

Standard Summary Project Fiche – IPA centralised programmes

(Regional / Horizontal programmes; centralised National programmes)

1. Basic information

- 1.1 **CRIS Number:** 2007/19322
- 1.2 **Title:** Technical Assistance for Development of an Environmental Approximation Strategy (EAS)
- 1.3 **ELARG Statistical code:** 03.27
- 1.4 **Location:** Republic of Serbia

Implementing arrangements:

- 1.5 **Contracting Authority:** European Commission
- 1.6 **Implementing Agency:** N/A
- 1.7 **Beneficiary (including details of project manager):** Ministry of Environment

Financing:

- 1.8 **Overall cost:** EUR 2 million
- 1.9 **EU contribution:** EUR 2 million
- 1.10 **Final date for contracting:** 3 years after the signature of the Financing Agreement
- 1.11 **Final date for execution of contracts:** 5 years after the signature of the Financing Agreement
- 1.12 **Final date for disbursements:** 6 years after the signature of the Financing Agreement

2. Overall Objective and Project Purpose

2.1 Overall Objective:

To provide a basis for approximating Serbian environmental legislation with the EU environmental *acquis*.

2.2 Project purpose:

- Support the Ministry of Environment in designing and developing an Environmental Approximation Strategy (EAS), including calculating the costs & benefits of compliance with EU environmental *acquis*.
- Assist the Serbian Government in transposing the EU environmental *acquis*.
- Strengthen the institutional framework within which the EU environmental *acquis* is to be implemented and improve stakeholder involvement and participation in the implementation process and strengthen administrative capacity for environmental law approximation.
- Commence implementation of the EAS by addressing priority environmental sectors of the *acquis* and provide compliance schedules for selected directives.
- Assist the Serbian Government in fulfilling its obligations under the SAA.

2.3 Link with AP/NPAA / EP/ SAA

The “**European Partnership**” defines a number of priorities for the environmental sector. The priorities include:

- To adopt and begin implementing the National Environment Protection Strategy.

- To adopt and start implementing the planned strategy for sustainable development.
- To continue approximating legislation to EU legislation and standards (air pollution, waste management and nature protection)
- To strengthen administrative capacity, notably of institutions and bodies in charge of planning, permitting, inspecting and monitoring, as well as project management;
- To develop a multi-annual plan for financing investment
- To provide a stable financial network for implementation of short-term and medium-term policy for environmental sector, and:
- To begin implementing the multi-annual plan for financing investment.

In the Government's **Action Plan for implementation of priorities from the European Partnership**, the need for calculation of the cost of approximation is identified. This includes developing a financial plan and training for preparation of investment projects.

Under **Article 111 (Environment) of the draft SAA**, Serbia is obliged to establish cooperation with the EU (the European Communities and their Member States) in the field of environment with the aim of strengthening administrative structures and procedures to ensure strategic planning of environment issues and co-ordination between relevant actors. The parties will focus on the alignment of Serbia's legislation to the Community *acquis*. Cooperation could also centre on the development of strategies to significantly reduce local, regional and trans-boundary air and water pollution, to establish a system for efficient, clean, sustainable and renewable production and consumption of energy, and to execute environmental impact assessment and strategic environmental assessment. Special attention will be paid to the ratification and the implementation of the Kyoto Protocol.

2.4 Link with MIPD

The Multi Indicative Programming Document (MIPD)¹ envisages, as one priority, “support to the approximation and implementation of Environmental legislation and related strategies; support to environmental authorities at all levels in terms of project preparation, management, planning, permitting, inspecting, and monitoring; support to local infrastructure investments including environmental information systems, solid waste, regional land fields, water and sewage. Support for participating in Environmental networks including the European Environmental Agency”².

2.5 Link with National Development Plan

N/A

2.6 Link with national/ sectoral investment plans

The National Strategy of Serbia for Serbia's Accession to the European Union (Strategy) and the National Environmental Programme (NEP) are the basic national documents defining the strategic framework in the field of environmental protection.

