmental protection expenditures remains relatively modest at 2.8%. The general assessment is that the Serbian Government plans to continue implementing the same nature conservation programs as in 2023, but with a slightly larger budget for these activities.

The planned 40% increase in funding for the program of co-financing the management of protected natural resources is a step in the right direction, as it will bring RSD 500 million to it. However, this amount is still significantly less than what is actually needed, especially in the absence of other economic instruments for sustainable financing. Almost twice as much funding is planned for administration and management in this area — RSD 263 million (for the organization and improvement of the nature protection system and biodiversity conservation), including noticeably greater support for the Institute for Nature Conservation of Serbia (RSD 284 million). This year, RSD 200 million is planned for an afforestation project aimed at protecting and preserving landscape diversity, and RSD 50 million for the preservation and protection of land as a natural resource.

Recommendations



Strategic and Legislative Framework

- 1.** Draft and adopt the new Law on Nature Protection in accordance with EU legislation, ratified international agreements, good practices in this area, and the specific needs related to nature protection in Serbia through a transparent and inclusive process.
- 2.** Regulate the appropriate assessment procedure for the ecological network through the Law on Nature Protection and the Regulation on Appropriate Assessment.
- 3.** Amend the Rulebook on the Declaration and Protection of Strictly Protected Wild Species of Plants, Animals, Fungi, and Mushrooms and the Rulebook on the Criteria for the Separation of Habitat Types, Types of Habitats, Vulnerable, Endangered, Rare, and Priority Protection Habitat Types in order to fully transpose the provisions of the Habitats Directive and the Birds Directive related to hunting.
- 4.** Create and adopt a protocol to precisely determine the sequence and manner of action that the competent authorities need to take when detecting cases of poisoning, as well as other cases of illegal actions against wild species.
- 5.** Form an inter-ministerial working group for protected areas and the ecological network to coordinate work on the development of planning documents, protection studies, management plans, and area protection acts.

6. Define the biosphere reserve as a type of protected area in the Law on Nature Protection, and prescribe the competencies and basic measures for managing those areas.



Implementation of Regulations

7. Improve the capacities of the Ministry of Environmental Protection in the field of nature protection by increasing the number of employees in the sector as a matter of priority.
8. Improve the capacities of nature protection institutes (both at the provincial and national level) by increasing the number of professional staff and procurement of technical equipment.
9. Continue building the capacities of the police, inspectorates, prosecution, and judiciary for the implementation of regulations related to protecting species and habitats in cooperation with professional civil society organizations.
10. Improve the planning and implementation of inspection supervision over protected areas, i.e., ecological network sites.
11. Provide free access to the online database comprising decisions on nature protection conditions issued by the Ministry of Environmental Protection of the Republic of Serbia and the Institute for Nature Conservation to all interested parties.
12. Improve cooperation with interested parties regarding the implementation of international agreements in the field of nature protection through regular information exchange and consultations.
13. Form a National Council for the Natura 2000 ecological network in order to ensure intersectoral cooperation and continuous institutional support.

14. Compile an effectiveness assessment of the management of protected areas, establish mechanisms for monitoring management effectiveness, and ensure the availability of reports to the public.
15. Improve the capacities of the Unit for the Suppression of Environmental Crime and Environmental Protection, as well as its coordination with other sectors.
16. Create appropriate, targeted guides for more detailed explanations of the appropriate assessment procedure and practical examples from practice (preferably, illustrations of good and bad practices). Familiarize stakeholders with the appropriate assessment procedure using the guide and supporting materials.
17. Provide public access to the electronic Central Register of Protected Natural Assets and develop its functionalities so that each protected area contains, *inter alia*, a ten-year management plan, annual management programs, and reports on the implementation of the annual management program.



Financing

18. Maintain regular financing of the activities aimed at establishing the ecological network of the Republic of Serbia and Natura 2000, with full and regular reporting on the activities carried out and the funds spent.
19. Provide greater financial resources for the management of protected areas, as well as for the protection of species and habitats at the national and local levels.



NATURE PROTECTION

LIVING IN A PROTECTED AREA FROM THE POINT OF VIEW OF RESIDENTS AND VISITORS

QUESTION:

Are you interested in getting involved with the work of the Protected areas management authority for the area you live in, i.e., participate more directly in decision-making processes with your knowledge, experience, and suggestions?



POSITIVE CONTEXT:

Most respondents from protected areas are pleased to live in a healthy, clean, natural environment without noise, crowds, stress; the positive impact on raising children is emphasized.

NEGATIVE CONTEXT:

Deforestation, illegal (or excessive) construction, wastewater.

Protected areas covered by the survey: Fruška gora, Đerdap, Tara, Suva planina, Gradac, Ludoško jezero, Obedska bara, Veliko ratno ostrvo.
Total respondents: 624 citizens through surveys and in-depth interviews.



Chemicals Management

Overview

At the Fifth Session of the International Conference on Chemicals Management (ICCM5), held in Bonn at the end of September 2023, a new global instrument, called the Global Framework on Chemicals — For a Planet Free of Harm from Chemicals and Waste was adopted.¹²² This document is a new voluntary global framework, aimed at the safe management of chemicals throughout their entire life cycle, including the waste phase. It takes a much broader approach than the existing international conventions related to chemicals and waste and is characterized by a multisectoral approach with the participation of all interested parties (country governments, international organizations, industry, the academic community, the civil sector, etc.). Although it is not a legally binding document, the Global Framework on Chemicals is a strategic plan for the development and improvement of the system for the safe management of chemicals in the Republic of Serbia, as well.

The process of drafting the National Environmental Protection Strategy and an action plan (which would include the area of chemicals management) is underway. It is coordinated by the Ministry of Environmental Protection and is expected to be adopted in 2024.

The legislative framework created by the adoption of the Law on Chemicals and the Law on Biocidal Products and corresponding by-laws has established a system of chemicals management according to EU principles. The Negotiating Position of the Republic of Serbia for Chapter 27¹²³ envisaged the drafting and adoption of the Law on the Implementation of the REACH Regulation, as well as the Law on the Implementation of the Biocidal Products Regulation (BPR), by the end of 2021, which would apply from the date of accession, but these laws have not been adopted yet.

122 Homepage | GFC (chemicalsframework.org)

123 Negotiating Position (mei.gov.rs)

An analysis of the degree of harmonization between domestic and EU regulations related to prohibitions and restrictions indicates that there is a satisfactory level of harmonization at the moment. However, the Environmental Protection Inspectorate must carry out inspection supervision over the implementation of bans and restrictions on chemicals, i.e., products that are not general use objects, considering that no inspections were carried out during 2023, nor were any included in the Inspection Supervision Plan for the year 2024.

Regarding updates to regulations related to the classification and labeling of chemicals in order to adapt them in terms of technical and scientific progress, there was a positive development in the reporting period.

The Candidate List of Substances of Very High Concern, as well as the List of Substances of Concern itself, were updated in 2023.

In this reporting period, the following by-laws were adopted: the new Rulebook on the Content of the Safety Data Sheet¹²⁴, the Rulebook on Amendments to the Rulebook on the Permits for Placement on the Market and Permits for the Use of Particularly Hazardous Chemicals¹²⁵, the Rulebook on Chemical Advisers and Conditions for Training and Evaluating Chemical Advisers¹²⁶, and Amendments to the Rulebook on Conditions for Keeping Hazardous Chemicals in Retail Areas and the Appropriate Marking of Those Areas.¹²⁷

As regards persistent organic pollutants (POPs), there is a satisfactory level of harmonization with EU regulations. However, the Stockholm Convention National Implementation Plan has not been updated, and the action plans are out of date, considering the fact that they were designed to be applicable up to 2020.

The Stockholm Convention also regulates emissions of the so-called unintentional POP compounds (polychlorinated dibenzodioxins and furans — PCDD/PCDFs and other compounds) which, inter alia, are released during open waste

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125 Official Gazette of the RS, no. 88/2023

126 Official Gazette of the RS, no. 96/23

127 Official Gazette of the RS, no. 84/23

burning processes, such as landfill fires. That is why it is necessary to establish adequate monitoring of dioxins and furans content in the air and soil, in addition to public health surveillance.

In 2021, the new Law on Biocidal Products was adopted¹²⁸ in order to harmonize the existing legislation with the Regulation on Biocidal Products (528/2012/EU), which could not be transposed in its entirety considering the fact that, among other things, it regulates procedures that are centrally implemented by the European Chemicals Agency (ECHA) or the European Commission. In accordance with this Law, 17 by-laws were adopted and updated, 3 of which were adopted during this reporting period: the List of Biocidal Products Registered in the Register of Biocidal Products¹²⁹; the Rulebook on the Scope and Content of Technical Dossiers for Biocidal Product¹³⁰; and the Rulebook on the Conditions for Adapting Data Requirements From the Dossier for a Biocidal Product.¹³¹

The Negotiating Position of the Republic of Serbia envisaged the adoption of the Law on the Implementation of the EU Regulation on Mercury (2017/852/EU) by the end of 2021, but this has yet to take place. It is worrying that the measures related to the waste containing mercury from two chlor-alkali electrolysis plants in Serbia are not included in the Waste Management Program of the Republic of Serbia for the period from 2022 to 2031. So far, no decision has been made on the ratification of the Minamata Convention on Mercury.

In terms of administrative capacities for professional work in this area, it is noticeable that even during the reporting period, there were no significant changes compared to the previous period, despite the fact that strengthening these capacities is necessary in order to reach the level required for the implementation of the regulations, as well as for the further development of the chemicals management system. Inspection supervision of chemicals and biocidal products must be intensified, especially with regard to chemicals in consumer goods. The capacity of the inspectorates themselves must be strengthened

128 Official Gazette of the RS, no. 109/2021

129 Official Gazette of the RS, no. 7/24

130 Official Gazette of the RS, no. 20/24

131 Official Gazette of the RS, no. 20/24

and the number of inspections must be increased. Unsafe items found on the market must be regularly entered into the NEPRO rapid notification system in order to ensure that citizens are quickly informed about items withdrawn from the market due to chemical risk.

The number of issued decisions on registration in the Chemicals Register by year should be made available on the website of the Ministry of Environmental Protection and regularly updated. Additionally, data on placing chemicals on the market by hazard classes as statistical data should be made public online as statistical data. In this regard, it would be useful if the ministry would publish updated data on the registration of substances of concern and whether the risk reduction measures implemented by businesses are sufficient to control the risk of these chemicals.

It is necessary to improve the content of the information on the Chemicals Info Desk in terms of posting guides and guidelines of the European Chemicals Agency in the Serbian language, which are used in practice and which are insisted upon within the training and exams for chemicals advisers, as well as the administrative procedure itself and sections on the most frequently asked questions.

Additionally, the Ministry of Environmental Protection must establish a mechanism for the implementation of Article 82 of the Law on Chemicals, which instructs the ministry to develop and implement projects for monitoring chemicals' placement on the market and their use, their metabolites, and the path of chemicals in the environment and in living organisms. This way, they will be able to monitor the risk posed by chemicals to human health and the environment, i.e., they will get to ensure the control of the use of substances of concern and the implementation of restrictions and bans on the production, market placement, and use of chemicals. This is a very significant measure that would enable real progress toward reducing the risks chemicals pose. However, the ministry has not implemented it so far.

The Ministry of Health should provide citizens with complete access to the NEPRO rapid notification system for unsafe products, which should be regularly updated by the ministry responsible for trade affairs based on the reports from

inspections by the Ministry of Health and the information received from the RAPEX system. The ministry should also provide the public with access to the results of the monitoring program, i.e., regularly publish the annual Report on the Health Safety of consumer goods in the Republic of Serbia.

Strategic and Legislative Framework

After several years of preparation and negotiations, at the Fifth Session of the International Conference on Chemicals Management (ICCM5) held in Bonn from September 25 to September 29, 2023, a new instrument called the Global Framework on Chemicals — For a Planet Free of Harm from Chemicals and Waste was finally adopted.

This framework is a continuation of the previous framework known as SAICM (Strategic Approach to International Chemicals Management). The document represents a global policy framework on a voluntary basis, with the goal of ensuring safe management of chemicals throughout their life cycle, including the waste phase. Its scope is much broader than existing international conventions related to chemicals and waste and is characterized by a multisectoral approach with the participation of all interested parties (country governments, international organizations, the industry, the academic community, the civil sector, etc.). The Bonn High-Level Declaration on Chemicals and Waste was adopted, as well as the Global Framework on Chemicals Fund, a time-limited financial mechanism on a voluntary basis intended for developing countries and countries in transition, considering the fact that the successful implementation of the new framework depends on secure and sustainable financing.

Although it is not a legally binding document, the Global Framework on Chemicals is a strategic plan for the development and improvement of the system for the safe management of chemicals in the Republic of Serbia as well. The Republic of Serbia was represented at the Conference by a delegation consisting of representatives from the Ministry of Environmental Protection and the Ministry of Health. However, no information about this event or the new global framework can be found on the websites of the competent ministries. The Alternative for Safer Chemicals Association (ALHem) participated in all

preparatory meetings as well as the final Conference, and more information can be found on the ALHem website ¹³².

The process of drafting the National Environmental Protection Strategy and an action plan (including the area of chemicals management) coordinated by the Ministry of Environmental Protection is underway and these documents are expected to be adopted in 2024.

The legislative framework created by the adoption of the Law on Chemicals and the Law on Biocidal Products and their corresponding by-laws has established a chemical management system based on EU principles. The Law on Chemicals is harmonized with the REACH Regulation (EC 1907/2006) to the fullest extent possible because certain centralized procedures prescribed by the REACH Regulation require EU membership for implementation, such as registration, evaluation, and authorization procedures. The Republic of Serbia has requested an adjustment period for the full implementation of the REACH (especially for the registration and authorization processes), CLP, and BRP regulations. The Negotiating Position of the Republic of Serbia envisaged the drafting and adoption of the Law on the Implementation of the REACH Regulation and the Law on the Implementation of the BPR Regulation in 2021, which would apply from the date of accession, but these laws have not yet been adopted.

Since the area of chemicals management was not addressed in the Shadow Report for Chapter 27 called *A Green Agenda With No Agenda*, which covered the period from the beginning of April 2022 to the end of April 2023¹³³, in this Report, we would like to highlight the importance of the adoption of the Rulebook on Amendments to the Rulebook on the Restrictions and Ban of Production, Placing on the Market, and Use Of Chemicals¹³⁴, which, inter alia, introduced certain prohibitions and restrictions that are of particular importance for reducing public health risks:

132 <https://alhem.rs/globalni-okvir-za-hemikalije-za-planetu-bez-stetnih-posledica-od-hemikalija-i-otpada/> ; <https://alhem.rs/webinar-saicm-beyond-2020-framework/>

133 <https://www.koalicija27.org/wp-content/uploads/2023/10/K27-izvestaj-2023-EN-web.pdf>

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- After July 7, 2023, a ban on the market placement of products containing, individually or in any combination, DEHP, DBP, BBP, and DIBP in a concentration equal to or greater than 0.1% of the mass share of plasticized material of the product has been in effect.
- 33 carcinogenic, mutagenic, and reprotoxic substances (CMR) (categories 1A or 1B) including lead, cadmium, arsenic, hexavalent chromium, formaldehyde, several phthalates, and certain azo dyes, aromatic amines, and hydrocarbons, which are often found in various paints, flame retardants, and stain and water repellents have been limited in clothing, textiles, and footwear. The provision has been binding since November 1, 2023;
- Certain substances found in tattoo inks and permanent make-up have been banned from the market, effective since January 4, 2023.

Even though bans/restrictions of 4 phthalate compounds in everyday products became binding in the EU after July 7, 2020 (requiring that they be withdrawn from the EU market) it is highly likely that these products have reached the market of the Republic of Serbia because of delays in transposition and the prescribed transitional period of three years. ALHem plans to conduct laboratory testing of consumer goods for the presence of phthalates included in this ban in 2024. The test results will be publicly available on the ALHem website, and the competent authorities (Sanitary Inspectorate of the Ministry of Health, as well as the Ministry of Environmental Protection), alongside other members of the professional public and citizens, will be informed directly.

However, the adoption of this ban does not cover one very important group of consumer goods — namely, electrical and electronic products (e.g. large and small household appliances, IT and communication equipment, audio and video equipment, electrical and electronic tools and toys, etc.), and especially cables, chargers, and headphones, which we are in daily contact with, particularly teenagers. Namely, this group of products is exempt from EU Regulation 2018/2005, because it is regulated by EU Directive 2015/863/EU (known as RoHS III), which restricts the use of 4 phthalate

compounds (diethylhexyl phthalate (DEHP), dibutyl phthalate (DBP), benzyl butyl phthalate (BBP), and diisobutyl phthalate (DIBP)) in electrical and electronic equipment in a concentration of more than 0.1% (m/m) and has been in effect in the EU since July 22, 2019. The current Rulebook on the List of Electrical and Electronic Products, Measures Restricting or Prohibiting the Use of Electric and Electronic Equipment Containing Hazardous Substances, the Manner and Procedure for Management of Waste Originating From Electrical and Electronic Products¹³⁵ prescribes bans on electrical and electronic products that were placed on the market of the Republic of Serbia after July 7, 2011, and that contain lead, mercury, cadmium, hexavalent chromium Cr⁶⁺, polybrominated biphenyls (PBB), or polybrominated diphenyls (PBDE), thus achieving compliance with the EU RoHS I Directive. However, the EU Directive 2015/863/EU (RoHS III) has still not been transposed into domestic regulations even after 8 years of implementation, i.e., 5 years after it entered into force in the EU, which means that electrical and electronic products with harmful phthalates can be legally found on our market.

The fact that the situation regarding the implementation of regulations is not satisfactory even in the EU is illustrated by the data from the latest European Chemicals Agency Inspection Report published in December 2023¹³⁶, which indicates excessive levels of dangerous chemicals, such as lead and phthalates, in consumer products. Of the 2,400 products tested in total, around 18% violated EU regulations. The greatest number of non-compliant products (52%) were in the category of electrical and electronic equipment, specifically electric toys, chargers, cables, and headphones, in which findings indicated illegal concentrations of lead, phthalates, and cadmium. Alignment with this Directive is the goal of the advocacy process ALHem is conducting in 2024.

In addition to some of the aforementioned bans/restrictions, the Rulebook on Amendments to the Rulebook on the Restrictions and Ban of Production,

135 Official Gazette of the RS, no. 99/2010

136 All news – ECHA (europa.eu)

Placing on the Market, and Use of Chemicals¹³⁷ has amended Annex 2 on the List of Substances Subject to Restrictions in order to harmonize with the EU POPs Regulation 2019/1021.

During this reporting period, there was a new update regarding the regulations governing restrictions and bans on the production, marketing, and use of chemicals. In April 2024, the new Rulebook on Amendments to the Rulebook on the Restrictions and Ban of Production, Placing on the Market, and Use of Chemicals was adopted¹³⁸ which introduced several important prohibitions:

- Discharging gunshot containing a lead concentration equal to or greater than 1% in wetlands or carrying such shots while shooting in wetlands. This applies from February 15, 2025;
- Production of linear and branched perfluorocarboxylic acids (C9-C14 PFCA), as well as placing these on the market or using them as an ingredient in other substances, mixtures, and products from June 25, 2024 (unless the concentration in the substance, mixture, or a product of less than 25 ppb for the sum of C9-C14 PFCA or 260 ppb for the sum of C9-C14 PFCA-related substances);
- Placing N,N-dimethylformamide on the market as such, as an integral part of another substance, or in mixtures, in a concentration equal to or greater than 0.3% after December 12, 2024;
- Placing furniture and wooden items on the market if the concentration of formaldehyde released exceeds 0.062 mg/m³ in accordance with the prescribed test conditions (after August 6, 2026).

This Rulebook amends Annex 2, which refers to the List of Substances Subject to Restrictions, namely PFOS, hexachlorobenzene, PFOA, as well as perfluorohexane sulfonic acid (PFHxS). This amendment bans the production, placing on the market, and use of substances, mixtures, and products containing PFHxS or one of its salts as an impurity in concentrations higher than 0.025 mg/kg and

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for PFHxS related compounds higher than 1 mg/kg, which is in compliance with the EU POPs Regulation 2023/1608.

Please note that at the time of this Report (June 2024), this Rulebook was not published on the website of the Ministry of Environmental Protection.

Based on the analysis of the degree of harmonization of domestic and EU regulations related to bans and restrictions, it can be said that there is a satisfactory degree of harmonization at the moment.

During the reporting period, there was a positive development in terms of updating regulations related to the classification and labeling of chemicals in accordance with scientific and technical progress. With the last update of the Rulebook on the List of Classified Substances¹³⁹ from May 2023, **Table 1** — List of Classified Substances was harmonized with the Adaptation to Technical Progress — ATP 17 and has been in effect in the Republic of Serbia from September 1, 2023.

Additionally, there was an update to the Rulebook on the Classification, Packaging, Labeling, and Advertising of Chemicals and Certain Products in accordance with the Globally Harmonized System for Classification and Labeling of the UN¹⁴⁰ in May 2023, with implementation starting from September 1, 2023. It is now aligned with the Adaptation to Technical Progress — ATP 12, which has been in force in the EU since 10/17/2020.

Based on the experience and new scientific knowledge regarding substances of concern (due to endocrine disruption properties and PBT, vPvB, PMT, and vPvM properties), it was necessary to adapt the EU CLP Regulation 1272/2008 to technical and scientific progress by introducing new hazard classes and categories. Therefore, the CLP Regulation 1227/2008 was revised in terms of hazard classes and categories for the classification, labeling, and packaging of substances and mixtures, with the adoption of the revised CLP Regulation 2023/707, which entered into force in the EU on April 20, 2023, with prescribed transition periods for substances and mixtures. Four new hazard classes have

139 Official Gazette of the RS, 41/23

140 Official Gazette of the RS, no. 105/2013, 52/2017, 21/2019 and 40/2023

been introduced, namely: endocrine disruption for human health (Category I and Category II); endocrine disruption for the environment (Category I and Category II); persistent, bioaccumulative, and toxic (PBT) and very persistent and very bioaccumulative (vPvB); persistent, mobile, and toxic (PMT) and very persistent and very mobile (vPvM). When it comes to new substances on the market, suppliers are obliged to comply with the new rules from May 1, 2025; as for substances that were already on the EU market, suppliers must comply by November 1, 2026. Special transition periods apply for mixtures. For new mixtures, new hazard classes apply from January 5, 2026, while existing mixtures on the EU market must be updated by January 5, 2028.

The European Chemicals Agency (ECHA) in cooperation with the European Food Safety Agency (EFSA) is preparing an updated version of the Guide on the Application of the CLP Criteria to include guidance on new hazard classes. Following consultation with stakeholders, an updated guide is planned to be published in mid-2024.

We do not know when this revised EU CLP Regulation is planned to be transposed into domestic legislation.

As before, we emphasize that the regular harmonization of regulations governing the classification, labeling, and packaging of chemicals with EU regulations is extremely important, given that delays in updating them result in deviations of data on harmonized classified substances in Serbia and the EU. Therefore, in some cases, there are deviations during the implementation of the prescribed provisions on the classification and labeling of the same substances and mixtures when they are on the market of the EU and the Republic of Serbia, which is contrary to the basic goal of the GHS system — that chemicals are classified and labeled according to the same rules on all markets, i.e., in the same way. If these rules are not followed, difficulties arise with regard to the free circulation of imported chemicals, as well as the protection of human health and the environment.

In this reporting period, the new Rulebook on the Contents of the Safety Data Sheet was adopted ¹⁴¹, which changed some of the names of the chapters and introduced several new subchapters. It will apply from September 1, 2024. This Rulebook is now harmonized with EU Regulation 2020/878, which has been in effect in the EU since January 1, 2021.

Regarding the update to the Candidate List of Substances of Very High Concern, there were positive changes compared to the 2022 Report¹⁴² since amendments were adopted¹⁴³, so the Candidate List of Substances of Very High Concern in the Republic of Serbia now contains 224 entries. This List has been updated in the EU on several occasions, with the latest addition made in January 2024, and currently contains 240 entries. At the time of drafting the Report, there is a discrepancy in the domestic regulation that amounts to 16 substances, which limits the exercise of consumer rights in Serbia to information about the presence of those missing substances in products.

The List of Substances of Concern was also updated in 2023¹⁴⁴ and is now fully harmonized with the relevant EU list.

In 2023, the Rulebook on Amendments to the Rulebook on Permits for Placement on the Market and Permits for the Use of Particularly Hazardous Chemicals was adopted¹⁴⁵, which amends Article 4, as well as Form No. 1 (Application for the Issuance of a Permit to Trade in Particularly Hazardous Chemicals).

When it comes to the other by-laws related to chemicals management, during this reporting period, the new Rulebook on Chemical Advisers and Conditions to be Fulfilled by Legal Entities or Entrepreneurs Performing Training and Knowledge Checks for Chemical Advisers was adopted¹⁴⁶. The

141 Official Gazette of the RS, no. 11/24

142 https://www.koalicija27.org/wp-content/uploads/2022/10/Shadow_Report_Coalition-27_2022.pdf

143 Official Gazette of the RS, no. 83/2023

144 Official Gazette of the RS, no. 83/2023

145 Official Gazette of RS, no. 88/2023

146 Official Gazette of RS, no. 96/23

examination time was extended to 4 hours by the new Rulebook, which was necessary due to the volume and complexity of the thematic areas. We have been informed that a problem related to the period between holding exams has arisen in practice, because Article 7 stipulates that: "The period between dates for holding exams cannot be shorter than 90 days", while Article 11 states that: "A candidate who has not passed a thematic area shall retake the exam in that thematic area (remedial exam) within a period not longer than 90 days from the day of the first exam."

Amendments to the Rulebook on the Detailed Conditions for Keeping Hazardous Chemicals in Retail Areas and the Appropriate Marking of This Area were adopted¹⁴⁷. This defines the seller's obligations regarding the conditions for keeping hazardous chemicals in retail spaces, proper marking of that space, as well providing information to consumers about dangerous chemicals with the aim of protecting public health, i.e., both consumers and the environment.

In 2021, the new Law on Biocidal Products was adopted¹⁴⁸ in order to harmonize it with the Regulation on Biocidal Products (528/2012/EU), which could not be transposed in its entirety, given that it regulates procedures that are centrally implemented by the European Chemicals Agency (ECHA) or the European Commission, among other things. In accordance with this Law, 17 by-laws were adopted and updated, 3 of which were adopted during this reporting period: the List of Biocidal Products Registered in the Register of Biocidal Products¹⁴⁹; the Rulebook on the Scope and Content of Technical Dossiers for Biocidal Product¹⁵⁰; and the Rulebook on the Conditions for Adapting Data Requirements From the Dossier for a Biocidal Products.¹⁵¹

The Negotiating Position of the Republic of Serbia envisaged the adoption of the Law on the Implementation of the EU Regulation on Mercury (2017/852/EU) by the end of 2021, but this has not yet taken place. It is worrying

147 Official Gazette of RS, no. 84/23

148 Official Gazette of RS, no. 109/2021

149 Official Gazette of RS, no. 7/24 dated July 2, 2024

150 Official Gazette of RS, no. 20/24 dated 15 March 2024

151 Official Gazette of RS, no. 20/24 dated 15 March 2024

that measures related to waste containing mercury from two chlor-alkali electrolysis plants in Serbia are not included in the Waste Management Program of the Republic of Serbia for the period from 2022 to 2031. The Minamata Convention on Mercury has not yet been ratified.

In terms of administrative capacities for doing professional work in this area, there were no significant changes compared to the previous period.

The legislative framework must be further developed through additional harmonization of regulations by taking into account new EU regulations, making amendments to the existing ones, as well as strengthening the capacities necessary for the implementation of regulations.

Implementation of Regulations

The Department for Chemicals at the Ministry of Environmental Protection is responsible for tasks related to the implementation of administrative procedures in this area. The prescribed administrative procedures are carried out, but taking into account the scope and content of the documentation required by these procedures, as well as the confidentiality of certain data, the system must be continuously improved.

