

Sarajevo, February 2018

**Minutes of the 2nd High-level Panel
on Environment and Climate Action in the Western Balkans
(17th November 2017, Bonn, Germany)**

The meeting was convened by the Regional Cooperation Council (RCC) in cooperation with the Serbian Ministry of Environmental Protection and it took place in Bonn on 17th November 2017.

The meeting was opened at 10:00 AM by Mr. Goran TRIVAN, Serbian Minister of Environmental Protection and by Mr. Goran SVILANOVIĆ, Secretary General of the Regional Cooperation Council.

Minister TRIVAN expressed a great pleasure for welcoming all participants on behalf of Serbian Ministry of Environmental Protection and thanked to the RCC for co-organizing this meeting in Bonn, as back-to-back event with the 23rd Conference of Parties (COP23). He kindly invited Mr. SVILANOVIĆ to address the participants and open the meeting.

Secretary General SVILANOVIĆ, thanked to the Minister as well as to Serbian Government, not only for co-chairing the meeting, but for the entire year of fruitful cooperation related to the work of the Regional Working Group on Environment (RWG Env). Mr. SVILANOVIĆ shared his impression that environment and climate change issues do not have enough attention in regional policy dialogue, that Ministers of environment are sometimes overlooked by the Prime-Ministers and Ministers of Finance voicing the need for greater spotlight and strengthening regional cooperation in the area of environment and climate change.

Mr. SVILANOVIĆ reminded participants that the area of environment is among the most complex and expensive approximation processes. Still, there are available funds in the EU and there is a room to do more from our national budgets.

He emphasised many positive developments in the WB like submission of Intended National Determined Contributions, signing of the Sustainability Charter as part of the Berlin Process, expansion of the Energy Community *acquis* in the area of climate change, ongoing preparation for integrated energy and climate planning, support through follow up of the ECRAN project, generous national IPA assistance in the area of environment, developed Western Balkans Hydropower Study, as well as the investment grant provided through Western Balkans Investment Framework for the environment sector project, for the first time.

Ms. Madalina IVANICA, Policy Officer in the Directorate-General for Environment, welcomed participants stressing that linear economy is not sustainable anymore and that we have to boost competitiveness of our industries. Thus, circular economy is a solution which is our future and everyone's interest. Circular economy will improve protection of the environment and creation of new jobs. Nevertheless, it needs a right level of political support and timely alignment with the *acquis*. Ms. IVANICA informed WB high-level representatives that the EC is their ally, and invited them to request technical assistance and advice from the EC with no hesitation.

The High-level panel was opened by Minister TRIVAN who presented the state of environment in Serbia, existing legislation and international agreements. He stressed that stronger interlinkages between the environment, climate change and other policies, as well as closer cooperation between ministries are crucial, and invited colleagues and other participants from the region to join forces in important regional processes: Protocol on water and health and promotion of forestation as an important issue in mitigating climate change.

Ms. Albena RESHITAJ, Minister of Environment and Spatial Planning of Kosovo* expressed sincere appreciation to the RCC and all colleagues for the opportunity for sharing information on the main environmental challenges that citizens of Kosovo* are facing. Minister RESHITAJ informed participants that Kosovo* has not signed the UNFCCC, Paris Agreement and Kyoto Protocol, but it is a Contracting Party of the Energy Community Treaty. This economy is committed to make all efforts and undertake measures necessary to respond to global climate challenges and keep temperature rise below 2°C, mainly through improvement of energy efficiency (EE), investments in renewable energies (RE) and sustainable use of natural resources. Reminding that environmental problems are trans-boundary in nature and impact surrounding economies, Minister RESHITAJ expressed confidence that this meeting will strengthen regional cooperation.

Ms. Brankica PANDUREVIĆ, Assistant Minister in the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, informed participants that BiH is implementing various international agreements with the aim of responding to climate change. BiH prepared the Approximation Strategy, Strategy on Climate Change and Low Carbon Development Strategy, as well as the Third National Report and two updated reports on GHG emissions. Ms. PANDUREVIĆ also mentioned big progress in the area of EE and RE, but shared the opinion of other colleagues that not much can be done by individual economies, particularly having in mind weaknesses of economy sectors and the severity of challenges.

Mr. Saša RADULOVIĆ, State Secretary in the Ministry of Sustainable Development and Tourism, reminded participants on the Podgorica Declaration adopted during the Montenegrin co-chairmanship, recalling the decision of Montenegro to be an ecological state what requires dedication and significant financial investments. Priorities of Montenegro are effective use of natural resources, green economic growth, promoting investments in the areas that stimulate green economy, enhancing collaboration within the SEE region and between the region and the EU, prevention of biodiversity loss and safeguarding of ecosystem services, promotion of EE and low-carbon economy, environmentally responsible development of transport and energy infrastructure, sustainable water management, reduction of GHG emission, etc.

