

03. WATER QUALITY

OVERVIEW

Intensive developments in water management planning in autumn 2015 indicated that a turning point in water management policy had been reached. **Unfortunately, however, momentum has been lost and more than a year later the Republic of Serbia still has not formally adopted the Water Management Strategy of the Republic of Serbia, nor revised the Law on Waters or the National Danube River Basin Management Plan.** These three documents are of great significance for further aligning national legislation with the *acquis* and for improving implementation of EU directives in the water sector.

The consultation processes for the three mentioned documents have been organized in a relatively fair manner with public discussions and adequate time for comment. The commenting process (explanation of accepted/rejected comments) was well documented and publicly announced. However, despite the fact that public discussions have been formally concluded and the documents prepared, they still have not been formally adopted nor have the causes for such long delays been publicly explained. To some extent this delay could be explained by the elections held in April 2016 and the subsequent changes in government. However, lack of political will and readiness to address the accumulated problems in the water management sector is still evident. **Despite the fact that the water sector has long been identified as one of the most complex and challenging areas of the whole EU accession process, clear and strong commitment from the Serbian government for advancement in this field remains absent.**

Such reluctance not only harms and slows down the formal EU accession process, but has a wider impact on the management of water resources that are of substantial relevance to Serbian society and the economy. There are numerous serious threats and pressures on rivers in Serbia (intensive small hydro power developments, gravel extraction, pollution). To prevent significant and irreversible impact on river ecosystems from these pressures, responsible institutions must react urgently. Facing such challenges, the delay in adopting legislation will have significant consequences on water management in general.

The Government of Serbia has not made any significant changes in the institutional framework for the water sector in the past year. The main institution for water management in the Republic of Serbia is the Republic Water Directorate within Ministry of Agriculture and Environmental Protection. The capacities of the Directorate are still low and no specific mea-

asures aimed at improving technical and organizational capacities have been implemented. Building and improving cooperation with other sectors also remains a significant challenge.

Water pollution and the absence of waste water treatment systems are the most challenging issues facing the sector. Some advances in infrastructural projects (waste water treatment plants) have been noted, primarily because of the implementation of the **Priority Environmental Infrastructure for Development (PEID)** programme, financed by the Swedish Government.

POLICY & LEGISLATIVE DEVELOPMENTS

There were no major developments in legislation related to the water management sector in Serbia during the reporting period. The adoption of newly developed top-level sectorial documents is still being awaited. The lag in adopting amendments to the Law on Waters has caused delays in the development of relevant bylaws, which are of crucial importance for advancing the implementation of EU water Directives (for example, in regard to the Rulebook on Nitrate Vulnerable Zones). **Additionally, the development of Directive Specific Implementation Plans for the Water Framework Directive, the Drinking Water Directive, the Urban Waste Water Treatment Directive and the Nitrate Directive was planned for 2016 but their development has been postponed.**

IMPLEMENTATION

Responsible water management institutions evidently lack the personnel and technical capacities to implement the *acquis* in the water management sector. This is primarily the consequence of unselective employment practices in governmental institutions, which disregard actual needs. In the past year, there were no substantial activities to strengthen institutional capacities.

Intersectoral cooperation in the field of water management remains a significant issue for preventing efficient implementation of the *acquis*. Negative examples of integration and coordination of institutions in regards water management have again been noted. Some projects related to water management that are being implemented by other ministries have not been properly communicated to institutions responsible for water management and nature conservation (for example coordination of activities on flood risk assessment and prevention between the Office for Reconstruction and Flood Relief and Ministry of Agriculture and Environmental Protection).

Such practice is common, not only in water management sector, and clearly indicates that the Government must invest more in the coordination of intersectoral cooperation, especially in regard to complex thematic issues such as water management. Experts working in institutions in the water management sector are generally aware of the importance of an integrated approach to water management, as well as of nature-based solutions in water management, but there is a lack of human capacity and financial provision, driven by an evident lack of support at a political level, in order to implement an integrated approach.

Of particularly importance is the development of systematic and permanent cooperation between water management and nature conservation sectors, which is not sufficient at present. There is a clear connection between the EU Nature Directives (Birds Directive and Habitat Directive) and the Water Framework Directive and Flood Directive. Improving synergy in the transposition and implementation of these directives is necessary.

The Republic Water Directorate has shown progress toward establishing a participatory approach and intersectoral cooperation but lacks the capacities for more significant progress.