As for inspection supervision, based on the Report on the Work of the Environmental Protection Inspectorate for 2023¹⁵² for the area of chemicals and biocidal products management, no inspections were carried out to ensure compliance with the bans and restrictions on chemicals, i.e., non-consumer products, nor were any such checks included in the Plan for Inspection Supervision for 2024.¹⁵³

Chemicals Register

As of 2019, electronic delivery of data has become available through the Integral Chemicals Register (eIRH), which is equipped with appropriate safety measures and strictly defined data access levels. In the previous period, there were occasional technical difficulties in working on the portal due to server overload, but in the meantime, a new server for the eIRH portal was added, which has significantly accelerated the registration of chemicals this year because there was no downtime. This is important for increasing the efficiency of the process of registering chemicals.

152 Report on the Work of the Environmental Protection Inspectorate for 2023 (February 2024)

153 Inspection Plan of the Environmental Protection Inspectorate for 2024 (November 2023)

As for the dynamics of issuing decisions on chemicals registration by the competent authority, there were no significant changes compared to the previous period (the Decisions on the Registration of Chemicals for 2018 and 2019 are being issued in 2023 and 2024), which renders the existence of the Register meaningless from the point of view of monitoring and reducing risks to human health and the environment from chemicals that have been put into circulation. That is why strengthening administrative capacities on chemicals registration is still a priority. The eIRH portal itself must be continuously developed and technically improved; the database of substances on the eIRH portal must be reconciled with the Rulebook on the List of Classified Substances — **Table 1**; and the chemical names of substances on the portal (which should be in the Serbian language) must be harmonized with domestic regulations. One recommendation is that chemical advisers should be consulted to provide ideas and suggestions in order to facilitate the work and subsequently increase the review speed.

The number of issued decisions on registration in the Chemicals Register by year, as well as the data on placing chemicals on the market by hazard classes as statistical data, should be made publicly available (on the website of the Ministry of Environmental Protection) and regularly updated. In this regard, it would be of great importance for the ministry to publish updated data on the registration of substances of concern and to assess whether the risk reduction measures implemented by businesses are sufficient to control the risk that these chemicals pose.

Additionally, the Ministry of Environmental Protection should establish a mechanism for the implementation of Article 82 of the Law on Chemicals. This article instructs the ministry to develop and implement projects for monitoring the market placement and use of chemicals, their metabolites, and their path in the environment and living organisms. This way, the health and environmental risks posed by chemicals will be monitored — in other words, the control of the use of substances of concern and the implementation of restrictions and bans on production, market placement, and use of chemicals will be ensured. This is a very significant measure that would enable real progress in reducing

the risk of the most dangerous chemicals. Unfortunately, the ministry has not implemented it thus far.

Chemicals Info Desk

The Coalition 27 Shadow Report titled *One Step Forward, Two Steps Back*¹⁵⁴ highlighted a problem that arose with the new website of the Ministry of Environmental Protection in 2020, due to the fact that not all sub-pages that had existed in the previous version were transferred; more accurately, the information they contained was no longer available. In the meantime, the Chemicals Info Desk website has been updated to include this information, but we believe that the following steps should be taken to significantly facilitate the implementation of administrative procedures by legal entities, such as:

- 1.** Publishing all necessary guides and guidelines of the European Chemicals Agency in the Serbian language, since these are used in practice and insisted upon within the training and examination for chemicals advisers, as well as within the administrative procedure itself.
- 2.** Publishing guidelines for the demarcation of biocidal products. These criteria and guidelines are insisted upon in practice; however, they are not mentioned within the Chemicals and Biocidal Products Info Desk.
- 3.** Establishing a Frequently Asked Questions section, bearing in mind the complexity of the documentation and criteria for the implementation of administrative procedures. This would enable more efficient and direct communication with interested parties, given that communication with businesses and chemical advisors is usually done via electronic correspondence.

154 https://www.koalicija27.org/wp-content/uploads/2022/10/Shadow_-_Report_Coalition-27_2022.pdf

Biocidal products

As stated in the Negotiating Position, the main challenges related to the implementation of the Law on Biocidal Products concern the national approval of biocidal products, given that the instruments provided for by the BPR and aimed at facilitating access to information on active substances and biocidal products (e.g. negotiations on data sharing, resolution of disputes related to data sharing by the agency, access to R4BP) are not available to the MEP and domestic applicants for national approval in the pre-accession period.

As for the other procedures for making biocidal products available on the market, the administrative procedure must be sped up, i.e., the time needed for issuing certain acts for placing products on the market must be shortened, given that the review of the submitted documentation usually takes place on the day of the legal deadline. It would also be helpful if the requests for amendments were reconciled during the first consideration of requests for amendments, whereas in current practice, these requests are resubmitted with minimal corrections, thus prolonging the process of issuing the act itself, which can go on for several months. Strengthening administrative capacities in these procedures is still a priority.

Additionally, the lack of laboratory capacity for testing the effectiveness of many types of biocidal products in the Republic of Serbia puts domestic producers in an unfair position compared to importers and foreign producers.

Consumer Products

The monitoring program for consumer goods is prepared on the basis of a risk analysis, taking into account data on health-defective consumer goods on the local market, in the region, and from imports, data on previously established non-conformities during official controls of consumer goods, as well as data from the rapid alert system for non-food consumer products (RAPEX), among other things.

The Rulebook on Establishing the Program for Health Safety Monitoring of Consumer Goods for the year 2023¹⁵⁵ envisages the inspection of 1,662 consumer products (significantly fewer than in previous years) that may contain substances defined in the regulations on bans and restrictions from the Law on Chemicals Act and the Law on the Health Safety of Consumer Goods and corresponding by-laws — namely, children's toys made of polymer materials and combinations of polymer and other materials (894) in order to examine irregularities in the declaration, deviations from the fastness of colors, and the presence of plasticizers (phthalates), and cosmetic products (768), with the aim of examining irregularities in the declaration, the concentration of preservatives, and microbiological defects.

Testing of consumer goods samples within the monitoring program is carried out at public health institutes. The test results are submitted to the Ministry of Health no later than 14 days from the day of sampling. For samples where the presence of physical, chemical, and biological contaminants, i.e., non-compliance with the prescribed values, is determined, the sanitary inspector implements measures, including withdrawing the product from the market, i.e., banning the sale of the product.

Items recalled from the market should be publicly announced in the NEPRO rapid alert system for unsafe products in the Republic of Serbia. NEPRO is an integral part of the market surveillance system and serves the purpose of providing consumers with better protection from unsafe products, while also educating all market participants and raising awareness of the importance of product safety.

Given that access to the NEPRO rapid alert system for unsafe products on the website of the Ministry of Internal and Foreign Trade ¹⁵⁶ was not possible during the preparation of this Report, a number of products entered in 2022 and 2023 due to chemical risks were not analyzed. Denying access to the NEPRO system reduces the transparency of information related to unsafe products

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156 <http://195.222.98.53/portal/web/guest/unsafe-products-in-srb1>

on the domestic market and the possibility of informing the public, thereby increasing the risk to the health of Serbian citizens.

However, by looking at the Report on the Work of the Department of Sanitary Inspection of the Ministry of Health for the Year 2023¹⁵⁷, based on the information received from the RAPEX system in the course of the verification of unsafe products, only 1 unsafe product (muffin molds) was withdrawn from the market of the Republic of Serbia due to the chemical risk to the health of consumers, specifically the migration/transfer of formaldehyde and melamine from the food packaging materials to the food product itself. The importer took voluntary measures to withdraw and recall the products (17,425 items) from the market of the Republic of Serbia, in accordance with the Law on Consumer Goods.

The Institute of Public Health Dr Milan Jovanović Batut publishes an annual Report on the Health and Safety of Consumer Goods in the Republic of Serbia. However, by looking at the website of the institute in the period of writing this Report (June 2024), we noticed that the last Report on the Health Safety of Consumer Goods in the Republic of Serbia was published in 2021 and refers to monitoring results from 2020.¹⁵⁸ This further means that the data related to monitoring results from 2022 and 2023 is not publicly available, so we could not analyze that data and compare it with the information from the NEPRO rapid alert system, as was done in the earlier Coalitions 27 Shadow Reports.

In addition to providing citizens with unhindered access to the NEPRO rapid alert system for unsafe products, the Ministry of Health, i.e., the Institute of Public Health Dr Milan Jovanović Batut, should provide the public with access to the monitoring results (i.e., regularly publish the annual Report on the Health and Safety of Consumer Goods in the Republic of Serbia). The NEPRO system should also be regularly updated by the ministry responsible for trade affairs based on the reports from the inspection supervision conducted by the Ministry of Health and the information received through the RAPEX system.

157 Ministry of Health of the Republic of Serbia (2024): Report on the Work of the Department of Sanitary Inspection for the Year 2023, available at: Report on the Work of the Department of Sanitary Inspection for the Year 2023

158 https://www.batut.org.rs/index.php?category_id=149

Projects

A study published under the title *Toxics in Our Clothing*¹⁵⁹, conducted by the Arnika organization from the Czech Republic and the IPEN (International Pollutants Elimination Network), with the participation of 16 partner organizations from around the world, including ALHem from Serbia, proved the presence of toxic per – and polyfluoroalkyl substances (PFAS) in waterproof jackets and other clothing items purchased on the markets of 13 countries on 4 continents. Laboratory testing of these products was conducted for the presence of 58 selected PFAS compounds, as well as total extractable organic fluoride (EOF). The study found the following: 1) of the 72 garments tested, 46 (64%) contained PFAS or had EOF levels indicative of the presence of PFAS; 2) of the 56 waterproof jackets tested, 35 (63%) contained PFAS or had EOF levels indicating the presence of PFAS. A large number of the jackets tested were children's jackets, which is of particular concern.

When it comes to the Serbian market, 4 jackets that were labeled as water repellent and made by popular brands were sent to the Czech Republic for an analysis. Out of the 58 PFAS compounds that were examined, only the PFHxA (perfluorohexanoic acid) was found in a single jacket, in a concentration of 9 ppb, which is below the limit proposed by the EU (2023) for the restriction of PFHxA in consumer products, including textiles — 25 ppb. In all 4 samples, the level of total extracted organofluorine was below the limit of detection (TOEF < LOD).

Although direct human exposure is possible by wearing clothing that contains PFAS, these chemicals are generally released from clothing into water by washing the said clothing, or when the product becomes waste after disposal in landfills, where it ends up in soil, groundwater, or surface watercourses.

The Stockholm Convention also regulates emissions of the so-called unintentional POPs (polychlorinated dibenzodioxins and furans — PCDD/PCDFs and other compounds), which, among other things, are released during open waste incineration processes. In Serbia, there is a significant increase in the number

159 <https://ipen.org/sites/default/files/documents/clothing-chemicals-v12.pdf>

of landfill fires, some of which cover large areas. That is why preventive measures are important to control the outbreak of these fires. Considering the fact that during fires, dioxins and furans released into the air are deposited onto vegetation and soil, thereby entering the food chain, adequate monitoring of the content of dioxins and furans in the soil, as well as in food that originates from the breeding of animals near the landfills where the landfill fires occur, must be established. We emphasize that consumer products can contain POPs chemicals and, as such, end up in municipal landfills. Due to the persistence of these substances, as well as their toxicity and bioaccumulation, they pass into various environmental media. Problems with the transfer of perfluorinated compounds from waste to water should also be taken into account, especially in unsanitary and illegal landfills where there is no leachate treatment, but also in sanitary landfills where water treatment is not conducted in a way that removes these substances.

At the initiative of the United Nations Environment Program (UNEP), in April 2024, a study (a so-called working paper) called *The Impact of Landfill Fires on Air Pollution and Human Health in Serbia* was published^{160, 161}, prepared by the Environment Engineering Group in cooperation with the Alternative for Safer Chemicals (ALHem) organization and with the participation of experts from Serbia and abroad as a review of available data and analysis of the situation. Based on the analysis, recommendations for improvement were given, inter alia, that the monitoring system should be improved to reduce the risk to public health during and after fires. Another recommendation is that when fires break out at landfills/unsanitary landfills, appropriate monitoring of the state of the environment is necessary, as is public health monitoring, such as monitoring of the presence of PCDD/PCDFs in food (eggs, milk, meat) originating from free-range livestock and poultry raised on farms in the vicinity of landfills or in the impact zone (e.g. consider banning the use and sale of food of animal origin in which there is a potential for accumulation of PCDD/PCDFs until the safety of that food is determined).

160 Wasted Air: Impact of Landfill Fires on Air Pollution and Human Health in Serbia – Working Paper. Air Pollution Series (unep.org)

161 <https://www.activity4sustainability.org/supplementary-resources-on-the-impact-of-waste-disposal-on-air-pollution-and-human-health-in-serbia/>

The study also analyzed laboratory capacities for measuring dioxins and furans in ambient air, the content of which is determined using a high-resolution gas chromatograph in combination with a high-resolution mass spectrometer (HRGC-HRMS). According to data from the Accreditation Body of Serbia, over the period while the working paper was being prepared, no laboratories in the country were accredited for determining the mass concentration of dioxins in the ambient air. It is also necessary to consider in which situations PCDD/PCDFs measurements in ambient air should be carried out, including accidents such as landfill fires, given the fact that human exposure to PCDD/PCDFs by inhalation is generally low (the main source of dioxin intake is through food) and that the method of sampling and quantifying dioxins in ambient air is demanding and expensive. However, the fact that a municipal waste incinerator was put into operation at the Vinča landfill near Belgrade must be taken into account because it increases the importance of monitoring the concentrations of PCDD/PCDFs in the ambient air. Although the operational costs of maintaining the apparatus and analyzing PCDD/PCDFs in the ambient air are high, the state must consider the option for state laboratories that have the appropriate equipment to take over the implementation of this activity. In this case, the methods must be accredited, and the analysts must be specially trained to work on this apparatus, which is why participation in interlaboratory comparison programs or proficiency testing programs is very important.

The main conclusion of this study is that prevention is the key to preventing negative consequences from pollutants released during fires at municipal waste disposal sites. This can be achieved by taking measures to prevent the occurrence of fires, providing an adequate response when they do occur, as well as improving the monitoring system to assess the environmental impact, which the method of establishing public health surveillance is based on.

It is also important to mention the phenomenon of outdoor incineration of cables to remove insulation and release copper wires. It should be borne in mind that the emissions of unintentional POPs during such incineration are huge. Therefore, it is necessary to revise the regulations for punishing these actions and to implement adequate public information campaigns to prevent the outdoor incineration of cables.

The Minamata Convention on Mercury, which the Republic of Serbia signed in 2014, has not yet been ratified, although the National Inventory for Mercury Emissions for the Republic of Serbia was prepared, as well as the Capacity Assessment Report for the Implementation of the Minamata Convention in 2018 (the documents are not publicly available). It remains unclear why the Republic of Serbia did not ratify this convention (although the expert team and the expert service of the Ministry of Environmental Protection gave a recommendation on the need for ratification), given that it has ratified the Protocol on Heavy Metals along with the UNECE Convention on Long-Range Transboundary Air Pollution (CLRTAP), that certain provisions of the EU regulations on mercury have already been adopted, as well as that there is a clear plan in the Negotiating Position for the full harmonization of mercury-related regulations. The ratification of the Minamata Convention would enable Serbia to obtain funds to solve the problem with mercury, especially taking into account the fact that the Republic of Serbia had two chlor-alkali electrolysis plants with significant sources of mercury. The funds for the implementation of these conventions and for the reduction of mercury emissions (as well as POPs) from coal-fired thermal power plants are also provided.

Please note that it is necessary to make the information regarding the implementation of all conventions under the jurisdiction of the Ministry of Environmental Protection publicly available.

In 2023, the Ministry of Environmental Protection initiated the project called *Further Strengthening of National Capacities for Risk Management of Hazardous Substances Throughout Their Life Cycle*, which was financed by the UNEP Special Program. The agency responsible for the implementation of this project is UNDP. The project was presented to the professional public on March 6, 2024, and civil sector representatives were also invited to the presentation. The goals of the project are: 1) institutional strengthening of financing and sound management of chemicals and waste; 2) increasing institutional capacity; 3) easier application of the Basel, Rotterdam, as well as Stockholm and Minamata Conventions.

As part of the first phase of the project, the drafting of the National Profile for Chemicals Management is underway (the first such document was drafted and adopted in 2008), which provides an assessment of the state of chemicals management in Serbia throughout the entire life cycle, from production to disposal, and presents an analysis of the legislative, institutional, administrative, and professional and technical aspects of chemicals management. It is also a reference document for prioritizing the improvement of chemicals management in the Republic of Serbia. Drafting a report on the legal deficiencies in national legislation related to the application of the Rotterdam Convention is also planned, as well as amendments to domestic regulations in terms of adopting bans and restrictions on products containing nanomaterials or microplastics, based on the updated EU legislative framework. A study on consumer products that contain nanomaterials and microplastics, including an analysis of gender exposure, is also planned. In the later phase of the project, training for representatives of the industrial sector on safer alternatives to dangerous chemicals, along with working with teachers and students in schools, as well as training aimed at raising consumer awareness, is planned.

Financing

The financial aspects of chemicals and biocidal product management were analyzed in detail in previous Coalition 27 Reports, with no significant changes noted since then. The chemicals and biocidal product management system is financed from the National Budget, with RSD 34.6 million spent by the Ministry of Environmental Protection in 2023 (an increase of about 25% compared to 2022). The 2024 Budget plans a further increase in funding for the chemicals and biocidal product management system to RSD 47.6 million.

In addition to this basic budget program, 2023 saw the launch of a project titled Further Strengthening of National Capacity and Risk Management of Hazardous Substances Throughout Their Life Cycle, with financial support from UNEP. The project is set to run for 3 years and is financed through a USD 250,000 grant. In 2023, nearly RSD 9 million of this funding was utilized, while the 2024 Budget contains planned expenditures of RSD 6.8 million.

The Ministry of Environmental Protection maintains a dedicated sub-account for collecting national administrative fees related to chemicals and biocidal products. However, due to the structure and operation of the budget system, data is not available on the revenue generated from fees covering administrative services for regulatory procedures and system development. It is also unclear whether and to what extent costs are covered by taxes from other taxpayers who do not generate income from chemicals and/or biocidal products.

This arrangement does not align with the fundamental principles established by REACH and the Biocidal Products Regulation (BPR), as well as accompanying EU regulations governing fees. These regulations stipulate that costs related to regulatory procedures for chemicals and biocidal products must be borne by the economic entities that generate income by placing them on the market. Even the new Law on Biocidal Products, adopted in 2021, did not adopt the EU

fee model because it conflicts with the domestic system regulating the collection of fees and charges — a situation that needs to be addressed promptly.

The implementation of a dedicated fee system would be beneficial for all Serbian citizens, as these collected funds would support, among other things, the assessment of hazards, exposure, and risks of biocidal products (which is not currently part of the regular administrative procedure). This would enhance the protection of both human health and the environment.

Recommendations



Strategic and Legislative Framework

- 1.** Continue with the development of the legislative framework through further harmonization of regulations by taking into account new EU regulations and amendments and additions to the existing ones, as well as by strengthening the capacities necessary for the implementation of regulations.
- 2.** Ratify the Minamata Convention on Mercury.
- 3.** Update the National Implementation Plan for the implementation of the Stockholm Convention and the Action Plan.
- 4.** Adopt the strategic document and an action plan for strengthening synergy in the implementation of the Basel, Rotterdam, Stockholm, and Minamata Conventions.
- 5.** Adopt the Law on the Implementation of the REACH Regulation.
- 6.** Adopt the Law on the Implementation of the BPR Regulation.
- 7.** Harmonize the Rulebook on the List of Electrical and Electronic Products, Measures Restricting or Prohibiting the Use of Electric and Electronic Equipment Containing Hazardous Substances, the Manner and Procedure for Management of Waste Originating from Electrical and Electronic Products with EU Directive 2015/863/EU (RoHS III).



Implementation of Regulations

- 8.** Strengthen administrative and professional capacities in this area, especially the registration of chemicals and biocidal products in the Register, statistical analysis of collected data, management of biocidal products, creation of guides and guidelines for the info desk, and instructions for inspection supervision.
- 9.** Make data from the Chemicals Register on the number of reported chemicals by hazard class available on the website of the Ministry of Environmental Protection, and update them regularly on an annual basis.
- 10.** Establish a joint body for the integrated management of chemicals in order to establish satisfactory cooperation and coordination between all relevant sectors and ensure the safe management of chemicals throughout the entire life cycle — that is, the adoption and implementation of the Integrated Chemicals Management Program. The joint body should consist of representatives of competent state authorities in the field of chemicals management and representatives of the industry, scientific researchers, and non-governmental organizations.
- 11.** Strengthen inspection supervision over chemical and biocidal product control activities by strengthening the capacity of the inspectorates themselves and increasing the number of inspection supervisions. Supervise the implementation of Article 27 of the Law on Chemicals, protect the rights of consumers, and check compliance with the bans and restrictions on chemicals, i.e., non-consumer goods.

- 12.** Strengthen inspection supervision over the implementation of the Law on Consumer Goods by strengthening the capacity of the inspectorates themselves and increasing the number of inspections, as well as the capacity for entering unsafe products from the market into the NEPRO rapid notification system for unsafe products, in order to ensure adequate information for citizens about the products withdrawn from the market due to chemical risks.
- 13.** Improve the information available on the Chemicals Info Desk by posting the guides and guidelines of the European Chemicals Agency, which are used in practice and which are insisted on within the training and exams for chemicals advisers, in the Serbian language, as well as the administrative procedure itself and the section with the most frequently asked questions.
- 14.** Make the information in the NEPRO rapid alert system for unsafe products publicly available, and update it regularly.
- 15.** Make the information on the implementation of all conventions that the Ministry of Environmental Protection is responsible for publicly available.
- 16.** Establish a mechanism for the implementation of Article 82 of the Law on Chemicals, which instructs the Ministry of Environmental Protection to develop and implement projects for monitoring the market placement and use of chemicals, their metabolites, and the path of chemicals in the environment and living organisms.
- 17.** Publish updated data from the Chemicals Register on the entry of substances of concern, and assess whether the risk reduction measures applied by businesses are sufficient to control the risk of these chemicals.



Financing

- 18.** Amend the domestic system governing the collection of fees and charges by adopting the EU model of financing the system for the management of chemicals and biocidal products to ensure that the fees for regulatory procedures regarding chemicals and biocidal products are used to improve the chemicals and biocidal products management system.
- 19.** Secure financial resources for strengthening the administrative and professional capacities of the Department of Chemicals in the Ministry, as well as the inspection authorities that control compliance with the Law on Chemicals and the new Law on Biocidal Products, so that administrative procedures can be carried out without breaking deadlines, bearing in mind their scope and complexity.



CHEMICALS MANAGEMENT



1096

thousand tonnes of chemicals
hazardous to human health are
used per year.¹



the number of
consumer goods
withdrawn due
to chemical risk
**by the sanitary
inspectorate**
(not publicly
available)⁴

28.7

RSD



million (approx.
244.000 EUR) per year
**for chemicals
management**²



0.1

**percent of the
environmental
protection budget** is
earmarked for chemicals
management³

4

Number of
products that
suppliers have
**reported and
voluntarily
withdrawn**
from the
market⁵



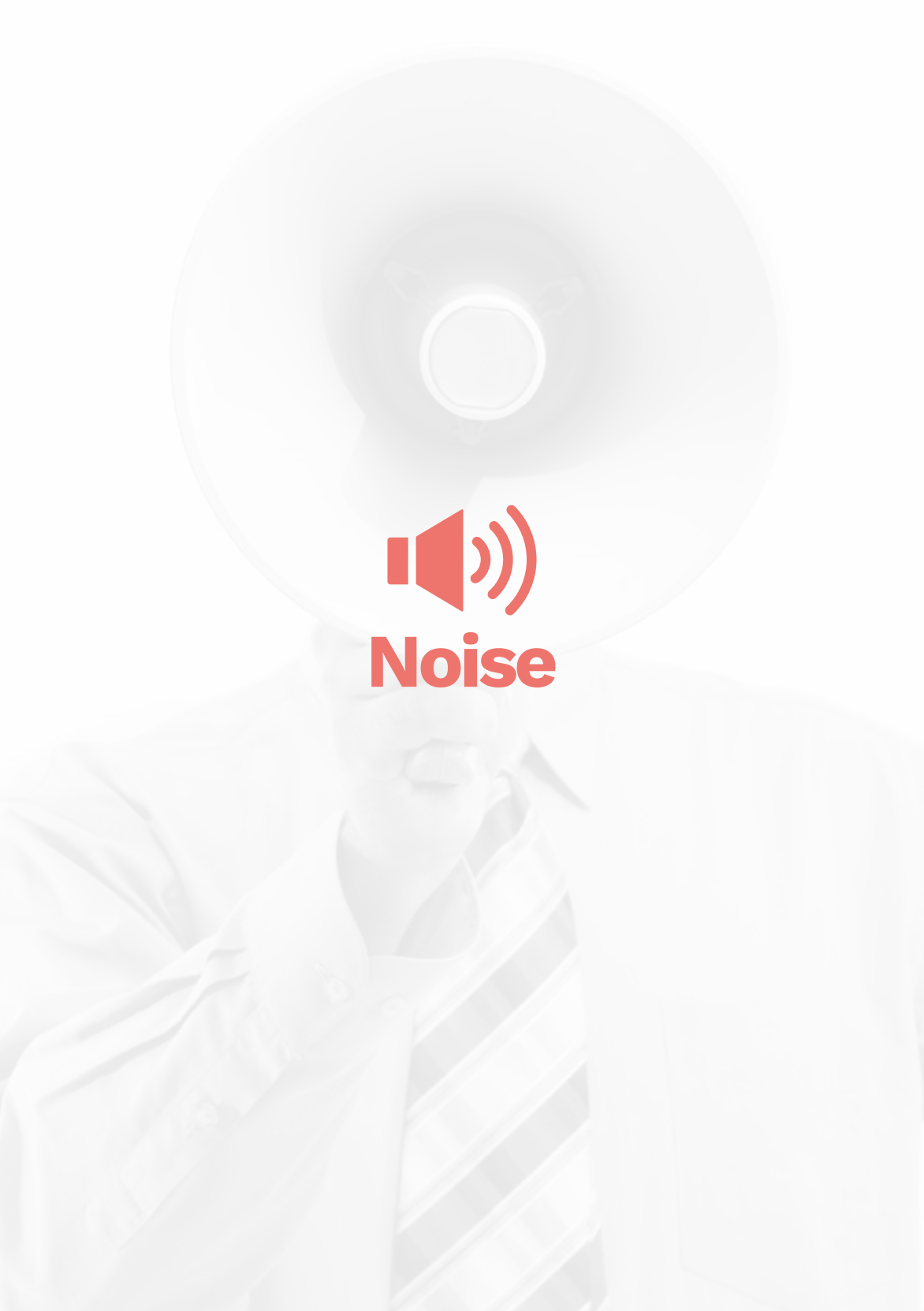
0

Public reports
on the Safety
of Consumer
Goods since
2021.⁶

Thousands of tonnes of consumption

– fractions of concern

- ¹ Statistical Office of the Republic of Serbia (data for 2022);
- ² 4-year average based on budget execution (2020-2023);
- ³ 10-year average based on the final accounts of the budget of the Republic of Serbia (2014-2023);
- ⁴ Report on the Work of the Sanitary Inspectorate for 2023;
- ⁵ NEPRO rapid alert system for dangerous products, 4-year average (2020-2023);
- ⁶ Report on the Safety of Consumer Goods, "Batut" Institute for Public Health.



Noise

Overview

Partial progress was recorded in the field of noise protection.

Although the Law on Environmental Noise Protection, which entered into force in October 2021, sets a one-year deadline for the adoption of relevant by-laws, only 4 out of a total of 7 were adopted. Additionally, Article 40 of the Law has set June 30, 2024 as the deadline for the adoption of strategic noise maps for agglomerations. However, based on the information available so far, the agglomerations of Niš and Novi Sad are the only ones that have done so.

