

Sarajevo, 19th December 2018

**Minutes of the 3rd Ministerial Meeting
on Environment and Climate Action in the Western Balkans
(21st November 2018, Skopje)**

The meeting was convened by the Regional Cooperation Council (RCC) in cooperation with the Ministry of Environment and Physical Planning of The Former Yugoslav Republic of Macedonia, and it took place in Skopje on 21st November 2018.

The meeting was opened at 09:00 AM by Mr. Sadulla DURAKI, Minister of Environment and Physical Planning, Mr. Goran SVILANOVIĆ, Secretary General of the Regional Cooperation Council, and Mr. Nicola BERTOLINI, Head of Cooperation in the Delegation of the European Union in Skopje.

Minister DURAKI welcomed the participants of the meeting and stressed the importance of the implementation of the SEE 2020 Strategy as well as of achievement of sustainable development goals for the entire region. Minister DURAKI reiterated the importance and need to strengthen cooperation between the WB economies, but also between different ministries and other authorities in charge of energy, agriculture, water management as well as other sectors. Hence, the Minister emphasized the need for continuation and maintaining of regional high-level dialogue in the area of environment.

Secretary General SVILANOVIĆ welcomed the participants of the 3rd Ministerial Meeting on behalf of RCC and emphasised the role of the Regional Working Group on Environment (RWG Env) in coordinating of existing, but also in attracting concrete support and developing of new regional projects. Mr. SVILANOVIĆ reminded the participants on the two previous Ministerial Meetings held in Podgorica and in Bonn, when Ministers from the region invited RCC to keep organizing these high level meetings. In Bonn, ministers also invited RCC to establish a mechanism for monitoring the implementation of important regional projects. Therefore, the monitoring reports are prepared and you can find them in the conference material. Secretary General thanked to all partners who contributed to the work and success of the RWG Env, so far. Study on Climate Change in Western Balkans, commissioned by RCC shows that temperatures in the region already raised for 1,2°C while the growth will continue by the end of the century. Consequently, we all need to join forces and mitigate negative impact of our economic activities on climate change in the future. RCC will continue to keep a spotlight on the environment and climate actions, to support the WB region on its EU accession path and to pursue development of the Regional Economic Area following sustainability principles.

Mr. BERTOLINI expressed his honour for the presence at this important meeting at the moment when just few weeks ago, in Italy, 20 peoples died in disaster caused by heavy rain as a consequence of climate change. The state of environment including climate is alarming at global level. The most recent report of the Intergovernmental Panel on Climate Change sent a clear message of necessity to limit global warming to 1,5°C. The environment and education are two priorities for the region. Mr. BERTOLINI invited policy makers to invest maximal efforts in ensuring carbon-neutral economy and sustainable development. It is extremely important to select and employ right people who possess knowledge and

qualification, who will have certain responsibilities and resources to perform the work, and who will be able to draw financial support which is available. At the end of his opening remarks, Mr. BERTOLINI identified four regional priorities:

- Improve Regional Cooperation, since pollution does not recognize borders;
- Focus on implementation, not only on policy alignment on the EU accession path;
- Encourage involvement of civil society, as it brings added value;
- Strengthen links between finance and economic growth with the environment and include environment into Economic Reform Programmes.

Mr. Janez KOPAČ, Director of the Energy Community Secretariat in his keynote address presented the Implementation Indicator for the Energy Community (EnC) Contracting Parties (CPs) based on the existing legal framework consisted of the Third Energy Package for gas and electricity, Energy Efficiency, Renewable Energy, Energy Performance of Buildings and many other Directives. Mr. KOPAČ also presented the most recent EU 2030 targets which are 32,5% of energy efficiency, 32% increase in renewable energy and 40% of reduction in GHG emissions, while the targets for CPs (which includes Western Balkans) will be discussed during the next week's Ministerial Council, to take place in Skopje. Director KOPAČ informed the participants that carbon price development in the EU influences investments in energy sector, and presented proposed RES targets for CPs for 2030.

Mr. KOPAČ warned that the existing EU policy in GHG reduction will not lead to achieving the 2030 targets. Therefore, additional efforts are needed to reach 40% reduction at EU level. Nevertheless, talking about WB, it seems that following the EU targets would be too ambitious approach, and the EnC will propose a new methodology which will take into account GDP.

