

## 09. CLIMATE CHANGE

### OVERVIEW

The period between November 2016 and February 2018 was marked by the disparity between the development of legislation and genuine commitment to progress in the prevention and mitigation of climate change. Despite the ratification of the Paris Agreement, announcing a series of legislative changes aiming at transposing the EU legislation and declarative commitment to the EU accession, the situation in relevant areas such as energy indicates devastatingly disproportionate investment; , with higher investment in the development of fossil energy sources when compared to solutions that contribute to the prevention and mitigation of climate change such as emissions reduction and increasing the share of renewable energy sources.

### LEGISLATIVE FRAMEWORK

The Serbian Parliament ratified the Paris Agreement on May the 29<sup>th</sup>, 2017. This is important given that it provides a legal basis to step up the ambition of contribution to the Paris Agreement. However, no specific activities such as the Revision of the Intended Nationally Determined Contribution (INDC)<sup>101</sup> nor an increase in the ambition to reduce greenhouse gas emissions (hereinafter referred to as GHG) have occurred. Previously, the Parliament also ratified the Doha amendment to the Kyoto Protocol in March 2017.

The development process of the National Climate Change Strategy was resumed after a six-month break. In December 2017, members of Coalition 27 participated in workshops that identified priority adaptation measures for the sectors of agriculture, forestry and water management.

In December 2017, the Communication Strategy on Climate Change was presented, which should set the framework for communicating climate policy at the national level. The document is intended for both the public, as well as the private and civil sectors, but it is not clear to what extent it will influence the development and improvement of the national climate policy.

The adoption of the Law on Climate Change<sup>102</sup> is envisaged to take place by the

101 Intended Nationally Determined Contribution – INDC: Through the INDC, a state presents its steps to the international community in relation to combating climate change. The document reflects the ambitions of each country to reduce emissions, taking into account domestic circumstances, challenges and opportunities. Countries can also explain the adaptation plan, adaptation to the impacts of climate change, and indicate whether they need support from the international community, or they are able to provide support to other countries. One of the most important aspects of mitigation and adaptation to climate change is the transformation plan towards a low-carbon economy. Serbia submitted its INDC in 2015 and expressed its willingness to reduce emissions of greenhouse gases by 9.8% compared to 1990. INDC text available at: [http://www4.unfccc.int/ndcregistry/PublishedDocuments/Serbia%20First/Republic\\_of\\_Serbia.pdf](http://www4.unfccc.int/ndcregistry/PublishedDocuments/Serbia%20First/Republic_of_Serbia.pdf)

102 On March 13, 2018, the Ministry of Environmental Protection announced a call for a public consultation on the Draft Law on Climate Change. The call available at: <http://www.ekologija.gov.rs/ministarstvo-zapocinjje-posupak-javne-rasprave-za-zakon-o-klimatskim-promenama/?lang=lat>

end of 2018, and the Government Work Plan for 2018<sup>103</sup> envisages that it will transpose the Monitoring Mechanism Regulation (MMR) and Monitoring, Reporting and Verification (MRV) to the EU Emissions Trading System (EU ETS) and the Decision on joint fulfilment of commitments.

The National Climate Change Council met in its new form in March 2017. The Council is now open to civil society and represents a platform for discussions by a broader group of participants. Unfortunately, the outcomes<sup>104</sup> of this meeting did not convince us that the Council will make substantial progress on inter-sectoral cooperation in the future, due to the fact that after the date mentioned above there have been no new additional meetings held.

