

2.6 Climate Change

ASSESSMENT

There was some progress regarding climate change and at the moment most climate change-related activities remain project based. This area is still one of the main challenges that needs to be addressed more comprehensively, especially in the terms of integrating climate change aspects in sectoral policies and strategies.

RATIONALE

Climate change is yet to be recognised as a priority and both climate change adaptation and mitigation policies need to be addressed with more efforts. Stronger integration of disaster risk reduction is also needed. The floods in May 2014, which caused damage appraised at EUR 1,532 million, demonstrated the lack of functional prevention and reaction system and climate change vulnerability.

There is no comprehensive climate change legislation act in power, but there is certain progress with the preparation of the *Call for Development of Climate Change Strategy with its Action Plan* that will identify national contribution to the GHG emissions reduction by 2020 and 2030, taking into account requirements of *Decision 406/2009/EC*. Drafting the framework strategy for 2050 is planned as a part of the Strategy.

In the current Government, since April 2014, Climate Change Division is under the Ministry of Agriculture and Environmental Protection, which is responsible for climate change policy, while Division for Sustainable Development and Climate Change in energy sector remained under the Ministry of Energy and Mining. Same administrative division existed within the former Ministry of Energy, Development and Environmental Protection, which indicates that no integrated approach to climate change has been considered.

For the United Nation Climate Change Conference that will take place in Paris in 2015, Serbian delegation will prepare its own position, which is expected to be in line with EU position in the international context.

Developments

Development of Climate Change Strategy with its Action Plan project has been submitted by the Ministry of Agriculture and Environmental Protection to the Delegation of The European Union in Serbia. The project aims to assess cost-effective mitigation potential of Serbia and to assess adaptation costs and opportunities. The project funding through the unallocated IPA 2012 funds was confirmed in March 2014. Prior information notice has been published in June, with expected first announcement for the Call for implementing entities by the end of 2014.

In terms of implementing EU emissions trading system, 5 reports were completed in order to provide pre-assessment of existing capacities for the transposition and implementation of Directive 2009/29/EC through the project: *Establishment of a monitoring, reporting and verification system necessary for the effective implementation of the EU emissions trading system (EU ETS)*, funded through IPA 2012, from May until September 2014. The scope of the project has been widened on the complete EU ETS and first assessments of the possible options for the implementation of the complete EU ETS has been conducted. Recommendations for the establishment of the institutional structure for the EU ETS and first draft of legislation have been prepared. Public participation was ensured through a workgroup consisting of 43 members - representatives of ministries, national agencies, CSOs and relevant stakeholders. In order to assist ETS installations in meeting their obligations arising from the *Directive 2009/29/EC*, the project proposal *Establishment of helpdesks for the industry's reporting required by the EU Directive 2009/29/EC (EU ETS)* was developed, currently under evaluation for funding.

Serbia's First Biennial Update Report to the UN Framework Convention on Climate Change (UNFCCC) is expected to be finished by the end of 2014, and *Second National Communication to the UNFCCC for Serbia*, and final draft report *Vulnerability and adaptation on changed climate conditions for agriculture, water and hydrology and forestry* has been prepared. Based on the legal responsibility, Serbian Environment Protection Agency (SEPA) started preparation of the GHG inventory (using 2006 IPCC methodology) which will be included in both documents.

Strengthening the country's monitoring, reporting, and verification capacity and alignment with EU climate acquis and fulfillment of the UNFCCC requirements is planned to be executed through *Establishment of mechanism for the implementation of MMR* project, sectoral proposal by the MAEP for IPA 2013. Twinning partner was selected in June 2014. This project should enable preparation of a system needed for implementation of *Regulation (EU) 525/2013* on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and EU level relevant to climate change.

Representatives of relevant institutions participated in seminars and trainings, as a part of the Climate Change Workgroup, under the Environment and Climate Regional Accession Network (ECRAN).

Challenges

There is no standing climate change intra-governmental or inter-institutional body appointed for horizontal cooperation and coordination.

There is a significant need of vertical cooperation and coordination enhancement in order to strengthen the local level stakeholders to implement mitigation and adaptation measures. Very low level of participation in Covenant of Mayors/Mayors Adapt initiatives is recorded.

Already adopted sectoral policies do not acknowledge climate change or take into account mitigation and adaptation measures.

There is an evident lack of funding for investment in priority sectors, prevention and risk reduction.

RECOMMENDATIONS

Based on the issues presented above, we believe that following actions should be taken:

- Establishing a single governmental climate change division based on the existing Division in the Ministry of Agriculture and Environmental Protection, that would coordinate all national activities related to climate change and supervise civil servants from other ministries dealing with sectoral climate change policies;
- Increasing the number of public servants within the ministries that deal with sectoral climate change impacts and focus on raising their capacities;
- Providing trainings and financial support for local municipalities to assess climate change exposure and vulnerabilities and produce action plans for mitigation and adaptation;
- Developing financing mechanism to support strategic priority needs.