¹ Draft version of Multi Indicative Programming Document, Republic of Serbia, March 2007

² Draft version of Multi Indicative Programming Document, Republic of Serbia, March 2007 p. 22

One of the strategic goals regarding the EU approximation process, within the **National Strategy of Serbia for Accession to the European Union**, is to “provide funding and investment in the environment sector (Fund, etc.), especially in the area of finding solutions for the problem of chemical and medical waste and waste management, wastewaters and reduction of pollution from thermal power plants, as well as maintaining biodiversity.”

The National Environmental Programme (NEP) sets priorities and identifies an action plan for Serbia’s environmental protection efforts. One of the general policy objectives as defined in the **NEP** is “developing a comprehensive system of environmental legislation through adoption of sectoral laws and by-laws, improved law enforcement monitoring, and increasing the capacity of the judiciary system. Laws relevant to the environment should be further revised and gradually harmonized with the EU environmental *acquis*”. In addition, the overall goal for the short-term in NEP is to build an effective environmental policy and enforcement framework (compliant with the EU environmental *acquis*) that will allow for significant improvement of environmental quality in Serbia in the medium-term.

The policy priorities for 2006 – 2010 focus on the most urgent policy objectives. The objectives concentrate on improving the legal framework, developing sectoral strategies and investment plans, as well as improving the monitoring system. This should allow for substantial reform of environmental policy at relatively low cost.

3. Description of project

3.1 Background and justification:

The EU has set political and economic criteria for membership, as well as benchmarks related to the obligations of membership and the administrative capacity to implement and enforce the EU’s laws and policies. One of the key tasks in the association process is harmonisation of legislation with the EU *acquis* and establishment of a system for its effective implementation.

There are three key steps in the approximation process: transposition (legal), implementation (practical application) and enforcement (penalties). The experience of new EU Member States demonstrate that approximation of the EU environmental policy is one of the most difficult areas to complete. For this reason, the exchange of experiences with European countries, as well as cooperation and assistance are important for Serbian administration. Compliance with EU legislation will require significant investment in environmental infrastructure, including waste management facilities, water protection (e.g. system of waste water collection and treatment), air pollution control measures and preservation of Serbia’s natural heritage.

The Ministry of Environment has the main responsibility for coordinating the approximation process in the environment sector. As mentioned above, the aim of the National Environmental Programme is to set priorities and identify an action plan for Serbia’s environmental protection efforts. Even though approximation with EU legislation was identified as a general priority area for action, the specific implications of the approximation process have not been fully evaluated.

Developing an EAS requires finding the correct policy balance between Serbia’s own national environmental priorities and the adjustments that must be made to those priorities in order to enable Serbia to meet its goal of becoming an EU Member State.

The proposed objectives of the EAS include:

- To provide a policy and decision-making framework for moving towards full compliance with EU legislation;
- To provide an overview of actions to be taken as regards transposition, implementation and enforcement of the EU legislation by the projected date of accession to the EU;
- To set priorities and a timeframe for actions related to transposition, implementation and enforcement of the EU legislation, on the basis of Serbia's environmental and economic situation.

Some of the EU's legal acts in the environment sector fall under the competence of ministries and agencies in Serbia other than the Ministry of Environment. Hence, the task of achieving gradual compliance with the EU's requirements in the environment sector will involve many different actors and institutional arrangements. It will require strong co-ordination between ministries, agencies, administrative bodies at regional and local level, as well as other stakeholders.

The EAS will coordinate and consolidate in one document the status of approximation of all environmental directives across all Ministries at a specific point in time. By consolidating the progress made in approximating the legislative, institutional, investment, and financial requirements of all EU environmental directives it will become the major source of up-to-date information on approximation for the screening and negotiation processes. It will set out the actions and implementation time-frames proposed by Serbia to align its laws, regulations and procedures with the requirements of the environmental *acquis*. It will continually be updated to reflect the ongoing status of approximation.

Progress towards environmental approximation must be achieved under tight time constraints without the benefit of comprehensive strategies for all sectors involved. Identifying compliance gaps through the approximation process and developing implementation programmes to address them are therefore critical to achieving compliance. The EAS will reflect the progress made towards compliance and the activities planned to achieve it in all environmental sectors.

