2024 REPORT ON THE IMPLEMENTATION OF THE GREEN AGENDA FOR THE WESTERN BALKANS ACTION PLAN (GARI)

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EXECUTIVE SUMMARY

The Report on the Implementation of the Green Agenda for the Western Balkans Action Plan (GARI) provides an overview of progress made in 2024 across 58 actions. It identifies key challenges and opportunities for the Western Balkans Six (WB6) and outlines priority measures to accelerate implementation. The report offers a comprehensive overview of progress towards the goals set out in the seven thematic Roadmaps.

Monitoring mechanisms established by the Regional Cooperation Council (RCC) enable regular tracking of implementation progress, supporting the identification of bottlenecks and delays. This system serves as a foundation for timely corrective measures and adjustments to the Action Plan, ensuring a flexible and responsive approach to evolving priorities. Monitoring is conducted annually in close cooperation with WB6, regional partners, the European Commission and other key stakeholders.

This report synthesises data from regional organisations, international financial institutions, Eurostat and other sources to present a snapshot of GAWB implementation progress across the region.

Adopted in 2024, the Hamburg Declaration on the Green Agenda for the Western Balkans reaffirmed the commitment of WB6 to full and timely implementation of the GAWB and its 2021-2030 Action Plan.

It called for accelerated implementation, cross-sectoral collaboration and multi-level governance, and endorsed several key initiatives:

(i) Revision of the GAWB Action Plan;

(ii) Finalisation of the Regional Action Plan on Prevention of Plastic Pollution, including Marine Litter;

(iii) Finalisation of WB6 Climate Adaptation Roadmap;

(iv) Preparation of the WB6 2030 Biodiversity Strategy Plan, and

(v) Establishment of Monitoring, Reporting, Verification and Accreditation (MRVA) systems for greenhouse gas emissions.

WB6 have advanced in Green Agenda implementation, albeit unevenly across the pillars owing to divergent targets and context-specific challenges in meeting them.

Notably, the WB6 have adopted climate-adaptation strategies aligned with EU efforts and are expanding the application of nature-based solutions (NbS), which provide adaptation benefits and associated mitigation co-benefits.

WB6 made considerable progress in developing legal and policy frameworks and mobilising public support for renewable energy.

The Energy Community Secretariat continues to facilitate the preparation of integrated domestic Energy and Climate Plans (NECPs) and monitors their adoption and implementation.

Developments in 2024 brought increased clarity for the WB6 alignment with the EU Emissions Trading System and/or the introduction of alternative carbon pricing instruments. Progress has been made in

improving energy efficiency; however, it remains insufficient to substantially reduce energy security risks. Following a series of blackouts and near-blackouts in the WB6 region, ensuring the stable and reliable operation of the electricity grid has become a critical priority.

Improved coordination between energy efficiency and the policy for eradicating energy poverty measures is needed. Further efforts are required to reduce coal use and enable a gradual phase-out, which is essential for the power sector decarbonisation.

Furthermore, the RCC has supported development of the WB6 Climate Adaptation Roadmap, marking a key milestone in strengthening climate resilience across the region. The Roadmap addresses common adaptation gaps and promotes alignment with the EU Adaptation Strategy. Its anticipated endorsement in 2025 will reaffirm the WB6 commitment to advancing adaptation measures and pursuing a shared long-term vision of climate resilience. In addition, the Roadmap provides detailed recommendations for development of a Regional Adaptation Strategy by 2026.

Gradual progress has been made in advancing sustainable transport across the WB6, supported by a range of activities, capacity-building initiatives, and workshops facilitated by the Transport Community. There is increasing evidence of alignment between WB6 policy frameworks and the Smart and Sustainable Mobility Strategy for the Western Balkans. However, further efforts are needed to develop alternative fuel infrastructure, expand e-charging networks, implement sustainable urban mobility plans, and strengthen the climate resilience of transport systems.

Advancing the circular economy in the WB6 requires targeted reforms across multiple areas linked to the production of primary raw materials—including environmental policy, land-use planning, mineral resource legislation, and regulatory frameworks for exploration and extraction. A coordinated regional industrial policy can facilitate integration of the WB6 into European industrial ecosystems by aligning technical standards, leveraging EU funding for cluster development, and promoting public-private partnerships.

The WB6 region continues to face a range of environmental challenges, including persistent air, water, and soil pollution. Progress under the depollution pillar has been driven by implemented projects—particularly in the area of air quality—and by significant infrastructure investments in water supply and wastewater treatment. However, additional efforts are needed to fully transpose and implement relevant EU directives and to develop coherent regional strategies that can consolidate and sustain progress in this field.

WB6 continued to pursue agricultural reforms and alignment with EU standards, although progress across key policy areas has been uneven. While some WB6 have advanced their strategic frameworks and legal reforms, others have faced delays in implementing essential measures related to food safety, animal and plant health, rural development, and quality schemes. These efforts were supported by the Standing Working Group for Regional Rural Development (SWG RRD).

In 2024, the region also made progress in the areas of biodiversity and ecosystem protection, with varying levels of advancement in aligning policies with EU nature directives and expanding conservation efforts. Some steps forward were made in implementing the biodiversity and nature protection actions under the GAWB, though many measures remain delayed. Regional cooperation was notably strengthened through the active engagement of the Biodiversity Task Force of the Western Balkans (BDTF WB), supported by the International Union for Conservation of Nature (IUCN).

PROGRESS REPORT ACROSS THE ROADMAP

2.1 Climate Action Roadmap

While 2030 greenhouse gas (GHG) emission reduction targets are established through the adopted Energy Community Ministerial Council Decision 2022/02/MC-EnC and domestic Determined Contributions (NDCs), the following actions are recommended to ensure alignment with the European Climate Law and sustained progress towards climate objectives:

- **Further Legislative Development**: The WB6 should continue to develop and align domestic climate legislation with the European Climate Law throughout 2025 and progressively until 2030.
- **Updated NDCs**: All WB6, with the exception of Montenegro—which has already submitted its contribution, are expected to submit their new NDCs in 2025.
- **Finalisation of NECPs**: Bosnia and Herzegovina, Kosovo* and Montenegro are required to adopt and officially publish their NECPs. North Macedonia and Albania are required to update their existing NECPs.
- **Domestic Adaptation Plans (NAPs)**: Kosovo*, North Macedonia and Montenegro should finalise their respective NAPs[1].
- **WB6 Climate Adaptation Roadmap**: The WB6 Climate Adaptation Roadmap, initiated in 2024, should be finalised in 2025. This process will play a critical role in strengthening climate resilience initiatives and guide development of the WB6 Regional Adaptation Strategy, expected in 2026.
- **EU Emissions Trading System (EU ETS)**: As Contracting Parties to the Energy Community Treaty and in accordance with their Stabilisation and Association Agreements (SAAs), the WB6 are expected to advance negotiations and preparations throughout 2025, following the conclusions of the 22nd Energy Community Ministerial Council (12 December 2024) and the respective European Commission Progress Reports. Key priorities include full operationalisation of monitoring, reporting, verification and accreditation (MRVA) systems as well as development of a common understanding of the comprehensive investment support needed to achieve decarbonisation while ensuring energy security. This process may also involve preparing detailed economic impact assessments of decarbonisation measures for each WB6.

* 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.

