

Sarajevo, 01st August 2017

Minutes of the 5th Meeting of the Regional Working Group on Environment 20th June 2017, Belgrade, Serbia

The meeting was convened by the Regional Cooperation Council (RCC) in cooperation with the Serbian Ministry of Agriculture and Environmental Protection (the Ministry) and it took place in Belgrade on 20th June 2017. The meeting was attended by representatives from all SEE participating economies with the exception of Bosnia and Herzegovina. Regional Environmental Center (REC), Global Water Partnership-Mediterranean (GWP-Med), Standing Working Group on Regional Rural Development (SWG RRD), UN Environment, Austrian Development Agency (ADA) and Environment Agency Austria (UBA) also took part and actively participated in the meeting.

The meeting was opened at 9:00 AM by the State Secretary Ms. Stana Božović who welcomed the participants on behalf of the Serbian Government and the Ministry of Agriculture and Environmental Protection. Ms. Božović stressed that the SEE region is highly vulnerable to climate change and that some of recent extreme weather events confirm that. The Paris Climate Agreement imposes various obligations to SEE economies and creates a need for strengthening regional cooperation in the future. Having this in mind, Serbia, who finished the screening process and expects negotiations under Chapter 27 to be opened soon, is ready to strengthen regional cooperation and transfer the experience in this area. Ms. Božović emphasised the importance of two regional projects funded by the Austrian Development Agency (ADA) which are designed to support the implementation of the SEE 2020 Strategy. At the end she announced that the Ministry is looking forward to coorganise and host the next ministerial meeting in autumn 2017.

Mr. Radovan Nikčević, Expert on Connectivity, welcomed the participants on behalf of the Regional Cooperation Council outlining objectives of the meeting.

He reminded participants on the RWG Env work performed so far and main achievements which pave the way for future regional activities of the Working Group. He pointed out that limited resources (human, administrative and financial) are a common problem in the region. In this respect the necessity for strengthening regional cooperation and coordination of activities through the RWG Env gets is full justification.

Ms. Biljana Filipović, Head of the Unit for International Cooperation in the Ministry, moderated the second session where the members of the RWG Env presented the progress in their economies. Mr. Ismail Hetemaj informed participants that there were not so many developments in Kosovo* due to recently held elections. Two important initiatives are ongoing in this economy: SIDA project on Kosovo's* environmental protection and GIZ ORF Biodiversity programme. Ms. Ivana Vojinović emphasised that Montenegro did a lot in the area of environment and negotiations under Chapter 27. Many regional initiatives are ongoing at this moment in Montenegro and this economy will continue to strengthen regional cooperation especially in the area of protected areas and other trans-boundary issues of

^{*} 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

importance. **Ms. Jasmina Murić** informed participants about Serbian progress in the EU integration process and needs to strengthen institutional capacities for monitoring and evaluation of ongoing projects. She recommended to the RCC to make sure that the work of the RWG Env is more visible and activities are timely presented on the RCC's website. She also called for continuous cooperation of the Group between the meetings. **Mr. Betim Lamallari**, representing The Former Yugoslav Republic of Macedonia, expressed willingness of his Ministry to co-chair and host meetings of the RWG Env during the next one-year period.

Having in mind that the annual reports prepared by the European Commission for all SEE economies in 2016 showed that lack of human and administrative capacities is a common denominator for the economies of the region, participants of the meeting are invited to prepare information on concrete capacity building needs.

The second session was dedicated to two regional projects designed to support implementation of the SEE 2020 Strategy and funded by the Austrian Development Agency. **Mr. Nikčević** mentioned that the RCC supported project proposals in 2015 by a letter sent to ADA and German Environment Agency and used the opportunity to express gratitude to Ms. Tortschanoff for recognising these initiatives as important and providing financial support for their implementation in the Western Balkan (WB) region.

Mr. Dimitris Faloutsos (GWP-Med) presented the notion of "nexus" and levels of interventions (national, regional and trans-boundary basins level) under the project. He also presented what happened in the previous 6 months stressing out that the GWP-Med needs a decision on how to move forward. Mr. Faloutsos informed members of the RWG Env that resources of the project are enough for two trans-boundary basins and one economy. He asked participants whether energy strategy is coordinated with the environmental or tourism strategy and retorted that the answer is probably "no". He said that the project is \in 1.7 million worth, out of which \in 1.5 mil. comes from ADA and \in 0.2 mil. from the German Government.