The main instruments for achieving GHG targets in WB will be the new Governance Regulation and obligation of preparing Integrated Energy and Climate Action Plans as of 2021. Fossil fuel subsidies which still apply in WB (Kosovo* uses around 1/3 of GDP to support fossil fuels) represent an important impediment for decarbonisation of energy sector and burden to national budgets. On the other hand, prices of renewable electricity are becoming more competitive and closer to the market electricity prices.

At the end of his keynote speech, Mr. KOPAČ informed the participants on the next milestones for the Energy (and Climate) Community: Ministerial Council which will take place next week; next year the EnC will work on the adoption of a clean energy package for CPs, which is expected to be approved in November 2019.

Ms. Gabriele JANEZIČ, Deputy Head of Mission and Consul of the Austrian Embassy in The Former Yugoslav Republic of Macedonia stressed that one of the priorities during the Austrian presidency are stability in the European neighbourhood and progress of the EU perspective of South East Europe. Austria is promoting strong relations between the EU and this region, which also geographically belongs to Europe. Economic development is putting additional pressure for the environment in WB. Therefore, all authorities in the region need to cooperate between each other and with the EU in order to adequately address key challenges such as pollution, health protection, climate change and ecosystem threats. In her keynote address, Ms. JANEZIČ invited WB ministers to cooperate and bring environment higher at the political agenda.

The Ministerial Panel was moderated by Mr. SVILANOVIĆ who, at the very beginning, emphasized the need to intensify cross sectoral cooperation in the region and join forces in

*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

achieving the 2030 energy and climate policy targets, inviting the Ministers and other representatives to discuss regional priorities and identify key challenges in the environment area which can be jointly addressed.

Mr. Jani MAKRADULI, Deputy Minister of Environment and Physical Planning of The Former Yugoslav Republic of Macedonia informed the participants that the Ministry is preparing the 4th NDC report, and the 3rd Biannual Report on Climate Actions which show progress in this area. The previous report identified 46 measures, which are mostly in the energy and agriculture sector, and their implementation is ongoing, while through the IPA support the Ministry is working on updating of the Climate Change Law. There is a strong link between air pollution and climate change and the Ministry defined measures to support the achievement of the commitments under the Paris Climate Agreement. In addition to this, the Ministry has prepared joint national energy and climate strategy and proclaimed curbing air pollution as the strategic priority with the intention to involve broad range of stakeholders and ensure cooperation among different sectors.

Ms. Ornela ÇUÇI, Deputy Minister of Tourism and Environment of Albania, expressed concerns about waste management in the region, especially when inadequate waste treatment pollute our rivers and ends up in Adriatic Sea. From 1995 Albania is part of UNFCCC and has prepared three national plans with the support of the EU and various international organizations. As per national Climate Change Strategy, Albania plans to improve energy efficiency, mitigate CO₂ emissions, and enhance contribution of renewable energy sources which is already at a high level. However, the attention should be more focused to the implementation, not only to harmonization of the environmental policy.

Therefore, regional cooperation is of crucial importance, but not only declaratively in strategies, but in everyday practice, in order to provide clean air for our citizens. It is important for all of us in the region to increase ecological literacy, local capacities and expertise (primarily in ministries) in energy and environment area, for both, preparing but also implementing projects.

Mr. Fatmir MATOSHI, Minister of Environment and Spatial Planning of Kosovo* stressed that Kosovo* didn't sign the Kyoto Protocol and the Paris Climate Agreement but is strongly committed, as part of the EnC, to contribute to achieving 2020 and 2030 energy and climate targets. However, the big financial support from the EU and other partners is of utmost importance. Minister MATOSHI emphasised the need for regional cooperation as the model for efficient addressing environmental and climate challenges, especially in the area of waste management and protection of national parks and preservation of protected areas.

Ms. Biljana FILIPOVIĆ DUŠIĆ, Assistant Minister of Environmental Protection of Serbia stressed the importance of regional cooperation which contributes to the EU integrations, meeting the commitments under the Paris Climate Agreement, the 2030 Agenda for Sustainable Development, the EU Biodiversity Strategy 2020 and the EU 2050 Roadmap. Ms. FILIPOVIĆ DUŠIĆ reminded the participants on several severe disasters caused by climate change that Serbia experienced in the last two decades and which caused a huge material damage and loss of human lives. In order to prevent similar events in the future, Serbia is committed to continue its work on the achievement of the 2030 goals. Recognising the achievements of the regional Biodiversity Task Force, the Assistant Minister proposed the extension of its mandate by 2020, and invited the participants at the upcoming Ministerial Conference organized in cooperation with UN Environment, to take place on 4th December in Belgrade.

