

Sarajevo, 16th January 2017

Final Minutes of the 4th Meeting of the Regional Working Group on Environment (09th December 2016, Belgrade, Serbia)

The meeting was convened by the Regional Cooperation Council (RCC) in cooperation with the Serbian Ministry of Agriculture and Environmental Protection and it took place in Belgrade on 9th December.

The meeting was opened at 9:30 AM by Mr. Aleksandar Vesić, Deputy Minister, Ministry of Agriculture and Environmental Protection (MoAEP), and by Mr. Gazmend Turdiu, Deputy Secretary General of the Regional Cooperation Council.

Mr. Aleksandar Vesić expressed his appreciation for the continuation of activities of the RWG Env and that Belgrade has the opportunity to host its participants and partners together with the European Commission (EC) (*represented by DG CLIMA*) and the Energy Community (EnC) Secretariat. He stressed the importance of coordinating activities at regional level and reminded the meeting participants of the recent floods and droughts and other disasters that befell the region. Mr. Vesić recognized implementation rather than transposition and developing legislation as the biggest concern in the area of environment, and he welcomed the support offered by RCC and the Regional Environmental Centre (REC) to tackle this issue through the implementation of the SEE 2020 Strategy. He welcomed the initiative of organizing the next meeting at ministerial level, and proposed that meeting takes place in Belgrade in May 2017.

Mr. Gazmend Turdiu thanked Mr. Vesić for hosting the meeting, welcomed all participants on behalf of RCC and expressed gratitude for work invested by all partners and members of the RWG. He reminded of Podgorica Declaration (*adopted in April 2016*) as the first political commitment of our governments to take a joint effort in order to address climate change mitigation and adaptation, environmental protection, biodiversity conservation and other issues related to these subjects. Holistic strategic approach to deal with environmental protection and climate change is articulated through the SEE 2020 Strategy and its Sustainable Growth pillar, while the Strategy and Work Programme (SWP) 2017-2019, approved in June 2016, offers more integrated approach that changes and improves the implementation of the Strategy through regional intervention, he stressed. In environmental sector our aim is to facilitate climate change adaptive capacity through education of population and administrations and through practical actions leading to reduction of climate change impacts. Also, increase the share of irrigated agricultural land, increase volume of annual forestation, advance the Water-Food-Energy Nexus approach and promotion and putting in place a Regional Integral Water Management Framework Agreement and its implementation are targets that we are dedicated to.

Mr. Turdiu emphasized the four main actions covered by SWP 2017-2019: i) to support regional cooperation and coordination on environment related issues and climate change; ii) to ensure climate proofing of planning and infrastructure development; iii) to mitigate environmental and social effects of transport and energy production; and iv) to build

knowledge base on climate change resilience and enhance sustainable natural resource utilization.

Mr. Turdiu also stressed that we have to make the RWG Env more operational to answer all challenges we are facing, and asked for stronger political commitment at national level, especially having in mind that not all governments are presented at this meeting. Insufficient institutional capacities and limited intra-governmental coordination, as well as availability and timely disbursement of financial resources are priorities that we have to address properly in the future, he stressed.

Ms. Ivana Mijatović Černoš (EC) provided an overview of the implementation of the Paris Agreement post COP 22 and its relevance for the EU candidate countries and potential candidates. She mentioned that the Commission published a new legislative proposal, the Clean Energy Package, on 30th November with the aim to support the implementation of the Paris Agreement, which includes an integrated energy and climate governance.

She stressed that 189 countries submitted the Intended Nationally Determined Contribution (INDC) of emissions reduction and 137 of them included adaptation measures. The Paris Agreement already entered into force on 4th November 2016 (even before the COP in Marrakech). There are 115 ratifications representing approximately 80% of all the global emissions. Although the emission reduction will apply from 2020 onwards, the rules will be in place before.