He explained that there will be 4 regional roundtables, and the first (introductory one) will be organised on 21st June. Their aim is to increase awareness of institutions on the notion of Nexus. He stressed that they have launched regional nexus mapping to identify what is going on in the economies with regard to integration of three sectors through analysis of sectorial strategies, their interlinkages and potential conflicts. After all roundtables are held, there will be several things as outcomes. One of them will be analyses of opportunities for cooperation over shared waters. We need to take a decision as to who is going to steer this process, and we also have to decide in which economy the project will be implemented. He also recommend to have a steering body consisted of "nexus ministries".

Regarding national policy dialogue supported by nexus assessment there will be a background work: stakeholder analysis and in the end the nexus strategy roadmap will be produced. He also mentioned that there will be experts working in the economies on preparation of project fiches.

Mr. Nikčević asked whether this project is going to analyse policy or legal frameworks in identified economy or trans-boundary regions, is there any report on potential conflicts between legal acts planned, and what concrete outputs we can expect. Also he gave an example of conflict caused by the Renewable Energy Directive, which promotes production of biofuels, and food prices, which rose on global market due to subsidies to biofuels and indirect land use change.

He asked the representatives of GWP-Med about the status of preparation of the Inception Report and Regional Nexus Assessment Report planned to be developed in April 2017, as agreed during the meeting in March held in ADA premises in Vienna.

Mr. Faloutsos replied that the Inception Report will be prepared by mid-July and regional mapping will take almost a year to be prepared. He also recommended to use Montenegro as an economy and Drina basin as a trans-boundary basin for further work on the Nexus.

Mr. Boban Ilić (SWG RRD) informed/reminded participants about the protocol signed in May 2016 in Višegrad on cooperation along Drina river in the area of water management, pollution, energy and food production showing political commitment of two economies (Serbia and Bosnia and Herzegovina).

Ms. Ana Vukoje (UN Environment) presented Climaproof project worth € 1.7 million. The project started in December 2016 and will last till November 2019. It has three components: 1) understanding future climate patterns; 2) planning for the future climate and weather patterns; 3) building infrastructure adapted to the future climate and weather patterns. The main actors are ADA (which finances the project), the RCC as a coordinator of the SEE 2020 Strategy and UN Environment which co-finances and implements the project. The inception phase has just finished in May 2017. The stakeholder mapping and baseline assessment of national legal frameworks is performed as well as analyses of EIA, SEA and adaptation strategies. UN Environment entered into partnership with BOKU University which will support scientific part of the project. Ms. Vukoje asked RWG Env to define the format of a body which will be steering Climaproof project by involving other line ministries (transport and infrastructure) and establish a political platform for supporting and steering the project. She mentioned the outcomes expected to be approved by this body: a Regional Strategy for Climate Resilient Infrastructure Development and an Action Plan identifying concrete climate proofing measures for development of green infrastructure. Also a fundraising mechanism, project evaluation mechanism and awareness raising campaign are other three outcomes where steering from the RWG Env (or extended) body will be needed.

Ms. Monika Tortschanoff stressed that ADA is supporting these two projects in order to serve the objectives of the SEE 2020 Strategy, sustainable management of resources and climate adaptation in economies of the region. It is very important to have a sound steering mechanism in order to ensure ownership and transparency and proceed with the project implementation. Thus selection of right persons and political support for these two extremely complex projects is essential for the future.

Mr. Boban Ilić (SWG RRD) stressed regarding transparency that in their work all projects, before going to fundraising, are endorsed by SWG Assembly by consensus what ensures ownership and no objections by the participating economies.

Regional assessment of natural resource management (forest, water and soil) is going to be ready soon (by the end of next week). On 14th July there will be an initial meeting on establishing a Working Group on assessment of agro-biodiversity for the WB.

The project on solid waste management in cross-border areas is also progressing well. The next Agriculture Policy Forum will take place in mid-October in Montenegro hosted by the Ministry of Agriculture, while the next ministerial meeting is scheduled for 16th - 17th November on Jahorina Mountain.