To assess the costs of the EAS, a selection of the most costly directives should first be carried out. Attention will be paid to the implementation of policies with a large public interest and/or involvement, as such expenditures also need to be budgeted. The manner in which such expenditures will be financed is also an important challenge that needs to be addressed.

At present, the most costly directives include:

- air quality: ambient air quality framework directive, VOC directives
- water quality: urban waste water treatment directive, drinking water directive, water framework directive and nitrates directive
- waste management: landfill directive, hazardous waste directive, packaging waste directive,
- industrial pollution and risk management: Integrated Pollution Prevention and Control (IPPC) directive, large combustion plants directive, incineration of waste directive
- Vehicles (end-of-life vehicles, CO₂ emissions) directives,

Two types of costs need to be assessed:

- the investment costs (incl. development of monitoring network),
- operation and maintenance costs.

In addition administrative costs related to implementation and enforcement of the *acquis* need to be estimated (incl. recruitment of staff in administrative bodies and inspection services at all levels, provision of equipment and training).

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

This project has major cross sector impact, including socio-economic, foreign investment, health, agriculture and transport. The existing absence of EU compatible environmental legislation in Serbia can act as a barrier for investment from EU countries. Sustainability is ensured through the adoption of legal framework and establishment of the institutional and organizational mechanisms for the implementation of the reforms.

3.3 Results and measurable indicators:

- 1 EAS approximation of the EU *acquis* is prepared;
- 2 Adequate inter-ministerial consultation mechanism for development, implementation and regular updating of the EAS has been developed and is operational;
- 3 Legal analysis of primary and secondary legislation, (including Tables of Concordance and Implementation Questionnaires) has been conducted;
- 4 Recommendations for draft legislation proposed, and the capacity of the Ministry of Environment, in the identification of legislative gaps and the drafting of laws and regulations for transposition of EU directives, is improved;
- 5 Recommendations for the development and upgrading of policy documents in the environmental sector are put in place;
- 6 Institutional gap analysis is conducted and recommendations on institutional developments are put in place;
- 7 Economic assessment of cost & benefit analysis in EU environmental approximation process;
- 8 For selected directives in the environmental sectors:
 - a. Relevant target groups and stakeholders are aware of the EU requirements, principles and implications of the implementation;
 - b. Impact analysis for the implementation of the legislation is performed and an appropriate option for Serbia is recommended;
 - c. Compliance schedules are developed – legislative schedules, institutional and administrative schedules, budgetary schedules, schedules for investment needs and cost estimates.

3.4 Activities:

- Provide Technical assistance to develop the EAS including full organisational, legislative and resource gap analysis,
- Provide Technical assistance for directive specific implementation plans;
- Provide Technical assistance for calculation of costs of compliance;
- Facilitate inter-ministerial/other actor coordination to meet demands of EAS,
- Organize Workshops, trainings and other kinds of education for officials, Ministry of Environment other relevant ministries, regional and local self governments officials,
- Provide continuous advice and on-the-job training to meet aforementioned results.

This project will be implemented by a Service contract.

3.5 Conditionality and sequencing:

- This project requires the full commitment of key line ministries and other stakeholders. The Ministry of Environment is responsible for facilitating this commitment prior to the launch of this project. The offices of the PM and deputy PM should be utilised to ensure this commitment materialises and that the EAS can be readily developed and implemented.
- For the project to be effectively implemented, the senior management of the Ministry of Environment has to be fully involved in the development and implementation of the policies and institutional change required delivering the projects results.
- The Ministry of Environment has to make a full commitment in terms of resources to this project.
- Ministry of Environment staff has to be actively engaged in building inter-ministerial relations to develop and implement the EAS.

3.6 Linked activities

This project proposal is connected with the process of harmonization of environmental legislation and follows on from the work done under the Environmental Capacity Building Programme (ECBP), financed from CARDS 2003.

The goals of the ECBP 2003 CARDS included:

- capacity building in the Ministry of Environment;
- development of the National Environmental Programme for the Republic of Serbia;
- assist in the development of primary and secondary environmental legislation aligned with the *Acquis Communautaire*;
- ongoing support for the strengthening of Human Resource Development procedures;
- prepare and implement further capacity building projects;
- support to the establishment of the Environment Agency and further implementation of the Capacity Building Plan for the Agency;
- further develop and start implementation of the strategy for an integrated monitoring programme;
- preparation of the National Environmental Action Plan – and further development of the NEAP;
- preparation and implementation of the Local Environmental Action Plans - further support for the preparation and implementation of selected prioritized projects to enhance the environmental situation.