In order to increase ambitions a facilitative dialogue will be organized in 2018, where countries will present what they did so far in terms of emissions reduction. From 2023 onwards countries will meet every five years to present their achievements. From 2021 there will be only one – single format for reporting on national communication. Under the Paris Agreement all countries are required to prepare mid-century strategies by 2020 that should enable transition towards low-emission development and eventually carbon neutrality by the end of the century, she said.

Ms. Mijatović Černoš also encouraged all cities and towns to join the Covenant of Mayors initiative, and presented the activities of the EU on the implementation of the Paris Agreement: EU has adopted the 2050 Roadmap for emission reductions by 80%-95% in relation to 1990, and prepared two policy frameworks:

- For 2020 – with 20-20-20 targets (reduction of GHG emissions, RE in energy mix and EE). The EU is very close to reaching those targets and even over-achieving on emissions reduction. This was accomplished through decoupling of economic growth from the emissions through policy and reducing energy intensity.

- The second policy framework (from 2021) for 2030 proposes new targets of at least: - 40% for GHG emissions, 27% of renewable energy and 27% of energy efficiency (the Clean Energy package increased this target to 30%).

The implementation of the Paris Agreement in the enlargement countries will be supported with 500,000 € secured by DG CLIMA from IPA 2016 programming. Follow up to ECRAN will be financed from IPA 2017 as a multi-annual regional climate project, currently in programming, Ms. Mijatović Černoš announced.

Mr. Peter Vajda (EnC) reminded the participants of the role and the focus of the Energy Community and its mandate, emphasizing the sustainability of energy systems as an area of work that is the most important for today's work of the RWG Env. He presented the legal acts incorporated into the Energy Community acquis on environment, related to network energy. He pointed out that while there is no binding acquis on climate yet, the 2016 Ministerial Council adopted a recommendation to implement Monitoring Mechanism

Regulation (525/2013/EU) in the EnC Contracting Parties (CPs). He also mentioned the Environmental Impact Assessment (EIA) Directive and the Large Combustion Plants (LCP) Directive that is replaced in the EU by the Industrial Emissions Directive as of this year, but still applicable in the EnC area (about to start to apply as of 1st January 2018).

Mr. Vajda also presented another instrument signed under the auspices of the WB6 Process at the Paris Meeting this year with the aim to pursue a transition towards a low-carbon and sustainable energy sector - the Sustainability Charter. It has three components that aim to: i) improve energy efficiency; ii) implement smart support measures for renewable energy sources (RES); and iii) to align with Regulation 525/2013/EU regarding monitoring, reporting and planning.

Mr. Vajda concluded and agreed with previous speakers that proper implementation, political commitment and support are the main challenges for the region. He also invited participants to actively participate in the Energy Community Secretariat's work under the Energy Community Treaty and the Sustainability Charter as the key fora for all energy-related environmental and climate issues.

Ms. Monika Tortschanoff (Austrian Development Agency (ADA)) presented the Regional Strategy on Danube Area / Western Balkans Region and relevant ongoing projects in the environment sector and three-year programme of ADA that endeavours to strengthen ownership of its partners and to align with national and regional priorities. Nexus approach (Water-Energy-Food security) is also anchored in it. Ms. Tortschanoff pointed out that the Danube Strategy is approved in July (after consultation with RCC) and it has three priority areas: i) Economy and Development; ii) Education; and iii) Governance, Human Rights, Rule of Law which are linked with flagship initiatives of the SEE 2020 Strategy. ADA's annual regional budget is 4 mil. € (+ other funding instruments) and the Strategy is focused on identifying environmental problems, analysing and solving them in a joint regional approach. Relevant projects financed by ADA are: ENVSEC (OSCE + REC, UN Environment, UNECE), THEMIS network (REC), SLED (REC + UNDP Kosovo *), ClimProof (UN Environment) and NEXUS project (GWP Med) which has three components and is fully in line with the SEE 2020 Strategy.

She concluded that coordination and harmonization between different initiatives and projects, where RCC is recognized as a reliable partner, is a very important issue.