Institutions responsible for water management in Serbia actively participate in activities related to international agreements and initiatives, namely the International Commission for the Protection of the Danube River (ICPDR) and International Sava River Basin Commission (ISRBC). Representatives of the Ministry of Agriculture and Environmental Protection participated in the ICPDR Ministerial meeting held in Vienna in February 2016. Ministers from the Danube countries have approved **The Danube River Basin District Management Plan - Update 2015** and **First Danube Flood Risk Management Plan**.

The other important international meeting that took place in the reporting period was **the Sixth meeting of the Parties to the Framework Agreement on the Sava River Basin** held in June 2016 in Belgrade. A positive development following this meeting has been an initiative to explore the potential of nature-based solutions for flood prevention in the Sava River basin. Experts involved in the Permanent Expert Group for Flood Prevention of ISRBC have supported the proposal for potential transboundary water retention in the Spačva-Morović region (Serbia-Croatia border). This initiative may be a sign of positive change in the general approach to water management and particularly transboundary flood mitigation in Serbia and in the region. Development of an integrative approach and support for nature-based solutions is in line with EU incentives and legislation in the field of water management (Water Framework Directive and Flood Directive). However, much more effort and decisiveness from the responsible water management institutions should be shown in this field.

As identified in all relevant analyses, the absence of waste water treatment systems in most cities and communities in Serbia is the main challenge in the water management sector. Improving the situation requires high investment due to large infrastructural needs. **Progress in waste water treatment has been very slow. In reporting period only limited progress in the construction and planning of wastewater treatment plants in Šabac, Niš, Bela Crkva, and Zrenjanin has been achieved. The largest project of this kind, the wastewater treatment plant for Belgrade, has not shown any progress in the reporting period.** These wastewater treatment projects are primarily supported by international donors (EU-IPA¹⁸ funds and the PEID¹⁹ programme of the Swedish Government). More decisive and stronger support from the Serbian Government is needed.

18 Instrument for Pre-Accession Assistance

19 Priority Environmental Infrastructure for Development

FINANCING

Box 1.

In 2016 the Government of Serbia allocated 2.16 billion RSD²⁰ for financing of water management, which is less than 0.2% of the total national budget for 2016²¹. This is substantially lower than 3.12 billion RSD allocated for the same purpose in 2015.

The largest portion of the annual budget for water management is allocated for river regulation and flood prevention (ca. 50% of the water management budget). Measures to protect waters from pollution are supported with only 62.5 million RSD (ca. 3% of the total annual budget for water management).

RECOMMENDATIONS

As no major developments have taken place in the past year, recommendations for improving water management mainly remain the same as those given in the previous report:

Policy & Legislation

- Urgent adoption of the most relevant national documents in the water management sector.
- Building and improving collaboration with other sectors - better involvement of other sectors in development of water management policy should be ensured. Water management institutions should also make greater effort to influence policies in other sectors when they affect water management and water resources.
- Further improvement of public participation in policy development in the water management sector – some advancement has clearly been made. Both public institutions and CSO should make efforts to bring water related issues into the focus of the wider public.
- Integration of natural solutions in water management and better socio-economic valuation of ecological services (water purification, water regulation, flood prevention) – such an approach will not only help in conservation of natural ecosystems, but will also support the economic sustainability of water management measures.

Implementation

- Capacity development and consolidation of public institutions for water management, especially at a local level – the complexity of water management issues de-

mands much stronger personnel and technical capacities. Responsible institutions should analyse existing capacities and develop a plan to strengthen them as soon as possible. To succeed in this, expert institutions as well as CSOs should advocate for better political and financial support for the water management sector.

- Develop a concrete plan and measurements for improvement of monitoring of waters according to the requirements of the Water Framework Directive – Serbia still does not have a comprehensive monitoring system for waters or concrete plans to establish such monitoring. Particularly problematic is the establishment and integration of monitoring of biotic features.
- Improve control and mitigation of the main identified threats: Intensive and poorly planned mini-hydropower developments, gravel extraction, pollution, uncontrolled use of groundwater, illegal riverside construction – river habitats, wetlands as well as water resources in general are highly threatened in Serbia. Immediate action on a national level is needed.

Financing

- Promotion and support for public-private partnerships in waste water treatment systems. Fast and efficient advancement can be achieved by involving the private sector.
- Developing a more decisive approach in water pricing policy – many analyses have shown that the water pricing system in Serbia is unsustainable. Immediate action in this respect is needed.

20 The Decree on Water Management Program for 2016 (“Official Gazette of the Republic of Serbia”, no 28/2016)

21 The Government of Serbia has allocated 1.119 billion RSD for financing of public policies in 2016.