1 Montenegro has adopted its NAP in 2025, which will be visible in the report for 2025.

» **Nature-based Solutions (NbS)**: Advancing the integration of NbS into both domestic-level and regional planning is essential for building long-term climate resilience. Priority actions include:

(1) Adoption of a clear and regionally harmonised definition of NbS;

(2) Development of a standardised methodology to assess whether proposed measures qualify as NbS, and

(3) Use of regulatory instruments that require all relevant measures to be evaluated against established NbS criteria.

These actions are embedded within the WB6 Climate Adaptation Roadmap and call for coordinated implementation at the level of each WB6.

- **Strengthening Cross-Sectoral and Multi-Level Governance**: Accelerating implementation requires stronger collaboration across sectors and governance levels[2]. This will ensure policy coherence, prevent duplication of efforts, and increase the overall efficiency and impact of measures under the GAWB.

2.1.1 Progress in implementing the Roadmap across the actions and the region

Action 1	Align with the EU Climate Law with a vision of achieving climate neutrality by 2050

The alignment process with the European Climate Law[3] encompasses the adoption of legislation across the WB6 that reflects the law's core objectives. These legislative acts are expected to be adopted by 2025 and further strengthened through continuous improvement up to 2030.

To date, four WB6 have adopted climate change laws (**Albania** in 2020[4], **Kosovo***[5] in 2024, **Montenegro** in 2019[6], and **Serbia** in 2021[7]. **North Macedonia** has prepared a draft law, while the adoption is still pending. **Bosnia and Herzegovina** has made no progress in preparing climate change law. **Montenegro** has prepared a new draft law, initially expected to be adopted in 2024, though its enactment is still delayed and is now anticipated in 2025. Serbia is expected to update and strengthen its existing Climate Change Law by 2027.

2 www.rcc.int/download/docs/Hamburg%20Declaration_%20GAWB_final_.pdf/f8b4c3c888886c0a1d-c2a45ae6d2475b.pdf

3 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1119

4 https://climate-laws.org/document/law-no-155-2020-on-climate-change_1817;

5 https://climate-laws.org/documents/law-08-l-250_6ef1?id=law-on-climate-change_15c7

6 https://epa.org.me/wp-content/uploads/2021/09/Zakon-o-zastiti-od-negativnih-uticaja-klimatskih-promjena.pdf

7 https://climate-laws.org/documents/serbian-law-on-climate-change_2bbd?id=serbian-law-on-climate-change_7d49

Table 2.1.1 outlines the current status of climate change laws across the WB6, including progress on adoption, revision and alignment efforts

	Law	Adopted	Comments
Albania	Climate Change Law	2020	
Bosnia and Herzegovina	-	-	No draft available
Kosovo*	Climate Change Law	2024	Adopted in January 2024
Montenegro	Law on Protection from Negative Impacts of Climate Change	2019	Draft new law available: Law on Protection from Negative Impacts of Climate Change and Protection of Ozone Layer - to be adopted in 2025
North Macedonia	Climate Change Law	-	Draft available and to be adopted in 2025
Serbia	Climate Change Law	2021	Revised legislation is expected to be adopted in 2027

Source: Author's interpretation from literature[2,3,4,5]

Action 2	**Set forward-looking 2030 energy and climate targets**

The WB6 set their greenhouse gas (GHG) emissions reduction targets and pathways through the adopted Energy Community Ministerial Council Decision 2022/02/MC-EnC and NDCs.

The 2023 Report on the Implementation of the Green Agenda for the Western Balkans Action Plan (2023 Report on GAWB AP)[8] outlines the GHG emission reduction targets adopted by the WB6 through their NDCs and the Energy Community Ministerial Council Decision compared to 1990 (2023 Report on GAWB AP – Table 3.1.2). According to the Report, the overall contribution of the WB6 region amounts to a 22% reduction in GHG emissions compared to 1990 levels.

The Energy Community Ministerial Council adopted the 2030 GHG emission targets through Decision 2022/02/MC-EnC[9], which includes net GHG emissions reductions that account for land use, land-use change and forestry (LULUCF) emissions and removals (Annex XIV). These targets were also presented in the 2023 GARI.

Three notable specifics were highlighted:

1. **Albania** is expected to experience a 53.2% increase in net GHG emissions by 2030 compared to 1990;
2. **Kosovo*** has its target set against a 2016 baseline, with a projected 16.3% reduction in net emissions by 2030;
3. **Montenegro's** target excludes contributions from LULUCF in both emissions and removals, aiming for a 55% reduction compared to 1990.

8 https://www.rcc.int/pubs/202/2023-report-on-the-implementation-of-the-green-agenda-for-the-western-balkans-action-plan-gari

9 https://www.energy-community.org/dam/jcr:421f0dca-1b16-4bb5-af86-067bc35fe073/Decision_02-2022-MC_CEP_2030targets_15122022.pdf

The remaining WB6—**Bosnia and Herzegovina** (–41.2%), **North Macedonia** (–82%), and **Serbia** (–40.3%)—have targets set relative to 1990, with LULUCF included in the calculation. According to the Decision and associated targets, the absolute target value in net GHG emissions across the WB6 region by 2030 is set to be **89.04 $MtCO_2eq$**.

All WB6, except Kosovo*, have begun integrating these new targets into their new NDCs due to be submitted to the UNFCCC in 2025. Montenegro has already submitted its new NDC to the UNFCCC (NDC3.0)[10]; however, it is not consistent with the Energy Community target as Montenegro's 55% reduction target includes the emissions and removals from the LULUCF sector (target for net domestic GHG emission reductions for 2030 in NDC3.0) unlike the Energy Community Decision, as listed above. The remaining WB6 are expected to submit their new NDCs during 2025.

Action 3	Develop and implement integrated Energy and Climate Plans

The Energy Community Secretariat continues to support the development of integrated NECPs[11] and monitors their adoption and implementation across the WB6. Since the publication of 2023 GARI, progress has been made by **Montenegro** which submitted its draft NECP in December 2024, with the Secretariat's Recommendations issued in March 2025. As of now, **Albania** in 2021, **North Macedonia** in 2022, and **Serbia** in 2024 have formally adopted their NECPs. Albania and North Macedonia should update their NECPs to reflect the 2030 emission reduction targets adopted in 2022. The remaining three, **Bosnia and Herzegovina, Kosovo*** and **Montenegro**, have submitted their draft NECPs to the Energy Community Secretariat and received recommendations (Bosnia and Herzegovina and Kosovo* in December 2023, Montenegro in March 2025). The NECPs currently under review cover the period 2025–2030, and their final adoption and publication is expected during 2025.

Action 4	Prepare and implement climate adaptation strategies

The WB6 continue to develop their climate adaptation strategies based on vulnerability to climate change and risk assessments, setting priorities for risk reduction and cross-sectoral adaptation. These strategies are aligned with broader European adaptation efforts, including the European Climate Law, EU Adaptation Strategy, and other relevant European Green Deal policies.

Since the publication of 2023 GARI, there has been limited progress in adopting new adaptation-related policy documents across the WB6 (see Table 3.1.5 of the 2023 Report). **North Macedonia** stands out as an exception, having initiated the NAP development[12] with external support. **Albania**, **Bosnia and Herzegovina** and **Serbia** have already adopted their policy documents aligned with their NAPs and submitted them to the UNFCCC[13]. **Kosovo*** is currently developing its Strategy for Climate Change

10 https://unfccc.int/sites/default/files/2025-02/001_eng_NDC_Montenegro.pdf

11 https://www.energy-community.org/implementation/package/NECP.html , accessed 23 May 2025.