The objective of ECBP 2003 was to facilitate effective implementation and harmonization of environmental legislation, and one of the results is the Draft of the NEP – National Environmental Programme. The NEP will be realized through action plans which will be adopted by the government for a 5 year period. Action plans contain the current state, planned

measures, assessment of impact on human health, identification of stakeholders, and sources for realization. Building of an effective financial mechanism and institutional capacity are the most important challenges for NEP implementation. NEP financing is closely connected to environmental policy reform, especially with the establishment of an efficient and decentralized financial system in the field of environment and improvement of monitoring and environmental infrastructure.

Ministry of Environment is also coordinating the preparation of the National Strategy for Sustainable Use of Natural Resources (NSSUNR) which is being prepared with technical and financial support of EAR through ECBP 2003. The timeframe of the NSSUNR is 25 years (similarly to the EU thematic Strategy for Sustainable Use of Natural Resources), with short-time objectives for the period of 10 years.

Another ongoing project, Institutional Support to Law Enforcement, is financed by the Kingdom of Norway. The purpose of this project is to strengthen the capacity of the Ministry of Environment as well as regional/local authorities to implement and enforce environmental laws, especially in the field of industrial pollution (EIA, IPPC, SEVESO II) in the Republic of Serbia.

The Serbian European Integration Office will initiate the preparation of the National Programme for Adoption of *Acquis* (NPAA) in 2007. Taking into account the complexity of the environmental *acquis*, an Environmental Approximation Strategy will be needed as a complement to this programme.

3.7 Lessons learned

The Ministry of Environment is responsible for overall harmonisation and implementation of environmental legislation. Ministry of Environment has recently prepared a number of laws broadly in line with relevant EU directives that have been adopted by the National Parliament. These include: Law on Environmental Protection, Law on EIA, Law on SEA, and Law on IPPC. Ministry of Environment has also prepared a Draft Law on Waste Management and a Draft Law on Air Protection, which have been adopted by the Government and are currently under parliamentary procedure. Ministry of Environment has also prepared a Draft Law on Nature Protection, Draft Law on Chemicals and a Draft Law on Biocides. The implementation of newly adopted and draft laws, besides appropriate administrative capacity requires substantive investment – public and private - in infrastructure for environmental protection.

Recent experiences show the necessity for capacity building support and preparation of above mentioned documents, plans and calculations, as well as human resource development through trainings and education. For the purpose of successful planning and investment, based on identified priorities, calculation of costs & benefits for compliance of regulation should be provided. This project will enable setting priorities which should be used for future preparation of investment and capacity building projects.

To date only a limited number of investments have been implemented in infrastructure of environmental protection in the Republic of Serbia, foremost in reconstruction and building local and regional landfills and reconstruction of thermal power plants. Significant additional investment will be necessary. In addition, a number of sub-laws have to be drafted and adopted, and effective systems for their implementation have to be established.

In order to achieve effective transposition of the *acquis communautaire* and implementation of legislation as a necessary condition for accession to EU, it is crucial to develop an Environmental Approximation Strategy. Such a strategy document will provide a plan for transposition of the *acquis communautaire*, assessment of the cost of compliance and a plan for implementation of EU directives. It can be concluded from the experience of new EU member states having joined in 2004 that such a document was a necessary basis for the execution of strategic planning capacity ahead of EU accession .

Finally, an interministerial commitment is an absolute requirement to successfully implementing the EAS.