Ms. Gabrielle Rechbauer (GIZ ORF SEE – Biodiversity / ORF BD) gave an overview of the latest regional project focusing on regional cooperation towards EU-integration related to the implementation of the EU-Biodiversity Strategy 2020 in all WB economies. The ORF BD project implementation started in late 2015 and runs in its first phase until mid-2018. It is funded by the German Ministry for Cooperation and Development (BMZ) with € 3 million. RCC is the political partner of the ORF BD. ORF BD country teams support economies and partnerships with other regional initiatives and organisations are well-established. ORF BD is using other technical and funding instruments from German Government to supplement its action and impact in the region. She stressed the importance of acknowledging and sustainably conserving biodiversity assets in SEE region, of mainstreaming of biodiversity into other sectors and understanding related climate change mitigation and adaptation benefits through biodiversity conservation actions. She presented three components of the

* 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.

Project (Ecosystem Services Assessment and Valuation, Biodiversity Information Management and Reporting, Trans-boundary Ecosystem Management) as well as a cross-cutting project on establishing a network of biodiversity-related NGOs. Ms. Rechbauer also informed participants on another German initiative to establish a regional network of experts for nature conservation (BalkaNatureNet) in 2017.

Ms. Ana Vukoje (UN Environment) presented the project on climate proofing of transport infrastructure. Road infrastructure is fundamental for economic growth of the region while climate change impacts on road infrastructure are severe so the need for adaptation measures is real and urgent. The project is worth 1.7 mil. € and its aim is to reduce vulnerability of road infrastructure to climate change in WB. The Project has three components: i) understanding of future climate and weather patterns; ii) strengthening national capacities to integrate climate change projections, climate proofing and green infrastructure in infrastructure development; and iii) creating and enabling environment for regional cooperation and investments in climate resilient infrastructure. Duration of the project is three years, as Ms. Vukoje announced.

Mr. Deni Porej (WWF Mediterranean) reminded the participants of the meeting on a nature conservation related regional agreement “Big Win for Dinaric Arc”, reached during the 2nd International Dinaric Arc Parks conference that took place in December 2013, in Budva, Montenegro, among the representatives of 8 governments (WB + Croatia + Slovenia). The agreement was endorsed by the EU Commissioner on Environment Mr. Janez Potočnik. The agreement is signed with the aim to strengthen regional cooperation in nature conservation and sustainable development among the signatories. Each government committed itself to certain targets related to nature conservation and protected areas to be achieved in the future. Mr. Porej disseminated printed commitments (the signed Agreement) to the participants during the meeting.

Mr. Mihail Dimovski (former ECRAN Team Leader) presented the setup, working groups, activities, outputs and lessons learned from the implementation of ECRAN project as one of flagships of the EC that was supported with 5 mil. € and lasted 36 months. Strengthening cooperation and dialogue between the EU and enlargement countries in the area of environment and climate change was its main goal. Mr. Dimovski also mentioned TAIEX support in engaging experts as well as importance of support provided by Austrian Environmental Agency, as a strong partner in providing necessary experts.

Mr. Boris Erg (IUCN ECARO) presented the regional network of conservation authorities in SEE and IUCN plans to work at national (even local) but also at regional levels and bring authorities together. The network is comprised of nature conservation agencies and ministries in charge of environment (*from IUCN members*²). The aim of the network has been: increasing the capacity of institutions, transposition of the EU acquis on nature and enforcement, conservation of species, consolidating biodiversity monitoring and information, making data available, and enabling mainstreaming of biodiversity by raising awareness. Mr. Erg stressed the importance of maintaining nature, biodiversity and ecosystem services in order to get all wellbeing benefits. He also concluded that it is important to create synergies and nurture partnership with on-going regional environmental processes, incl. RCC and GIZ-led ones, in order to ensure that nature finds its place into policy development and that enforcement is secured.

² Albania, Bosnia and Herzegovina, Croatia, The Former Yugoslav Republic of Macedonia, Montenegro, Serbia and Slovenia.