Although the City of Niš compiled a strategic noise map in 2019 as an example of good practice, in 2023 there was a noticeable backslide on this issue, given that Niš failed to even conduct noise monitoring. In the Budget for 2024, funding is planned for developing a noise protection action plan in and around the agglomeration of Niš.

The City of Novi Sad conducted regular noise monitoring in 2023 and its public procurement plan for 2024 includes a service called "Drafting a noise protection action plan for the City of Novi Sad."

The City of Belgrade carried out noise monitoring in 2023 and finalized the public procurement procedure for the service of drafting strategic noise maps and an environmental noise protection action plan. The deadline for activities undertaken within these contracts is 500 days.

The City of Kragujevac only conducted noise monitoring in 2023.

Almost 70% of local self-governments failed to perform noise monitoring in 2023, primarily due to a lack of financial resources.

Strategic and Legislative Framework

The new Law on Environmental Noise Protection¹⁶² was adopted in October 2021. Full compliance with EU legislation is expected after the adoption of all regulations, which should be drafted in accordance with Directive 2015/996 (CNOSSOS-EU). The new Law calls for a total of 7 regulations, which should have been adopted by October 2022 at the latest. However, only 4 have been adopted so far. During the period from March 2023 to the end of April 2024, only the Rulebook on the Content and Method of Development of Noise Maps and the Manner of Their Presentation to the Public, and their Forms, was adopted,¹⁶³ and in the preceding period, the Rulebook on the Conditions to be Fulfilled by a Professional Organization for Noise Measurement, and Documentation to Be Submitted With the Application for Acquiring the Authorization for Noise Measurement, Permit Procedure, Content of Permits, and the Content, Scope, and Validity Period of Noise Measurement Reports¹⁶⁴, the Rulebook on the Methods of Noise Measurement, Content, and Scope of the Environmental Noise Measurement Reports¹⁶⁵, and Rulebook on the Conditions to Be Met by a Municipal Police Officer to Measure Noise From Hospitality Establishments were adopted.¹⁶⁶

162 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/skupstina/zakon/2021/96/5/reg/>

163 https://www.ekologija.gov.rs/sites/default/files/2023-10/pravilnik_o_sadrzini_i_metodama_izrade_strateske_karte_buke_i_akcionog_plana_nacinu_njihove_izrade_i_prikazivanja_javnosti_kao_i_o_njihovim_obrascima_-_sluz.pdf

164 https://www.ekologija.gov.rs/sites/default/files/2023-01/pravilnik_o_uslovima_koje_mora_da_ispunjava_strucna_organizacija_za_merenje_buke_u_zivotnoj_sredini_-_sluzbeni_glasnik_rs_br_139-22.pdf

165 https://www.ekologija.gov.rs/sites/default/files/2023-01/pravilnik_o_metodama_merenja_buke_sadrzini_i_obimu_izvestaja_o_merenju_buke_u_zivotnoj_sredini_-_sluzbeni_glasnik_rs_br_139-22.pdf

166 https://www.ekologija.gov.rs/sites/default/files/2022-04/pravilnik_o_uslovima_koje_treba_da_ispunjava_komunalni_milicionar_da_bi_mogao_da_vrsi_postlove_merenja_buke_poreklom_iz_ugostiteljskih_objekata_-_sluzbeni_glasnik_rs_broj_132-21.pdf

Implementation of Regulations

The **City of Belgrade** has adopted the Noise Level Measuring Program on the Territory of the City of Belgrade for 2024/2025.¹⁶⁷ Noise monitoring was conducted in 2023. Noise levels were measured at 40 locations, and the Annual Report on the Implementation of the Noise Level Measuring Program on the Territory of Belgrade for 2023 was published.¹⁶⁸ Environmental noise measurements were taken continuously for 24 hours in Belgrade during the spring and autumn cycles. The Report was prepared in accordance with the Rulebook on the Methods of Noise Measurement, Content, and Scope of the Environmental Noise Measurement Reports.¹⁶⁹

The public procurement procedure for the service of drafting strategic noise maps and an environmental noise protection action plan has been finalized.¹⁷⁰ The deadline for activities undertaken within these contracts is 500 days. The Decision on the Development of a Strategic Impact Assessment of the Noise Protection Action Plan for the City of Belgrade was also adopted.¹⁷¹

The **City of Novi Sad** has a valid Noise Level Measuring Program on the Territory of the City of Novi Sad for 2022, 2023, and 2024.¹⁷² Noise monitoring was carried out in 2023. Noise was measured at 12 locations, and the Annual Report on the Implementation of the Noise Level Measuring Program on the Territory of Novi Sad for 2022 and 2023 was published.¹⁷³

167 https://www.beograd.rs/images/data/ffd358b5afc9d003390a07b292a9ab58_5612904027.rar

168 https://www.beograd.rs/images/file/5d1d78d340ef909ca4218faa6f0ded68_6145726039.zip

169 https://www.ekologija.gov.rs/sites/default/files/2023-01/pravilnik_o_metodama_merenja_buke_sadrzini_i_obimu_izvestaja_o_merenju_buke_u_zivotnoj_sredini_-_sluzbeni_glasnik_rs_br_139-22.pdf

170 <https://jnportal.ujn.gov.rs/tender-eo/177369>

171 <https://sllistbeograd.rs/cyr/arhiva/broj/1914/>

172 http://demo.paragraf.rs/demo/combined/Old/t/t2022_01/NS_001_2022_001.htm

173 <https://drive.google.com/file/d/1VzEjkATVCouFWRsJ5bWkbNnYy3VQWEpN/view>

The Report presents data on measured noise levels for the autumn cycle of 2022 and the spring cycle of 2023. Noise level measurements were carried out continuously over a period of 7 days at all 12 measuring points, with a reference time of 15 minutes. The Report was prepared in accordance with the old (now repealed) Rulebook on the Methods of Noise Measurement, Content, and Scope of the Environmental Noise Measurement Reports, which had been adopted in 2010. The Report does not provide information about the acoustic zone to which the measurement sites belong and only offers information on deviations and their proportion in relation to the permitted noise levels for the location in question in the narrative part of the Conclusion chapter. The Strategic Noise Map of the City of Novi Sad was adopted¹⁷⁴ and the public procurement plan for 2024 envisages the procurement of a service to create a noise protection action plan for the City of Novi Sad¹⁷⁵.

The **City of Kragujevac** has adopted the Noise Level Measuring Program for 2023¹⁷⁶ and 2024.¹⁷⁷ Noise monitoring was conducted in the city. Environmental noise was measured at 6 locations, once a month for 24 hours, in two daytime intervals and one evening interval. The Report on the implementation of the Noise Level Measuring Program is not publicly available, but the summarized data can be found in the program¹⁷⁸ for 2024.

In residential areas, the noise level was up to 3 dB higher than permitted during the day, up to 5 dB higher in the evening, and up to 19 dB higher at night.

In the city center, the permitted noise level was exceeded by up to 5 dB during the day and up to 12 dB at night.

In rest and recreation areas (next to hospitals, schools, parks, and sports facilities), the permitted noise level was exceeded by 15 dB during the day and 26 dB at night.

174 <https://skupstina.novisad.rs/wp-content/uploads/2023/12/sl-61-2023.pdf?lang=lat>

175 <https://environovisad.rs/storage/data/javne-nabavke/59/1712738956jwsdPPlan%20javnih%20nabavki%202024.pdf>

176 http://demo.paragraf.rs/demo/combined/Old/t/t2023_05/KG_008_2023_007.htm

177 <https://kragujevac.ls.gov.rs/extfile/sr/662/01/Slu%C5%BEbeni%20list%20grada%20Kragujevca%20broj%2018%20od%2018.%20aprila%202024.%20godine.pdf>

178 <https://kragujevac.ls.gov.rs/extfile/sr/662/01/Slu%C5%BEbeni%20list%20grada%20Kragujevca%20broj%2018%20od%2018.%20aprila%202024.%20godine.pdf>

In 2023, noise level exceedances were recorded in the industrial zone of Kragujevac — up to 13 dB during the day, up to 10 dB in the evening, and up to 17 dB at night.

The Environmental Protection Program of the City of Kragujevac for the 2023–2033 period was adopted.¹⁷⁹ The program recognizes the problem of environmental noise and sets short-term goals for 2023–2025: creating a strategic noise map and action plan for noise reduction; acoustic zoning of the territory of the City of Kragujevac; and improving environmental noise monitoring.

The City of Niš has established a valid Noise Level Measuring Program for 2023/2024.¹⁸⁰ It stipulates that only 1 measuring point with continuous environmental noise level measurement will be established for the purposes of the program. Noise monitoring was not conducted in 2023.

As a reminder, the Strategic Noise Map for the agglomeration of the City of Niš was created in 2019.¹⁸¹

In the Decision on the Budget of the City of Niš for 2024,¹⁸² funds have been allocated for the development of the Action Plan for the Environmental Noise Protection for the Agglomeration of Nis.

Although Article 40 of the Law on Environmental Noise Protection specifies that “strategic noise maps for agglomerations [...] shall be drawn up and adopted no later than June 30, 2024”, it can already be concluded that the agglomerations of Belgrade and Kragujevac will fail to do so within the legally prescribed deadline.

For the year 2023, a total of 49 LSGs submitted data on noise monitoring in their territories: Ada, Bajina Bašta, Bačka Palanka, Bački Petrovac, Belgrade, Beočin, Bečej, Bor, Valjevo, Vranje, Vršac, Gornji Milanovac, Dimitrovgrad, Žitište, Zrenjanin, Inđija, Kanjiža, Kikinda, Kladovo, Knić, Kovin, Kostolac, Kragujevac, Kraljevo, Kruševac, Kula, Lapovo, Leskovac, Negotin, Nova Crnja, Novi Bečej,

179 https://www.eupropisi.com/dokumenti/KG_014a_2023_001.pdf

180 http://demo.paragraf.rs/demo/combined/Old/t/t2023_06/NIS_059_2023_003.htm

181 https://www.sepa.gov.rs/download/buka/Analiza_stanja_iz_podataka_strateskih_karata_Nis.pdf

182 <https://www.ni.rs/wp-content/uploads/2024/02/%D0%9E%D0%B4%D0%BB%D1%83%D0%BA-%D0%BE-%D0%B1%D1%83%D1%9F%D0%B5%D1%82%D1%83-2024..docx>

Novi Kneževac, Novi Pazar, Novi Sad, Pančevo, Pirot, Požarevac, Ruma, Senta, Smederevo, Sokobanja, Sombor, Sremska Mitrovica, Subotica, Temerin, Trstenik, Čačak, Čoka, and Šabac.¹⁸³

Additionally, 93 LSGs submitted a statement that they did not perform noise monitoring in their territories, citing a lack of funds as the main reason, "since performing noise monitoring is very expensive". The following LSGs have submitted this statement: Aleksandrovac, Aleksinac, Alibunar, Apatin, Arilje, Babušnica, Batočina, Bač, Bačka Topola, Bela Palanka, Bela Crkva, Blace, Bogatić, Bojnik, Boljevac, Bosilegrad, Brus, Bujanovac, Varvarin, Velika Plana, Veliko Gradište, Vladimirci, Vladičin Han, Vlasotince, Vrbas, Vrnjačka Banja, Gadžin Han, Golubac, Despotovac, Doljevac, Žabalj, Žabari, Žagubica, Žitorađa, Zaječar, Ivanjica, Irig, Jagodina, Knjaževac, Kovačica, Kosjerić, Koceljeva, Krupanj, Kuršumlija, Kučevo, Lajkovac, Lebane, Loznica, Lučani, Ljig, Ljubovija, Majdanpek, Mali Zvornik, Mali Iđoš, Malo Crniće, Medveđa, Merošina, Mionica, Niš, Nova Varoš, Opovo, Osečina, Odžaci, Paraćin, Petrovac na Mlavi, Pećinci, Plandište, Preševo, Priboj, Prijepolje, Prokuplje, Ražanj, Rača, Raška, Rekovac, Svrlijig, Sečanj, Sjenica, Smederevska Palanka, Srbobran, Sremski Karlovci, Stara Pazova, Surdulica, Titel, Trgovište, Tutin, Čičevac, Čuprija, Ub, Užice, Crna Trava, Čajetina, and Šid.¹⁸⁴

The remaining LSGs failed to submit data on noise monitoring or statements confirming they did not perform noise monitoring within the legally stipulated period.

183 Response of the Environmental Protection Agency to the Request for Access to Information of Public Importance, no. 011-00-00001/83/2024/02 dated June 10, 2024.

184 Response of the Environmental Protection Agency to the Request for Access to Information of Public Importance, no. 011-00-00001/83/2024/02 dated June 10, 2024.

Financing

Projects in the area of noise and vibration control are not within the purview of the central level of the Government, so the Budget of the Republic of Serbia has not identified expenditures for this area. According to the data of the Statistical Office of the Republic of Serbia, the total costs for noise and vibration protection between 2014 and 2023 amounted to around EUR 9 million, with a noticeable upward trend in the previous few years (from around EUR 0.5 to around EUR 2 million per year). The following is a brief overview of funding in the area of noise and vibration control in agglomerations and the largest cities in the Republic of Serbia.

The Program for the Use of Funds From the Budget Fund for Environmental Protection of the City of Belgrade for 2023 allocated funds in the total amount of about RSD 61.5 million for the following projects: implementing environmental noise level measurement programs across the Belgrade territory (RSD 837,000), updating Belgrade acoustic zones (RSD 9 million), creating strategic noise maps and an action plan for noise protection (RSD 41.7 million), and maintaining software for noise sensor monitoring and installation (RSD 10 million).

The Program for the Use of Funds From the Budget Fund for Environmental Protection of the City of Novi Sad for the year 2023 allocated RSD 900,000 toward environmental noise level monitoring programs across the city territory (a 50% increase compared to 2022). Additionally, Novi Sad's City Budget for 2023 planned RSD 70 million for the Development of a Smart System for Noise Monitoring — Phase II."

The Program for the Use of Funds from the Budget Fund for Environmental Protection of the City of Niš for 2023 allocated RSD 240,000 toward municipal noise level monitoring projects across the city territory (a 60% reduction compared to 2022).

Kragujevac's Environmental Protection Program spanning 2023–2033 defined 4 measures in 2015 aimed at improving noise monitoring systems and reducing population exposure to increased noise levels, but no publicly available data exists regarding the financing of the implementation for 2023 and planned funds for the current year.

Subotica's Environmental Protection Budget Fund Program for 2024 has allocated RSD 450,000 toward noise monitoring, which represents a significant increase compared to the amount approved in 2023 (RSD 190,000).

Recommendations



Strategic and Legislative Framework

1. Adopt all by-laws necessary to harmonize the legislative framework with Directive 2002/49/EC.
2. Adopt all by-laws necessary to harmonize the legislative framework with Directive 2015/996 (CNOSSOS-EU).



Implementation of Regulations

3. Implement acoustic zoning in all local self-government units.
4. Introduce 24-hour continuous noise monitoring and make data available through a unified presentation of automatic noise monitoring.
5. Develop strategic noise maps for the other two agglomerations (Belgrade and Kragujevac), as well as for the main roads, main railways, and main airports, alongside action plans.
6. Local self-governments should adopt decisions to allow communal police officers to conduct noise measurements from hospitality establishments.
7. Implement noise monitoring training (especially at a local level).
8. Introduce local self-government control over the implementation of noise monitoring and submission of noise monitoring results to the Environmental Protection Agency.
9. Assess the harmful effects of noise on human health and the environment.

- 10.** Control whether organizers of public gatherings, entertainment and sports events, and other outdoor and indoor activities have submitted data on noise protection measures in their applications for holding public gatherings and activities if the use of sound systems and other devices may exceed the prescribed limit values.



Financing

- 11.** Provide funds for the implementation of plans (and obligations) in the area of noise protection.

the 1990s, the number of people with diabetes has increased in all industrialized countries. In the Netherlands, the prevalence of diabetes has risen from 1.5% in 1975 to 5.5% in 1995 (1). The prevalence of diabetes is expected to increase further in the next decades (2).

Diabetes is a chronic disease with a high prevalence and a high mortality. The most common complications of diabetes are cardiovascular disease, nephropathy, retinopathy, and neuropathy. The prevalence of these complications is high, and the mortality is high. In the Netherlands, the mortality of diabetes is 1.5 times higher than in the general population (3). The mortality of diabetes is expected to increase in the next decades (4).

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NOISE

49

LSGs have **SUBMITTED DATA** on noise monitoring within their territory

93

LSGs have **SUBMITTED STATEMENTS** that they have failed to conduct noise monitoring for the sole reason that **"noise monitoring is very expensive."**

4

THE REMAINING LSGS FAILED TO SUBMIT noise monitoring data or statements as to why they did not do so within the legally prescribed deadline.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

* **Source:** Response (no. 011-00-00001/83/2024-02) from the Environmental Protection Agency based on a public information request.



Climate Change

Overview

Even though the Law on Climate Change was adopted in early 2021, it still cannot be fully implemented, because a substantial number of by-laws are missing. An instrument for taxing the carbon imported into the EU market, the Carbon Border Adjustment Mechanism, was first implemented in October 2023, starting with a transitional period. The Republic of Serbia has not been prepared for this instrument because the key by-laws and mechanisms are still missing. The National Greenhouse Gas Inventory is still not publicly available. The Low Carbon Development Strategy was adopted late and without an action plan. The Integrated National Energy and Climate Plan was not developed in accordance with the obligations stemming from the Treaty Establishing the Energy Community. The updated Nationally Determined Contributions were adopted late and with unambitious decarbonization targets. The Program for Adaptation to Changed Climate Conditions with An Action Plan was adopted. It is impossible to determine through publicly available documents whether climate change is a priority of the new Government of the Republic of Serbia.

Strategic and Legislative Framework

Law on Climate Change and Associated EU Regulations

The Law on Climate Change was enacted in March 2021¹⁸⁶, three years later than initially planned¹⁸⁷. This legislation establishes a framework for limiting greenhouse gas (GHG) emissions and implements a comprehensive system for the monitoring, reporting, and verification of these emissions. Furthermore, it aims to develop protocols for adapting to changing climate conditions and oversee the implementation of the Low Carbon Development Strategy. The Law only partially transposes European Union legislation related to the EU Emissions Trading System (EU ETS)¹⁸⁸, specifically incorporating provisions on the Monitoring, Reporting, and Verification (MRV) system of GHG emissions. This MRV system provides a systematic framework for tracking and evaluating greenhouse gas emissions.

The legislation contains numerous provisions that require clarification through secondary legal acts, which were scheduled for adoption by March 1, 2022 (with the exception of aviation operator regulations, for which the deadline was January 1, 2023). By the end of the reporting period, the number of implemented by-laws had increased to 6, up from 3 in the previous reporting period. As of May 1, 2024, the Government of the Republic of Serbia has established the necessary regulatory framework for the MRV system through the following measures:

186 National Assembly of the Republic of Serbia (2021), Law on Climate Change, Official Gazette of the RS, no. 26/2021.

187 Government of the Republic of Serbia (2018), Government Work Plan for 2018

188 Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC and Regulation no. 600/2012 of 21 June 2012 on the Verification of Greenhouse Gas Emission Reports and Tonne-Kilometer Reports and the Accreditation of Verifiers Pursuant to Directive 2003/87/EC of the European Parliament and of the Council

- Rulebook on Verification and Accreditation of Verifiers of Greenhouse Gas Emissions Reports¹⁸⁹ (adopted in 2021) ensures verifier independence, which is crucial for providing assurance to competent authorities and stakeholders that emission reports pursuant to the Rulebook on Monitoring and Reporting on Greenhouse Gas Emissions are accurate, true, and fair.
- Regulation on Types of Activities and Greenhouse Gases¹⁹⁰ (adopted in 2022) specifies which activities and GHGs require facility operators to obtain emissions permits.
- Rulebook on Monitoring and Reporting of Greenhouse Gas Emissions¹⁹¹ (newly adopted in December 2023) details the required contents of monitoring plans — which are necessary for issuing GHG emissions permits to facility operators — and establishes emission monitoring methodologies, along with procedures and supporting documentation requirements. This Rulebook also provides mechanisms for modifying operators' monitoring plans when approved plans no longer align with actual facility operations or aviation activities.
- Regulation on Fuel Economy Data and CO₂ Emissions From New Passenger Vehicles¹⁹² (adopted in 2022, amended in 2023) mandates that manufacturers and dealers of new passenger vehicles must inform consumers about fuel consumption, CO₂, and other greenhouse gas emissions.

Additional by-laws were adopted to establish the National Greenhouse Gas Inventory System and create the foundation for National Greenhouse Gas Inventory Reports:

189 Ministry of Environmental Protection (2022), Rulebook on Verification and Accreditation of Verifiers of Greenhouse Gas Emissions Reports, Official Gazette of the RS, no. 107/2021.

190 Government of the Republic of Serbia (2022), Regulation on Types of Activities and Greenhouse Gases, Official Gazette of the RS no. 13/2022.

191 Ministry of Environmental Protection (2023), Rulebook on Monitoring and Reporting on Greenhouse Gas Emissions, Official Gazette of RS no. 118/2023

192 Ministry of Environmental Protection (2022), Rulebook on Fuel Economy Data and CO₂ Emissions from New Passenger Vehicles, Official Gazette of the RS no. 107/2022, 71/2023

- Regulation on the Type of Data, Bodies, and Organizations and Other Physical and Legal Entities That Submit Data for the Preparation of the National GHG Inventory¹⁹³ (adopted May 2023) establishes the legal framework requiring both individuals and organizations to submit information for the National Greenhouse Gas Inventory.
- Rulebook on the Contents of the Greenhouse Gas Inventory and the Greenhouse Gas Inventory Report¹⁹⁴ (adopted June 2023) codifies the Environmental Protection Agency's responsibility to maintain the National GHG Inventory. This database encompasses activity data, emission factors, GHG emissions from various sources, removal by carbon sinks, and other essential information required for preparing the National Greenhouse Gas Inventory Report.

The Law on Climate Change does not incorporate provisions for GHG emissions reduction targets or establish requirements for achieving climate neutrality. Furthermore, it lacks mechanisms for full implementation of the ETS or introduction of other GHG emission pricing instruments. According to the Negotiating Position for Chapter 27, Serbian electricity producers will not receive free CO₂ emissions allowances during the 2021–2030 period. Additionally, Serbia will not have access to the Modernization Fund, which creates a significant burden for the industry that will necessitate either a transitional period and/or deviations in the transposition of targeted EU ETS legislation¹⁹⁵.

Carbon Border Adjustment Mechanism in the Law on Climate Change

The transitional phase of the Carbon Border Adjustment Mechanism (CBAM) began on October 1, 2023, requiring Serbian exporters to the EU market to

193 Government of the Republic of Serbia (2023), Regulation on the Type of Data, Bodies, and Organizations, and Other Physical and Legal Entities That Submit Data for the Preparation of the National GHG Inventory, Official Gazette of the RS no. 43/2023

194 Ministry of Environmental Protection (2023), Rulebook on the Content of the National Greenhouse Gas Inventory and National Greenhouse Gas Inventory Report, Official Gazette of the RS no. 55/2023

195 Government of the Republic of Serbia (2019), Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change

submit verified greenhouse gas emissions data for products from designated sectors. The CBAM is a European Union mechanism designed to integrate EU climate policy objectives into foreign trade, promoting decarbonization in partner countries. The mechanism applies to products from the iron and steel industry, and to the following carbon-intensive imports: cement, aluminum, hydrogen, fertilizers, and electricity¹⁹⁶. A revision of the Regulation on the CBAM is anticipated by the end of 2024, which may expand the list of sectors to include all those covered by the EU Emissions Trading System (EU ETS)¹⁹⁷, based on these criteria:

- Sector's relevance to GHG emissions, specifically whether it represents a major source of greenhouse gases;
- Risk of carbon leakage in the sector¹⁹⁸;
- Need to establish emissions parity between imported and EU domestic products.

The Law on Climate Change does not contain CBAM provisions. This mechanism is an integral component of the European Union's Fit for 55 packages, which emerged from the European Green Deal¹⁹⁹ development strategy and was further codified in the European Climate Law of 2021²⁰⁰.

Due to the lack of CBAM adaptation measures in the Law on Climate Change, the Serbian business sector was ill-prepared for its implementation²⁰¹. Competent institutions delayed taking preparatory steps until after the implementation of the CBAM Regulation had begun. The Ministry of Environmental Protection and

196 Jačović, J., Pajović, M. and Dizdarević, D. *CBAM: porez na ugljenik, ko ne plati na mostu platiće na čupriji*. Belgrade: Belgrade Open School, 2023

197 Božanić, D., Kukulj, S. and Popović, M. *Analiza zakona o klimatskim promenama – Treća godina sprovođenja Zakona o klimatskim promenama u Republici Srbiji*. Beograd: Renewables and Environmental Regulatory Institute, 2024, page 23.

198 Carbon leakage refers to the displacement of production processes outside the territory of the EU, i.e., to the countries with less stringent laws on greenhouse gas emissions.

199 Jačović, J., Pajović, M. and Dizdarević, D. *CBAM: porez na ugljenik, ko ne plati na mostu platiće na čupriji*. Belgrade: Belgrade Open School, 2023, pg 10.

200 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (European Climate Law)

201 CBAM taxes imported goods whose production involves the emission of a substantial amount of carbon-dioxide, upon the entry of said goods into the European Union Customs Zone.

the Chamber of Commerce and Industry of Serbia organized training sessions for businesses regarding the CBAM in October 2023²⁰². In December 2023 — two months after CBAM’s transitional phase commenced — the Ministry of Mining and Energy initiated a procurement procedure for the Analysis of the Impact of the EU CBAM Regulation on the Electricity Production Sector in the Republic of Serbia²⁰³. This Analysis aims to evaluate the economic, legal, financial, and technical implications of the CBAM Regulation on Serbia’s electricity production sector to develop an optimal national model that protects the domestic market while meeting CBAM requirements for electricity.

In February 2024, consulting firm KPMG²⁰⁴ won the public tender with a six-month completion deadline (August 2024). Consequently, Serbian companies exporting to the EU market cannot expect state guidance regarding the CBAM regulation until September 2024 at the earliest. On May 1, 2024, in his statement on the government’s plan, the Prime Minister announced plans to construct 1 GW of self-balanced solar power plants and 1 GW of wind power plants by 2028 “...to modify the EPS power portfolio and thereby mitigate the severe impact of the carbon border adjustment mechanism on our export-oriented economy.”²⁰⁵ Full CBAM Regulation implementation will commence on January 1, 2026.

The Carbon Border Adjustment Mechanism will significantly affect Serbia’s economy, as more than 65% of Serbian products are exported to the EU market, and production relies heavily on lignite²⁰⁶. The CBAM transitional period extends through 2025, during which time only GHG emissions reporting is required. As of 2026, charges will be imposed for each unit of GHG emissions generated during production. EU importers will be required to purchase carbon certificates priced equivalently to CO₂ emissions payments for goods produced

202 <https://www.ekologija.gov.rs/lat/saopstenja/vesti/sektorske-obuke-za-privredu-povodom-eu-mehanizma-za-prekogranicno-izjednacavanje-ugljenika-%28cbam%29>

203 <https://jnportal.ujn.gov.rs/tender-eo/199655>

204 <https://jnportal.ujn.gov.rs/odluke-o-dodeli-ugovora>

205 Government of the Republic of Serbia (2024), presentation of the Program of the Government of the Republic of Serbia by Miloš Vučević, Prime Minister elect; available at: https://media.srbija.gov.rs/medsrp/dokumenti/Milos_Vucevic_ekspeze_pdf.pdf

206 Eurostat (2021), *Enlargement Countries — International Trade in Goods Statistics*, available at: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Enlargement_countries_-_international_trade_in_goods_statistics#:~:text=The%20goods%20exported%20from%20Serbia,2020%20and%2040.0%20%25%20in%202010

within EU borders. This will increase the cost of EU-bound exports, adversely affecting Serbian producers. EU importers will purchase certificates based on submitted carbon dioxide emissions reports per product unit. These reports are compiled using manufacturer-provided information. In those cases where manufacturers fail to submit emission reports or provide data that is deemed unreliable, EU importers will estimate emissions using “default values²⁰⁷.” This estimation process will likely result in calculated emissions exceeding actual production emissions.