12 https://www.adaptation-undp.org/projects/improving-resilience-republic-north-macedonia-integrating-adaptation-planning-processes, accessed 23 May 2025.

13 Albania in 2021, Bosnia and Herzegovina in 2022, Serbia in 2023 (submitted in 2024), https://napcentral.org/submitted-naps, accessed 23 May 2025.

Adaptation and Action Plan (regulated by its Climate Change Law). **Montenegro** has prepared a draft NAP, which should be adopted within two years of enacting the new Climate Change Law. However, the adoption of the NAP can be expected sooner, as public consultations were conducted in June-July 2024[14].

In parallel, the RCC has also prioritised **development of the WB6 Climate Adaptation Roadmap**, a key deliverable aligned with the EU Adaptation Strategy and overall GAWB objectives[15]. This roadmap will guide regional efforts to **adapt to climate change**, reinforcing resilience (e.g. climate-proof infrastructure, disaster risk reduction) and complementing the mitigation actions of the Green Agenda.

Initial findings highlight the region's increasing vulnerability. The Roadmap, expected to be endorsed at the Second GAWB Ministerial Meeting in 2025:

1. Reaffirms the urgency of climate adaptation and regional commitment to action;
2. Provides a foundation for a long-term vision of resilience in the WB6.

It also includes concrete steps towards development of a **Regional Adaptation Strategy by 2026**, ensuring full alignment with the Revised GAWB Action Plan.

Action 5	Align with the EU Emission Trading System and/or introduce carbon pricing instruments

The alignment of the WB6 with the EU Emissions Trading System is envisaged and supported by several key documents. These include the CBAM Regulation (EU) 2023/956, European Commission's 2024 Communication on EU enlargement policy[16] , and the political commitment expressed in the Sofia Declaration, which has been operationalised through the GAWB AP, and reaffirmed in the 2024 Hamburg Declaration on the Green Agenda for the Western Balkans, as well as the Energy Community Decarbonisation Roadmap.

Point 54 of the CBAM Regulation (EU) 2023/956 states that "*Contracting Parties to the Treaty establishing the Energy Community concluded by Council Decision 2006/500/EC(14) and, Parties to Association Agreements, including Deep and Comprehensive Free Trade Areas, are committed to decarbonisation processes that should ultimately lead to the adoption of carbon pricing mechanisms comparable or equivalent to the EU Emissions Trading System (ETS) or to their direct participation in the EU ETS.*"

The European Commission 2024 Communication on EU enlargement policy states: *"Cooperation with the Energy Community Secretariat has continued on NECPs, despite delays in their adoption, supporting the implementation of the 2030 Energy and Climate framework, enhancing energy security and efficiency, and promoting deeper integration of energy markets with the EU. It is essential that the Energy Community contracting parties transpose and implement the Electricity Integration Package and strive to achieve a*

14 https://napmontenegro.me/en/public-consultation-on-the-draft-national-plan-of-montenegro-for-adaptation-to-climate-change/; Montenegro has adopted its NAP in 2025 which will be included in the report for 2025

15 https://www.rcc.int/pubs/210/annual-report-of-the-rcc-secretary-generalrn1-june-2024-1-june-2025rn

16 https://enlargement.ec.europa.eu/document/download/7c67aed6-e7c2-47de-b3f8-b3edd26a3e26_en?filename=COM_2024_690_1_EN_ACT_part1_v11.pdf

carbon price for electricity equivalent to that of the EU Emission Trading System by 2030." Furthermore, the annex document specific to each WB6 indicates as follows:

- **Albania** is required to fully implement the Monitoring, Reporting, Verification, and Accreditation (MRVA) package by December 2025, introduce carbon pricing and align with the EU Emissions Trading System (EU ETS);
- **Bosnia and Herzegovina** should fulfil its commitments under the Energy Community's decarbonisation roadmap, beginning with the full implementation of the MRVA package by December 2025, with the objective of introducing carbon pricing and aligning with the EU ETS;
- **Kosovo*** needs to develop and implement a legislative framework for the monitoring, reporting, verification and accreditation of greenhouse gas emissions by December 2025, alongside establishing a carbon pricing mechanism aimed at alignment with the EU Emissions Trading System;
- **Montenegro** is urged to fully implement the Monitoring, Reporting, Verification and Accreditation (MRVA) system for greenhouse gas emissions by December 2025 and to take decisive measures to enhance existing carbon pricing mechanisms, facilitating future alignment with the EU Emissions Trading System;
- **North Macedonia** is required to fully implement the MRVA package by December 2025, introduce carbon pricing and achieve alignment with the EU ETS;
- **Serbia** is undertaking steps to introduce the carbon tax by 2027, as part of its trajectory towards alignment with the EU ETS.

The European Commission has proposed four carbon pricing design options to the contracting parties of the Energy Community:

1. Regional market under an Emissions Trading System (ETS);
2. Fixed price ETS;
3. Carbon tax;
4. Integration into the European Union's ETS.

These options were developed based on the Impact Assessment for the Establishment of a Regional Emissions Trading System in the Contracting Parties of the Energy Community Treaty and every option has a different institutional set-up, ambition level and allowance allocation.

A shared understanding of these options and their advantages and disadvantages helps establish greater legal certainty and provides a durable legal framework for the progressive accession of the region into the EU.

Action 6	Increase opportunities for deployment of nature-based solutions to mitigate and adapt to climate change

The 2023 Report on GAWB AP (along with referenced sources) as well as findings from the IUCN report developed under the *ADAPT* project[17], identify key actions, gaps and opportunities for strengthening the implementation of the Nature-based Solutions (NbS) in the WB6.

To increase opportunities for the NbS implementation as a sustainable solution for the adaptation with mitigation co-benefits, the following actions are considered critical:

1. Adoption of a clear and regionally harmonised definition of NbS;
2. Development of a standardised methodology to assess whether proposed measures qualify as NbS, and
3. Use of regulatory instruments that require all relevant measures to be evaluated against NbS concept.

Strengthening the integration of NbS into both domestic-level and regional planning frameworks is essential for building long-term climate resilience. These priorities for NbS-related actions are further detailed through the development of the WB6 Climate Adaptation Roadmap. Additional progress in refining the regulatory framework for the NbS and in providing technical support for their implementation and monitoring is expected through the revision of GAWB AP, and the forthcoming WB6 Adaptation Strategy.

Moreover, one of the key objectives of the ongoing *IUCN ADAPT2.0*[18] project is to establish a regional fund dedicated to ensuring sustained financial support for NbS implementation across WB6.

Action 7	Ensure participation of WB economies in the European Climate Pact or consider development of a similar mechanism

The **European Climate Pact** serves as an effective mechanism for empowering individuals and organisations to engage in climate adaptation planning and implementation—an essential component for timely and effective adaptation, given the broad range of sectors and scales that require climate-related knowledge and capacity.

However, eligibility for full participation is currently limited to individuals and organisations residing in EU Member States. While the WB6 meet many of the other participation criteria, this residency requirement restricts their full access to the Pact's benefits and opportunities.