4. Indicative Budget (amounts in million €)

Activities	TOTAL COST	SOURCES OF FUNDING										
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION					PRIVATE	
		Total	% *	IB	INV	Total	% *	Central	Regional	IFIs	Total	% *
Activity 1	2	2	100	2								
contract 1.1	2	2		2								
contract 1.2												
TOTAL	2	2	100	2								

5. Indicative Implementation Schedule (periods broken down per quarter)³

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	T+1Q	T+3Q	T+8Q

All projects should in principle be ready for tendering in the 1ST Quarter following the signature of the FA

6. Cross cutting issues (where applicable)

Development Policy Joint Statement by the Council and the European Commission of 10th November 2000 establishes that a number of Cross-cutting Issues shall be mainstreamed into EC development co-operation and assistance. Cross-cutting issues will be addressed in the project so as to comply with the best EU standards and practice in that area and in a way which demonstrates how they will be dealt with within the project's framework, its activities and outputs.

Cross-cutting issues will be addressed in a proactive manner, and will present a specific component of projects (at all levels of projects' development, starting from the project

³ T corresponds to the date of signature of the FA and xQ equals the number (x) of quarters (Q) following T. Bernard this reads very econometric.

identification stage). Synergies between the projects and the objectives of will be identified and developed. Also, the projects' objectives and activities need to be screened in order to ensure they won't impact negatively on gender equality, minorities' inclusion and environment.

Finally, the beneficiary will make sure its objectives, policies and interventions have a positive impact on and are in line with the main principles of gender equality, minorities' inclusion and environment.

6.1 Equal Opportunity

The programme does not target women specifically, but general improvement in environmental regulations and standards will be beneficial to all citizens, including women.

6.2 Environment

This project directly relates to protection of environment and strengthening environmental aspects of the Serbian legal framework.

6.3 Minorities

Considering this project will deal with alignment of environmental legislation, its outcomes will be beneficial to all citizens' especially national minority and underprivileged social groups, having in mind that these groups sometimes live in areas where awareness of the importance of clean and healthy environment is sometimes limited. Further improvements in public health infrastructure (water, wastewater and solid waste) and management thereof (which the outcomes of this project will one day instigate) will assist in poverty reduction, and increase the potential for economic activity.

ANNEX I: Logical framework matrix in standard format	Programme name and number Technical Assistance for Development of an Environmental Approximation Strategy (EAS)	
	Contracting period expires 5 years after the signature of the Financing Agreement	Disbursement period: expires 6 years after the signature of the Financing Agreement

Overall objective	Objectively verifiable indicators	Sources of Verification	
To support the Serbian Government's objective of EU accession by providing a basis for approximating Serbian environmental legislation with the EU environmental <i>acquis</i>	-Development of functional institutional structures for realization of the EU environmental policy -Establishment of a sound, modern legal framework in line with EU legislations and best practices -Improvement of environmental infrastructure	Government reports European Commission Progress Reports Consultants	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
<ol style="list-style-type: none"> 1. Support the DEP in designing and developing Environmental Approximation Strategy (EAS) including calculating the cost of compliance with EU environmental <i>acquis</i>. 2. Assist the Serbian Government in transposing the EU environmental <i>acquis</i>. 3. Strengthen the institutional framework within which the EU environmental <i>acquis</i> is to be implemented and improve stakeholder involvement and participation in the implementation process and strengthen administrative capacity for environmental law approximation 4. Commence implementation of the EAS by addressing priority environmental sectors of the <i>acquis</i> and provide compliance schedules for selected directives. 5. Assist the Serbian Government in fulfilling its Obligations under the NPAA 	-The EAS drafted and agreed by the Government - Obvious and measurable progress with the enforcement of the environmental legislation. -Enforcement of the institutional structures	Government reports Legislations in force European Commission Progress Reports	Continuous government support in environmental issue Coordination among stakeholders ensured
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> • EAS for the approximation of the EU <i>acquis</i> is prepared; • Adequate inter-ministerial consultation mechanisms for the development, implementation and regular updating of the EAS has been developed and operational; • Legal analysis of primary and secondary legislation, (including Tables of Concordance and Implementation Questionnaires) has been conducted; • Recommendations for draft legislation proposed, and the capacity of the DEP, in the identification of legislative gaps and the drafting of laws and regulations for transposition of EU directives, is improved; • Recommendations for the development and upgrading of policy documents in the environmental sector are put in place; • Institutional gap analysis is conducted and recommendations on institutional developments are put in place; • For selected directives in the environmental sectors: 	<ol style="list-style-type: none"> 1. EAS drafted and adopted <ol style="list-style-type: none"> 2.1Enforcement of the institutional structures through the establishment of working groups 2.2 Measures, plans, programmes for the implementation of EAS are identified and implemented 3.1The methodology for legal analysis applied 3.2. No. of people interviewed 4.1. no. of laws drafted/proposed/adopted in accordance with EU directives 4.2. no of trained staff 5. no of documents on environmental policy reviewed and modified 6. Enforcement of the institutional structures 	-Government reports -EC Progress Report -Analytical Reports -Results of Questionnaires - Policy documents -Various Reports on PAR by international organizations -Stakeholder Analysis	Availability of appropriate number of Ministry and other institutions' officials Stakeholders readiness for cooperation