CBAM exemptions are possible under specific conditions:

The primary condition for exempting non-EU products from CBAM requirements upon entry into EU customs territory requires the country of origin to have either an established carbon emissions pricing system equivalent to EU ETS prices or integration into the EU ETS system. It is important to note that exemptions apply at the national level rather than to individual companies.

If the Republic of Serbia does not establish a GHG emissions trading system by January 1, 2026, an alternative exemption pathway exists specifically for electricity imports. This exemption covers both direct and indirect emissions (indirect emissions being those generated during production through electricity usage or cooling/heating processes). Countries with EU-integrated electricity markets may defer carbon emission payments until 2030 for electricity, though this exemption does not extend to other CBAM-regulated industries. Serbia’s Energy Community membership has established an integrated electricity market with the European Union, fulfilling the basic requirement for this exemption. However, all Energy Community member states must satisfy additional conditions regarding the adoption of EU legal provisions and acquis in energy and climate policy domains.

The following conditions must be met to obtain an electricity exemption:

²⁰⁷ Default values are defined according to the average emission intensity for every exporting country and the goods covered by the CBAM Regulation (except electricity), plus a proportional margin. Additionally, if an exporting country cannot provide the appropriate data, the default value is based on the emissions of the top 10% of the most carbon-intensive companies within the EU.

- 1.** Agreement has been signed between the EU and the exemption-seeking country establishing obligations to apply EU laws related to electricity, particularly regarding renewable energy sources (Serbia has met this condition);
- 2.** Implementation of the main EU electricity market provisions within national legislation (Serbia has partially fulfilled this requirement);
- 3.** Commitment to achieve climate neutrality by 2050, including submitting a long-term development strategy with reduced GHG emissions aligned with the goal of climate neutrality by 2050 to the United Nations Framework Convention on Climate Change – UNFCCC (Serbia has partially fulfilled this condition);
- 4.** Adherence to climate neutrality deadlines, demonstrating substantial progress in harmonizing domestic legislation with the EU climate law, achieving EU-equivalent GHG emissions pricing in electricity production, establishing an EU ETS-equivalent system by January 1, 2030 (Serbia has partially fulfilled this condition);
- 5.** Submission of an action plan to the European Commission outlining the timeline for adopting and achieving measures relevant to conditions 3 and 4 (Serbia has not met this condition);
- 6.** Implementation of an effective system to prevent indirect electricity imports into the EU from countries or regions not meeting conditions 1 and 4 (Serbia has not met this condition).

In April 2023, the National Assembly of the Republic of Serbia adopted amendments to the Law on the Use of Renewable Energy Sources, incorporating major EU electricity market provisions into domestic legislation. Full implementation requires additional by-laws and complete horizontal regulatory harmonization²⁰⁸. This development partially satisfies the second exemption

208 Rajić, J. and Kukulj, S. *Analiza Zakona o korišćenju obnovljivih izvora energije*, Belgrade: Renewables and Environmental Regulatory Institute, 2024, page 32.

condition. The Government of the Republic of Serbia adopted the Low Carbon Development Strategy on June 1, 2023. This Strategy envisions Serbia as a low-carbon society by 2050, featuring a resource-efficient economy providing citizens with new green jobs and a good quality of life under altered climate conditions. Another crucial document, the Integrated National Energy and Climate Plan of the Republic of Serbia (INECP), is currently under development. This Plan is essential for implementing a just energy transition. However, these strategic documents do not include provisions for implementing GHG emissions charges equivalent to EU ETS prices by January 1, 2030, or achieving climate neutrality by 2050. Consequently, condition 3 remains only partially fulfilled.

Regarding condition 4, several factors indicate potential compliance challenges:

- The Low Carbon Development Strategy was adopted later than the deadline established in the Law on Climate Change.
- The adoption of the legal framework for the Monitoring, Reporting, and Verification (MRV) System was delayed by approximately two years, with full operationalization not expected until early 2026.
- Current public policy documents do not establish a pathway to carbon neutrality by 2050.

This track record raises significant concerns about Serbia's capacity to satisfy condition 4 fully. Regarding condition 5, the Energy Community members, including Serbia, have yet to develop the required roadmaps for achieving climate neutrality by 2050. Condition 6 requires establishing a system to prevent indirect electricity imports into the EU from countries not aligned with the European energy and climate legislation. Serbia has not yet developed such a system. In terms of overall compliance, conditions 5 and 6 remain entirely unfulfilled, while conditions 2, 3, and 4 are only partially met. The deadline to satisfy these conditions is in less than two years.

Low Carbon Development Strategy

The Low Carbon Development Strategy of the Republic of Serbia 2023–2030 With Projections Until 2050 was adopted on June 1, 2023²⁰⁹, more than three years after the public discussion on the Draft Strategy concluded in January 2020. According to the Law on Climate Change, the deadline for adopting the Strategy expired on March 23, 2023. Furthermore, the Law stipulates that the implementation of the Strategy requires an action plan, which has not yet been adopted, thereby preventing the implementation.

The adopted document presents a vision of the Republic of Serbia to become a low-carbon society by 2050, featuring a competitive and resource-efficient economy that provides citizens with new, green jobs and a good quality of life in a climate-resilient society.

The Strategy development process involved modeling several scenarios: a baseline scenario (B2), also referred to as the no-action scenario, and four GHG emissions mitigation scenarios (M1, M2, M3, and M4).

The B2 baseline scenario assumes no new policies or measures affecting GHG emissions will be adopted through 2050, except for the measures and policies that were already in place in 2015, as well as the full implementation of the Third Energy Efficiency Action Plan for the Republic of Serbia and the National Renewable Energy Action Plan. Under this scenario, Serbia's GHG emissions would increase by 3.2% by 2030 and 10.7% by 2050 relative to 2010 levels.

Among mitigation scenarios through 2030, scenario M2 was selected as optimal. This scenario entails full application of all transposed and implemented EU legislation, projecting GHG emission reductions of 33.3% compared to 1990 levels and achieving 32.3% of renewable energy sources by 2030. The Strategy leaves the final targets for renewable energy share in gross final energy consumption and energy efficiency improvements in 2030 unresolved, indicating these goals will be defined in the Integrated National Energy and Climate

209 Government of the Republic of Serbia (2023), The Low Carbon Development Strategy of the Republic of Serbia 2023–2030 With Projections Until 2050, Official Gazette of the RS no. 46/2023

Plan (INECP). Scenarios M3 and M4 present more ambitious GHG emissions reduction targets but entail higher implementation costs.

The Low Carbon Development Strategy encompasses 1 general goal and 5 specific goals. The general goal targets national GHG emissions reductions (excluding the LULUCF sector) of 13% by 2030 and at least 55% to 69% by 2050, compared to 2010 levels.

The Strategy's specific objectives address various climate policy areas:

- **Special objective 1** targets EU-ETS emission reductions of 15.0% by 2030 and between 66.4% and 76.8% by 2050, compared to 2010 levels.
- **Special objective 2** focuses on non-EU-ETS emission reductions of 9.7% by 2030 and between 33.5% and 54.5% by 2050, compared to 2010 levels.
- **Special objective 3** aims to increase forest carbon sink capacity by 17% by 2030 and between 22% and 132% by 2050, relative to 2010.
- **Special objective 4** seeks to maintain the effectiveness of emission mitigation measures set for the period between 2030 and 2050 by enhancing climate change resilience in priority sectors, primarily addressing water management, agriculture, and forestry.
- **Special objective 5** promotes the transition toward a climate-neutral economy and climate-resilient society.

The Strategy proposes 27 diverse measures to achieve these objectives. A goal and measure analysis reveals that Serbia has postponed major decarbonization efforts until after 2030. For instance, the first special objective, which addresses EU-ETS sectors (including the energy sector, which accounts for over 80% of total GHG emissions), only mandates a 15% emission reduction by 2030. The Strategy anticipates the most significant emission reduction efforts to occur in the following two decades, targeting a 66.4% to 76.8% reduction by 2050 compared to 2010 levels.

The Strategy does not include a 2050 carbon neutrality target. The document's authors assert that achieving carbon neutrality would be economically unfeasible with currently available technologies. The Strategy estimates that present technology limitations allow for maximum GHG emission reductions of 76.2% by 2050, compared to 1990 levels. Additionally, the Strategy indicates continued coal utilization through 2050.

How Much Does It Cost to Achieve a Low-Carbon Society?

The Strategy's analysis reveals that Serbia's most costly scenario involves ignoring climate change costs and maintaining GHG emission patterns as outlined in baseline scenario B2 (the no-action scenario) while becoming an EU member state. Total additional energy sector system costs under this approach are estimated at EUR 108 billion for 2020–2050. In contrast, implementing scenario M2 would require total additional system costs of EUR 60 billion during the same period. This indicates that the costs of the no-action scenario exceed alternative scenarios by EUR 48 billion. For context, Serbia's total GDP in 2022 was slightly above EUR 60 billion²¹⁰.

The Strategy implementation measures require significant investments in various sectors. The Strategy estimates additional investment costs at EUR 6.5 billion for 2020–2030, with projected additional costs between EUR 37.8 and EUR 76.8 billion for 2030–2050. However, the Strategy has deferred detailed energy sector cost analyses, including energy efficiency considerations, to the forthcoming Integrated National Energy and Climate Plan.

The Strategy acknowledges that cost estimations exclude CBAM impacts, suggesting actual no-action scenario costs may exceed current projections. Consequently, climate policy implementation delays and insufficient climate change response measures will impose substantial costs on Serbian citizens.

The Strategy evaluates GHG emission reduction impacts across multiple indicators: GDP growth, employment rates, and household energy cost percentages

210 Statistical Office of the Republic of Serbia (2023), Gross Domestic Product, 2022, available at: <https://www.stat.gov.rs/sr-latn/vesti/statisticalrelease/?p=13820>

under various mitigation scenarios. All mitigation scenarios project limited GDP growth impacts. The selected M2 scenario forecasts a 1.6% GDP growth reduction for 2020–2050, representing minimal economic impact. Employment projections indicate a 2% net job loss by 2050 under scenario M2, primarily affecting fossil fuel-related sectors and agriculture. The Strategy suggests potential job creation opportunities in renewable energy, energy efficiency, construction, and forestry sectors through EU ETS revenue recycling and/or other carbon pricing mechanisms when their implementation commences. Regarding household energy costs, the B2 no-action scenario projects an 18% share by 2030, while scenario M2 projects 19.1%, representing a modest 1.1% increase.

The Action Plan for Implementing the Strategy, intended to evaluate opportunities and propose measures for achieving the strategic vision and objectives, has not yet been adopted. The Action Plan for the Implementation of the Low Carbon Development Strategy for 2024–2030 was supposed to be adopted by June 1, 2024, one year after the adoption of the Strategy.

Is Climate Change a Priority of the Government of the Republic of Serbia?

The Action Plan for the Implementation of the Government Program for 2023–2026²¹¹ did not anticipate significant changes to Serbia’s climate policy. The only measures that include climate policy appear under the priority goal of supplying the market with energy and fuel, specifically noting the necessity of adopting the Integrated National Climate and Energy Plan and Low Carbon Development Strategy to increase electricity production capacity. The new Government (inaugurated in May 2024) has not released its work plan or Action Plan for the Implementation of the Government Program. The Prime Minister’s May 1, 2024, statement suggests climate policies remain non-priority issues. The statement mentions climate change in a single, general sentence without specific governmental measures: “The Government of the Republic of Serbia

211 Government of the Republic of Serbia (2023), Action Plan for the Implementation of the Government Program for 2023–2026, available at https://www.srbija.gov.rs/extfile/sr/686958/akcioni_plan_zaslprovodjenje_programa_vlade_2023-2026_cyr7.pdf

therefore continues an ambitious policy of fighting against climate change, considering the well-being of our citizens' and the economy, while contributing to global efforts to limit temperature increases." While the statement elaborates on other areas, providing specific data about how many kilometers of railway will be reconstructed and planned salary and pension amounts for 2027, it fails to mention a single word about concrete climate change adaptation and decarbonization measures.

Administrative Capacities of the Ministry of Environmental Protection

The European Commission consistently recommends strengthening Serbia's administrative capacities across all levels. Regarding climate change, the Negotiating Position on Chapter 27²¹² identifies insufficient staffing at the Ministry and the Environmental Protection Agency as key challenges. The Ministry's September 2017 job systematization plan proposed increasing the number of positions at the Climate Change Department from 5 to 8, with 7 employees handling UNFCCC obligations and EU climate legislation harmonization. The Negotiating Position indicates substantial additional staff requirements for EU legislation adaptation and implementation. For example, the EU monitoring mechanism (Regulation 525/2013 MMR) requires 4 additional employees at the Climate Change Department of the Ministry of Environmental Protection and 4 additional employees at the Environmental Protection Agency as technical minimums. EU Emissions Trading System implementation requires 2 additional full-time Climate Change Department employees and 2 Environmental Protection Agency employees.

According to the information obtained from the Ministry based on a request for access to information of public importance in 2022, the number of staff at the Climate Change Department remained unchanged at 5 employees. Reports by the Ministry of European Integration on the implementation of the National Program for the Adoption of the European Union Acquis through 2023 and the

212 Ministry of European Integration (2019), Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change, available at https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

first quarter of 2024 indicate that the number of staff at the Climate Change Department has increased from 5 to 9. However, new staff members hold temporary positions through UNDP projects or temporary work contracts rather than permanent Ministry positions²¹³. There is a lack of integrated data on local-level administrative capacity. These factors indicate that the administrative capacity for implementing climate change regulations and policies in the Republic of Serbia is still insufficient.

Climate Ambitions of the Republic of Serbia and Obligations Under the United Nations Framework Convention on Climate Change (UNFCCC)

By adopting the Law on the Ratification of the United Nations Framework Convention on Climate Change²¹⁴, Serbia has assumed the obligations stemming from the Convention. These are more precisely defined by accompanying documents, the most important of which are: the Kyoto Protocol, the Doha Amendment to the Kyoto Protocol, and the Paris Agreement.

Countries' contributions to the achievement of the goals of the Convention are monitored through several types of reporting: Nationally Determined Contributions (NDCs), Biennial Update Reports (BUR), as well as National Communications (NCs).

Biennial Update Reports (BURs) are mandatory for developing countries that are signatories to the Convention. These reports aim to enhance reporting on climate change mitigation activities and their effects, as well as on the needs and support received for implementing activities described in National Communications. BURs are submitted to the Convention Secretariat every two years. While there is some overlap in information, BURs differ from National Communications (NCs) in their greater focus on mitigation, particularly in presenting and assessing a country's potential for mitigating climate change

213 Ministry of European Integration (2023), Report on the Implementation of the National Program for the Adoption of the EU Acquis for the Third Quarter of 2023, available at: <https://www.mei.gov.rs/srl/dokumenta/nacionalna-dokumenta/npaa>

214 Law on the Ratification of the United Nations Framework Convention on Climate Change, with annexes (Official Gazette of the FRY — International Treaties, no. 2/97)

impacts (i.e., reducing emissions) across various sectors, including agriculture. BURs also emphasize the financial, technological, institutional, and political challenges countries face in implementing climate change mitigation efforts. In 2020, the Ministry of Environmental Protection finalized the drafts of the Second Biennial Update Report (second BUR) and the Third National Communication (third NC). The second BUR was published on the Convention's website on December 8, 2023, and the Third National Communication on April 8, 2024.

Nationally Determined Contributions (NDCs) are key tools for monitoring greenhouse gas (GHG) emissions reductions, but it's important to note that signatory states independently set their own goals and ambitions. In addition to climate change mitigation objectives, NDCs should also include a description of measures to adapt to changing climate conditions. NDCs are updated every 5 years and must be clear, transparent, and easily understandable.

Serbia submitted its first NDC in 2015, committing to a 9.8% reduction in greenhouse gas emissions by 2030. In August 2022, Serbia updated its NDCs²¹⁵ (two years behind schedule), setting a new target to reduce GHG emissions by 33.3% by 2030, compared to 1990 levels. This updated NDC is based on the Second Biennial Update Report²¹⁶ and Third National Communication²¹⁷ under the UNFCCC.

After the draft of the updated NDC was presented to the members of the working group and the public in 2020 (via the website www.klimatskepromene.rs), the document was completed. However, before adopting and submitting the updated NDC to the Convention in 2022, the Government of the Republic of Serbia did not conduct any form of public consultation.

Until now, UNFCCC members were required to submit Biennial Update Reports every 2 years and National Communications every 4 years. Starting in 2024, BURs will be replaced by Biennial Transparency Reports (BTRs), which will become the primary reporting tool. BTRs will include information on national

215 UNFCCC (2023), Serbia. Updated NDC Serbia, available at: <https://unfccc.int/documents/611306>

216 UNFCCC (2023), Serbia. Biennial Update Reports (BUR). BUR 2; available at: <https://unfccc.int/documents/636126>

217 UNFCCC (2024), Serbia. National Communication (NC). NC 3; available at: <https://unfccc.int/documents/637782>

GHG inventory reports, progress in implementing NDCs, information on implemented policies and measures, climate change impacts and adaptation, funding levels, technology development and transfer, capacity building support, capacity development needs, and areas for potential improvement.

The first BTR, which will demonstrate progress in implementing the most recent NDCs submitted in 2021 and 2022, along with the accompanying GHG Inventory Report, must be submitted by all signatory countries to the Convention by December 31, 2024. The Global Environment Facility (GEF) provides financial resources for developing BTRs to developing countries, including Serbia. It is expected that Serbia will apply for these funds to meet the deadline for submitting its first BTR. However, at the time of writing this report, no publicly available information on this matter exists.

Development of the Integrated National Energy and Climate Plan — INECP

For Serbia, the obligation to prepare an INECP also stems from regulations adopted at the level of the Energy Community. In 2021, the Ministerial Council of the Energy Community adopted the Regulation on the Governance of the Energy Union and Climate Action, which the contracting parties were obligated to transpose by the end of 2022. One of the main foci of the Governance Regulation is the need for the development and implementation of Integrated National Energy and Climate Plans for the period from 2021 to 2030, with a vision until 2050 (INECPs), which was introduced into the legislative framework of the Republic of Serbia by amendments to the Law on Energy. At the 20th meeting of the Ministerial Council of the Energy Community a decision²¹⁸ was unanimously adopted about the goals for the proportion of RES in the gross final consumption of energy in 2030. Serbia agreed to a binding target of 40.7% RES. Additionally, the Energy Community prescribed that the deadline for signatory states to submit draft INECPs would be June 30, 2023, while the deadline for adopting the final version (and notifying the Secretariat of

218 https://www.energy-community.org/dam/jcr:421f0dca-1b16-4bb5-af86-067bc35fe073/Decision_02-2022-MC_CEP_2030targets_15122022.pdf

the Energy Community about the status of the final version of the INECP) is June 30, 2024.

The drafting of the INECP for the Republic of Serbia commenced in March 2021.

After more than two years of work on the INECP, the Ministry of Mining and Energy opened a public debate on the INECP, which lasted from June 13 to July 28, 2023.²¹⁹ The public discussion on the Strategic Environmental Impact Assessment Report lasted from June 22 to August 5, 2023. During July, public presentations of the draft INECP and the Report were held in Belgrade, Niš, and Novi Sad. Holding a public hearing during the summer vacation season, a frequent practice applied by public authorities, is not in accordance with the Maastricht recommendations, which were made by the United Nations Economic Commission (UNECE) per the Aarhus Convention to promote effective public participation in decision-making on environmental issues.

During the public debate, even though it took place during the summer vacation season, citizens, businesses, civil society organizations, and the professional public submitted over 500 comments.

Primarily, the Draft INECP set the goal for the proportion of RES in gross final energy consumption of 33.6% — a significantly lower level than what had been agreed upon at the meeting of the Ministerial Council of the Energy Community. In Article 8a, the Law on Energy stipulates that the Integrated National Energy and Climate Plan shall be prepared in accordance with obligations arising from international agreements, so the question remains as to why the Republic of Serbia does not respect the Law or the obligations arising from the Treaty Establishing Energy Community, which were undertaken less than half a year ago.

As for the policies and measures under Decarbonization concerning the use of renewable energy sources, these policies and measures are insufficiently defined in the INECP document itself, without well-defined and quantified (measurable) goals, clearly set indicators (which would enable monitoring progress) and precise deadlines for implementation (since the implementation

219 Available at: <https://www.mre.gov.rs/tekst/sr/1094/-javne-konsultacije-i-javna-rasprava-na-predlog-uredbe-o-utvrdivanju-INECP-a.php>

period for all measures is 2025-2030). Measures defined in this way do not create a transparent and predictable framework for investment, which is one of the basic goals of drafting an INECP.

A special challenge regarding the content of INECP is the fact that among the policies and measures within the “Decarbonization” dimension, there are none that include the thermal energy sector — that is, there is no detailed plan or framework for decommissioning thermal power plants, and 2050 is only tentatively mentioned as the year in which thermal power plants in Serbia could cease to operate. The most important objection to the INECP is that this document does not commit the Republic of Serbia to carbon neutrality by 2050; it only indirectly mentions the cessation of energy production from coal until 2050, but not carbon neutrality, i.e., zero GHG emissions.²²⁰ Additionally, INECP thoroughly considers the possibility of producing energy using nuclear power plants with a capacity of up to 1,000 MW (Scenario S-N), despite the current Law on the Prohibition of the Construction of Nuclear Power Plants.

The Energy Community made 31 recommendations for improving the Draft INECP, many of which were in line with comments made by civil society organizations during the public hearing. In December 2023, after public consultations, the Ministry of Mining and Energy published the official version of the Draft INECP, and the document was sent to the Government of Republic of Serbia for adoption without any major or substantive amendments compared to the one put up for public discussion.

Program for Adaptation to Changed Climate Conditions

The foundation for adopting the Program for Adaptation to Changed Climate Conditions arose from the need for systematic implementation and monitoring of adaptation to changing climatic conditions, in accordance with the Paris Agreement, which Serbia ratified in 2017. The program aligns with the principles of the EU Strategy on Adaptation to Climate Change (adopted in 2021), emphasizing the need for “faster, smarter, and systemic” adaptation.

²²⁰ On page 268 of the final version of the INECP, a projection of total GHG emissions (including agriculture, waste, and LULUCF) is provided, in accordance with the selected scenario S, and according to this projection, a reduction of GHG emissions of slightly more than 70% compared to 1990 is expected.

The development of the Program for Adaptation to Changed Climate Conditions and its accompanying Action Plan began in February 2022. On June 6, 2022, a working group was formed to prepare the draft document and Action Plan, consisting of 38 members, 4 of whom were representatives from civil society organizations. Public consultations were held in June 2023, lasting 12 days, providing the sole opportunity for interested parties to electronically submit comments, objections, and suggestions on the working version of the document to the Ministry of Environmental Protection.

The program is complemented by the Action Plan for Climate Change Adaptation, covering the period from 2024 to 2026. The Plan defines measures and activities aimed at contributing to the realization of the program's specific objectives, with clearly defined institutions responsible for their implementation and financial projections.

The Adaptation Program has 4 key objectives:

- Raising awareness, improving knowledge, and enhancing understanding of climate change impacts and their consequences;
- Establishing and strengthening capacities for systematic implementation of the climate change adaptation process from the national to the local level;
- Increasing the resilience of critical infrastructure and natural resources to climate change;
- Providing additional financial support for implementing the climate change adaptation process.

The Action Plan outlines 25 measures designed to achieve these goals. Regarding the types of measures, more than half are informational and educational, 6 are regulatory, 2 relate to the provision of goods and services, while 4 are combined (regulatory and informational-educational, or regulatory and related to the provision of goods and services).

Implementation of Regulations

Making significant progress in implementing measures and enforcing the Law on Climate Change itself, along with other accompanying regulations and public policy documents, remains challenging.

Primarily because of the dynamics of issuing permits and the initiation of the Monitoring, Reporting, and Verification system, it is still impossible to effectively monitor the implementation of the Law on Climate Change and its accompanying by-laws.

Based on the Law on Climate Change, in August 2021, the Government of the Republic of Serbia adopted the first Decision on the Appointment of Representatives and Members of the National Council for Climate Change.

However, following the snap parliamentary elections held in April 2022, the National Assembly of the Republic of Serbia adopted the Law on Amendments to the Law on Ministries in October 2022, leading to organizational and personnel changes in certain ministries. Consequently, in August 2023, the Government of the Republic of Serbia adopted the new Decision on the Appointment of Representatives and Members of the National Council for Climate Change.

The National Council is tasked with monitoring and evaluating the effects of climate policy implementation, advising the Government of the Republic of Serbia on issues relevant to climate change, ensuring that climate change is integrated into other sectoral policies, and making recommendations on amendments to regulations and public policies in accordance with European regulations and United Nations standards. Council members include representatives from the Ministries of Environmental Protection; Public Administration and Local Self-Government; Agriculture, Forestry and Water Management; Finance; Mining and Energy; Economy; Construction, Transport, and Infrastructure; Interior;

Education, Science, and Technological Development; Human and Minority Rights and Social Dialogue; Health; Foreign Affairs; European Integration. The Minister without portfolio, as well as the representatives from the provincial government; the academic sector; the Chamber of Commerce and Industry of Serbia; the Standing Conference of Towns and Municipalities; and one representative from the civil sector are also included.

The National Council should ensure horizontal and vertical coordination of different sectors and management levels to integrate climate change considerations into various sectors and ensure effective implementation of climate policies. However, since its establishment, the Council has held only three sessions, despite the numerous challenges that Serbia faces in the field of climate policies. During 2023, no Council sessions were held²²¹, while at the last session of the Council, held in February 2024, the growing risk of climate change for Serbia's sustainable development was emphasized, as well as its impact on the sustainable development of the economy, infrastructure, agriculture, water availability, and public health. At the third session, public policy documents under the jurisdiction of the Ministry of Environmental Protection were discussed, while other relevant documents, such as the Integrated National Energy and Climate Plan (INECP), which is currently being developed by the Ministry of Mining and Energy, were not addressed. Notably, representatives of the Ministry of Mining and Energy did not attend the session, although the Ministry is a permanent member of the National Council²²². Additionally, Council members did not initiate discussions on documents currently in preparation, so the session merely served as a declarative notification to Council members about the Ministry of Environmental Protection's achievements.

Although the National Greenhouse Gas Inventory System of the Republic of Serbia has been established, it is still not publicly available. According to the Law, the Agency is required to prepare a GHG inventory report by March 15 of each year, and a GHG inventory with provisional data for the previous year by July 31 of each year. During the reporting period, the Report on the State of

221 <https://www.ekologija.gov.rs/sites/default/files/2024-03/izvestaj-savet-2023.pdf>

222 https://www.ekologija.gov.rs/sites/default/files/2024-03/zapisnik-iii_sednica-nacionalnog-saveta-za-klimatske-promene.pdf

the Environment in the Republic of Serbia for 2023 was not published, which did not comply with the obligations stipulated by the Law (Article 58).

Three years after the adoption of the Law on Climate Change and six months after the adoption of the Low Carbon Development Strategy, the Government has failed to establish a list of bodies and organizations that are obliged to assess the effect of policies and measures on GHG emission levels and reporting, nor have reporting mechanisms and report content been established.

The implementation of the Low Carbon Development Strategy is impossible without an action plan, which has not been adopted and whose adoption is planned by June 1, 2024.

The Program for Adaptation to Changed Climate Conditions envisions reporting on the implementation of adaptation measures. However, since the Program was adopted in December 2023, the obligation to report on its implementation is not yet in effect.