Ms. Maja Handjiska-Trendafilova (RCC) presented the SEE Strategy and introduced Regional Dimension Coordinators. She stressed the importance and RCC commitments to green connectivity agenda and expressed her gratitude to numerous partners that contribute to the achievement of the SEE 2020 Strategy targets. RCC is keen to provide targeted capacity building of the RWG Env. Ms. Handjiska-Trendafilova informed (reminded) the participants of number of wider structures that exist within RCC, such is the SEE2020 Governing Board, Coordination Board of the SEE 2020 Strategy, Programming Committee, Monitoring Committee and SEE Investment Committee, as well as the structured regional donor coordination process.

Ms. Gordana Kožuharova (REC) provided participants with information on REC's activities to support the implementation of the Environment dimension under the SEE 2020 Strategy, mentioning two projects: Themis Network, country-driven regional cooperation initiative in SEE for strengthening environmental law enforcement mechanisms and improving inter-institutional and inter-governmental cooperation, and SLED project - Support for Low Emission Development in South East Europe, both funded by Austria. She mentioned that the achievements and coordination of the Environment dimension were also discussed during this year's General Assembly of REC when readiness of REC as Regional Dimension Coordinator to support RCC's Secretariat and work of RWG Env was reaffirmed. Ms. Kožuharova expressed her gratefulness to ADA for structured support to SEE 2020 Strategy that could be a good example for other donors. Ms. Kožuharova provided information on recently started (four years long) NEXUS project where RWG Env can act as a steering mechanism for it. She also informed on the upcoming activities: preparation of Inception Report (April 2017); development of Regional Nexus Assessment Report and Regional Dialogue meeting, planned for April/May 2017, proposing possibility to have it back-to-back with the next meeting of RWG Env. The need for additional mobilizing (in the future) of authorities in charge of energy and of water/agriculture was also mentioned.

Mr. Boban Ilić (SWG RRD) presented two platforms to support the implementation of the SEE 2020 Strategy: platform of area-based development in the cross-border areas with the support of the EC and the German Technical Cooperation; and "LEIWW" which is implemented with the support of GIZ and where SWG is running two regional assessments: i) on technical issue on the implementation of the rural development policy and on the situation in the water sector, forestry and soil, which is supposed to be drafted by February. SWG is also working on solid waste (miss)-management in the region.

The next session was dedicated to the work of RWG Env and agreement on next steps for the period ahead of us. As a representative of the Co-chair (MoAEP) Ms. Biljana Filipović moderated this session and shared her hope that existing projects will be used as a support to the implementation of the SEE 2020 Strategy.

Mr. Igor Jevtić (Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina) presented the status quo in the sectors of environment, waste, water, nature protection, air quality and climate change in Bosnia and Herzegovina.

Mr. Ismail Hetemaj (Ministry of Environment and Spatial Planning of Kosovo*) presented the status quo in Kosovo* regarding strategic and legal frameworks and provided a short overview of two running projects: "Kosovo Environmental Programme (KEP)" supported by SIDA, and "GIZ ORF Biodiversity" financed by BMZ.

Ms. Biljana Filipović (MoAEP of Serbia) and Ms. Ana Repac informed the participants on activities in environment and climate sectors, strategic vision and legal framework, as well as Serbian plans regarding the Paris Agreement.

The discussion in this session was dedicated to mechanisms for coordination of future projects and activities in the Environment dimension and possible role of the Regional Cooperation Council in coordinating regional initiatives and identifying regional priorities, and bringing proposals to the donor community. Other available funding instruments were also discussed such as IPA multi-country, instruments funded by European External Action programme, and bilateral donors like Austria, Sweden, Norway and Switzerland.

Mr. George Rebernic (Austrian Environmental Agency) congratulated the EnC on the text of the Sustainability Charter but mentioned that it is rather an energy text than aspiration to environmental sustainability. He recommended that we use this network (RWG Env) to bring ministers together (not only from the region) and also try to get some ministers from EU countries (Italy, Germany, Austria and Hungary, for example).