<p>7.1 Relevant target groups and stakeholders are aware of the EU requirements, principles and implications of the implementation; 7.2 Cost and investment analysis and impact analysis for the implementation of the legislation are performed and an appropriate option for Serbia is recommended; 7.3 Compliance schedules are developed – legislative schedules, institutional and administrative schedules, budgetary schedules, schedules for investment needs and cost estimates.</p>	<p>7.1.1 Indications of stakeholders input in implementation 7.1.2 Effective implementation of laws 7.2.The methodology for cost analysis elaborated and applied 7.3. Obvious and measurable progress with the enforcement of the environmental legislation</p>		
Activities	Means	Costs	Assumptions
<ol style="list-style-type: none"> 1. Provide Technical assistance for development of EAS 2. Provide Technical assistance for directive specific implementation plans; 3. Provide Technical assistance for calculation of costs of compliance; 4. Organize Workshops, trainings and other kinds of education for officials of DEP, other relevant ministries, regional and local self governments officials and other stakeholders; 5. Provide Continuous advice and on-the-job training. 	<p>Service Contract (TA)</p>		<p>Stakeholders readiness for cooperation</p>

ANNEX II

Amounts (in MEuro) contracted and Disbursed per Quarter over the full duration of Programme (see below)

Contracted	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Contract 1.1		2.0								
Contract 1.2										
Contract 1.3										
Contract 1.4										
.....										
Cumulated		2.0								

Disbursed										
Contract 1.1		1,200,000	140,000	140,000	140,000	140,000	140,000	100,000		
Contract 1.2										
Contract 1.3										
Contract 1.4										
.....										
Cumulated		1,200,000	1,340,000	1,480,000	1,620,000	1,760,000	1,900,000	2,000,000		

ANNEX III

Description of Institutional Framework

The Ministry of Environment is in charge of implementation and monitoring of this project. The work, mandate and authorisations of the Ministry are regulated by the Law on Ministries (adopted on May 15, 2007 (Official Gazette of Republic of Serbia no. 48/07) – i.e. Article 17.

The Ministry consists of the following departments:

- Strategy and Policy Development Sector
- Sector for Prevention of Environmental Pollution
- Nature Preservation Sector
- Sector for EU Integration and International Cooperation in the Area of Environment
- Sector for Monitoring of Implementation of Regulations in the Area of Environment and for Management and Supervision Affairs
- Sector for Common Affairs and Financial Management
- Inspection Sector

ANNEX IV

Reference to laws, regulations and strategic documents:

Reference list of relevant laws and regulations

General:

- Constitution of the Republic of Serbia
- Law for the Implementation of the Constitution of the Republic of Serbia
- National Strategy for Serbia and Montenegro's Accession to the European Union
- Action Plan for the Implementation of the European Partnership

Environment:

- National Environmental Plan
- National Environmental Programme
- Law on Environmental Protection
- Law on Integrated Environmental Pollution Prevention and Control (published in the "Official Gazette of the Republic of Serbia", No. 135/2004)
- Law on Strategic Environmental Impact Assessment (Published in the "Official Gazette of the Republic of Serbia", No. 135/2004)
- Law on Environmental Impact Assessment (Published in the "Official Gazette of the Republic of Serbia", No. 135/2004)
- Main Administrative Structures Required For Implementing The *Acquis*

Reference to AP /NPAA / EP / SAA

The “**European Partnership**” defines a number of priorities for the environmental sector. The priorities include:

- To adopt and begin implementing the National Environment Protection Strategy.
- To adopt and start implementing the planned strategy for sustainable development.
- To continue approximating legislation to EU legislation and standards (air pollution, waste management and nature protection)
- To strengthen administrative capacity, notably of institutions and bodies in charge of planning, permitting, inspecting and monitoring, as well as project management;
- To develop a multiannual plan for financing investment
- To provide a stable financial network for implementation of short-term and medium-term policy for environmental sector, and:
- To begin implementing the multiannual plan for financing investment.