Financing

National budget expenses for this area reached nearly RSD 3 billion during 2023 (7.6% of the total expenditures for environmental protection) and were about 40% lower than in 2022. Policy funding across this area was carried out through three budget sections: the Ministry of Environmental Protection, the Ministry of Mining and Energy, and the Republic Hydrometeorological Service of Serbia. The Ministry of Environmental Protection was responsible for implementing a project titled Reducing the Carbon Footprint of Local Communities by Applying the Principles of the Circular Economy Across Serbia, on which RSD 97 million was spent during 2023. This project aims to encourage the development of innovative projects and business models based on circular economy principles by contributing to low-carbon development and environmental pollution reduction. During 2023, the Ministry of Mining and Energy's section of the budget spent RSD 305 million on several projects addressing energy efficiency and renewable energy sources. Additional incentives for energy efficiency improvement amounting to RSD 430 million were paid through the Energy Efficiency Administration. The largest portion of national expenditures for climate change during 2023 actually financed the Republic Hydrometeorological Service's regular operational costs. Last year, its budget amounted to RSD 1.9 billion. In addition to regular meteorological and hydrological operations, this state institution implemented several climate change-related projects: climate monitoring, analysis, and forecasting of climate variability and change (RSD 62 million), the improvement of climate services information system (RSD 13 million), and support for developing and standardizing climate services in Europe (RSD 0.7 million).

Budget expenditures of local self-governments during 2023 that could be linked to climate change were relatively modest — about RSD 220 million. As for individual local self-governments, costs associated with climate amounted to RSD 76 million for Belgrade, RSD 33 million for Kragujevac, RSD 28 million for Valjevo, RSD 17 million for Raška, etc. Most activities in local self-governments

focused on improving energy management, enhancing energy efficiency, and urban greening in order to adapt to altered climate conditions, alongside a few smaller-scale projects: Zeleni krov (Stari Grad, Belgrade), Photovoltaic Cells on Public Buildings (Kragujevac), Development of the Strategy on the Impact of Climate Change on the Interaction of Ecosystem Services in Belgrade Forest Resource Use and Management, and Sunčane škole (Valjevo).

The 2024 Budget envisages an increase of approximately 80% for climate change expenditures compared to last year's level, reaching RSD 5.3 billion (11.5% of national expenditures for environmental protection). From an institutional perspective, a significant new project aims to improve the management of public finances for the green transition, with RSD 138 million allocated through the Ministry of Finance. This project's goals include strengthening fiscal resilience, transparency, greening public expenditure cycles, and monitoring and reporting greenhouse gas emissions. In addition to the continued implementation of projects aimed at reducing local communities' carbon footprint (RSD 97 million), the Ministry of Environmental Protection has set aside funds for preparing reports required under the UN Framework Convention on Climate Change and Serbia's obligations stated in the Paris Agreement (RSD 65 million). The section of the Ministry of Mining and Energy foresees outlays of about RSD 1.5 billion, which, alongside more intense implementation of 2023 projects, now includes a renewable energy incentive program through cooperation with the German Development Bank KfW (RSD 516 million). Additionally, a significant increase appears for subsidies paid through the Administration for Financing and Promoting Energy Efficiency — from RSD 430 million during 2023 to over RSD 1 billion this year. Total expenditures of the Republic Hydrometeorological Service of Serbia for 2024 are planned at almost RSD 2.5 billion, representing an increase of about RSD 500 million for this institution's available budget.

Recommendations



Strategic and Legislative Framework

- 1.** Adopt all necessary by-laws in order for the Law on Climate Change to be applied.
- 2.** Adopt an action plan for the implementation of the Low Carbon Development Strategy for 2023 to 2030 with projections to 2050.
- 3.** Integrate climate change issues into the process of drafting development plans by local self-governments and establish a mechanism for monitoring the development and work of local self-governments on the issues of climate change mitigation and adaptation by adopting appropriate by-laws based on the Law on Climate Change.
- 4.** Harmonize the INECP with the Decision of the Ministerial Council of the Energy Community no. 2022/02/MC-EnC and set goals that are in line with Serbia's obligations assumed as part of the Energy Community and the *Green Agenda for the Western Balkans*.
- 5.** In accordance with the Law on Climate Change, Article 15, define and adapt the legal and institutional framework related to adaptation to climate change and integrate it into other sectors, primarily water management, agriculture, urban planning and construction, infrastructure, forestry, nature protection, and energy.
- 6.** Adopt Amendments to the Law on Climate Change to establish a CO₂ tax mechanism and thus fully comply with the ETS Directive and prepare for the implementation of the Carbon Border Adjustment Mechanism.



Implementation of Regulations

- 7.** Improve the work of the National Council for Climate Change through holding regular sessions, making recommendations to the Government of Serbia on issues relevant to climate change, and public reporting on the Council's activities.
- 8.** Make information on the GHG inventory publicly available, verifiable and easily accessible, in accordance with the laws of the Republic of Serbia and international obligations, such as the Aarhus Convention and the Paris Agreement.
- 9.** Increase the capacities of civil servants (in terms of both number and skills) in ministries and local self-government units dealing with climate change in various sectors and focus on enhancing their capacities.



Financing

- 10.** Develop a financial mechanism that will support strategic priorities (which must be in line with the process of Serbia's accession to the European Union), *inter alia* by redirecting funds intended for the fossil fuel industry to the measures meant to mitigate and adapt to climate change.



CLIMATE CHANGE

THE LOW-CARBON DEVELOPMENT STRATEGY

estimates that additional investment costs necessary to implement the proposed measures will amount to **€6.5 BILLION** in the 2020-2030 period.



IN THE 2024 BUDGET

the Government has set aside RSD 5,3 billion for climate change, which amounts to **€0.04529 BILLION**.

IF THE STATE CONTINUED

to set aside **THESE ANNUAL AMOUNTS** for climate change, reaching the goals set out in the Strategy would take

MORE THAN
143
YEARS

* **Sources:** Low-Carbon Development Strategy and Law on the Budget of the Republic of Serbia for 2024



KOALICIJA 27



Forestry

Overview

Over the reporting period, the strategic and legislative framework for forestry remained the same. No legislation or by-laws were adopted, with the exception of periodic acts that are passed on an annual basis.

The Forestry Development Program, Serbia's basic strategic document for forestry, has still not been adopted, nor is there publicly available information regarding its preparation. The only change compared to previous years is the publication of data from the Second National Forest Inventory.

There was no progress in harmonization with the two EU documents relevant to forestry, namely the FLEGT Regulation²²³, which regulates the import of wood products into the European Union, and the EUTR²²⁴, which regulates the trade of wood and wood products. Serbia's readiness to fully implement these two documents is still assessed as low. Currently, there is no adequate legal and administrative framework to enable the control of the wood trade in accordance with EU regulations. The status of the previously prepared Draft Law on the Trade in Wood and Wood Products is unclear, i.e., there is no publicly available information about it.

There were also no changes in forest management in the field; as a result, it has continued in accordance with existing practices. Due to the absence of any policy revisions, it is clear that no significant changes in the general condition of forests in the Republic of Serbia can be expected. Therefore, it can still be characterized as unfavorable. This is primarily reflected in the high proportion of coppice forests. Other problems that affect not only forest quality but also forest management efficiency are the prevalence of illegal logging, the lack of data on privately owned forests, as well as weak control of their use.

Strategic and Legislative Framework

In 2023, there were no activities regarding the development of strategic or legal documents in the field of forestry.

The Law on Forests²²⁵ defines the Forestry Development Program as the basic strategic document in this field. The development of this Program has been planned for several years, but there is no publicly available information about its progress to date. The support for the preparation of this document was to be secured through two international projects — the *Improvement of Forest Management in Serbia as a Contribution to Climate Change Adaptation and Mitigation* twinning project financed by the EU and the *Contribution of Sustainable Forest Management to a Low Emission and Resilient Development* project, which is financed through the Global Environmental Facility mechanism (GEF). According to reports on the implementation of the second project, which are available on the GEF website, the Program has not been developed due to delays in the implementation of the Second National Forest Inventory and data processing related to it.

With the international assistance secured through the implementation of these projects, the Draft Law on the Trade of Wood and Wood Products was compiled as part of the project. It should regulate the institutional control of the traceability of the origin of wood and wood products and fully harmonize the national legal framework with the requirements of the FLEGT and EUTR regulations. The current status of this draft is unknown, as there is no publicly available information on it.

If we exclude the adoption of regular periodic acts (e.g. regulations on establishing annual programs for the use of resources for forestry development), there has been no progress in the legal framework for forestry.

Implementation of Regulations

Though significantly delayed, the results of the Second National Forest Inventory were published in December 2023.²²⁶ The Inventory was carried out within the *Contribution of Sustainable Forest Management to a Low Emission and Resilient Development* project, which was implemented in the period between 2018 and 2023.

According to published data, the current forest cover in Serbia is 36.81%, or 39.01%, when other wooded land is taken into account. This is a significant increase compared to earlier estimates, which ranged around 30%. One of the causes for this increase in forest coverage is most likely the overgrowth of open, non-forest habitats, primarily meadows and pastures, due to depopulation in rural areas. The increase in forest cover also partially resulted from the application of a different methodology, i.e. the inclusion of other wooded land in the overall forest cover.

More precise data on the ownership status of forests was also published, revealing that state forests make up 41.73% of all forests, whereas private forests account for 58.27%. Data on wood volume indicates a volume of 234 m³/ha on average in state forests and 166 m³/ha in private forests. The annual increase in volume in state forests is estimated at 5.55 m³/ha, compared with 4.61 m³/ha in private forests. This data clearly indicates the lower quality of private forests and the suboptimal practices employed in private forest management.

In terms of stand origin, the forests of Serbia are dominated by coppice forests, with 65.17%. Natural tall stands make up 25.82%. The remainder consists of artificially raised stands.

226 The results were published on the website of the Forestry Administration: <https://upravazasume.gov.rs/oglasna-tabla/naredbu-o-proglasenju-prirodne-nepogode-i-merama-zastite-i-sanacije-suma-ostecenih-vetrolomima-i-vetroizvalama-2/>

Natural stands, where there was no anthropogenic influence, make up only 0.81% of the total forest area, and as many as 92% of all forests are single-season stands. All this data shows that forests in Serbia have been intensively exploited for many decades across the majority of their total area.

According to data from the Statistical Office of the Republic of Serbia²²⁷, 3.34 million m³ was cut in Serbia in 2023 (2.93 million m³ hardwoods and 402,990 m³ conifers). Compared to 2022, logging is expected to decrease by 11%. A significantly larger volume of wood is still cut in state forests — 2.69 million m³ — while 648,923 m³ was cut in private forests. In comparison with 2022, when over 900,000 m³ was cut, a much greater decrease in felling was recorded in private forests. The reasons for the drastically lower cut volume in private forests, even though they occupy a slightly larger area, may include poorer forest quality, weaker professional and technical capacities for forest use, as well as the possibility that not all of the harvested wood is adequately recorded in official statistics.

Considering the fact that there were no changes in the legal framework, the problem of inadequate planning and use of private forests still remains one of the key issues in forestry in the Republic of Serbia. Private forest estates are mostly small areas, often with unresolved ownership claims, which creates significant management challenges. One of the possible solutions for overcoming the current difficulties in the management of private forests should be building up associations of private forest owners and professionalizing their work. Small forest areas are not suitable for long-term and sustainable planning, so it is presumed that consolidation could help establish areas for effective and planned forest management. Unfortunately, no progress was observed in this process in 2023, either. One of the indicators of the slow improvement in forest management under private ownership is the lack of forest management programs. According to the Law on Forests, forest management programs shall be adopted for forests with a large number of owners, i.e. private forests. No such program was adopted in 2023.

227 SORS, 2024. Statistical Office of the Republic of Serbia (2024): Logging, 2023, available at: <https://publikacije.stat.gov.rs/G2023/Pdf/G20231130.pdf>

Damage in state forests in 2023 amounted to 264,633 m³ of wood, which is almost 60% more than in 2022.²²⁸ This increase in forest damage is mostly the result of natural disasters, primarily summer storms that caused extensive windstorms and windbreaks in Vojvodina. The damage from natural disasters in 2023 amounted to as much as 186,047 m³.

The volume of illegally cut wood in 2023 was 23,649 m³, which is about 10% more than in 2022. The region of southern and eastern Serbia is still the most problematic when it comes to illegal logging. Since this only includes official statistics, i.e., recorded illegal logging, we can assume with great certainty that the actual rate of illegal logging is higher.

According to the data from the Statistical Office of the Republic of Serbia, in 2023, only 13 fires were recorded in state forests, while there were no reported fires in private forests. The volume of wood damaged in the fires was 680 m³.

Additionally, according to the European Forest Fire Information System,²²⁹ the number of forest fires on the territory of Serbia was significantly lower than in previous years. There were 23 fires in Serbia in 2023, which covered an area of 2,312 ha.

Afforestation in Serbia increased in 2023. A total of 1,729 ha was afforested, compared to 1,366 ha afforested in 2022. (SORS, 2024b).²³⁰

228 SORS, 2024. Statistical Office of the Republic of Serbia (2024): Damage in Forests, 2023., available at: <https://publikacije.stat.gov.rs/G2024/Pdf/G20241147.pdf>

229 <https://effis.jrc.ec.europa.eu/apps/effis.statistics/estimates>

230 SORS, 2024. Statistical Office of the Republic of Serbia: Raising and Growing Forests, 2023. Belgrade, available at: <https://publikacije.stat.gov.rs/G2024/Pdf/G20241127.pdf>

Financing

In 2023, the National Budget allocated almost RSD 1.3 billion to the forestry sector, representing 3.2% of total national environmental protection expenditure and marking a 15% increase from 2022. The Forestry Administration, operating within the Ministry of Agriculture, Forestry, and Water Management, oversees the implementation of forestry programs. The flagship program, *Sustainable Development and Improvement of Forestry*, received approximately RSD 850 million in funding last year, maintaining similar levels to 2022. This Program encompasses several environmentally significant projects, including forest protection, seasonal tree planting (both fall and spring cycles), forest road construction, and the production of forest seeds and planting materials. While the 2023 Budget had allocated RSD 50 million for a twinning project aimed at improving Serbian forest management and aligning the forestry sector with EU regulations (IPA 2016), the National Budget's final account indicates this project was not implemented last year.

In 2024, the Government plans a significant 30% reduction in total forestry expenditure compared to the previous year, bringing the total down to approximately RSD 890 million (less than 2% of total spending on environmental protection). This reduction has impacted the *Sustainable Development and Improvement of Forestry* Program, whose budget has been decreased to RSD 800 million. Beyond the overall funding reduction, the allocation structure remains problematic, as well. According to the March 2024 Regulation on Determining the Annual Program for the Use of Sustainable Forestry Development and Improvement Funds, the largest portion (approximately RSD 340 million) is earmarked for forest road construction and reconstruction. This means that just over half of the total funding is actually directed toward maintaining and improving forest ecosystems. The forest management twinning project, funded through IPA, appears again in this year's Budget, though with a significantly reduced allocation of only RSD 6 million.

Recommendations



Strategic and Legislative Framework

- 1.** Develop a national strategic document (development program) for forestry that will provide a long-term vision for development in this area in Serbia, with an action plan that includes defined sources of funding, competent institutions, and implementation dynamics. The document must take into account the relevant documents currently being developed at the EU level (Biodiversity Strategy to 2030 and other documents from the Green Deal package).
- 2.** Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and FLEGT regulations.



Implementation of Regulations

- 3.** Strengthen the capacities of the competent institutions for the implementation of EU legislation and international agreements in the field of nature protection (the Habitats Directive, the Birds Directive, CITES Convention, etc.).
- 4.** Strengthen the capacities of competent institutions in forestry for EU integration in the field of climate change and energy.
- 5.** Enable effective public participation in the development of key documents regulating forest use (including forest management plans).
- 6.** Value and promote ecosystem services provided by forests other than wood, and use them in forest management planning.
- 7.** Improve the quality of data on privately owned forests and strengthen control over their use.

8. Improve cooperation with other sectors (nature protection, energy, climate change, and water management) in order to integrate forest ecosystems.
9. Establish an inter-ministerial working group that will coordinate the efficient development of afforestation plans.



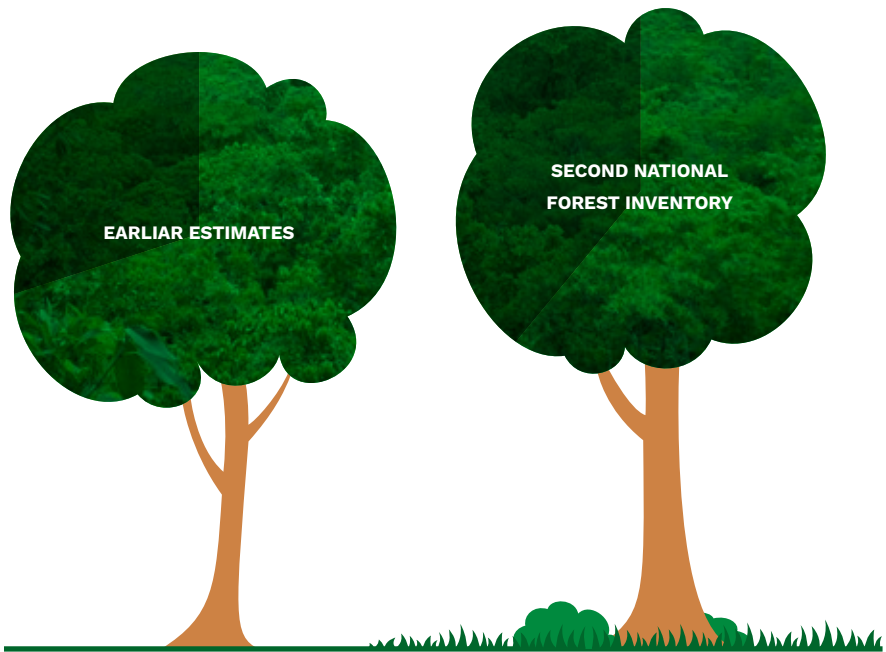
Financing

10. More funding from the Budget Fund for Forests should be directed toward financing the protection and improvement of forest ecosystems that provide services that are beneficial to all.



FORESTRY

FOREST AREA ESTIMATES



29.1%

39.01%

REASONS: One of the reasons for the increase in forest area is most likely the overgrowth of open, non-forest habitats, primarily fields and pastures due to rural depopulation and decreased agricultural activity. The increase in forest area can also partially be attributed to the **APPLICATION OF A DIFFERENT METHODOLOGY**, i.e., the inclusion of other forest areas that were previously not counted towards the total forest area.



Industrial Pollution and Risk Management

Overview

As observed in the Coalition 27 Shadow Report from 2018²³¹, when the area of industrial pollution was last covered, industry and related activities are the main sources of pollution in Serbia. This is due to outdated technologies and equipment, as well as low energy and raw material efficiency, all of which are consequences of insufficient investments aimed at improving the current state of affairs.

Given that this area has not been evaluated since 2018, some data and findings for previous years should be included in this part of the Shadow Report. In this chapter, we will primarily cover industrial pollution from the metal production and processing industry, within which 22 operators are required to obtain an integrated permit. As for the mineral and chemical industry, integrated permits are necessary for 25 and 18 operators, respectively.

Industrial pollution primarily affects the quality of air, water, and soil, as well as waste management. In this sense, we will present data on its impact, alongside some goals for these industrial sectors in specific implementation plans.

The most important legal regulation for industrial emissions, for which harmonization with EU regulations (specifically with the Industrial Emissions Directive) has begun, is the Law on Integrated Prevention and Control of the Environment Pollution²³² with the appropriate by-laws. Over the past period, this legislative framework has not fundamentally changed, except that the deadlines for obtaining integrated permits were extended, so now the final deadline for obtaining them is December 31, 2024. The amendments to the Law that extended the deadlines were not used to fundamentally solve the problems that arose in the process of preparing and obtaining integrated permits, and there were also no consultations with civil society regarding

231 Coalition 27 (2018): Chapter 27 in Serbia: No-Progress Report, available at: https://www.koalicija27.org/wp-content/uploads/2019/10/izvestaj_K27_2018_ENG_WEB.pdf

the change in regulations. According to the latest data, by the end of 2023, integrated permits were issued for a total of 47 facilities (only 21% of the total number of facilities required to obtain an integrated permit). From May 2018 to January 2024, a total of 30 integrated licenses were issued to operators, 12 of which went to operators in the metal production and processing industry, mineral industry, and chemical industry.

A significant contribution to the implementation of the Industrial Emissions Directive has been made by the multi-year project called Green Transition — Implementing Industrial Emissions Directive in Serbia 2021–2027. In addition to the preparation of specific implementation plans for the Directive and facilitating the process of obtaining integral permits (which resulted in the development and adoption of two by-laws at the beginning of 2024 — the request for issuance and the content and appearance of the integrated permit), it also includes efforts to improve administrative capacities and work of the Inspectorate, etc.

Apart from this Law and the by-laws for its implementation, this important legislative framework also includes the laws on impact assessment, which have been discussed in previous years, but which have not been adopted yet, as well as strategic documents on air protection, water management, the application of clean production principles, etc.

Strategic and Legislative Framework

Directive 2010/75/EU²³³, which replaced the previous Directive on Integrated Pollution Prevention and Control in 2010, is one of the most significant legal instruments for reducing industrial pollution. The post-screening document for Chapter 27 stated that Directive 2010/75/EU would be fully transposed into the legal system of the Republic of Serbia by 2018 through amendments to the Law on Integrated Prevention and Control of the Environment Pollution, which was adopted back in 2004 as one of the first laws passed in the process of harmonizing Serbia's legislation with the EU acquis.²³⁴

The precautionary principle is key for industrial pollution and was introduced into the legal system of the Republic of Serbia through the Law on Integrated Prevention and Control of the Environment Pollution, as well as by the Law on Environmental Protection, the Law on Strategic Impact Assessment, and the Law on Environmental Impact Assessment, which were simultaneously adopted in 2004.

This principle is achieved through environmental impact assessment, risk assessment, and best available techniques. Integrated prevention and control of pollution, which is regulated by the Law on Integrated Prevention and Control of the Environment Pollution, as well as the Law on Environmental Impact Assessment, are preventive instruments implemented through a system of permits and approvals for projects and activities, which are issued before starting activities that may have an environmental impact. Public participation is a mandatory component of the procedure for issuing integrated permits.

The implementation of the Law on Integrated Prevention and Control of the Environment Pollution is accomplished through by-laws. Four by-laws were adopted in 2005 — namely, the Rulebook regarding the content and manner of

keeping the Register of Issued Integrated Permits,²³⁵ the Regulation establishing the criteria for determining the best available techniques, for the application of environmental quality standards, as well as for determining the limit values of emissions in the integrated permit,²³⁶ the Regulation prescribing the detailed content of the program of measures to adapt the operation of existing facilities or activities to the prescribed conditions for issuing an integrated permit,²³⁷ and the Regulation prescribing the types of activities and facilities for which an integrated permit is issued.²³⁸ Subsequently, two more regulations were adopted, which were amended at the beginning of 2024. One regulated the content, appearance, and method of filling out the application for the issuance of an integrated permit²³⁹, while the other regulated the content and appearance of the integrated permit.²⁴⁰

The purpose of the integrated permit is to minimize the environmental pollution caused by the operation of the plant by applying the best available techniques (BAT), thus eliminating the risk to human health and the environment that may arise from the operation. The Law on Integrated Prevention and Control of the Environment Pollution was amended twice, in 2015 and 2021, without the participation of the general public and without public discussion. Amendments to the Law, as assessed in the analysis of the Renewables and Environmental Regulatory Institute (RERI) in March 2024, did not eliminate obstacles and problems in the application of the Law but extended the deadline for issuing integrated permits twice. Amendments to the Law from 2021 extended the

235 Rulebook on the Content and Manner of Keeping the Register of Issued Integrated Permits (Official Gazette of the RS, number 69/2005)

236 Regulation on the Criteria for Determining the Best Available Techniques for the Application of Quality Standards and for Determining Emission Limit Values in the Integrated Permit (Official Gazette of the RS, number 84/2005)

237 Regulation on the Content of the Program of Measures Aimed to Adjust the Operation of Existing Installations or Activity to Prescribed Conditions (Official Gazette of the RS, number 84/2005)

238 Regulation on Types of Activities and Installations for Which Integrated Permits Are Issued (Official Gazette of the RS, no. 84/2005)

239 Rulebook on the Content, Appearance, and Manner of Filling in the Application for the Issuance of Integrated Permit (Official Gazette of the RS, no. 30/2006, 32 of March 30, 2016, 44 of June 8, 2018 — as amended, no. 4 dated January 19, 2024)

240 Rulebook on the Content and Appearance of the Integrated Permit (Official Gazette of the RS, no. 30/2006; no. 4 dated January 19, 2024)

deadline for issuing permits for existing facilities and activities until December 31, 2024.²⁴¹

The negotiating position for Chapter 27²⁴² established in 2019 specified which areas the amendments to the Law on Integrated Prevention and Control of the Environment Pollution would focus on:

- Removing administrative obstacles in the process of issuing permits;
- Redistributing competencies in order to minimize the risk of non-compliance due to the general lack of administrative capacity at the local level;
- Strengthening the role of the technical commission within the process of issuing integrated permits;
- Creating a framework for ensuring an effective integrated approach by all authorities participating in the process of issuing integrated permits;
- Improving the provisions on the conditions for issuing permits and establishing limit values of emissions (GVE) in accordance with BAT conclusions;
- Improving the provisions on monitoring, introduction of general binding rules, final closure of sites, etc.;
- Strengthening the provisions on inspection supervision in the field of environmental protection;
- Defining a clear and transparent framework for public participation and access to justice;

241 Renewables and Environmental Regulatory Institute (2024): Analysis of the Implementation of the Law on Integrated Prevention and Control of Environmental Pollution, available at: <https://reri.org.rs/wp-content/uploads/2024/03/Analiza-sprovođenja-Zakona-o-integriranom-sprečavanju-i-kontroli-zagadjivanja-zivotne-sredine.pdf>

242 Government of the Republic of Serbia (2019): Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on Accession of the Republic of Serbia to the European Union for Chapter 27 — Environment and Climate Change, available at: https://www.mei.gov.rs/upload/documents/pristupni_pregovori/pregovaracke_pozicije/pg_pozicija_27.pdf

- Providing clear references to relevant national provisions / legislation transposing various aspects of the Industrial Emissions Directive.

The Republic of Serbia submitted the negotiating position for Chapter 27 — Environment and Climate Change (Negotiating Position) in 2020, and with it, the Draft Specific Implementation Plan of the Industrial Emissions Directive (Specific Implementation Plan), which contains the plan for achieving full compliance of plants that have requested certain transitional periods. The Negotiating Position states that the existing national legal framework is largely aligned with the IPPC Directive²⁴³ but is still not fully aligned with the Industrial Emissions Directive. In addition to the amendments to the Law, new regulations are planned regarding the adoption of the content, appearance, and method of filling out the application for the issuance of an integrated permit and the content and appearance of the integrated permit in the process of harmonizing the regulations. These by-laws, the adoption of which was announced in the Negotiating Position, were only adopted at the beginning of 2024.

In the Negotiating Position for Chapter 27, the Republic of Serbia requested transitional periods for compliance with the Industrial Emissions Directive for 68 plants, for which a specific implementation plan was prepared. Full compliance is expected only in 2032. Transitional periods have been requested for 19 facilities in the area of metal production and processing, mineral industry, and chemical industry — for Serbia Zijin Bor Copper, HBIS GROUP Serbia Iron & Steel Smederevo, and Lafarge BFC Beočin and CRH (Srbija) doo Popovac cement plants, among others.