17 IUCN has implemented the ADAPAT: Nature-based Solutions for Resilient Societies in the Western Balkans project. The outcome of the project is the analysis on the NbS integration into policies for climate change adaptation and disaster risk reduction, published in 2022, https://portals.iucn.org/library/sites/library/files/documents/2022-030-En.pdf

18 IUCN, ADAPT2.0: Nature-based Solutions for climate change mitigation and adaptation in the Western Balkans (implementation period 2024-2028), https://iucn.org/our-work/region/eastern-europe-and-central-asia/our-work/adapt-20-building-success-climate-and

To address this gap, the WB6 will explore alternative or complementary mechanisms to foster engagement and capacity-building. These options will be further discussed and developed through the Regional Working Group on the Green Agenda for the Western Balkans (RWG GAWB) and incorporated into the revised GAWB AP, as well as WB6 Climate Adaptation Roadmap and forthcoming Adaptation Strategy.

2.2 Energy Roadmap

According to the **Energy Community Implementation Report 2024**, some progress was recorded across nine actions outlined in the Energy Roadmap. Most WB6 have now prepared their NECPs which provide insights into policy priorities and planned interventions. However, the reality of climate change, deterioration of energy infrastructure and the depletion of domestic fossil fuel resources continue to pose significant challenges to energy security and system stability in the region.

In 2024, the WB6 experienced their first region-wide electricity blackout, caused by a complex combination of factors outlined below. Adding to these challenges, the import of coal for power generation has become a new reality for several WB6. This shift underscores the growing reliance on existing transport infrastructure—ports, railways, roads, and inland waterways—for large-scale bulk cargo movement. These developments reveal both the availability and the operational capacity of the region's transport systems to handle such demands.

At the same time, the region is further exposed to geopolitical risks as a consequence of war in Ukraine and broader trade disruptions. Transit of natural gas from the Russian Federation across Ukraine stopped at the end of 2024, which makes the WB6 an even more important transit route for natural gas from the Black Sea and Caspian areas towards European markets. Notably, 2024 also marked the commissioning of the region's first new coal-fired power plant in over a decade (14 years)—Kostolac B3 in Serbia.

The need for a comprehensive, large-scale programme to address **energy poverty** across the WB6 is becoming increasingly urgent. Such a programme must include targeted financial mechanisms to support residential renovation and ensure access to basic living standards. Public funds should be prioritised for vulnerable households lacking the financial and technical capacity to improve the energy efficiency of their homes-many of which suffer from structural deficiencies and inadequate heating or cooling systems. Addressing energy poverty requires not only financial support but also knowledge transfer, technical assistance, and social empowerment to facilitate informed investment decisions and enable implementation. NECPs, along with specific measures targeting energy poverty and energy efficiency, must be aligned with domestic climate change strategies, including commitments under the Global Methane Pledge, NbS, Land Use, Land-Use Change and Forestry (LULUCF), and climate adaptation frameworks to ensure coherence and maximise cross-sectoral synergies.

Energy supply security has become a critical challenge across the WB6. Addressing it requires a robust and integrated response that combines ambitious policy reforms with scaled-up commercial investments to reduce systemic vulnerabilities. The region's conventional energy sources—crude oil, natural gas, and lignite—are declining in both quality and quantity, with limited prospects for regeneration. In this context, the strategic direction outlined in NECPs must be operationalised through concrete investment pipelines, underpinned by a stronger commitment to decarbonisation as the foundation of long-term energy resilience.

At the same time, levels of Final Energy Consumption (FEC)[19] remain insufficient to support sustainable economic growth, ensure a just energy transition and meet the requirements for EU accession. Expanding final energy availability for the commercial and industrial sectors is crucial. This can be achieved by expanding overall energy supply, reducing weather-dependent energy demand for space heating and minimising technical losses across energy networks.

Potential **decarbonisation plans and investments** under the GAWB must be fully integrated into spatial planning frameworks of WB6. This includes spatial plans of special purpose for major energy and industrial zones, including coal regions in transition. Such integration will facilitate more coordinated implementation, reduce land-use conflicts, and optimise the use of infrastructure and natural resources.

2.2.1 Progress in implementing the Roadmap across the actions and the region

Two key developments in the energy sector during 2023 (as reported in 2024) and during 2024 are:

1) **Deterioration of security of energy supply in all critical dimensions**:

   a) Domestic production of crude oil and natural gas in **Serbia** (that is the only producer in the region) decreases[20] in line with 35 -year trend. There is no oil or gas production in other WB6.

   b) At the end of 2024, gas transit from the Russian Federation through Ukraine towards region was stopped[21]. Remaining supply route[22] through Turkiye and Bulgaria is exposed to the risk of war impacts.

   c) Electricity production from domestic lignite deteriorates due to the condition of lignite mines and growing probability of failure of power plants. Power plants in the region fail to comply[23] with emission limits prescribed by the Energy Community Treaty.

   d) Region-wide blackout in June 2024 indicates problems with grid stability across the region[24].

   e) **North Macedonia**[25] and **Serbia**[26] are now active net importers of coal.

   f) Fuel wood prices in the region continue to be elevated[27] beyond traditional peg to electricity

19 According to the Energy Community Implementation Report 2024

20 IEA, Energy Statistics Data Browser (as per 21 December 2023 update, observed 20 April 2025)

21 As per Conclusions of the 22nd Ministerial Council of the Energy Community (December 2024) as well as https://energy.ec.europa.eu/document/download/e8a46964-f29b-44f8-9410-689f9e34463b_en

22 https://www.aa.com.tr/en/europe/targeting-turkstream-pipeline-amounts-to-attack-on-sovereignty-of-nations-using-its-gas-hungary/3449160; https://www.reuters.com/world/europe/russia-says-repelled-ukrainian-drone-attack-turkstream-pipeline-compressor-2025-03-01/

23 https://www.complyorclose.org/?gad_source=1&gad_campaignid=12757563027&gbraid=0AAAADCUHk5MksHsB6lc_1e1bI9fOK6qR&gclid=Cj0KCQjwmqPDBhCAARIsADorxIamibCn6LV9n9ShmzZvKurebdxW_nTrFunPBjQYD-p2uDSlN1PPOjNUaArnrEALw_wcB

24 https://www.entsoe.eu/news/2025/02/25/entso-e-publishes-the-final-report-on-the-grid-incident-in-south-east-europe/

25 https://china-cee.eu/2025/01/16/north-macedonia-political-briefing-charting-macedonias-energy-trajectory-in-2024-and-beyond/

26 https://serbia-energy.eu/serbia-plans-to-import-5-5-million-tons-of-coal/

27 For example: https://newsmaxbalkans.com/region/vesti/3921/cena-drva-u-crnoj-gori/vest or https://www.bbc.com/serbian/lat/balkan-61907934

prices forcing the most vulnerable consumers to supplement heating with electricity. That increases weather sensitive electricity demand[28].

g) Compulsory oil stocks are not in place in WB6[29].

2) **Very low ambition to provide additional volumes of Final Energy Consumption (FEC) towards 2030 in order to support economic development and industrial employment**:

a) **Albania** is planning FEC increase of 20% from 2022-2030 as well as **Kosovo*** (20.7%) and **North Macedonia** (8.8%). However, **Serbia** (-3.1%); **Montenegro** (-5.3%) and **Bosnia and Herzegovina** (-5.2%) are planning to reduce availability of FEC during 2022 -2030 period.

b) Planned reduction in FEC constraints prospects for economic and industrial development that is to be considered impediment to eventual just transition process in Coal regions in Transition specifically in large lignite industries in **Bosnia and Herzegovina** and **Serbia**.

c) Constraints of Final Energy available for consumption (FEC) limits growth prospects, opportunities for implementation of the Growth Plan with the EU and eventual accession into EU taking into account economic criteria.