Mr. Jasmin GAGULA, Charge d'Affairs a.i. at the Embassy of Bosnia and Herzegovina in Skopje emphasized that global pollution, deterioration of life conditions, aggravated by increase of GHG emissions, and combined with lack of resources to address them, represent a big problem, not only for the WB but for the entire planet.

Hence, improving regional cooperation, as well as this form of regular gathering at the highest political level is important for all economies in the region. Bosnia and Hercegovina will continue to invest maximal efforts in order to improve environmental protection in the future Mr. GAGULA reiterated.

The second part of the Meeting was moderated by Mr. Radovan NIKČEVIĆ, Expert on Connectivity in the Regional Cooperation Council who reminded the participants of the Bonn Ministerial Declaration's conclusions, and invited partners to present their regional activities designed to support the implementation of the SEE 2020 Strategy.

During this session the participants were informed on the implementation activities, main challenges, deliverables and plans for the future:

Mr. Dejan KOMATINA presented the work of the Regional Environmental Center for Central and Eastern Europe (REC), in the areas of sustainable use of resources, water management, improving the national early warning system, flood prevention and many others.

Mr. Dejan PANOVSKI, informed the participants on activities in the two selected river basins (Drin and Drina) where nexus activities have been implementing, as well as the findings of the draft Nexus Mapping Study which provides analysis of status quo in the three sectors (water management, food production and energy) in the region.

Ms. Ana VUKOJE from UN Environment informed the participants on the progress in the implementation of ClimaProof Project, and outputs of the Summer School, organized recently.

Mr. Darko BUZAROVSKI, from the Standing Working Group on Regional Rural Development presented activities in the agro-biodiversity area, and the first draft report prepared by the agro-biodiversity task force.

Mr. Vlatko TRPESKI, the Chair of the Regional Biodiversity Task Force (BD TF), presented the work of this advisory body of the RWG Env, performed in the first year, including the participation at the 14th Session of the Conference of the Parties to the Convention on Biological Diversity in Egypt, where our region was presented with Aichi poster and recommendations for the high level segment.

Mr. NIKČEVIĆ used the opportunity to invite RWG Env participants to review and possibly endorse the updated draft Terms of Reference (shared previously) extending the mandate of the BD TF by the end 2020, and for which financial support is provided by GIZ ORF BDU, while IUCN will continue to act as its Secretariat.

At the end of the session Ms. Guillemette VACHEY, Environment and Climate Action Expert from the European Commission (DG NEAR) presented the accession framework, challenges, regional IPA framework and passed the key messages from the EC. Environment and climate change are covered by Chapter 27 which is one of the most demanding chapters.

There is a momentum for enlargement policy after the EU-WB Summit held in Sofia in May this year, Ms. VACHEY, said.

IPA assistance can provide support at national and regional levels. IPA is part of the bigger EU budget which is currently being revised.

Talking about challenges, Ms. VACHEY stressed the importance of implementation of existing policies and legal framework in the region.

Unfortunately, environment and climate issues are not seen as a priority in political agenda. Generally, Governments perceive them as cost rather than opportunities for economic prosperity. In conclusion, it was stressed that quality is more important than speed all along the accession process and that it is not only a question of adequate funds in the first place.

In the last session, all partners and participants to the Meeting had an opportunity to present their activities and participate in the fruitful discussion. Participants agreed that there is a need to actively participate in the future work of the RWG Env, and to ensure adequate representation at the upcoming meetings. Absence of some economies during the previous period, and late confirmation/cancellation of their representatives, sends a discouraging message to other colleagues and jeopardize the work of the RWG Env. Hence, the participants agreed to invest additional joint efforts in order to ensure timely registration and participation at the future meetings.

The Co-Chairs presented the draft Ministerial Declaration prepared in consultations with the EC and partners. After the consultations with the meeting participants it is agreed that additional two weeks will be provided for eventual comments by the RWG Env members. After receiving inputs and comments the Co-Chairs will prepare the final Declaration.

Mr. Jani MAKRADULI handed over the Co-Chairmanship to Albania as the next Co-Chair. Ms. ÇUÇI on behalf of Albanian Ministry of Tourism and Environment expressed her satisfaction with the opportunity to host and Co-Chair two meetings of the RWG Env during 2019, as well as readiness to personally engage in the preparation and ensure smooth organization and success of the activities during Albanian mandate.

The meeting was adjourned at 02:00 PM

RWG Env Secretariat