The Republic of Serbia submitted the Second National Communication<sup>105</sup> under the United Nations Framework Convention on Climate Change on October the 23<sup>rd</sup>, 2017. This was an opportunity to correct the shortcomings made in the First Two-Year Updated Report.<sup>106</sup>

Unfortunately, the Second Communication left doubts as to the actual GHG emissions of the Republic of Serbia. In addition to the problem of non-transparency of the process due to questionable selection of the methodology, the report contains inaccurate data<sup>107</sup> on emissions of greenhouse gases. This resulted in the presentation of unrealistically high levels of emissions, which in the future can lead to insufficiently ambitious plans to reduce greenhouse gas emissions (plans that are currently inadequate and will result in an increase in emissions<sup>108</sup>). For example, the data given in the Second Communication was used in the development of the Climate Change Strategy with the Action Plan.<sup>109</sup>

The Program for the Implementation of the Energy Sector Development Strategy of the Republic of Serbia for the period by 2025 with projections by 2030, for the period 2017-2023, was adopted in October 2017.<sup>110</sup> The Program includes a list of energy

103 The complete Government Work Plan available at: <http://www.civilnodrustvo.gov.rs/upload/documents/zakoni/Plan%20Rada%20Vlade%202018.PDF>

104 The data available at: <https://www.energetskiportal.rs/odrzana-4-sednica-nacionalnog-saveta-za-klimatske-promene/>

105 *The Second National Communication under the United Nations Framework Convention on Climate Change (2017)*, The Ministry of Environmental Protection, Belgrade. Available at: [http://www.klimatskepromene.rs/wp-content/uploads/2017/12/Drugi-izvestaj-o-promeni-klime-SNC\\_Srbija.pdf](http://www.klimatskepromene.rs/wp-content/uploads/2017/12/Drugi-izvestaj-o-promeni-klime-SNC_Srbija.pdf)

106 More on this in the previous Coalition 27 report available at: [https://rs.boell.org/sites/default/files/koalicija\\_27\\_-\\_izvestaj\\_iz\\_senke\\_2016.pdf](https://rs.boell.org/sites/default/files/koalicija_27_-_izvestaj_iz_senke_2016.pdf)

107 Namely, *The Second Communication* relies on assessments of GHG emissions for 2014 based on the GHG inventory. These assessments did not take into account the reduction of emissions due to the floods in 2014. Real data on GHG emissions for 2014 are publicly available at (the Environmental Protection Agency also has them): <http://library.fes.de/pdf-files/bueros/belgrad/14038.pdf>

108 The data available: <http://www.bos.rs/ekz/intervjui-i-stavovi/1052/2015/12/01/novi-globalni-klimatski-dogovor-i-doprinos-republike-srbije.html>

109 *"After a short introduction to climate scenarios and respective impacts on each sector, given by national experts and referring to the Second National Communication, stakeholders were invited to assess the severity of impacts of climate change, using a risk based approach"* – The Newsletter of the project *"Climate Change Strategy and Action Plan"*, page 2: [http://www.klimatskastrategija.eu/wp-content/uploads/2016/09/%D0%91%D0%B8%D0%B%D1%82%D0%B5%D0%BD\\_Final\\_SRB.pdf](http://www.klimatskastrategija.eu/wp-content/uploads/2016/09/%D0%91%D0%B8%D0%B%D1%82%D0%B5%D0%BD_Final_SRB.pdf)

110 The data available at: <https://balkangreenenergynews.com/rs/srbija-gasi-osam-blokov-a-u-termoelektrana-2024-godine/>

projects<sup>111</sup> for which state-funded investments are foreseen mainly for fossil-fuelled projects, while the list of renewable energy projects mainly foresees funding from the private sector. Although the Program proposes some measures to promote renewable sources, we think that this is insufficient compared to the funding foreseen for projects in the field of fossil fuels. Such an approach is contrary to the objectives of the Paris Agreement (more so if we take into consideration externalised costs of using fossil fuels, such as environmental pollution and contribution to climate change through greenhouse gas emissions, and treat them as aid/subsidization as they are currently neither communicated nor charged).