BOX Major Blackout (OB3) incident[30] within the WB6 area in June 2024

On 21 June 2024 around 12:20, a major grid incident occurred in the South-Eastern part of the Continental Europe power system. The incident resulted in a black-out in the electricity grids of **Albania**, **Montenegro**, **Bosnia and Herzegovina** and partially in **Croatia**.

The lost electricity load on 21 June 2024 was:

» 1,102 MW for **Albania** (97% of the demand before the incident)

» 1,500 MW for **Bosnia and Herzegovina** (100% of the demand before the incident)

» 709 MW for Croatia (26% of the demand before the incident)

» 338 MW for **Montenegro** (72% of the demand before the incident)

The incident comprised 21 almost simultaneous failures[31] across power supply systems. The following maps indicate the scope and scale of the failure.

28 As indicated for example by Household Consumption surveys by Serbia's Statistical Institute

29 As per the Energy Community Implementation Report 2024 none of WB6 fulfil obligations on the compulsory oil stocks

30 Major Blackout (OB3) incident according to the ICS Methodology has been developed in accordance with the Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 and updated to fulfil the objectives and the security indicator requirements laid out in Article 15 of Commission Regulation (EU) 2017/1485 of 02 August 2017, establishing a guideline on electricity transmission system operation (SOGL).

31 https://balkangreenenergynews.com/overgrown-vegetation-caused-balkans-blackout-on-june-21/

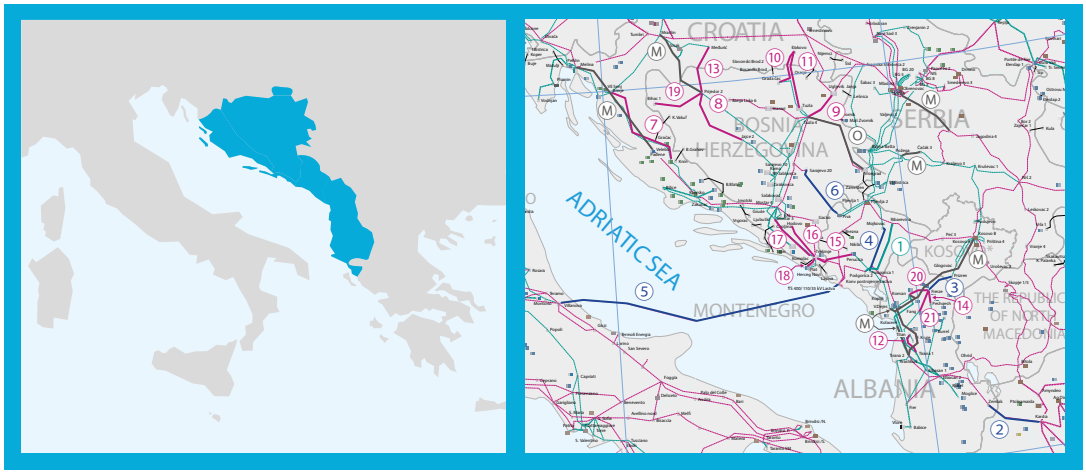


Figure 2.2.1 Map of affected territories and technical failures

Sources:https://eepublicdownloads.blob.core.windows.net/public-cdn-container/clean-documents/Publications/2024/entso-e_incident_report_240621_250225_02.pdf and https://balkangreenenergynews.com/overgrown-vegetation-caused-balkans-blackout-on-june-21/

The final report identifies[32] the following root causes of the incident:

- The two initial short circuits were caused by vegetation that had grown too close to the power lines. There is no indication whether this resulted from negligence, delayed maintenance, design of the high voltage line or some other cause;
- The resulting outages on the grid affected more than one transmission system operator (TSO), while none of the affected individual operators had a complete overview of the regional grid at the time. This points to challenges in regional coordination and real time situational awareness[33];
- When the voltage in the system decreased, the available measures were not sufficient to avoid a voltage collapse which ultimately led to the partial black-out in the region. These highlights existing deficiencies in security of supply and reliability of infrastructure. It should be noted that the electricity grid in this region has been significantly enhanced over the past two decades through substantial commercial investments, as well as support from the EU and IFIs. The grid's density has improved, alongside the addition of major hydro power plants, wind farms and solar power installations. Furthermore, the region is interconnected with Italy via an undersea cable. At the same time, local electricity demand has declined due to the cessation of operations of major industrial consumers, most notably aluminium smelters.

32 https://www.entsoe.eu/news/2025/02/25/entso-e-publishes-the-final-report-on-the-grid-incident-in-south-east-europe/

33 https://www.energy-community.org/news/Energy-Community-News/2024/06/25a.html

Action 8	Review and revise, where necessary, all relevant legislation to support progressive decarbonisation of the energy sector

The region made progress in all five dimensions of legislation related to decarbonisation, including: NECPs, Greenhouse Gas 2030 Target, WB6 climate reporting systems, greenhouse gas emissions policies and measures / adaptation, long-term strategy and climate neutrality. Across WB6 and five indicators each (30 indicators in total), progress was recorded in 15 indicators, with retained position in 12 indicators and only three showed minimal deterioration. There has been substantial advancement in multiple indicators and across WB6. (See table in Annex[34]).

Table 2.2.1: Progress indicators: Review and revise, where necessary, all relevant legislation to support progressive decarbonisation of the energy sector[35]

	Description	2022	2023[36]
Albania	NECP	61%	62%
	Greenhouse Gas 2030 Target	80%	80%
	Domestic climate reporting systems	67%	92%
	Domestic greenhouse gas emissions policies and measures / adaptation	61%	71%
	Long-term strategy and climate neutrality	25%	25%
	MRVA		24%
Bosnia and Herzegovina	NECP	38%	36%
	Greenhouse Gas 2030 Target	80%	80%
	Domestic climate reporting systems	14%	14%
	Domestic greenhouse gas emissions policies and measures / adaptation	8%	15%
	Long-term strategy and climate neutrality	34%	34%
	MRVA		0%
Kosovo*	NECP	33%	53%
	Greenhouse Gas 2030 Target	80%	80%
	Domestic climate reporting systems	68%	75%
	Domestic greenhouse gas emissions policies and measures / adaptation	33%	47%
	Long-term strategy and climate neutrality	0%	25%
	MRVA		6%

34 Based on the Energy Community Implementation Report 2024

35 According to the Energy Community Annual Implementation Report 2023, November 2023

36 As reported by EnCT Reports published in the 2024

	Description	2022	2023[36]
Montenegro	NECP	29%	30%
	Greenhouse Gas 2030 Target	0%	0%
	Domestic climate reporting systems	67%	65%
	Domestic greenhouse gas emissions policies and measures / adaptation	33%	40%
	Long-term strategy and climate neutrality	25%	25%
	MRVA		48%
North Macedonia	NECP	70%	71%
	Greenhouse Gas 2030 Target	80%	80%
	Domestic climate reporting systems	25%	40%
	Domestic greenhouse gas emissions policies and measures / adaptation	13%	18%
	Long-term strategy and climate neutrality	44%please describe	44%
	MRVA		0%
Serbia	NECP	92%	89%
	Greenhouse Gas 2030 Target	80%	80%
	Domestic climate reporting systems	48%	73%
	Domestic greenhouse gas emissions policies and measures / adaptation	25%	59%
	Long-term strategy and climate neutrality	63%	63%
	MRVA		85%

Progress has been made in introduction of Monitoring, Reporting, Verification and Accreditation (MRVA) in **Albania**, **Kosovo***, **Montenegro** and **Serbia**. Progress in **Serbia** is of critical importance taking into account the size of coal sector that accounts for about half of coal-based power generation in the region.