Sector	Number of plants	Planned period of implementation
Metal production and processing	6	2025–2027
Mineral industry	10	2026–2028
Chemical industry	3	2026–2028

243 IPPC – integrated pollution prevention and control

The potential emission reductions after the full implementation of the Directive are determined in percentages for each sector:²⁴⁴

In the metal production and processing industry, the Plan envisages up to a 70% reduction of PM particles, NO_x, and heavy metals released into the atmosphere. When it comes to wastewater, less water pollution is expected due to the removal of organic compounds and metals. As for waste, there should be less generation and better management of hazardous waste.

As for the chemical industry, significantly lower emissions of NO_x (up to 50%) and VOC from chemical processes and combustion processes are foreseen for air emissions. Additionally, up to a 50% reduction is expected in the emission of organic compounds into surface water by improving the treatment of wastewater.

When it comes to the mineral industry, 50% to 80% lower emissions of organic compounds from the production of ceramics are expected. In addition, 25% to 70% lower emissions of PM particles and heavy metals from the production of cement and magnesium, as well as up to 30% lower emissions of NO_x, are foreseen on an annual basis.

- The National Program for the Adoption of the EU Acquis for the period from 2022 to 2025²⁴⁵ has set a deadline for amendments to the Law on Integrated Prevention and Control of the Environment Pollution for the fourth quarter of 2024, whereas the adoption of appropriate by-laws should be finalized as late as 2025. In addition, the NPAA envisages strengthening administrative capacities for compliance with EU regulations in the field of industrial pollution control and risk management.

In accordance with the Law on Integrated Prevention and Control of the Environment Pollution, the Register of Issued Permits is maintained by the

244 The Implementation of the Industrial Emissions Directive in Serbia project, Specific Implementation Plan for the Industrial Emissions Directive, IED Serbia, <https://iedserbia.org/wp-content/uploads/specificni-plan-implementacije-direktive-o-industrijskim-emisijama.pdf>

245 National Program for the Adoption of the EU Acquis (NPAA), https://www.mei.gov.rs/upload/documents/nacionalna_dokumenta/npaa/NPAA_2022-2025_002.pdf

authorities responsible for issuing integrated permits. The Law stipulates that the Register of Issued Permits is public. The content and manner of keeping the Register are regulated by the Rulebook on the Content and Manner of Keeping the Register of Issued Integrated Permits. Based on the Register, it can be concluded that the first permit was issued by the Ministry in 2011. The last permit in the Register is from 2024. The Register of Issued Integrated Permits is available on the official website of the Ministry of Environmental Protection.²⁴⁶

After several years of work on amending the previous Law, in October 2023, a new Draft Law on Environmental Impact Assessment²⁴⁷ (as well as the Law on Strategic Environmental Impact Assessment²⁴⁸) was compiled. In terms of reducing and controlling industrial emissions, it is important that this Law regulates the impact assessment procedure for projects that may have significant environmental impact, the content of the environmental impact assessment study, the participation of interested bodies, organizations, and the public, etc.

The Air Protection Program in the Republic of Serbia for the period from 2022 to 2030 with an action plan²⁴⁹ was adopted in December 2022 (Air Protection Program). The implementation of the Industrial Emissions Directive is recognized as one of the key measures for achieving the goals set by this program.

In April 2023, the Water Management Plan on the territory of the Republic of Serbia for the period from 2021 to 2027²⁵⁰ was adopted, which is also significant in terms of industrial wastewater management.

In January 2023, the Ministry of Environmental Protection started drafting the Environmental Protection Strategy with an action plan.²⁵¹ The initial con-

246 <https://www.ekologija.gov.rs/obavestjenja/integrirane-dozvole/registar-izdatih-dozvola/registar-izdatih-dozvola>

247 Law on Environmental Impact Assessment; https://www.srbija.gov.rs/extfile/sr/737940/pz_zivotna_sredina083_cyr3.zip

248 Law on Strategic Impact Assessment; https://www.srbija.gov.rs/extfile/sr/738015/pz_procena_zivotna_sredina083_cyr3.zip

249 Air Protection Program in the Republic of Serbia for the period from 2022 to 2030 with an action plan (Official Gazette of the RS, number 140/2022)

250 Water Management Plan on the territory of the Republic of Serbia until 2027; <https://rdvode.gov.rs/lat/plan-upravljanja-vodama.php>

251 The Draft Environmental Protection Strategy of November 22, 2023 is not publicly available.

sultations on this document, which the civil sector was significantly involved in, took place throughout 2023. Solving problems in the field of industrial pollution is necessary for achieving the goals of the Environmental Protection Strategy. The draft of the Environmental Protection Strategy states that the previous implementation of the Law on Integrated Prevention and Control of the Environment Pollution revealed the unwillingness of operators to respond to the requirements set by this Law, as well as problems in obtaining the necessary permits, decisions, consents, or approvals from other state authorities and institutions. It also stated that the list of existing operators required to obtain an integrated license will be expanded to include around 70 new plants. The identified weaknesses indicate the need to strengthen the normative framework and administrative capacities, as well as to educate and train operators in the industrial sector to increase their readiness to respond to the requirements of this Law.

The Strategy for the Introduction of Cleaner Production in the Republic of Serbia,²⁵² which was adopted back in 2009, highlights the importance of the implementation of the Law on Integral Prevention and Control of Pollution, because the concept of cleaner production as a preventive strategy for environmental protection implies reducing environmental emissions and waste generation in addition to the more efficient use of raw materials and energy. However, the implementation of the Strategy is proceeding very slowly. Thus, the Report on the State of the Environment in the Republic of Serbia for 2022,²⁵³ prepared by the Environmental Protection Agency, provides an overview based on the data from the Ministry of Environmental Protection regarding activities on the implementation of the concept of cleaner production, which are also significant for reducing industrial pollution. For example, in 2018, the Ministry of Environmental Protection prepared the Program for the Introduction of Cleaner Production in the Republic of Serbia with an action plan for 2019–2021. Given that the program has not reached the Government yet, the document itself and its action plan have been updated three times — for 2020–2022, for

252 Strategy for the Introduction of Cleaner Production in the Republic of Serbia; <https://pravno-informacioni-sistem.rs/SIGlasnikPortal/eli/rep/sgrs/vlada/strategija/2009/17/2>

253 Ministry of Environmental Protection, Environmental Protection Agency (2023): Report on the State of the Environment in the Republic of Serbia for 2022; <https://sepa.gov.rs/wp-content/uploads/2024/10/ZivotnaSredina2022.pdf>

2021–2023, and for 2022–2024. The activities foreseen in the Program for the Introduction of Cleaner Production in the Republic of Serbia with an action plan should be outlined and implemented through the Circular Economy Development Program in the Republic of Serbia ²⁵⁴ after 2024.

The European Commission Report on the results of the accession process and harmonization with EU regulations for 2023²⁵⁵ estimates that, when it comes to industrial pollution, the harmonization with the Industrial Emissions Directive is still at an early stage and that Serbia needs to increase its capacities for managing the process of issuing integrated permits, as well as improve the quality of integrated pollution prevention and control. The “polluter pays” principle needs to be applied to encourage the industry to invest in green solutions. Reiterating that recommendations from the previous Report remain relevant, it recommends that in the following period Serbia should, in particular:

- Modernize and simplify the overall structure of the sector and competent institutions in order to improve the efficiency and quality of the preparation, implementation, and quality control of investments, as well as further improve strategic investment planning and management, including the transparency of procedures;
- Harmonize the Law on Planning and Construction with international standards; adopt the Law on Environmental Impact Assessment (EIA) and the Law on Strategic Environmental Assessment (SEA) harmonize with and apply the Environmental Crime Directive;
- Fully implement the Industrial Emissions Directive; implement the Action Plan for the Development of Administrative Capacities and the Air Protection Program.

254 Circular Economy Development Program in the Republic of Serbia: <https://pravno-informacioni-sistem.rs/eli/rep/sgrs/vlada/drugiakt/2022/137/1>

255 European Commission, Serbia 2023 Report; https://neighbourhood-enlargement.ec.europa.eu/serbia-report-2023_en

In its Work Plan for 2023, the Government of the Republic of Serbia²⁵⁶ has foreseen the following activities significant for the reduction and control of industrial emissions:

- Compiling a Draft Law on Environmental Impact Assessment in June 2023, which would define the environmental impact assessment procedure for projects that may have a significant impact on environmental factors;
- Compiling a Draft Law on Strategic Environmental Impact Assessment, also in June 2023, which would define the strategic environmental impact assessment procedure for plans and programs that can have a significant impact on environmental factors;
- Adopting the Regulation on Determining the List of Projects for Which the Impact Assessment Is Obligatory (List 1) and List of Projects for Which the Environmental Impact Assessment Can Be Required (List 2) in September 2023;
- Adopting the Report on the State of the Environment in the Republic of Serbia for 2022 (the Report that assesses the state of the environment in the Republic of Serbia for 2022 was adopted in September 2023).

Given that the parliamentary elections were announced at the end of 2023, the Government of the Republic of Serbia continued to work in a caretaker capacity after the announcement of the elections and did not implement most of these activities, as they were planned for the last quarter of 2023.

256 Government of the Republic of Serbia (2023): Government Work Plan for 2023; https://www.srbija.gov.rs/extfile/sr/370541/plan-rada_vlade_2023_cyr.pdf

Implementation of Regulations

The effects of the implementation of regulations related to the reduction of industrial pollution can best be assessed by examining the current state of industrial pollution through emissions into the air, water, and soil, production of industrial waste, etc.

Air Emissions

According to the data compiled by the Environmental Protection Agency,²⁵⁷ the share of emissions from the industry in the total emission of pollutants in 2022 was:

Polluting matter	Share of total emissions in Serbia in %
Nitrogen oxides	7
Sulfur dioxide	4
PM ₁₀	9
PM _{2,5}	5

The largest industrial²⁵⁸ emitters of nitrogen oxides were the cement plants in Beočin, Kosjerić, and Popovac and the HBIS Steel Plant in Smederevo. The largest emitters of sulfur dioxide were the cement plant in Beočin, the HBIS Smederevo Ironworks, the Paper Factory in Belgrade, the Vrbas Production Center, Elixir Prahovo, the Oil Refinery in Pančevo, and Knauf Insulation in Surdulica.

257 Ministry of Environmental Protection, Environmental Protection Agency (2023): Annual Report on the State of Air Quality in the Republic of Serbia in 2022, p. 14, Belgrade, 2022; available at: <https://sepa.gov.rs/wp-content/uploads/2024/10/Vazduh2022.pdf>

258 Ibid, p. 18.

Air quality monitoring has not been established in all cities and settlements hosting large industrial polluters, or pollutants emitted from their facilities are not being monitored. In 2022, excessively polluted air (category III) was found in the vicinity of these major polluters (in places where there is national and local monitoring): in the agglomerations of Pančevo, Smederevo, and Kosjerić, due to exceeding the limit values of suspended particles PM_{10} ²⁵⁹ and $PM_{2.5}$; in the Bor agglomeration, due to exceeding the limit value of SO_2 , suspended PM_{10} particles, and lead in PM_{10} ; in Pirot, due to excessive concentrations of PM_{10} ; and in Popovac, due to exceeding the limit value of PM_{10} and $PM_{2.5}$.²⁶⁰ An air quality monitoring system has not been established in Vrbas, Prahovo and Surdulica, which makes it impossible to monitor the impact of industrial pollution.

It is estimated that the share of carbon dioxide emissions in the total emissions will be 18% in 2025, and that it will increase to 22% by 2050.²⁶¹

Emissions into Water

The share of industrial wastewater in the total emissions into the environment is estimated at 19%.²⁶² Due to the specific characteristics of wastewater generated during production processes and/or the use of captured water, a significant number of industrial plants have their own wastewater treatment or pre-treatment plants, depending on whether they discharge the effluent into the watercourse or into the public sewage system. The quality and quantity of wastewater discharged from industrial plants in the Republic of Serbia depends primarily on the applied technological process, volume of production, possible recirculation of technical water, etc. In general, it can be stated that industrial plants are mostly located in urban areas (agglomerations), so most industrial

259 Regulation on Determining the List of Air Quality Categories by Zones and Agglomerations in the Territory of the Republic of Serbia in 2022; http://demo.paragraf.rs/demo/combined/Old/t/2023_10/SG_093_2023_002.htm

260 Ministry of Environmental Protection, Environmental Protection Agency (2023): Annual Report on the State of Air Quality in the Republic of Serbia in 2022, p. 6 and 7, Belgrade, 2022; <https://sepa.gov.rs/wp-content/uploads/2024/10/Vazduh2022.pdf>

261 Ministry of Mining and Energy, Integrated National Energy and Climate Plan of the Republic of Serbia for the Period up to 2030 With a Vision up to 2050, p. 218, Belgrade, December 2023

262 Regulation on Determining the Water Management Plan of the Republic of Serbia until 2027, <https://pravno-informacioni-sistem.rs/StGlasnikPortal/eli/rep/sgrs/vlada/uredba/2023/33/1>

plants discharge wastewater into the public sewage network. The analysis of pollution pressure with priority and priority hazardous substances shows that high and medium pollution pressures have been identified in 61 water body basins and are related to the extractive industry. However, it should be borne in mind that even low specific pollution pressure from priority and priority hazardous substances can cause significant impacts if the flow of the water body receiving the pollution is small. Therefore, all specific pollution pressures are considered "possibly significant," and the impacts are analyzed and used as the main criteria for risk assessment.²⁶³ A relatively small number of water bodies with significant pressures and impacts have been positively tested for priority and priority hazardous substances. Out of 2,816 analyzed surface water bodies, 61 water bodies in which pollution by priority and priority hazardous substances can lead to "possibly significant" or "significant impacts" were identified. However, no responsible polluter was identified, which indicates the need for improved monitoring. The basins of these water bodies are located in areas with significant industrial or mining activities, landfills, and tailings.²⁶⁴ A very significant impact of industrial wastewater on underground water bodies and on shallow streams is evident in different locations: the area around Požega and Arilje, in the vicinity of the Skrapež, Đetinja, Južna Morava, and Moravica rivers; the area of Bor and Majdanpek, in the vicinity of the Bor river and the Pek, Timok, and Slatina rivers; in Mačva and most groundwater bodies in central Šumadija; and along the Nišava, Južna Morava, Zapadna Morava, and Velika Morava rivers.²⁶⁵

Industrial Waste

Industrial waste is waste from any industry or from any location where an industry is located, except for tailings and accompanying mineral raw materials from mines and quarries. Hazardous waste is the waste that, due to its origin, composition, or concentration of hazardous substances, can cause harm to the environment and human health and has at least one of the dangerous

263 Ibid

264 Ibid

265 Ibid

characteristics established by special regulations, including the packaging in which the hazardous waste was or is stored.

Amounts of waste generated in the Republic of Serbia in 2020 (in tons), according to the categories from the Waste Catalog. 142,028 t of non-hazardous industrial waste and 17,974 t of hazardous waste ²⁶⁶ were generated. A total of 160,002 t of industrial waste were generated, 11.23% of which was hazardous waste.

Group	Waste	Quantity (t)	
		NON-HAZARDOUS	HAZARDOUS
03	Wood industry, paper, cardboard	51,991	
04	Leather, fur, and textile industry	12,356	
05	Oil processing, natural gas, and coal treatment	0.001	2,916
06	Inorganic chemical industry	149	1,660
07	Organic chemical industry	8,184	464
08	Coatings, adhesives, sealants, and printing inks	1,483	1,414
09	Photography industry	92	102
11	Protection of metals and other materials	1,256	1,751
12	Molding and surface treatment of metals and plastics	66,517	686
13	Waste oils and liquid fuel residues		8,981
IN TOTAL		142,028	17,974

Soil Quality Near Industrial Facilities

The Improvement of Intersectoral Land Management by Reducing Pressures on Land and Planning of Land Use²⁶⁷ project identified and studied 26 industrial locations suspected of being contaminated according to project criteria from the Inventory maintained by the Environmental Protection Agency. These

266 Ministry of Environmental Protection, Environmental Protection Agency (2023): Report on the State of the Environment in the Republic of Serbia for 2022, available at: <https://sepa.gov.rs/wp-content/uploads/2024/10/ZivotnaSredina2022.pdf>

267 Environmental Protection Agency, Toward Soil Decontamination in the Republic of Serbia, <https://degradacijazemljista.sepa.gov.rs/wp-content/uploads/2018/12/Ka-dekontaminaciji-zemljista.pdf>

locations are within the zones of influence of large industrial complexes, but some of them no longer operate and have been shut down. They are found in the cities of Zrenjanin (HIP Petrohemija Elemir, Radiator), Kikinda (Toza Marković Industry), Čačak (Papir Pak Paper Factory, Latex Chemical Industry), Niš (Electronic Industry, Mechanical Industry), Prokuplje (Factory of Non-Ferrous Metals), Kraljevo (Wagon Factory, Magnohrom Metal Industry), Kragujevac (Metal Industry Kragujevac, Zastava Trucks, 21. Oktobar Car Parts Industry), Bor (Serbia ZiJin Copper), Zaječar (Leather and Textile Industry), Trstenik (Prva Petoletka), Sombor (Battery Factory), Smederevo (HABIS Ironworks), Kruševac (Župa Chemical Industry), Užice (Sevojno Copper Rolling Mill), Subotica (Zorka Chemical Industry), Vladičin Han (FOPA Wrapping Paper and Packaging Factory), Surdulica (Casting Sand Landfill of the Mačkatica Foundry), Prahovo (Elixir Chemical Industry), Loznica (Viskoza Chemical industry), Šabac (Zorka Non-Ferrous Metals). Remediation technologies were recommended, but in recent years, their application has been lacking, primarily due to plant shutdowns, changes in ownership or takeover by new owners, and strategic partnerships between the state and foreign companies.

Integrated Permits

The Law on Integrated Prevention and Control of the Environment Pollution is implemented by issuing integrated permits for facilities that are subject to this obligation. The total number of facilities in the Republic of Serbia that are subject to the issuance of an integrated permit is 220 (according to the updated list compiled by the Ministry of Environmental Protection from 2022²⁶⁸). Out of this number, 22 operators belong to the metal production and processing industry, 25 operators operate in the mineral industry, and 11 operators belong to the chemical industry. Together, this makes up for 26.4% of the total number of all operators in the Republic that need to obtain an integrated permit. As of September 2022, 27% of operators from the metal manufacturing and processing industry, 40% of operators from the mineral industry, and 36% of operators from the chemical industry had a valid integrated permit. According to the

268 Ministry of Environmental Protection: https://www.ekologija.gov.rs/sites/default/files/2022-10/spisak_.pdf

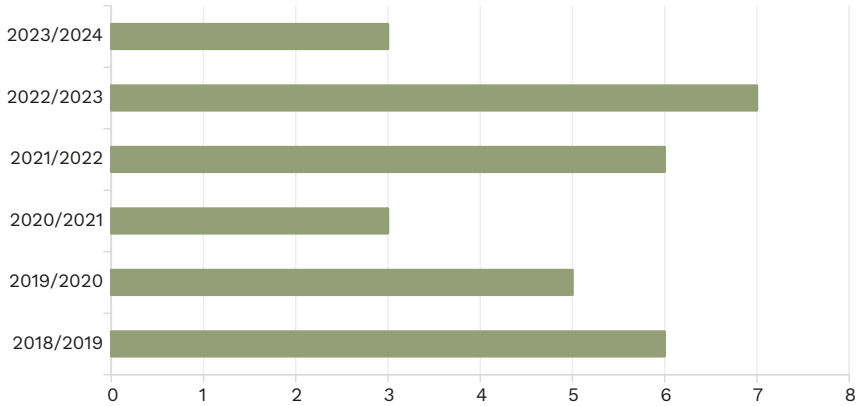
latest data from the Renewables and Environmental Regulatory Institute,²⁶⁹ by the end of 2023, integrated permits were issued to a total of 47 facilities (only 21% of the total number of facilities required to obtain an integrated permit). Out of this number, 30 permits issued in the period from March 18, 2014 to March 7, 2023 were published on the website of the Ministry of Environmental Protection²⁷⁰. The other 17 issued integrated permits are not available on the Ministry's website. According to the data from the Register of Issued Permits, from May 2018 to January 2024, a total of 30 integrated permits were issued to operators (**Graph 1**), 18 of which were posted in the Issued Permits section on the Ministry's website. A total of 19 permits were issued by the Ministry of Environmental Protection, while 11 were issued by local self-governments (**Graph 2**). Out of the total number of permits issued for this period, 12 permits (40%) were issued to operators from the chemical, mineral (construction), and metal (metal production and processing) industries (**Graph 3**), with the largest number of permits from this group being issued to operators from the field of construction (9 permits, i.e. 30%). The Information Booklet on the Work of the Ministry of Environmental Protection, updated on April 17, 2024,²⁷¹ states that 2 integrated permits were issued in the previous year and 3 in the current year, but there is no information about this in the Register of Issued Permits on the Ministry's website.

269 Renewables and Environmental Regulatory Institute (2024): Analysis of the Implementation of the Law on Integrated Prevention and Control of Environmental Pollution, p. 43; <https://reri.org.rs/wp-content/uploads/2024/03/Analiza-sprovodjenja-Zakona-o-integrisanom-sprecavanju-i-kontroli-zagadjivanja-zivotne-sredine.pdf>

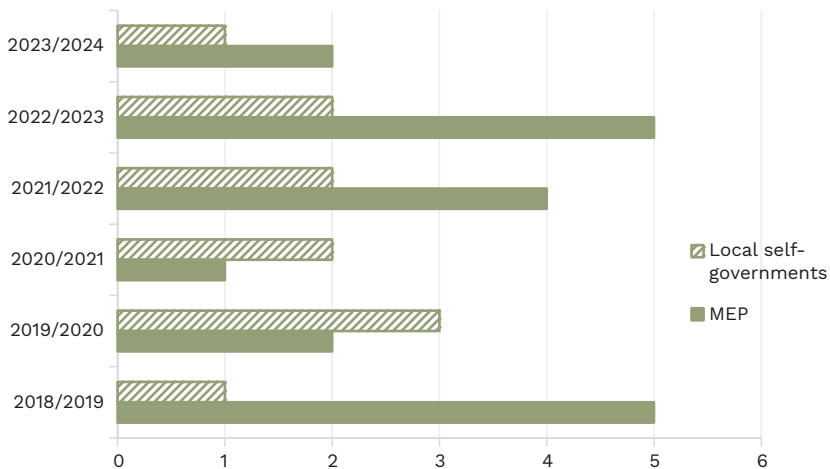
270 Ministry of Environmental Protection: <https://www.ekologija.gov.rs/obavestjenja/integrisane-dozvole>

271 <https://informator.poverenik.rs/informator?org=39wpqDs5YGhfAHBjj>

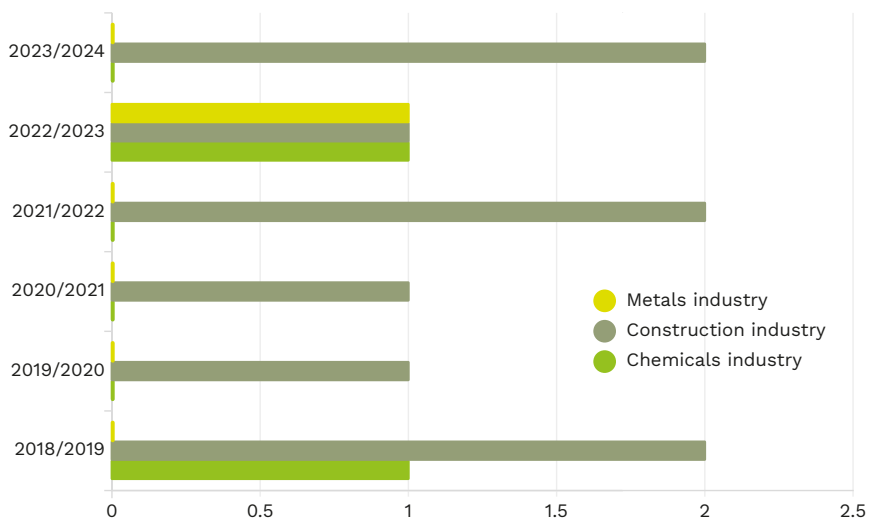
Graph 1. Total number of issued integrated permits in the reporting period from 2018 to 2024, according to the data from the Registry of Issued Permits on the website of the Ministry of Environmental Protection



Graph 2. Number of integrated permits in the reporting period from 2018 to 2024 issued by the Ministry of Environmental Protection (MEP) and local self-governments, according to data from the Register of Issued Permits on the website of the Ministry of Environmental Protection



Graph 3. Number of issued integrated permits in the reporting period from 2018 to 2024 according to the types of industry to which the operators belong, and according to the data from the Register of Issued Permits on the website of the Ministry of Environmental Protection



In order to effectively implement the European Industrial Emissions Directive in Serbia, the Center for Cleaner Production of the Faculty of Technology and Metallurgy of the University of Belgrade, the Ministry of Environmental Protection, and the Swedish International Development Cooperation Agency developed the third phase of support for the implementation of the national Regulation on Integrated Prevention and Control of the Environment Pollution through the Green Transition Project — Implementing Industrial Emissions Directive in Serbia 2021–2027.²⁷² One of the components of this project relates to increasing the efficiency of the process of issuing integrated permits through the completion of the legal framework in accordance with the new Law on Integrated Prevention and Control of the Environment Pollution and the preparation of the technical instructions necessary for easier and more efficient implementation of this new Law. This resulted in working and

²⁷² The Green Transition Project – Implementation of the Directive on Industrial Emissions in Serbia 2021-2027 <https://iedserbia.org>

consultative meetings in 2023,²⁷³ as well as amending two by-laws in January 2024 with the aim of simplifying the procedure for submitting requests and creating integrated permits and making the process of issuing integrated permits more efficient.²⁷⁴ This project aims to provide support to the Ministry of Environmental Protection and other competent authorities in the preparation of draft integrated permits for selected companies, as well as to provide support to operators in preparing or updating their requests for an integrated permit. As a result, workshops and training sessions were held in 2022 for employees of the Ministry of Environmental Protection on the topic of reviewing requests and drafting integrated permits. Training sessions on the procedure for preparing integrated permits were available, as well.²⁷⁵ The project also supports the Department for Control and Supervision of the Ministry of Environmental Protection through a team for controlling facilities subject to the Industrial Emissions Directive, which consists of inspectors from the national, provincial, and local levels. As part of this project, two training modules for inspectors were held in 2022 and 2023 with the aim of training them to carry out special controls of the conditions prescribed by the integrated permits. The project foresees the creation of an information system on the Industrial Emissions Directive, which would provide an efficient platform for monitoring and control of integrated permits and make an updated national register of permits available to the interested public.

According to the Report on the Work of the Environmental Protection Inspectorate for 2023²⁷⁶, regarding the supervision of environmental protection in the field of industrial pollution, the inspectors of the Department for Pollution from Industrial Facilities conducted a total of 924 inspections in various areas of environmental protection

273 <https://iedserbia.org/odrzan-radni-sastanak-o-izmenama-podzakonskih-akata-o-zahtevu-i-izgledu-integrisanih-dozvola/>

274 <https://iedserbia.org/nova-podzakonska-akta-o-zahtevu-i-izgledu-integrisane-dozvole/>

275 <https://iedserbia.org/odrzan-drugi-modul-obuke-za-inspektore-zastite-zivotne-sredine/>

276 Ministry of Environmental Protection (2024): Report on the Work of the Environmental Protection Inspectorate for 2023, available at: <https://www.ekologija.gov.rs/sites/default/files/inline-files/Godi%C5%A1nji%20Izve%C5%A1taj%20o%20radu%20inspekcije%20za%20za%C5%A1titu%20%C5%BEivotne%20sredine%20za%202023.%20godinu.pdf>

Civil society organizations have submitted several requests for conducting extraordinary inspections of operators required to obtain an integrated permit based on the Law on Integrated Prevention and Control of Environmental Pollution by submitting a request for the issuance of an integrated permit.²⁷⁷ Most of these attempts did not bear fruit, given that the competent authorities often refused requests to initiate extraordinary inspections, while many procedures that were initiated were not completed or took too long, i.e. are yet to be completed. This indicates the need to improve the legislative framework and administrative capacities, but above all, it underlines that greater readiness on the part of state authorities to implement regulations on industrial pollution is required.