No significant progress has been recorded in the area of adaptation to climate change, despite severe droughts during the summer of 2017 which caused great damage to the Serbian economy.<sup>112</sup> The First National Adaptation Plan has not been adopted by the Government. The level of participation in international initiatives such as the Covenant of Mayors for Climate and Energy and the Covenant of Mayors *Initiative* on Climate Change Adaptation has also been very low.<sup>113</sup>

## IMPLEMENTATION OF LEGISLATION

There has been very limited progress made in the implementation of mitigation measures or in their adaptation, especially with regard to areas identified in the last report: administrative capacity, the inclusion of climate measures in other sectors, as well as cross-sectoral cooperation. Significant progress in the implementation of measures has been prevented since the legal framework for this area is still in development.

## FINANCING

Mitigation and adaptation to climate change are still not the priority of the Government of Serbia, a fact which can be seen through their financing. Funds from the Green Fund for 2017 were not allocated at the beginning of the process of implementing measures for climate change adaptation in all sectors. No progress has been made with regard to the reform of subsidies on fossil fuels. Since the problem of climate change is inter-sectoral, it is necessary to pay special attention to current and planned activities in sectors such as energy, transportation, etc. and to the financing of those activities as well. An example illustrating the current situation is the afore-mentioned Regulation on the Program for the Implementation of the Energy Sector Development Strategy of the Republic of Serbia for the period until 2025 with projections by 2030, for the period 2017-2023, with plans for the state investment primarily being in the field of fossil fuels<sup>114</sup>.

<sup>111</sup> The complete list of projects available at: <http://www.mre.gov.rs/doc/javne%20rasprave/17.07.17/04.%20POS%2010%2007%202017.pdf>

<sup>112</sup> The data available: <http://www.euractiv.rs/vesti/102-srbija-i-eu/11690-sua-uzela-danak-ekonomskom-rastu-srbije.html>

<sup>113</sup> According to the official data of Covenant of Mayors Initiative, the signatory is only the City of Niš: <https://www.covenantofmayors.eu/about/covenant-community/signatories.html>

<sup>114</sup> The complete text of the Regulation is available at: <http://www.mre.gov.rs/doc/javne%20rasprave/17.07.17/04.%20POS%2010%2007%202017.pdf>

The action plans, strategies and financial plans of the state for this sector are still not adequately developed, despite frequent declarative statements that the state recognises the importance of early action in the fight against climate change. Current plans are incompatible even with the low level of climate ambitions we are currently witnessing.

## RECOMMENDATIONS

### *Legislative framework*

- Adopt the Law on Climate Change and envisage the transposition of the EU legal framework for climate by the end of 2018.
- Revise the NDC by the end of 2018 at the latest, in order to align it with EU 2030 targets, and ensure that the state reaches at least a 40% reduction in emissions compared to 1990 levels, ensuring that the country achieves a real reduction in emissions.
- It is necessary to establish a continuous mechanism for monitoring of development and work of local governments on the issues of mitigation and adaptation of climate change. The work on the creation of action plans for adapting to climate change is still needed.
- Revise all the elements of legislation (laws, documents, etc.) that are directly related to greenhouse gas emitters so as to include the climate change aspect (so-called mainstreaming).

### *Implementation of legislation*

- Make better and more active use of the role of the National Climate Change Council and include CSO representatives in the work of the Council. Ensure inter-sectoral cooperation and include climate change mitigation and adaptation measures into other policies.
- Urgently (before the next climate negotiations) revise and address the shortcomings of the first two updated reports and inform UNFCCC accordingly, in accordance with issues raised by the civil society.
- Build on the progress made in 2016 on interested parties' engagement and continue cooperation with civil society; ensure the broadest possible public involvement and fair public consultation processes enabling local government units, civil society and citizens to actively participate in the development of the National Climate Change Strategy with the action plan and the revision of the NDC.
- Increase the number of civil servants within the ministries dealing with

climate change impacts in different sectors and focus on increasing their capacities.

- Continue and improve the practice of involving civil society organisations in relevant processes.

### ***Financing***

- Develop a financial mechanism to support strategic priorities (which have to comply with EU accession), among other things, by shifting funds from polluting fossil fuel subsidies to measures of mitigation and adaptation to climate change.