Decline in lignite coal production across the region is to be taken into consideration as a contextual factor in shaping both decarbonisation and energy security policies.

Table 2.2.2: Lignite production and deliveries (2022-2023)[37]

	Lignite production			Lignite deliveries to power stations	
	2023 (Mt)	Change (%)	2022 (Mt)	2023 (Mt)	2022 (Mt)
Bosnia and Herzegovina	12.3 (e)	-7.1%	13.3	10.4 (e)	10.8
Kosovo*	6.9	-16.4%	8.3	6.9	8.1
Montenegro	1.9	8.1%	1.7	1.6	1.5
North Macedonia	4.0	-21.5%	5.1	5.3	5.7

37 Sourced from EURACOAL Market Report 2024 no.1, April 2024

	Lignite production			Lignite deliveries to power stations	
	2023 (Mt)	Change (%)	2022 (Mt)	2023 (Mt)	2022 (Mt)
Serbia	31.9	-9.1%	35.1	34.3	35.7
Total	57.0	0.0	63.5	58.5	61.8

Note: Lignite was imported from Bosnia and Herzegovina[38] and Montenegro to power stations in Serbia

Action 9	Prepare an assessment of socio-economic impact of decarbonisation at domestic and regional levels

Minimal-if any-progress has been observed. Policy uncertainty, coupled with the lack of a clear financial framework for large-scale renewable energy investments that also ensure security of supply, represents a critical impediment to further progress towards actual decarbonisation. These challenges may increase the probability of socio-economic impacts at both domestic and regional levels.

Two policy briefs have recently been produced as a result of the joint work between RCC and GIZ, as validated by WB6:

- Policy Brief – Mitigating negative social and labour market impacts of the energy transition in the WB6;
- Policy Brief – Addressing vulnerable groups in the energy transition with focus on workers in the coal sector and women in the WB6.

The policy briefs explore social and labour market dimensions of energy transition in the WB6, highlighting challenges, best practices and tailored policy responses.

The methodology of both policy briefs combines a review of existing literature, an analysis of WB6 policies and legal frameworks, and ten semi-structured interviews with key stakeholders involved in socio-economic and labour market policies across the region. This approach ensures a comprehensive understanding of both institutional settings and practical challenges of the energy transition in WB6.

The first policy brief *Mitigating Negative Social and Labour Market Impacts of the Energy Transition in the WB6* assesses the state of labour market policies in the region's energy sector and analyses potential impacts of the energy transition on employment and economic growth. It draws on international and EU policy frameworks to highlight best practices for mitigating negative social and labour market effects, such as unemployment and economic restructuring. It concludes with tailored policy recommendations, focusing on strategies for social protection and improved energy market functioning.

The second policy brief *Addressing Vulnerable Groups in the Energy Transition with Focus on Workers in the Coal Sector and Women in the WB6* analyses specific needs and challenges of vulnerable groups, including coal sector workers and women. It reviews relevant international and EU policies and proposes policy measures to support up-skilling, re-skilling and/or development of the qualification standards tailored to the WB6 context.

38 https://serbia-energy.eu/bosnia-and-herzegovina-republic-of-srpska-faces-coal-shortages-as-exports-continue-urging-for-action-to-prevent-energy-crisis/?utm_source=chatgpt.com

In addition, "Impact assessment for the establishment of a regional Emission Trading System in Energy Community Contracting Parties"[39] presented at the Energy Community Ministerial Council[40] (December 2024) in Chapter 4 provides macroeconomic results from a potential implementation of five scenarios (plus baseline scenario) of alternative ETS schemes with assumption that significant commercial investments[41] are going to be accomplished. With that assumption, cumulative GDP impacts are presented in the Figure 2.2.2 as follows:

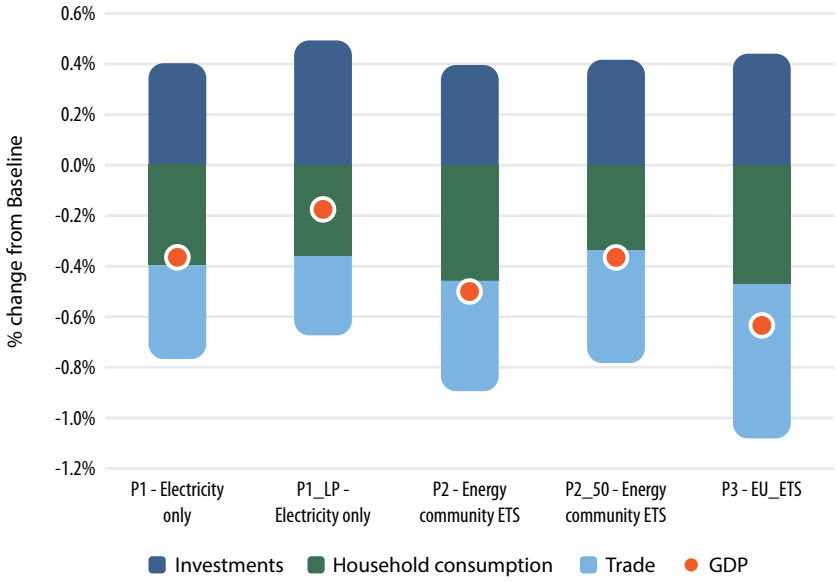


Figure 2.2.2: Comparisons of cumulative GDP impacts of different scenarios with baseline scenario

It is to be noted that the baseline scenario envisages a decrease in GDP annual growth rates from 3.8% in 2030 to less than 2.6% in 2040[42].

Action 10	Prioritise energy efficiency and improve it in all sectors

Most of the WB6 made progress in energy efficiency measures and policies while only one-**North Macedonia** retained its position from the 2023 Report.

39 https://www.energy-community.org/dam/jcr:1de6d1f6-1321-434e-9db5-aa33e02ca23f/executive%20summary_CarbonPricing%20_1401.pdf

40 https://www.energy-community.org/events/2024/12/MC.html

41 Investment into power generation 31-36 billion euros during projection period.

42 IBID, Figure 8, same page.

Table 2.2.3: Progress Indicators: Prioritise energy efficiency and improve it in all sectors[43]