Mr. Jani MAKRADULI, Deputy Minister in the Ministry of Environment and Physical Planning of The Former Yugoslav Republic of Macedonia announced that this economy ratified the Paris Agreement 11 days ago. Despite not being a part of the Annex I under the UNFCCC, this economy strongly follows the EU climate and energy policy goals. Implementation of activities planned in climate change strategic documents requires significant financial support in the entire region. Mr. MAKRADULI agreed with the idea presented by Mr. SVILANOVIĆ to provide greater political attention and establish balance between the environment and other sectors. At the end, Mr. MAKRADULI proposed strengthening cooperation in the area of air pollution, having in mind that Skopje is one of the

¹ 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

most polluted cities in the World and that 13,4 % comes from cross-border air pollution. INTERREG project with Greece with the aim to analyse cross-border air pollution between our two economies is in initial phase, and it would be good to increase cooperation towards identification of the long range trans-boundary air pollution in the region, stressed Deputy Minister.

The second part of the meeting was dedicated to presentation of the preliminary results of the Study on Climate Change in the Western Balkans and interventions by the partners.

Ms. Ana VUKOVIĆ, the Consultant working on the Study on Climate Change in Western Balkans, commissioned by the RCC, presented preliminary results and findings of the Study. The aim of the Study is to define common issues and decrease burden of individual economies by following regional approach. The Study is performed using the latest IPCC Report (AR5). The study identified WB priorities and provided climate data since beginning of 1960s'. Until now the average temperature increased by 1.2°C (more than the World's average), making this region more vulnerable to climate change. Researchers applied 9 models with the aim of obtaining more accurate results and followed two scenarios: RCP4.5 - "stabilization" (which enables keeping global warming below 2°C) and RCP8.5 - "business as usual" scenario which showed that temperature rise in the region may reach 5°C, or even more, by the end of this century. Ms. VUKOVIĆ presented maps of the region obtained through modelling which showed intrusion of sub-tropical climate all over the region in the future combined with heat waves, droughts and floods, temperature growth, increase of heavy precipitation and disappearance of snow pack during winter months. After the finalization, the study will be shared with all participants for review and comments.

Ms. Madalina IVANICA presented more details on the Circular Economy Action Plan, its goals and concrete actions of the EC. She emphasized that this is not environmental policy only, rather it includes water, industry as well as digital transformation. The Circular Economy Package, adopted by the EC in 2015, contains 54 concrete actions which should ensure transition, reduce emissions (for 2%-4%) and help the EU companies to save € 600 billion. Ms. IVANICA informed participants that waste, waste management and particularly reuse and recycling are in the EC's focus, inviting participant to cooperate in designing concrete projects in these areas. She also reminded that a new regional environmental cooperation programme will be launched in the beginning of the next year which will address circular economy principles offering TA to WB economies.

Ms. Ivana MIJATOVIĆ-ČERNOŠ, Policy Officer in Directorate-General for Climate Action, reminded that 2030 Framework Strategy on Climate and Energy Policy is in place and ambitious INDCs are submitted, while development of legislation is ahead. Integrated national energy and climate action plans are obligation for WB (EU MS are already preparing them) and through the Energy Community the EC can assist the WB and help with reporting under MMR which will be inherent part of these plans. Ms. MIJATOVIĆ-ČERNOŠ shared information on the EC's project which started this year, supporting WB in the implementation of the Paris Agreement. Though this project is of a smaller scope, EC is preparing a more comprehensive regional intervention (€ 2 million worth) which will support the implementation of the Paris Agreement.

Ms. Irina LAZZERINI, Sustainable Energy Expert in the Energy Community (EnC) Secretariat, reminded participants on activities and results of the EnC in the implementation of EE and RE Directives. The Ministerial Council (MC) of 2016 adopted the Monitoring Mechanism Regulation, as a piece of legislation in climate change domain. The next MC will

discuss recommendation on integrated energy and climate plans. We continued with our sustainability reports focusing on four main areas of the Sustainability Charter: (EE governance, smart support measures, climate action focused on MMR and boosting transparent sustainability market). The first Sustainability Forum is organized as back-to-back event with the Ministerial Meeting held in Dürnstein on 9th-10th June 2017. Ms. LAZZERINI stressed that many positive developments are evident in the past years in the region and proposed joining forces with the RCC in the area of sustainability and climate change in the region.