In the Government's **Action Plan** for implementation of priorities from the European Partnership, the need for calculation of the cost of approximation is identified. This includes developing a financial plan and training for preparation of investment projects.

Under **Article 111 (Environment) of the SAA**, Serbia is obliged to establish cooperation with the EU (the European Communities and their Member States) in the field of environment with the aim of strengthening administrative structures and procedures to ensure strategic planning of environment issues and co-ordination between relevant actors. The parties will focus on the alignment of Serbia’s legislation to the Community *acquis*. Cooperation could also centre on the development of strategies to significantly reduce local, regional and trans-boundary air and water pollution, to establish a system for efficient, clean, sustainable and renewable production and consumption of energy, and to execute environmental impact assessment and strategic environmental assessment. Special attention will be paid to the ratification and the implementation of the Kyoto Protocol.

Reference to MIPD

The **Multi Indicative Programming Document (MIPD)**⁴ envisages as one of priority “support to the approximation and implementation of Environmental legislation and related strategies; support to environmental authorities at all levels in terms of project preparation, management, planning, permitting, inspecting, and monitoring; support to local infrastructure investments including environmental information systems, solid waste, regional land fields, water and sewage. Support for participating in Environmental networks including the European Environmental Agency”⁵.

Reference to National Development Plan

N/A

⁴ Draft version of Multi Indicative Programming Document, Republic of Serbia, March 2007

⁵ Draft version of Multi Indicative Programming Document, Republic of Serbia, March 2007 p. 22

Reference to national / sectoral investment plans

The National Strategy of Serbia for Serbia's Accession to the European Union (Strategy) and the National Environmental Programme (NEP) are the basic national documents defining the strategic framework in the field of environmental protection.

One of the strategic goals regarding the EU approximation process, within the **National Strategy of Serbia for Accession to the European Union**, is to “provide funding and investment in the environment sector (Fund, etc.), especially in the area of finding solutions for the problem of chemical and medical waste and waste management, wastewaters and reduction of pollution from thermal power plants, as well as maintaining biodiversity.”

The National Environmental Programme (NEP) sets priorities and identifies an action plan for Serbia's environmental protection efforts. One of the general policy objectives as defined in the **NEP** is “developing a comprehensive system of environmental legislation through adoption of sectoral laws and by-laws, improved law enforcement monitoring, and increasing the capacity of the judiciary system. Laws relevant to the environment should be further revised and gradually harmonized with the EU environmental *acquis*”. In addition, the overall goal for the short-term in NEP is to build an effective environmental policy and enforcement framework (compliant with the EU environmental *acquis*) that will allow for significant improvement of environmental quality in Serbia in the medium-term.

The policy priorities for 2006 – 2010 focus on the most urgent policy objectives. The objectives concentrate on improving the legal framework, developing sectoral strategies and investment plans, as well as improving the monitoring system. This should allow for substantial reform of environmental policy at relatively low cost...

The National Environmental Programme sets priorities and identifies an action plan for Serbia's environmental protection efforts.

ANNEX V

Details per EU funded contract (*) where applicable:

- Provide Technical assistance to develop the EAS including full organisational, legislative and resource gap analysis,
- Provide Technical assistance for directive specific implementation plans;
- Provide Technical assistance for calculation of costs of compliance;
- Facilitate inter-ministerial/other actor coordination to meet demands of EAS,
- Organize Workshops, trainings and other kinds of education for officials, Ministry of Environment, other relevant ministries, regional and local self governments officials,
- Provide continuous advice and on-the-job training to meet aforementioned results.