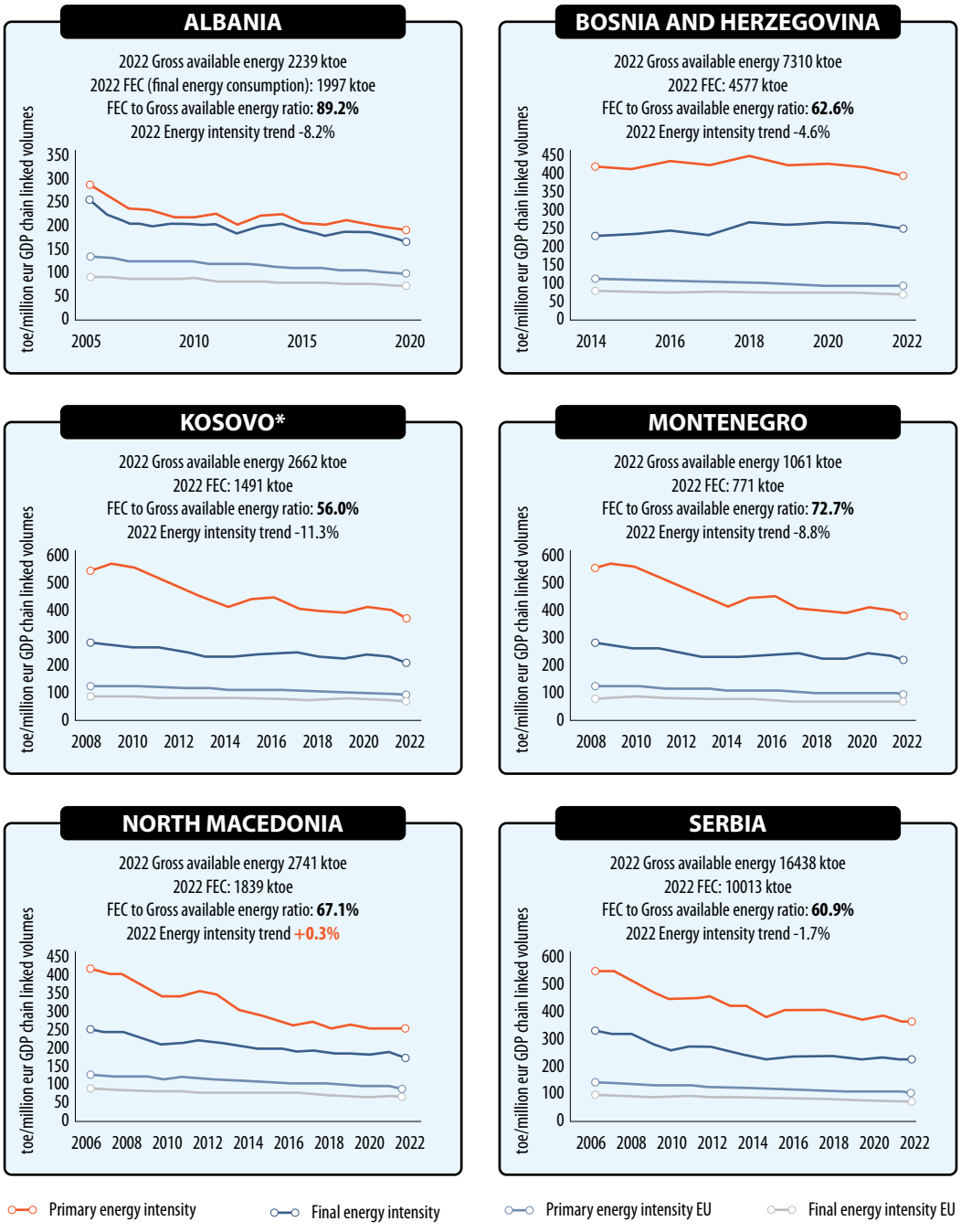
	2022	2023
Albania	54%	55%
Bosnia and Herzegovina	48%	49%
Kosovo*	69%	71%
Montenegro	76%	79%
North Macedonia	66%	66%
Serbia	79%	83%

It seems that WB6 are prioritising complex, systemic and strategic energy efficiency measures. The process is enhanced with the notion of energy security risks and risks of energy price spikes for imported energy. However, progress is not sufficient to make tangible impact on the security of supply risk: there is about 60% of lignite coal-based power generation that is at risk of lignite supply and technical failures while the entire natural gas supply to the region is under a supply risk due to geopolitical events. This significantly goes beyond volumes of energy that could be compensated by the energy efficiency improvements in short- to medium-term.

Beyond (incomplete) policy and regulatory framework demonstrated in the Table 2.2.3 above; critical aspects of energy efficiency evolution are conversion efficiencies from Gross available energy into final energy consumption (FEC) followed by creation of GDP by final consumption of energy. The following table demonstrates evolution of these two aspects of overall energy efficiency of WB6.

43 According to the Energy Community Annual Implementation Report 2023, November 2023 and November 2024

Table 2.2.4: Primary and final energy intensity (2005-2022) in TOE (tons of oil equivalent) per million euros GDP chain linked volumes



Source: Eurostat (according to European Commission WB6-specific Energy Fiche) for graphs and Energy Community Secretariat 2024 Implementation Report for data

It is obvious that the energy efficiency in the WB6 needs significant improvement to approach average energy efficiency within the EU both in terms of conversion efficiency from Gross available energy to FEC and use of energy for GDP creation. There is considerable improvement in the energy

intensity of GDP observed in various data[44] sources. However, there is no thorough analyses of quality (or actual reality) of the nominal GDP growth achieved in the WB6 and its sustainability once period of civil constructions of infrastructure (roads) and tourist facilities is saturated. Therefore, positive developments of energy intensity of GDP in most of WB6 (with notable exception of North Macedonia) have to be cautiously considered.

Use of Primary solid biofuels and solid fossil fuels in households remains significant in the region. By prevailing statistical methodology, household use of these fuels is considered as final energy use. Therefore, this amount of energy is transferred from gross available energy to final energy consumption without energy conversion. Conversion of solid fuels into useful heat is arranged in the household and may be very low efficiency. As a consequence, efficiency of conversion from gross available energy to final energy consumption is better while household (building) energy efficiency appears worse than actual building insulation properties facilitate. This aspect of energy statistics methodology creates perception about energy efficiency of buildings in the region that may have policy consequences. (See Table 2.2.5)

Table 2.2.5: Household final consumption of primary solid biofuels and solid fossil fuels in ktoe

	Primary solid biofuels			Solid fossil fuels			2022 Solid fuels household use in	
WB6	2021	2022	2023	2021	2022	2023	Gross available energy	FEC
Albania	117	112	111	0	0	0	5.0%	5.6%
Bosnia and Herzegovina	1,125	1,198	1,144	61	54	45	17.1%	27.4%
Kosovo*	340	232	230	3	3	3	8.8%	15.8%
Montenegro	138	126	125	2	2	1	12.1%	16.6%
North Macedonia	189	183	172	0	0	0	6.7%	7.0%
Serbia	1,428	1,428	1,430	148	131	138	9.5%	15.6%

Source: Eurostat Database (02.05.2025 update)