Mr. Georg REBERNIG, Executive Director of the Environment Agency, the largest experts' institutions in Austria on environmental issues, mentioned their experience working with WB mainly in the format of twinning projects on environment and climate change and dealing with transposition of *acquis* and practical implementation of laws. Mr. REBERNIG encouraged environment ministers recommending bringing of environmental and climate issues higher on the political agenda of the Berlin Process. He also praised work of the RWG Env and recommended keeping this form of structured regional dialogue.

Mr. Daniel McCORMACK, Senior Policy Officer in German Federal Ministry of Economic Cooperation and Development stressed importance of regional cooperation and number of their ongoing regional projects. He mentioned that hydro-meteorological agencies of Albania, Montenegro, Kosovo* and The Former Yugoslav Republic of Macedonia signed a MoU on data exchange through a trans-boundary IT based forecasting system, in November 2016. Regional cooperation is important also in biodiversity area and we encourage recent establishment of the Biodiversity Task Force which will identify needs and try to mainstream biodiversity in other sector policies.

Ms. Brigitte HEUEL-ROLF, Country Director Bosnia and Herzegovina and Montenegro in GIZ ORF, highlighted two aspects: a necessity to establish an informed decision making strategic planning by means of developed Monitoring and Verification Platform which is in use in some WB economies; and to improve collection of data in the area of biodiversity which should be enabled through an adequate information and reporting system. Sustainable urban mobility is also recognized as one of our priorities, as well as support to civil society where established BioNet could be a good example, and we will continue our activities in cooperation with the RCC and the Energy Community.

Mr. Harald EGERER, Head of Vienna UN Environment Office, expressed appreciation for this format of cooperation which is a most effective way to respond to region's need. Mr. EGERER present ClimaProof project for WB as a region highly vulnerable to climate change. This project financed by ADA address these issues and has three components: i) Understanding the future weather patterns; ii) Refining regional model for a high-resolution weather forecast model; and iii) Planning for the future climate conditions. The project aims to create a better environment for investments in environmentally friendly road infrastructure. The project has a component on training and capacity building, thus support of the RWG Env is needed to identify needs and guide our support.

Mr. Dimitris FALOUTSOS, Deputy Regional Coordinator in GWP-Med, expressed satisfaction with the initiative mentioned by Mr. McCORMACK which supplements actions planned under the NEXUS project. Our intention is, in cooperation with our partners to mobilize investments and satisfy trans-boundary needs of the region.

Ms. Katerina SPASOVSKA, Senior Project Manager in SWG RRD, stressed most important aspects of agriculture and rural development. SWG has been focusing on assessment and national and regional policy recommendations on various relevant issues like soil, water, agriculture, forestry, etc. SWG RRD has area-based development programme and works in the area of waste management. Ms. SPASOVSKA informed participants on the Agriculture Ministerial meeting taking place the same day and proposed coordination and possible mutual organization of the next meeting of Ministers of environment and agriculture.

Ms. Elizabet PAUNOVIĆ, Head of European Centre for Environment and Health, in the WHO, informed participants about the activities of WHO's specialized office dealing with environmental impact on human health. For us, the Paris Agreement is a public health agreement. By the end of this century, between 8.000 and 21.000 additional deaths per year are expected exclusively in the WB region due to expected temperature increase. The main point is, that this is preventable, and several economies in WB already developed heat-health action plans in cooperation with us and using WHO methodology. Air pollution is the single biggest environmental threat to human health. In fact, 26% of all known non-communicable diseases in the region is caused by air pollution. Premature deaths from ambient air pollution occur in all EU MS, but those from household air pollution are five times higher in low and middle income economies (as WB economies are). We have estimated that implementation of INDC at the EU level will prevent 74.000 deaths yearly from 2030, what means that several thousand could be attributed to the WB region.

Ms. Dragana MILEUSNIĆ, Energy Policy Coordinator for South East Europe in NGO CAN – a coalition of 140 NGOs, recommended to start with a long term planning in WB. She reminded participants at the overarching team of the COP23 called “just transition” and plenty of side events organized during the COP where various stakeholders discussed their plans for the future.

After the discussions, the Ministerial Declaration (Bonn Declaration) drafted by the RCC and prepared in a consultative process with all WB economies and the EC (DG for Climate Action and DG for Environment) together with other partners, is unanimously adopted.

In his closing remarks, Minister TRIVAN repeated that environmental issues do not stop at borders, as it is mentioned several times during the day. He emphasised that our work is not only dealing with climate change, with policy, with declarations, but we are dealing with the planet. After this meeting and bilateral discussions with all of you, I am going back to Serbia full of enthusiasm, hoping that we will continue our work together, Minister concluded.

Mr. Jani MAKRADULI as the incoming Co-Chair, expressed readiness to organize next meetings of the RWG Env and emphasized a need for improvement of practical cooperation in the future through this framework.

The meeting was adjourned at 13:40 PM

RWG Env Secretariat