Regarding the next ministerial meeting (the concept, date and place), and having in mind that representatives from three economies were not presented, it is agreed to keep communication between Co-chairs and go out with a written proposal to the six governments and agree on the format and date for the next meeting.

Regarding the next Co-chair, Mr. Turdiu referred to the Rules of Procedures that stipulate that the co-chairmanship is on rotating basis (in alphabetical order), what would mean that the next Co-chair after Serbia should be The Former Yugoslav Republic of Macedonia. After contacting them we will launch a written procedure in order to define who will be the next Co-chair.

Ms. Rechbauer informed the participants that the Berlin process was supported by GIZ ORF EU Integration last year, which carried out preparatory meetings. She also offered to support inclusion of environmental agenda for the next year meeting in Italy if brought forward by economies.

She also pointed out that it will be useful to have a Task Force of decision makers in charge of biodiversity, and that due to the complexity of the topic the lead should be entrusted to the ministries in charge of environment yet involve all relevant sectors via inter-ministerial coordination mechanism. The Task Force should be connected to, or be a part of the RWG Env (in order to avoid multiple parallel structures and increase efficiency). It is expected that this Task Force will be facilitated by GIZ ORF Biodiversity (*and supported by a Peer Group of experts providing technical knowledge*).

Mr. Boris Erg expressed interest to work together with the RWG Env and during the discussion he tried to identify possibilities for IUCN ECARO contribution.

Conclusions

- Participants took notice of the expressed commitment by the Serbian Co-chair to co-organize the Environment Ministerial meeting, tentatively announced for May 2017;
- Participants took note of the proposal for inviting EU MS Ministers at RWG Env Ministerial meetings;
- RCC and Co-Chair will start preparations for the next meeting in the first quarter of 2017 as preparation for Ministerial meeting;
- Participants took note of RWG Env intended steering function for NEXUS project, and possible organization of the next RWG Env meeting back-to-back with a NEXUS Regional Dialogue meeting;
- The meeting took note of the proposal of GIZ ORF Biodiversity to assist with setting up a Regional Task Force on Biodiversity as part of RWG Env, facilitated by GIZ ORF BD, as a proposal to be presented to the governments for consideration and possible endorsement;
- The meeting took note of the readiness of RCC and of other players to enable the RWG Env to take steering tasks in the implementation of regional projects;
- Co-chairs invite participating economies to express their views on the establishment of Task Forces, as mechanisms for steering regional projects;
- The participants agreed for RWG Env to be used as an instrument for aligning the priorities of the region related to environment with priorities of donors;
- With regard to the way forward, the participants acknowledged the need for the RWG Env to grow into a platform for coordination, harmonization, identification of synergies and joint planning;
- Participants took notice of the interest of WWF Mediterranean for RWG Env to contribute to the implementation of the Big Win for Dinaric Arc signed by 8 economies from the region and endorsed by the EU in 2013;
- The meeting noted that it is necessary to follow the political commitments already expressed in the Podgorica Declaration with implementation efforts;
- The meeting took note of the risks and constraints with which the region is faced in the areas of environmental protection, climate change and resilience building, which makes it necessary for all actors involved to strengthen their cooperation, use of synergies and better use available resources;
- The meeting took note of the needs to improve the institutional capacities of those institutions engaged in environmental related issues;
- The participants of the meeting agreed to join their efforts in order to raise the awareness and to better include the environment related issues into Berlin Agenda;
- The meeting took note of the readiness of GIZ ORF Biodiversity to try to facilitate this process;
- The participants agreed that there is a need for both: raising awareness and improving education, particularly of young generation on environmental related issues and risks;
- Participants recognized the need for closer consultation and greater inclusion of the industry. This approach is fully in line with RCC's overall efforts for structured collaboration with the private sector;
- The meeting took note of the need to report on what is happening in the Environment dimension;
- RCC, as permanent Co-chair, will initiate written procedure/contacts with The Former Yugoslav Republic of Macedonia on the issue of next co-chairmanship.

The meeting was adjourned at 16:45 PM

RWG Env Secretariat