Ms. Gordana Kožuharova (REC) supported Ms. Murić's idea to strengthen cooperation in between RWG Evn meetings. She recommended that participating economies would need to

decide how they will be represented in nexus steering body. Ms. Kožuharova also recommended to precisely define the steering role in the future by ToR. She presented Themis network whose second phase ends this year. The third phase will be a continuation of activities performed so far. REC offered support to the RCC and economies with the real secretariat services which will provide for dialogue between the meetings.

Mr. Nikčević reminded participants on the ToR of the RWG Env and its task to program future activities and invite members to participate in the next programming cycle.

In the last session **Mr. Nikčević** presented the first draft Work Programme 2017-2019 (WP) for the RWG Env and draft ministerial declaration. The intention of having WP is an attempt to have more structured work and enable longer term planning of our meetings and activities in the future. RDCs and UN Environment presented the expected inputs and interventions from the RWG Env in the future. GWP-Med and UN Environment expressed the need for steering of their projects by the RWG Env in extended format (accompanied by other authorities in charge of nexus or transport and infrastructure development). Mr. Nikčević informed the participants about progress regarding the establishment of a Task Force on Biodiversity (BD TF). After unsuccessful negotiations in the first phase, a process of discussion with IUCN is ongoing and hopefully the IUCN ECARO will be tasked by the GIZ ORF BD to act as Secretariat and organise two meetings of the TF during the next year. The RCC will distribute a draft ToR for BD TF to the members of the RWG Env for consideration and endorsement.

Also, Mr. Nikčević informed the participants of the RWG Env about development of the first draft Ministerial Declaration for the next meeting planned for autumn 2017. The document will be distributed for revision and adjustments in the future. One point of the Declaration calls for strengthening high-level policy dialogue between the 6 SEE economies and the EU MSs under the Council of the European Union, where Austria (Environment Agency Austria and the Austrian Ministry responsible for environment) is offering their support during its presidency mandate (second half of 2018). The dialogue may be established if both parties recognise the interest, while the RGW Env and high-level panel may be used to initiate this process.

Conclusions:

- The participants took note of the initiative of the Serbian Government (Ministry of Agriculture and Environmental Protection) to co-organise and host the next ministerial meeting in autumn 2017.
- The Serbian Member of the RWG Env recommended publishing information about the activities of the Working Group on the RCC website in order to provide better visibility and transparency. The RCC will establish a dedicated webpage for the work of the RWG Env soon.
- The meeting took note of the main challenges in the Environment Dimension of the SEE Strategy: limited number of national staff and extremely costly transposition and alignment with the EU *acquis* and standards. Thus, members of the RWG Env are invited to prepare information on capacity building needs in their economies in order to initialise regional trainings in certain areas.
- Members of the RWG took note of the expected steering role for the Nexus and Climaproof projects, and decide that the RWG Env will be the Steering Committee (SC) giving guidance and taking decisions for the implementation of the projects. Consultation meetings with the representatives of the nexus and transport and infrastructure sectors from the economies will take place prior to or as far as possible

- back-to-back with the SC meetings to inform the latter. GWP-Med and UN Environment are requested to organise these consultation meetings.
- Members of the RWG took note of the outcomes of the inception meetings of the two projects that took place in the economies, during which the Drina Basin was proposed to be one of the focus areas of the Nexus project. The RWG will take a decision on the two transboundary basins and the economy that the Nexus Project will focus on as soon as possible based on information that will be provided by GWP-Med.
- Members of the RWG took note that it is very important for ADA to have a well-defined steering mechanism for the two regional projects it supports and to keep the transparency of the projects at the highest level.
- Participants of the RWG Env are invited to take part in the RCC annual programming process in the future to help identifying regional needs and priorities.
- Participants are informed about the first draft of the Work Programme for the RWG Env and will work on its polishing and adoption.
- Participants are informed about the draft Ministerial Declaration which will be circulated for consideration of the members of the RWG Env and finalised before the next ministerial meeting.
- Participants took note of the initiative of the GIZ ORF Biodiversity programme and International Union for Conservation of Nature (IUCN) to establish a BD TF with initial one-year mandate (with possibility to extend it) where IUCN will act as a Secretariat responsible for convening meetings and related activities.
- Participants agreed on the proposal of Serbian member of the RWG Env that a structured and permanent dialogue between the members is needed in the future.
- The participants took note of possible involvement of members of the RWG Env in the work of REC General Assembly in the future.

The meeting was adjourned at 12:10 PM

RWG Env Secretariat