277 Regulatory Institute for Renewable Energy and the Environment (2024): Analysis of the Implementation of the Law on Integrated Prevention and Control of Environmental Pollution; <https://reri.org.rs/wp-content/uploads/2024/03/Analiza-sprovođenja-Zakona-o-integriranom-sprecavanju-i-kontroli-zagadjivanja-zivotne-sredine.pdf>

Financing

The Industrial Emissions Directive (IED) is considered one of the most demanding to implement, because the full implementation of the IED and Serbian legislation based on it will require significant financial investments from operators. It is expected that the private sector will provide the necessary investments to comply with the directives in this area.

The state administration has not allocated any funds for the implementation of this part of the EU acquis, except for the strengthening of administrative capacities within the competent authorities. After evaluating the Draft Law on the Budget of the Republic of Serbia for 2024, the Fiscal Council ²⁷⁸ has recommended to the Government that, in the coming years, it should direct significantly more funds to the area of the environment, as the quality of the infrastructure is still unsatisfactory. In its Opinion on the Revised Fiscal Strategy for 2024 With Projections for 2025 and 2026,²⁷⁹ the Fiscal Council states that the poorly implemented system of wages and employment in the public sector has begun to seriously affect the quality of public services and in the field of environmental protection.

278 Fiscal Council: Evaluation of the Draft Law on the Budget of the Republic of Serbia for 2024; https://www.fiskalnisavet.rs/doc/ocene-i-misljenja/2023/FS_Rezime_Ocena_budzeta_2024.pdf

279 Fiscal Council, Opinion on the Revised Fiscal Strategy for 2024 With Projections for 2025 and 2026; <https://www.fiskalnisavet.rs/ocene-i-misljenja.php>

Recommendations



Strategic and Legislative Framework

- 1.** Fully implement the Industrial Emissions Directive (IED), especially through amendments to the Law on Integrated Prevention and Control of the Environment Pollution and other regulations; harmonize the Law on Planning and Construction with international standards; adopt the Law on Environmental Impact Assessment (EIA) and the Law on Strategic Environmental Assessment (SEA); consistently apply the Air Protection Program.
- 2.** As part of the preparation of amendments to the Law on Integrated Prevention and Control of the Environment Pollution, conduct a comprehensive and objective analysis of its application so far and implement a comprehensive and participatory consultative process.
- 3.** Competent authorities should accelerate the issuance of integrated permits and implement an action plan for the development of administrative capacities, improve all administrative procedures in the process of issuing and controlling integrated permits, as well as increase capacities at all levels of administrative management, including inspections.



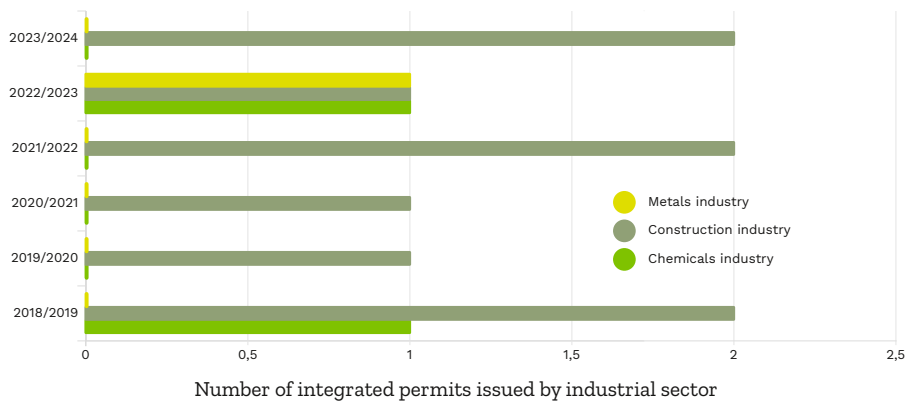
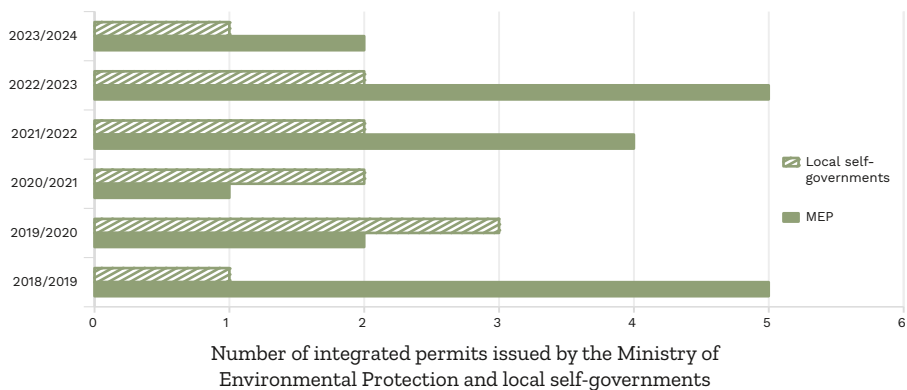
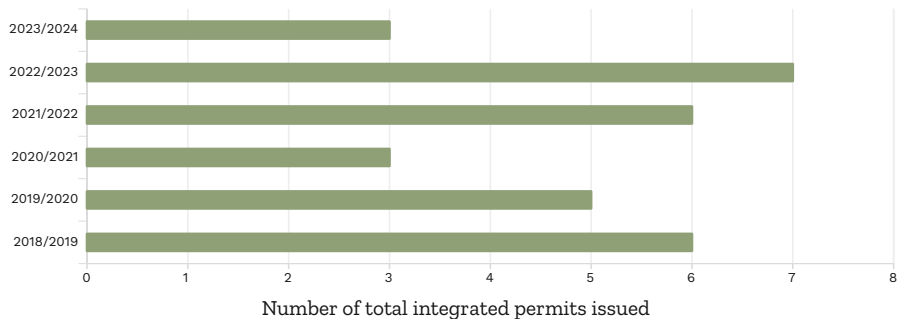
Implementation of Regulations

- 4.** Strengthen the capacities of local communities for the application of regulations both in the field of industrial pollution and in the entire field of environmental protection.

- 5.** Improve the existing public register of issued permits so that it is more up to date and accurate, and make updated information available to the interested public.
- 6.** Develop a unique electronic system to support administrative procedures for issuing and controlling integrated permits, which would significantly increase the efficiency of the process.
- 7.** Strengthen the monitoring system for water, air, and soil quality in the zones affected by industrial facilities.
- 8.** Educate the business sector, professional institutions, CSOs, and citizens on industrial emissions and provide timely and objective information to the public.
- 9.** Increase public participation in the process of issuing integrated permits and improve communication between competent authorities and the public.



INDUSTRIAL POLLUTION



A person is shown from the chest up, holding a small globe of the Earth with both hands. The person's face is partially visible in the background, looking towards the camera. The globe is the central focus, with the text overlaid on it. The overall image has a soft, slightly blurred quality.

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Appendix 1

List of Abbreviations

BOS	Belgrade open school
BPR	Biocidal Product Regulation
BUR	Biennial Update Report
CBAM	Carbon Border Adjustment Mechanism
CITES	The Convention on International Trade in Endangered Species of Wild Fauna and Flora
CLP	Classification, Labelling and Packaging
CNOSSOS	Common Noise Assessment Methods
CO₂	carbon-dioxide
CSO	civil society organization
EC	European Council
EIA	Environmental Impact Assessment
EPS	„Elektroprivreda Srbije“ – public utility electricity producer
EU	European Union
EU ETS	EU Emission Trading System
EUTR	EU Timber Regulation – Regulation of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market
EC	Energy Community
FLEGT	Forest Law Enforcement, Governance and Trade
GEF	Global Environment Facility

GHG	Greenhouse Gas
GRS	Government of the Republic of Serbia
GUP	General Urban Plan
INSPIRE	Infrastructure for Spatial Information in the European Community
IPA	Instrument for Pre-Accession Assistance
IPPC	Integrated Pollution Prevention and Control
IUCN	International Union for Conservation of Nature
LSG	Local Self-Government
KfW	(de. Kreditanstalt für Wiederaufbau) – German Development Bank
LULUCF	Land Use, Land-Use Change and Forestry
MHE	mini hydroelectric power plants
MIFP	Multiannual Investment and Financing Plan
MFRS	Ministry of Finance of the Republic of Serbia
MRV framework	Monitoring, Reporting and Verification
MEP	Ministry of Environmental Protection
NC	National Communications
NDCs	Nationally Determined Contribution
NEA	National Ecological Association
NEAS	National Environmental Approximation Strategy
NECP	National Energy and Climate Plans
NERP	National Emission Reduction Plan
NIP	National implementation plan
NO₂	nitrogen-dioxide
NPAA	National Programme for the Adoption of the Acquis
NARS	National Assembly of the Republic of Serbia



O₃	Ozone
OSCE	Organization for Security and Co-operation in Europe
RES	renewable energy sources
PM₁₀	particulate matter up to 10 micrometers
PM_{2.5}	particulate matter up to 2.5 micrometers
POPs	Persistent Organic Pollutants
PUC	Public Utility Company
RBM	River Basin Management Plan
RCC	The Regional Cooperation Council
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
RERI	Renewables and Environmental Regulatory Institute
RS	The Republic of Serbia
RSD	Serbian Dinar
RTS	Radio-television of Serbia
SEPA	Serbian Environmental Protection Agency
SO₂	sulfur-dioxide
SORS	Statistical Office of the Republic of Serbia
SEA	Strategic Environmental Assessment
UN	United Nations
UNECE	The United Nations Economic Commission for Europe
UNEP	The United Nations Environment Programme
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change

Appendix 2

Comparative Table of Recommendations for 2023 and 2024

Legend:  Not adopted  Partially adopted  Adopted

Horizontal Legislation

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Improve the quality of the processes of the strategic impact assessment (SEA) and environmental impact assessment (EIA) by adopting a new Law on Environmental Impact Assessment and Law on Strategic Environmental Impact Assessment, as well as the necessary by-laws.			Improve the quality of the processes of the strategic impact assessment (SEA) and environmental impact assessment (EIA) by adopting a new Law on Environmental Impact Assessment and Law on Strategic Environmental Impact Assessment, as well as the necessary by-laws.
Harmonize List I (the projects for which an impact assessment is necessary) and List II (the projects for which an impact assessment may be required) with Annexes I and II of Directive 2011/92/EU.			Harmonize List I (the projects for which an impact assessment is necessary) and List II (the projects for which an impact assessment may be required) with Annexes I and II of Directive 2011/92/EU.

**Recommendation for 2023
from the previous report**

Status Comment

Recommendation for 2024

Create a list of plans and programs for which a strategic environmental impact assessment is mandatory and a list of plans and programs for which a strategic environmental impact assessment may be required.



Create a list of plans and programs for which a strategic environmental impact assessment is mandatory and a list of plans and programs for which a strategic environmental impact assessment may be required.

Provide transparent and timely information to the public about conducting public hearings via the internet and increase public awareness. Improve the functionality of eConsultation so that it meets the needs of the average user (access to documents, information about the beginning, duration, and venue of public hearings, etc.).



The website has been improved, but it is still too early to assess the accessibility to users — that is, the availability of all the necessary information and the timely updates to the public.

Provide transparent and timely information to the public about conducting public hearings via the internet and increase public awareness. Improve the functionality of eConsultation so that it meets the needs of the average user (access to documents, information about the beginning, duration, and venue of public hearings, etc.).

Ensure the full implementation of the Regulation on the Methodology of Public Policy Management, Impact Analysis of Public Policies and Regulations, and the Content of Individual Public Policy Documents (8/2019-79) in the environmental protection sector.



Ensure the full implementation of the Regulation on the Methodology of Public Policy Management, Impact Analysis of Public Policies and Regulations, and the Content of Individual Public Policy Documents (8/2019-79) in the environmental protection sector.

Fully implement the guidelines set out in the Rulebook on the Contents 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 when drafting environmental impact assessment studies.





Fully implement the guidelines set out in the Rulebook on the Contents 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 when drafting environmental impact assessment studies.





Ensure the inclusion of a cumulative impact assessment in environmental impact assessment studies.







Ensure the inclusion of cumulative impact assessment in environmental impact assessment studies.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Establish quality control of environmental impact assessment studies, as well as a review of studies every 5 years.			Establish quality control of environmental impact assessment studies, as well as a review of studies every 5 years.
Tighten the penal provisions for environmental pollution, and consistently apply the Law on Liability of Legal Entities for Criminal Offenses (Official Gazette of the Republic of Serbia, no. 97/08).			Tighten the penal provisions for environmental pollution, and consistently apply the Law on Liability of Legal Entities for Criminal Offenses (Official Gazette of the Republic of Serbia, no. 97/08).

Air Quality

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
<p>Start the process of establishing binding standards for low-power combustion appliances used in households (stoves and solid fuel stoves) in accordance with the Ecodesign Directive (2009/125/EC). Given the widespread use of inefficient stoves and solid fuel ovens in households, consider the accelerated transition of this directive.</p>		<p>There are still problems with citizen participation in these processes. For example, in the City of Belgrade, there is no systematic reporting on measures implemented.</p>	<p>Start the process of establishing binding standards for low-power combustion appliances used in households (stoves and solid fuel stoves) in accordance with the Ecodesign Directive (2009/125/EC). Given the widespread use of inefficient stoves and solid fuel ovens in households, consider the accelerated transition of this directive.</p>
<p>Enable citizens to participate in the adoption of documents concerning air quality at both national and local levels.</p>		<p>Air protection policies are still not being adopted in a timely manner. A good example is the City of Valjevo, which still does not have a valid Air Quality Plan following several amendments to the draft.</p>	<p>Enable citizens to participate in the adoption of documents concerning air quality at both national and local levels.</p>
<p>Ensure that competent institutions enforce regulations related to legal deadlines for the creation of public policies concerning air quality, regulations related to air quality monitoring, the exchange of air quality information, and obligations under international agreements.</p>		<p>Including information on measuring stations that did not operate during a particular month in reports on monthly limit value (LV) exceedances can improve the data quality, transparency, and reliability of the reports.</p>	<p>Ensure that competent institutions enforce regulations related to legal deadlines for the creation of public policies concerning air quality, regulations related to air quality monitoring, the exchange of air quality information, and obligations under international agreements.</p>
<p>Monthly reports on detected exceedances of hourly and daily limit values (LV) must include information about which monitoring stations were/were not operating during that month.</p>			<p>Monthly reports on detected exceedances of hourly and daily limit values (LV) must include information about which monitoring stations were/were not operating during that month.</p>








Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Stakeholders responsible for monitoring air quality should guarantee proper maintenance of measurement systems and data availability and finance uninterrupted high-quality operation of air quality monitoring networks, especially for urban agglomerations such as Belgrade.		There is a noticeable drop in the efficiency, i.e., the number of measurements, in the state air quality monitoring network. Objections to the quality of monitoring in the local network also remain.	Stakeholders responsible for monitoring air quality should guarantee proper maintenance of measurement systems and data availability and finance uninterrupted high-quality operation of air quality monitoring networks, especially for urban agglomerations such as Belgrade.
Local governments/cities should improve the accuracy and visibility of air quality data, as well as ensure easy public access to air quality data provided by the local monitoring networks.		There is a noticeable shift on the websites of certain local self-governments.	Local governments/cities should improve the accuracy and visibility of air quality data, as well as ensure easy public access to air quality data provided by the local monitoring networks.
Secure financing for the unobstructed work of inspectorates for environmental protection.			Secure financing for the unobstructed work of inspectorates for environmental protection.
Introduce a regulation according to which local self-governments shall be obliged to allocate a portion of the funds for financing the Energy Rehabilitation Program toward family houses and apartments belonging to socially vulnerable citizens. This should be implemented by local self-governments and city municipalities in cooperation with the Ministry of Mining and Energy.		As of this year, the Ministry of Mining and Energy, as part of the co-financing project for household energy rehabilitation measures, has a special line for socially vulnerable households, through which the rehabilitation of these households is financed up to 90% from public funds; however, local self-governments were not required to apply to obtain these funds.	N/A






New recommendation








- Introduce a regulation that local self-governments shall be obliged to allocate a portion of the funds for financing the Energy Rehabilitation Program for family houses and apartments implemented by local self-governments and city municipalities in cooperation with the Ministry of Mining and Energy for socially vulnerable citizens.

Waste Management

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Build partnerships with civil society and the business sector when adopting regulations, and establish clear communication with the public.			Build partnerships with civil society and the business sector when adopting regulations, and establish clear communication with the public.
Improve the legal framework in order to enable the effective application of the principle of extended liability and the “polluter pays” principle.			Improve the legal framework in order to enable the effective application of the principle of extended liability and the “polluter pays” principle.
Harmonize regional and local waste management plans with strategic documents at the national level.		New regional and local plans in accordance with the Waste Management Program in the Republic of Serbia for 2022 to 2031 were adopted.	Harmonize regional and local waste management plans with strategic documents at the national level.
Adopt a Waste Sludge Management Strategy in Serbia.		In September 2023, the Waste Sludge Management Strategy was adopted.	N/A
Adopt the Draft Waste Prevention Plan.			Adopt the Draft Waste Prevention Plan.
Involve industry in the application of the circular economy.			Involve industry in the application of the circular economy.
Adopt a regulation to regulate the delivery of hazardous waste by natural persons to authorized operators.			Adopt a regulation to regulate the delivery of hazardous waste by natural persons to authorized operators.
Adopt a new Law on Waste Management.		In 2023, amendments to the Law on Waste Management were adopted.	N/A

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Prevent the creation of new illegal landfills by expanding the coverage of municipal waste collection to 100% and increasing inspection oversight.		On May 25, 2023, a total of 2,689 illegal landfills were reported.	Prevent the creation of new illegal landfills by expanding the coverage of municipal waste collection to 100% and increasing inspection oversight.
Introduce the obligation to monitor water, air, and soil at all municipal waste landfills to prevent fires and environmental pollution.			Introduce the obligation to monitor water, air, and soil at all municipal waste landfills to prevent fires and environmental pollution.
Raise public awareness of the importance of establishing a waste management system and the consequences of inappropriate waste management on public health and the environment.			Raise public awareness of the importance of establishing a waste management system and the consequences of inappropriate waste management on public health and the environment.
Provide for appropriate management of hazardous waste generated in Serbia in anticipation of the expected ban on exporting hazardous waste.			Provide for appropriate management of hazardous waste generated in Serbia in anticipation of the expected ban on exporting hazardous waste.
Create capacity for the treatment or permanent storage of hazardous waste, in those cases where waste cannot be treated.			Create capacity for the treatment or permanent storage of hazardous waste, in those cases where waste cannot be treated.
Introduce more intense inspection oversight over the implementation of the Law on Packaging and Packaging Waste.			Introduce more intense inspection oversight over the implementation of the Law on Packaging and Packaging Waste.
Create a unified methodology for collecting and sending data to the Statistical Office of the Republic of Serbia and the Environmental Protection Agency and ensure the reliability of the data obtained.			Create a unified methodology for collecting and sending data to the Statistical Office of the Republic of Serbia and the Environmental Protection Agency and ensure the reliability of the data obtained.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Systematically organize textile waste management. Organize a separate collection of textile waste and ensure that collected textile waste does not end up in landfills or incinerators.			Systematically organize textile waste management. Organize a separate collection of textile waste and ensure that collected textile waste does not end up in landfills or incinerators.
Ensure the implementation of the Law on Waste Management in practice.			Ensure the implementation of the Law on Waste Management in practice.
Ensure that the quantities of collected municipal waste are measured and that its morphological composition is determined by monitoring the implementation of the Law on Waste Management, supporting the procurement of necessary scales at unsanitary landfill sites, and providing training for employees at utility companies so that they can apply the Rulebook on the Methodology for the Collection of Data Regarding the Content and Quantities of Municipal Waste on the Territory of the Local Self-Government Unit.		The National Waste Management Strategy from 2003 to 2010 calls for the closure and recultivation of existing landfills and the construction of 29 regional sanitary landfills, with centers for recyclable waste separation and transfer stations. So far, 12 sanitary landfills have been built.	Ensure that the quantities of collected municipal waste are measured and that its morphological composition is determined by monitoring the implementation of the Law on Waste Management, supporting the procurement of necessary scales at unsanitary landfill sites, and providing training for employees at utility companies so that they can apply the Rulebook on the Methodology for the Collection of Data Regarding the Content and Quantities of Municipal Waste on the Territory of the Local Self-Government Unit.
Establish a control system for the cross-border import, export, and transit of waste.		Large quantities of waste that could be processed in Serbia are being exported. In 2023, the trend of importing and exporting the same types of waste will continue, such as metals and waste paper; waste is even imported from the same countries to which it was exported.	Establish a control system for the cross-border import, export, and transit of waste.
Introduce economic instruments to reduce the amount of waste that ends up at landfills without treatment.			Introduce economic instruments to reduce the amount of waste that ends up at landfills without treatment.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Make a final decision regarding the introduction of a deposit system.		During 2023, no deposit system was introduced in Serbia.	Make a final decision regarding the introduction of a deposit system.
Introduce umbrella insurance for hazardous waste operators so that insurance covers the costs of hazardous waste remediation and resulting damages if an operator's license is revoked.		-	Introduce umbrella insurance for hazardous waste operators so that insurance covers the costs of hazardous waste remediation and resulting damages if an operator's license is revoked.
Adopt a by-law to define fees for importing medicines and placing them on the market due to the possibility that they will become hazardous waste after their expiration date.			Adopt a by-law to define fees for importing medicines and placing them on the market due to the possibility that they will become hazardous waste after their expiration date.
Ensure transparency and easy access to information regarding the costs of building infrastructure in the area of waste management (regional centers, landfills, equipment, etc.) and sources of financing.		The National Waste Management Strategy from 2003 to 2010 calls for the closure and recultivation of existing landfills and the construction of 29 regional sanitary landfills, with centers for recyclable waste separation and transfer stations. So far, 12 sanitary landfills have been built.	Ensure transparency and easy access to information regarding the costs of building infrastructure in the area of waste management (regional centers, landfills, equipment, etc.) and sources of financing.
Ensure realistic financing of the costs of collection, transportation, treatment, and disposal of waste, according to the “polluter pays” principle.			Ensure realistic financing of the costs of collection, transportation, treatment, and disposal of waste, according to the “polluter pays” principle.
Ensure that waste management costs are included in the price of products and services in order to avoid shifting costs from consumers to citizens.			Ensure that waste management costs are included in the price of products and services in order to avoid shifting costs from consumers to citizens.
Develop capacity and political will to use available EU funds and grants instead of credit arrangements for infrastructure construction.			Develop capacity and political will to use available EU funds and grants instead of credit arrangements for infrastructure construction.

**Recommendation for 2023
from the previous report**

Status **Comment**

Recommendation for 2024

Introduce subsidies for opening small businesses that perform on-site packaging waste recycling.



Introduce subsidies for opening small businesses that perform on-site packaging waste recycling.

New recommendation

- Improve the existing data collection system, as well as data reliability.
- Introduce an independent Environmental Protection Fund to distribute funds collected from the ecotax.
- Provide financial support to the civil sector.
- Ensure transparency in the process of financing projects in the field of waste management.



Water Quality

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Integrate nature directives (Birds Directive and Habitats Directive) into the field of water management. Better coordination is needed between the water management sector and the environmental sector regarding the implementation of EU directives.		The basis has been laid within the Water Management Plan.	Integrate nature directives (Birds Directive and Habitats Directive) into the field of water management. Better coordination is needed between the water management sector and the environmental sector regarding the implementation of EU directives.
Develop a concrete plan and set of measures for the improvement of water quality monitoring in accordance with the requirements of the Water Framework Directive.		The guidelines were developed within the framework of the Water Management Plan.	N/A
Develop specific strategies to improve investment in wastewater treatment facilities. Initiate the development of models and strategies for knowledge transfer in the field of wastewater treatment in order to reduce costs and mobilize domestic capacities.		Even though increased investments in water protection infrastructure have been implemented in previous years, it was done through unclear and non-transparent mechanisms.	Develop specific strategies to improve investment in wastewater treatment facilities. Initiate the development of models and strategies for knowledge transfer in the field of wastewater treatment in order to reduce costs and mobilize domestic capacities.
Adopt strategic and planning documents in accordance with the obligations arising from the Water Framework Directive (Water Management Plan, Flood Risk Management Plan).		The Water Management Plan was adopted and the Proposal for the Flood Risk Management Plan was prepared.	Adopt strategic and planning documents in accordance with the obligations arising from the Water Framework Directive (Water Management Plan, Flood Risk Management Plan).

**Recommendation for 2023
from the previous report**

Status Comment

Recommendation for 2024

Develop capacities and improve the organization of public institutions responsible for water management, especially at the local level — the complexity of water management issues requires stronger personnel and technical capacities. The competent institutions must conduct an analysis of the existing capacities as soon as possible and develop a plan for their improvement. To achieve this, professional institutions and CSOs need to advocate for greater political and financial support for the water management sector.



Develop capacities and improve the organization of public institutions responsible for water management, especially at the local level — the complexity of water management issues requires stronger personnel and technical capacities. The competent institutions must conduct an analysis of the existing capacities as soon as possible and develop a plan for their improvement. To achieve this, professional institutions and CSOs need to advocate for greater political and financial support for the water management sector.

Develop structured cooperation with other relevant sectors (environmental protection, energy, agriculture, and spatial planning). This requires constant communication and exchange of information between the sectors to be established.



Develop structured cooperation with other relevant sectors (environmental protection, energy, agriculture, and spatial planning). This requires constant communication and exchange of information between the sectors to be established.

Further improve public participation in policy development in the water management sector. Public consultations should provide more opportunities for participation than the legal minimum. Stakeholder involvement should begin in the early stages of policy development.



Further improve public participation in policy development in the water management sector. Public consultations should provide more opportunities for participation than the legal minimum. Stakeholder involvement should begin in the early stages of policy development.

Integrate nature-based solutions into water management practices and consider ecosystem services more seriously. Specific capacities for these needs should be developed within the competent institutions.










Ecosystem services are mentioned in the Water Management Plan, but no specific solutions and recommendations are given.

Integrate nature-based solutions into water management practices and consider ecosystem services more seriously. Specific capacities for these needs should be developed within the competent institutions.

**Recommendation for 2023
from the previous report**

Status Comment

Recommendation for 2024

<p>Improve control and mitigation of key threats (poorly planned small hydroelectric power plants, gravel extraction, pollution, uncontrolled use of groundwater, and illegal construction on river banks). River habitats, wetlands, and water resources in general are very endangered in Serbia. Urgent action is needed at the national level.</p>		<p>Improve control and mitigation of key threats (poorly planned small hydroelectric power plants, gravel extraction, pollution, uncontrolled use of groundwater, and illegal construction on river banks). River habitats, wetlands, and water resources in general are very endangered in Serbia. Urgent action is needed at the national level.</p>
<p>Develop a single database on planning and constructing WWTPs that is available to the public, enabling more efficient and systematic planning and monitoring of project implementation throughout Serbia.</p>		<p>Develop a single database on planning and constructing WWTPs that is available to the public, enabling more efficient and systematic planning and monitoring of project implementation throughout Serbia.</p>
<p>Raise the capacities of the Water Inspectorate and increase the number of water inspectors.</p>		<p>Raise the capacities of the Water Inspectorate and increase the number of water inspectors.</p>
<p>Establish water quality monitoring in accordance with the requirements of the Water Framework Directive.</p>		<p>Establish water quality monitoring in accordance with the requirements of the Water Framework Directive.</p>
<p>Determine the borders of water land in the cadaster.</p>		<p>Determine the borders of water land in the cadaster.</p>
<p>Gradually increase water prices and fees for wastewater drainage and treatment services, in order to provide for the construction of the necessary facilities for water drainage and treatment and their normal operation.</p>		<p>Gradually increase water prices and fees for wastewater drainage and treatment services, in order to provide for the construction of the necessary facilities for water drainage and treatment and their normal operation.</p>
<p>Permanently increase budget funds for financing water management activities and water protection.</p>		<p>Permanently increase budget funds for financing water management activities and water protection.</p>



Nature Protection

Recommendation for 2023 from the previous report

Status Comment

Recommendation for 2024

Draft and adopt a new Law on Nature Protection in accordance with EU legislation, ratified international agreements, good practices in this area, and the specific needs related to nature protection in Serbia through a transparent and inclusive process.



Draft and adopt a new Law on Nature Protection in accordance with EU legislation, ratified international agreements, good practices in this area, and the specific needs related to nature protection in Serbia through a transparent and inclusive process.

Regulate the appropriate assessment procedure for the ecological network through the Law on Nature Protection and the Regulation on Appropriate Assessment.



Regulate the appropriate assessment procedure for the ecological network through the Law on Nature Protection and the Regulation on Appropriate Assessment.

Amend the Rulebook on the Declaration and Protection of Strictly Protected Wild Species of Plants, Animals, Fungi, and Mushrooms and the Rulebook on the Criteria for the Separation of Habitat Types, Types of Habitats, Vulnerable, Endangered, Rare, and Priority Protection Habitat Types in order to fully transpose the provisions of the Habitats Directive and the Birds Directive related to hunting.







Amend the Rulebook on the Declaration and Protection of Strictly Protected Wild Species of Plants, Animals, Fungi, and Mushrooms and the Rulebook on the Criteria for the Separation of Habitat Types, Types of Habitats, Vulnerable, Endangered, Rare, and Priority Protection Habitat Types in order to fully transpose the provisions of the Habitats Directive and the Birds Directive related to hunting.

Create and adopt a protocol to precisely determine the sequence and manner of action that the competent authorities need to take when detecting cases of poisoning, as well as other cases of illegal actions against wild species.



Create and adopt a protocol to precisely determine the sequence and manner of action that the competent authorities need to take when detecting cases of poisoning, as well as other cases of illegal actions against wild species.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Form an inter-ministerial working group for protected areas and the ecological network to coordinate work on the development of planning documents, protection studies, management plans, and area protection acts.			Form an inter-ministerial working group for protected areas and the ecological network to coordinate work on the development of planning documents, protection studies, management plans, and area protection acts.
Establish mechanisms in the Ministry of Environmental Protection for improving the participation of civil society organizations in the processes of drafting and monitoring the application of regulations, plans and other relevant documents in the field of nature protection in accordance with the Regulation on the methodology of public policy management, analysis of the effects of public policies and regulations, and the content of individual public policy documents, and the Guidelines for the inclusion of civil society organizations in the process of drafting regulations of the Government of the Republic of Serbia.		The Ministry of Environmental Protection, in cooperation with the Ministry of Human and Minority Rights and Social Dialogue, improved the selection procedures of civil society organizations for working groups.	N/A
Define the biosphere reserve as a type of protected area in the Law on Nature Protection, and prescribe the competencies and basic measures for managing those areas.			Define the biosphere reserve as a type of protected area in the Law on Nature Protection, and prescribe the competencies and basic measures for managing those areas.
Improve the capacities of the Ministry of Environmental Protection in the field of nature protection by increasing the number of employees in the sector as a matter of priority.			Improve the capacities of the Ministry of Environmental Protection in the field of nature protection by increasing the number of employees in the sector as a matter of priority.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Improve the capacities of nature protection institutes (both at the provincial and national level) by increasing the number of professional staff and procurement of technical equipment.	⊗		Improve the capacities of nature protection institutes (both at the provincial and national level) by increasing the number of professional staff and procurement of technical equipment.
Continue building the capacities of the police, inspectorate, prosecution, and judiciary for the implementation of regulations related to protecting species and habitats in cooperation with professional civil society organizations.	⊗		Continue building the capacities of the police, inspectorate, prosecution, and judiciary for the implementation of regulations related to protecting species and habitats in cooperation with professional civil society organizations.
Improve the planning and implementation of inspection supervision over protected areas, i.e., ecological network sites.	⊗		Improve the planning and implementation of inspection supervision over protected areas, i.e. ecological network sites.
Provide free access to the online database comprising decisions on nature protection conditions issued by the Ministry of Environmental Protection of the Republic of Serbia and the Institute for Nature Conservation to all interested parties.	⊗		Provide free access to the online database comprising decisions on nature protection conditions issued by the Ministry of Environmental Protection of the Republic of Serbia and the Institute for Nature Conservation to all interested parties.
Improve cooperation with interested parties regarding the implementation of international agreements in the field of nature protection through regular information exchange and consultations.	⊗		Improve cooperation with interested parties regarding the implementation of international agreements in the field of nature protection through regular information exchange and consultations.
Form a National Council for the Natura 2000 ecological network in order to ensure intersectoral cooperation and continuous institutional support.	⊗		Form a National Council for the Natura 2000 ecological network in order to ensure intersectoral cooperation and continuous institutional support.






Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Compile an effectiveness assessment of the management of protected areas, establish mechanisms for monitoring management effectiveness, and ensure the availability of reports to the public.	⊗		Compile an effectiveness assessment of the management of protected areas, establish mechanisms for monitoring management effectiveness, and ensure the availability of reports to the public.
Improve the capacities of the Unit for the Suppression of Environmental Crime and Environmental Protection, as well as its coordination with other sectors.	⊗		Improve the capacities of the Unit for the Suppression of Environmental Crime and Environmental Protection, as well as its coordination with other sectors.
Maintain regular financing of the activities aimed at establishing the ecological network of the Republic of Serbia and Natura 2000, with full and regular reporting on the activities carried out and the funds spent.	⊗		Maintain regular financing of the activities aimed at establishing the ecological network of the Republic of Serbia and Natura 2000, with full and regular reporting on the activities carried out and the funds spent.
Provide greater financial resources for the management of protected areas, as well as for the protection of species and habitats at the national and local levels.	⊗		Provide greater financial resources for the management of protected areas, as well as for the protection of species and habitats at the national and local levels.

New recommendation




- Create appropriate, targeted guides for more detailed explanations of the appropriate assessment procedure and practical examples from practice (preferably, illustrations of good and bad practices). Familiarize stakeholders with the appropriate assessment procedure using the guide and supporting materials.

- Provide public access to the electronic Central Register of Protected Natural Assets and develop its functionalities so that each protected area contains, inter alia, a ten-year management plan, annual management programs, and reports on the implementation of the annual management program.

Chemicals Management

Recommendation for 2022 ²⁸⁰	Status	Comment	Recommendation for 2024
Harmonize national regulations with relevant amendments to EU regulations in this sector.			Continue with the development of the legislative framework through further harmonization of regulations by taking into account new EU regulations and amendments and additions to the existing ones, as well as by strengthening the capacities necessary for the implementation of regulations.
Ratify the Minamata Convention on Mercury.			Ratify the Minamata Convention on Mercury.
Update and adopt the National Implementation Plan for the implementation of the Stockholm Convention on POPs.			Update the National Implementation Plan for the implementation of the Stockholm Convention and the Action Plan.
Adopt the strategic document and an action plan for strengthening synergy in the implementation of the Basel, Rotterdam, Stockholm, and Minamata Conventions.		There is no publicly available information on whether the recommendation was adopted.	N/A
Adopt the Law on the Implementation of the REACH Regulation.			Adopt the Law on the Implementation of the REACH Regulation.
Adopt the Law on the Implementation of the BPR Regulation.			Adopt the Law on the Implementation of the BPR Regulation.

280 The area of Chemicals Management was not covered in the Report published in 2023, so the table provides an overview of the recommendations from the report that covered the period until March 2022

Recommendation for 2022 ²⁸⁰	Status	Comment	Recommendation for 2024
<p>Strengthen administrative and professional capacities in this area, especially in entering chemicals and biocidal products in the Register, as well as managing biocidal products, due to the introduction of a new procedure for the recognition of EU legislation resulting from the new Law on Biocidal Products.</p>			<p>Strengthen administrative and professional capacities in this area, especially the registration of chemicals and biocidal products in the Register, statistical analysis of collected data, management of biocidal products, creation of guides and guidelines for the info desk, and instructions for inspection supervision.</p>
<p>Resolve active requests for entering chemicals into the Chemicals Register from previous years by simplifying the procedure in terms of requests to supplement documentation.</p>			<p>Make data from the Chemicals Register on the number of reported chemicals by hazard class available on the website of the Ministry of Environmental Protection, and update them regularly on an annual basis.</p>
<p>Given the scope and content of the documentation required by the procedure for registering biocidal products in the eIRH, as well as the confidentiality of certain data, improve existing protection and strictly define different levels of data access.</p>		<p>A new server for the eIRH portal was added, which enabled greater work efficiency, but we do not have information on whether the information protection system has been improved.</p>	<p>N/A</p>

Recommendation for 2022²⁸⁰ **Status** **Comment**

Recommendation for 2024

Establish a joint body for the integrated management of chemicals in order to establish satisfactory cooperation and coordination between all relevant sectors and ensure the safe management of chemicals throughout the entire life cycle — that is, the adoption and implementation of an integrated program for the management of chemicals. The joint body should consist of representatives of competent state authorities in the field of chemicals management and representatives of industry, scientific researchers, and non-governmental organizations.










Establish a joint body for the integrated management of chemicals in order to establish satisfactory cooperation and coordination between all relevant sectors and ensure the safe management of chemicals throughout the entire life cycle — that is, the adoption and implementation of the Integrated Chemicals Management Program. The joint body should consist of representatives of competent state authorities in the field of chemicals management and representatives of the industry, scientific researchers, and non-governmental organizations.

Strengthen inspections of chemicals and biocidal products.



Strengthen inspection supervision over chemical and biocidal product control activities by strengthening the capacity of the inspectorates themselves and increasing the number of inspection supervisions. Supervise the implementation of Article 27 of the Law on Chemicals, protect the rights of consumers, and check compliance with the bans and restrictions on chemicals, i.e., non-consumer goods.

Recommendation for 2022 ²⁸⁰	Status	Comment	Recommendation for 2024
Strengthen inspection supervision over the application of the Law on Consumer Goods.			Strengthen inspection supervision over the implementation of the Law on Consumer Goods by strengthening the capacity of the inspectorates themselves and increasing the number of inspections, as well as the capacity for entering unsafe products from the market into the NEPRO rapid notification system for unsafe products, in order to ensure adequate information for citizens about the products withdrawn from the market due to chemical risks.
Improve the information on the Chemicals Help desk, such as: guidelines and criteria for entering a biocidal product in the Provisional List, guides that are applied in practice, and frequently asked questions.			Improve the information available on the Chemicals Info Desk by posting the guides and guidelines of the European Chemicals Agency, which are used in practice and which are insisted on within the training and exams for chemicals advisers, in the Serbian language, as well as the administrative procedure itself and the section with the most frequently asked questions.
Make data from the Chemicals Register about the number of reported chemicals by hazard class available on the website of the Ministry of Environmental Protection again.		This recommendation is contained in the previous one and should not be repeated.	N/A
Establish supervision over the implementation of Article 27 of the Law on Chemicals and protect consumer rights.		This recommendation is contained in the previous one and should not be repeated.	N/A

Recommendation for 2022 ²⁸⁰	Status	Comment	Recommendation for 2024
Update the NEPRO database regularly.		The new recommendation was supplemented, because this year, there was a problem accessing the NEPRO system, which made it impossible to inform citizens about unsafe products.	Make the information in the NEPRO rapid alert system for unsafe products publicly available, and update it regularly.
Make information on the implementation of all conventions related to chemicals management publicly available on the website of the Ministry of Environmental Protection.			Make the information on the implementation of all conventions that the Ministry of Environmental Protection is responsible for publicly available.
Prioritize products, services and works that fit the criteria for green public procurement in public procurement procedures in Serbia and regulate the percentage of the total number of public procurements carried out for each priority group that should be in line with green procurement criteria.		Green public procurement is not included in the report this time.	N/A
Establish a mechanism for the implementation of Article 82 of the Law on Chemicals, which orders the Ministry of Environmental Protection to develop and implement projects for monitoring the marketing and use of chemicals, monitoring their metabolites and the path of chemicals in the environment and living organisms.			Establish a mechanism for the implementation of Article 82 of the Law on Chemicals, which instructs the Ministry of Environmental Protection to develop and implement projects for monitoring the market placement and use of chemicals, their metabolites, and the path of chemicals in the environment and living organisms.
Include criteria for green public procurement in public procurement procedures in Serbia.		Green public procurements are not included in the report.	N/A

Amend the domestic system governing the collection of fees and charges by implementing the EU model of financing the chemicals and biocidal product management system to ensure that fees related to regulatory procedures for chemicals and biocidal products are borne by the businesses generating income by placing these chemicals and products on the market.














Amend the domestic system governing the collection of fees and charges by adopting the EU model of financing the system for the management of chemicals and biocidal products to ensure that the fees for regulatory procedures regarding chemicals and biocidal products are used to improve the chemicals and biocidal products management system.

New recommendation

- Harmonize the Rulebook on the List of Electrical and Electronic Products, Measures Restricting or Prohibiting the Use of Electric and Electronic Equipment Containing Hazardous Substances, the Manner and Procedure for Management of Waste Originating from Electrical and Electronic Products with EU Directive 2015/863/EU (RoHS III).
- Publish updated data from the Chemicals Register on the entry of substances of concern, and assess whether the risk reduction measures applied by businesses are sufficient to control the risk of these chemicals.
- Secure financial resources for strengthening the administrative and professional capacities of the Department of Chemicals in the Ministry, as well as the inspection authorities that control compliance with the Law on Chemicals and the new Law on Biocidal Products, so that administrative procedures can be carried out without breaking deadlines, bearing in mind their scope and complexity.

Noise

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Adopt all by-laws necessary to harmonize the legislative framework with Directive 2002/49/EC.			Adopt all by-laws necessary to harmonize the legislative framework with Directive 2002/49/EC.
Adopt all by-laws necessary to harmonize the legislative framework with Directive 2015/996 (CNOSSOS-EU).			Adopt all by-laws necessary to harmonize the legislative framework with Directive 2015/996 (CNOSSOS-EU).
Implement acoustic zoning in all local self-government units.			Implement acoustic zoning in all local self-government units.
Introduce 24-hour continuous noise monitoring and make data available through a unified presentation of automatic noise monitoring.			Introduce 24-hour continuous noise monitoring and make data available through a unified presentation of automatic noise monitoring.
Begin developing strategic noise maps for the other four agglomerations (Belgrade, Novi Sad, Kragujevac, and Subotica), as well as for the Nikola Tesla Airport, and develop action plans for all agglomerations.		Subotica has lost its agglomeration status.	Develop strategic noise maps for the other two agglomerations (Belgrade and Kragujevac), as well as for the main roads, main railways, and main airports, alongside action plans.
Local self-governments should adopt decisions to allow communal police officers to conduct noise measurements from hospitality establishments.			Local self-governments should adopt decisions to allow communal police officers to conduct noise measurements from hospitality establishments.
Implement noise monitoring training (especially at a local level).			Implement noise monitoring training (especially at a local level).
Introduce local self-government control over the implementation of noise monitoring and submission of noise monitoring results to the Environmental Protection Agency.			Introduce local self-government control over the implementation of noise monitoring and submission of noise monitoring results to the Environmental Protection Agency.

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Assess the harmful effects of noise on human health and the environment.			Assess the harmful effects of noise on human health and the environment.
Control whether organizers of public gatherings, entertainment and sports events, and other outdoor and indoor activities have submitted data on noise protection measures in their applications for holding public gatherings and activities if the use of sound systems and other devices may exceed the prescribed limit values.			Control whether organizers of public gatherings, entertainment and sports events, and other outdoor and indoor activities have submitted data on noise protection measures in their applications for holding public gatherings and activities if the use of sound systems and other devices may exceed the prescribed limit values.
Provide funds for the implementation of plans (and obligations) in the area of noise protection.			Provide funds for the implementation of plans (and obligations) in the area of noise protection.



Climate Change

Recommendation for 2023 from the previous report

Status Comment

Recommendation for 2024

Adopt all necessary by-laws in order for the Law on Climate Change to be applied.



Adopt all necessary by-laws in order for the Law on Climate Change to be applied.

Integrate climate change issues into the process of drafting development plans by local self-governments and establish a mechanism for monitoring the development and work of local self-governments on the issues of climate change mitigation and adaptation by adopting appropriate by-laws based on the Law on Climate Change.



Integrate climate change issues into the process of drafting development plans by local self-governments and establish a mechanism for monitoring the development and work of local self-governments on the issues of climate change mitigation and adaptation by adopting appropriate by-laws based on the Law on Climate Change.

**Recommendation for 2023
from the previous report**

Status Comment

Recommendation for 2024

Fully support the work of the Energy Community Secretariat and, through the INECP, define goals for reducing greenhouse gas emissions and increasing energy production from renewable energy sources and improving energy efficiency that are in line with the goals of the Energy Community and the *Green Agenda for the Western Balkans*; in accordance with the Aarhus Convention and the Law on the Planning System of the Republic of Serbia, carry out activities on the development of the Integrated National Energy and Climate Plan (INECP) of Serbia within the allotted period and enable adequate public participation.



At the 20th meeting of the Ministerial Council of the Energy Community, decision no. 2022/02/MC-EnC, which unanimously adopted the goals for the proportion of RES in the gross final energy consumption in 2030, Serbia agreed to a binding target of 40.7% of RES.

The draft INECP sets the target for RES proportion of the gross final energy consumption of 33.6% — a significantly lower level than agreed at the 20th meeting of the Ministerial Council of the Energy Community. Article 8a of the Law on Energy stipulates that the Integrated National Energy and Climate Plan shall be prepared in accordance with obligations arising from international agreements.

Harmonize the INECP with the Decision of the Ministerial Council of the Energy Community no. 2022/02/MC-EnC and set goals that are in line with Serbia's obligations assumed as part of the Energy Community and the *Green Agenda for the Western Balkans*.

In accordance with the Law on Climate Change, Article 15, define and adapt the legal and institutional framework related to adaptation to climate change and integrate it into other sectors, primarily water management, agriculture, urban planning and construction, infrastructure, forestry, nature protection, and energy.



In accordance with the Law on Climate Change, Article 15, define and adapt the legal and institutional framework related to adaptation to climate change and integrate it into other sectors, primarily water management, agriculture, urban planning and construction, infrastructure, forestry, nature protection, and energy.

Implement the Regulation on Types of Activities and Greenhouse Gasses: 13/2022-4, and the Rulebook on Verification and Accreditation of Verifiers of Greenhouse Gas Emissions Reports: 107/2021-31.



N/A

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Adopt Amendments to the Law on Climate Change to establish a CO ₂ tax mechanism and thus fully comply with the ETS Directive and prepare for the implementation of the carbon border adjustment mechanism, which is expected to enter into force in 2023.			Adopt Amendments to the Law on Climate Change to establish a CO ₂ tax mechanism, and thus fully comply with the ETS Directive and prepare for the implementation of the Carbon Border Adjustment Mechanism.
Improve the work of the National Council for Climate Change through holding regular sessions, making recommendations to the Government of the Republic of Serbia on issues relevant to climate change, and public reporting on the Council's activities.			Improve the work of the National Council for Climate Change through holding regular sessions, making recommendations to the Government of the Republic of Serbia issues relevant to climate change, and public reporting on the Council's activities.
Adopt and submit the Third National Report under the UN Framework Convention on Climate Change and the Second Biennial Update Report to the UNFCCC.			N/A
Make information on the GHG inventory publicly available, verifiable and easily accessible, in accordance with the laws of the Republic of Serbia and international obligations, such as the Aarhus Convention and the Paris Agreement.		A number of by-laws have been adopted for the creation and publication of the National Greenhouse Gas Inventory Report, but the Report is still not publicly available.	Make information on the GHG inventory publicly available, verifiable and easily accessible, in accordance with the laws of the Republic of Serbia and international obligations, such as the Aarhus Convention and the Paris Agreement.
Increase the capacities of civil servants (in terms of both number and skills) in ministries and local self-government units dealing with climate change in various sectors and focus on enhancing their capacities.			Increase the capacities of civil servants (in terms of both number and skills) in ministries and local self-government units dealing with climate change in various sectors and focus on enhancing their capacities.

**Recommendation for 2023
from the previous report**

Status

Comment

Recommendation for 2024

Develop a financial mechanism that will support strategic priorities (which must be in line with the process of Serbia's accession to the European Union), *inter alia* by redirecting funds intended for the fossil fuel industry to the measures meant to mitigate and adapt to climate change.



The measures proposed in the Low Carbon Development Strategy require additional investments in various sectors. The costs of these investments are estimated at EUR 6.5 billion during 2020–2030. In the Budget for 2024, the Government of the Republic of Serbia has foreseen climate-related expenditures in the amount of RSD 5.3 billion (an increase of about 80% compared to last year's level), i.e., about EUR 45.29 million. At this rate and with this annual amount of funding for climate change, Serbia would require more than 143 years to achieve the goals of the Low Carbon Development Strategy and the measures planned for 2020–2030.

Significantly increase state investment in adapting to climate change and reducing climate change impact, and develop financial mechanisms to support the implementation of the priorities contained in the Low Carbon Development Strategy (which must be in line with Serbia's EU accession process and the goal of achieving low-carbon neutrality by 2050).

New recommendation

- Adopt an action plan for the implementation of the Low Carbon Development Strategy for 2023 to 2030 with projections to 2050.








Forestry

Recommendation for 2023 from the previous report

Status Comment

Recommendation for 2024

<p>Develop a national strategic document (development program) for forestry that will provide a long-term vision for development in this area in Serbia, with an action plan that includes defined sources of funding, competent institutions, and implementation dynamics. The document must take into account the relevant documents currently being developed at the EU level (Biodiversity Strategy to 2030 and other documents from the Green Deal package).</p>		<p>The results of the Second National Forest Inventory, which will be used to develop the program, have been published.</p>	<p>Develop a national strategic document (development program) for forestry that will provide a long-term vision for development in this area in Serbia, with an action plan that includes defined sources of funding, competent institutions, and implementation dynamics. The document must take into account the relevant documents currently being developed at the EU level (Biodiversity Strategy to 2030 and other documents from the Green Deal package).</p>
<p>Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and FLEGT regulations.</p>		<p>The draft law on the trade in wood and wood products has been prepared.</p>	<p>Develop an institutional framework with clearly defined responsibilities for the implementation of the EUTR and FLEGT regulations.</p>
<p>Strengthen the capacities of the competent institutions for the implementation of EU legislation and international agreements in the field of nature protection (the Habitats Directive, the Birds Directive, CITES Convention, etc.).</p>		<p>The Forestry Administration actively participated in the implementation of the EU Natura 2000 project.</p>	<p>Strengthen the capacities of the competent institutions for the implementation of EU legislation and international agreements in the field of nature protection (the Habitats Directive, the Birds Directive, CITES Convention, etc.).</p>
<p>Strengthen the capacities of competent institutions in forestry for EU integration in the field of climate change and energy.</p>		<p>Capacities were strengthened through the implementation of two international projects related to climate change in forestry.</p>	<p>Strengthen the capacities of competent institutions in forestry for EU integration in the field of climate change and energy.</p>
<p>Enable effective public participation in the development of key documents regulating forest use (including forest management plans).</p>		<p></p>	<p>Enable effective public participation in the development of key documents regulating forest use (including forest management plans).</p>

Recommendation for 2023 from the previous report	Status	Comment	Recommendation for 2024
Value and promote ecosystem services provided by forests, other than wood, and use them in forest management planning.		The role of forests in the mitigation and adaptation to climate change has been promoted through international projects. Nevertheless, it is necessary to integrate the mentioned project results and developed documents into public policies.	Value and promote ecosystem services provided by forests, other than wood, and use them in forest management planning.
Improve the quality of data on privately owned forests and strengthen control over their use.			Improve the quality of data on privately owned forests and strengthen control over their use.
Improve cooperation with other sectors (nature protection, energy, climate change, and water management) in order to integrate forest ecosystems.		A certain level of cooperation was achieved through several international projects.	Improve cooperation with other sectors (nature protection, energy, climate change, and water management) in order to integrate forest ecosystems.
Establish an inter-ministerial working group that will coordinate the efficient development of afforestation plans in areas where it is necessary (e.g. the Autonomous Province of Vojvodina).			Establish an inter-ministerial working group that will coordinate the efficient development of afforestation plans in areas where it is necessary (e.g. the Autonomous Province of Vojvodina).
More funding from the Budget Fund for forests should be directed toward financing the protection and improvement of forest ecosystems that provide services beneficial to all.			More funding from the Budget Fund for forests should be directed toward financing the protection and improvement of forest ecosystems that provide services beneficial to all.

Appendix 3

Methodology and list of Authors (Organizations) by fields

Field	Methodology	List of authors (organizations)
Analysis of Environmental Protection Financing in the 2014-2023 period	<ul style="list-style-type: none"> • Comparative analysis of environmental protection expenditure at the national level in the 2014-2023 period compared to the estimated costs of adopting and implementing EU regulations from the National Environmental Approximation Strategy. • Analysis of environmental protection financing from the budget of the Republic of Serbia in the 2014-2023 period by area. • Official data on environmental protection expenditure (SORS), laws on the budget of the Republic of Serbia, NEAS, and other publicly available official sources. 	<ul style="list-style-type: none"> • Slobodan Minić, public finance expert, Belgrade Open School
Horizontal Legislation	<ul style="list-style-type: none"> • Policy analysis: • Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Data related to the implementation of EIA and SEIA procedures were collected through participation in public consultations and consultations with local authorities and CSOs. 	<ul style="list-style-type: none"> • Belgrade Open School • Young Researchers of Serbia
Air Quality	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Direct communication with experts on air quality (meetings, workshops, interviews); • Consultations with responsible institutions; • Media analysis. 	<ul style="list-style-type: none"> • Belgrade Open School

Field	Methodology	List of authors (organizations)
Waste Management	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Cooperation with experts in the field of waste management; • Analysis of relevant statistical data available online. 	<ul style="list-style-type: none"> • Environment Engineering Group
Water Quality	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Direct communication with experts on water quality (meetings, workshops); • Participation in working groups for drafting by-laws and national implementation plans (organized by the Ministry of Environmental Protection). 	<ul style="list-style-type: none"> • The Nature Conservancy²⁸¹ • World Wide Fund for Nature Adria — Serbia (WWF Adria — Serbia) • Young Researchers of Serbia
Nature Protection	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Direct communication with experts in the field of nature protection (meetings, workshops); • Scientific fieldwork: collecting and analysing data on habitats and species; • Participation in working groups for drafting by-laws and national implementation plans (organized by the Ministry of Environmental Protection). 	<ul style="list-style-type: none"> • Young Researchers of Serbia • Bird Protection and Study Society of Serbia • The Nature Conservancy
Chemicals Management	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of institutional and administrative capacities and implementation. 	<ul style="list-style-type: none"> • Safer Chemicals Alternative

281 *The Nature Conservancy* is not a member of the Coalition 27 network

Field	Methodology	List of authors (organizations)
Noise	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects. 	<ul style="list-style-type: none"> • Environment Improvement Center
Climate Change	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Media analysis. 	<ul style="list-style-type: none"> • Belgrade Open School • Environment Improvement Center
Forestry	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Direct communication with experts in the field of forestry (meetings, workshops). 	<ul style="list-style-type: none"> • The Nature Conservancy
Industrial Pollution and Risk Management	<ul style="list-style-type: none"> • Policy analysis: Comparative analysis of national legal and strategic documents and EU legislation — documents and information were collected from official sources available online; • Analysis of relevant studies and projects; • Analysis of institutional and administrative capacities and implementation; • Analysis of relevant statistical data available online. 	<ul style="list-style-type: none"> • Association of Young Researchers of Bor²⁸²

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 Spokespeople for
the environment 

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