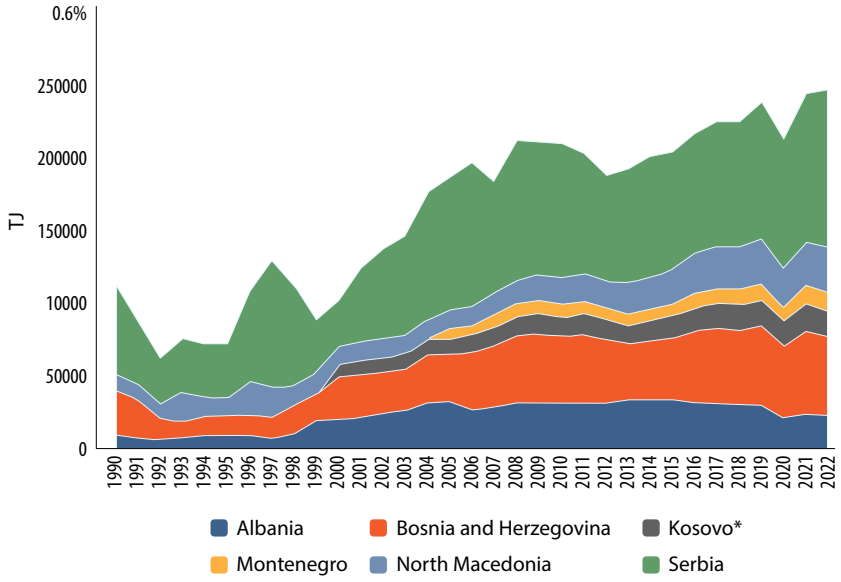
Another example of policy impacts is evolution of the fuel consumption in transport: the evolution of fuel consumption in transport sector across the region despite advancements in vehicle technology, and improvements in energy efficiency of vehicles reflect an increasing share of road transport as well as a decreasing share in waterborne and rail transport. It is also an indication of the outcomes of the energy efficiency policies in light of a need to reduce energy consumption in transport. Growth in road transport (facilitated by infrastructure and road constructions) has a disproportional impact on GDP growth. It is entirely based on imported fossil fuels but it creates disproportionally higher fiscal revenues and growth of services than other forms of energy use. For example, fiscal revenues from primary solid fuels value chain is negligibly small. As a consequence, increase in fuel consumption in transport may be considered as important, but not necessarily sustainable, contribution to GDP growth and perceived improvement in the energy efficiency of GDP formation. Quite the contrary, the

44 https://ourworldindata.org/grapher/energy-use-per-capita-vs-gdp-per-capita?zoomToSelection=true&country=SRB~ALB~BIH~OWID_EU27~OWID_KOS~MNE~MKD or https://www.odyssee-mure.eu/publications/efficiency-trends-policies-profiles/

least efficient use of transport fuels (such as running vehicle engine in urban traffic congestion) may have the greatest GDP formation per unit of energy.

Therefore, increase in transport fuel consumption requires policy attention from the perspective of overall energy efficiency policy, security of energy supply (and its GDP impact) and quality of air (depollution) aspect.

Figure 2.2.3 Transport fuel consumption, Western Balkans 6 (1990-2022)



Source: IEA, Energy Statistics Data Browser (as per 21 December 2023 update, observed 20 April 2025)

Action 11	Transposition and full enforcement of the Energy Performance of Buildings Directive

This action seems to be slowing down. Among the WB6, three registered minimal progress, while the remaining three failed to advance.

Table 2.2.6: Progress Indicators: Transposition and full enforcement of the Energy Performance of Buildings Directive[45]

WB6	2022	2023
Albania	86%	86%
Bosnia and Herzegovina	65%	66%
Kosovo*	86%	89%
Montenegro	82%	90%
North Macedonia	52%	51%
Serbia	64%	64%

As region is progressing towards full transposition and enforcement of the Energy Performance of Buildings Directive, it is interesting to consider how policy measures from building performance toolkit help in eradication of energy poverty. There is a significant synergy between these policies, and the region may harness benefits of these synergies. It is interesting to assess how energy performance of buildings policy interacts with long-term energy poverty eradication policy.

Table 2.2.7: Policy measures with tangible long-term effects that link building performance improvements with energy poverty eradication[46]

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
Energy efficiency improvements and incentives » Incentives for low energy consumption	Y	Y	Y	N	Y	Y[47]

45 EPBD plus Governance regulation and building renovation strategy according to the Energy Community Implementation Report 2023 and 2024

46 According the Energy Community Report "Addressing energy poverty in the Energy Community Contracting Parties: Factsheets on status and policies and measures", October 2024

47 This refers to only one small Project: Scaling Up Residential Clean Energy (SURCE) (2022). The goal of the project is to encourage investment in energy efficiency and in the application of "clean energy", as well as spreading awareness of the necessity of rational energy management through investments in clean and efficient heating solutions and rooftop solar photovoltaic systems. Sustainable heating investments are expected to reach 25,000 households during the five years of the project. Some 2,500 households will receive social inclusion "top-up grants", supporting the most vulnerable citizens, and 3,000 households are expected to shift away from traditional solid fuel heating solutions (NB out of more than one million households using solid fuels). Rooftop solar photovoltaic installations are expected to add 4MW in installed renewable energy capacity. The project will prioritise investments in single-family houses and flats, which tend to have poor thermal characteristics and rely on more polluting and less efficient coal and wood boilers for heating. Grants will be provided by the government in cooperation with the World Bank and local self-government units and will be awarded through public invitations issued by local self-government units. In 2024, subsidies for energy poor citizens substantially increased, allowing for up to 90% of the investment coverage. This financial support, totalling approximately 222 million dinars (around 1.9 million EUR), is allocated to 44 local self-government units. The implementation of these subsidies must be completed within one year of signing the contracts between the Ministry of Mining and Energy and the local authorities.

» Energy retrofitting of buildings, including replacing windows and doors, and replacing energy inefficient household appliances with more efficient ones	Y	Y	Y	N	Y	Y[48]
Heating system improvements » Replacing the main heating source with more efficient, environmentally friendly and affordable types of heating » Modernisation and expansion of heating systems » Implementation of heating systems where not available	N	N	N	N	N	Y[49]
Implementation of low-cost energy efficiency measures including energy counselling » Installing simple and low-cost energy efficiency measures such as draught-proofing of windows and doors and LED lighting » Undertaking simple energy audits and providing information on rational and efficient energy use	N	Y[50]	N	N	N	N

Y= yes; N=No

Energy performance of buildings is also affected by renewable energy policies including promotion of self-consumption, energy communities and renewable energy in heating and cooling.

48 This refers to only one small Project: Scaling Up Residential Clean Energy (SURCE) (2022). The goal of the project is to encourage investment in energy efficiency and in the application of "clean energy", as well as spreading awareness of the necessity of rational energy management through investments in clean and efficient heating solutions and rooftop solar photovoltaic systems. Sustainable heating investments are expected to reach 25,000 households during the five years of the project. Some 2,500 households will receive social inclusion "top-up grants", supporting the most vulnerable citizens, and 3,000 households are expected to shift away from traditional solid fuel heating solutions (NB out of more than one million households using solid fuels). Rooftop solar photovoltaic installations are expected to add 4MW in installed renewable energy capacity. The project will prioritise investments in single-family houses and flats, which tend to have poor thermal characteristics and rely on more polluting and less efficient coal and wood boilers for heating. Grants will be provided by the government in cooperation with the World Bank and local self-government units and will be awarded through public invitations issued by local self-government units. In 2024, subsidies for energy poor citizens substantially increased, allowing for up to 90% of the investment coverage. This financial support, totalling approximately 222 million dinars (around 1.9 million EUR), is allocated to 44 local self-government units. The implementation of these subsidies must be completed within one year of signing the contracts between the Ministry of Mining and Energy and the local authorities.

49 IEA, Energy Statistics Data Browser (as per 21 December 2023 update, observed 20 April 2025)

50 Only on local level

Table 2.2.8: Renewable energy policies that may affect energy use and performance in buildings[51]

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
Self-consumption and energy communities	75%	75%	75%	75%	50%	88%
Renewable energy in heating and cooling	25%	45%	83%	70%	33%	83%

Action 12	Support private and public buildings renovation schemes and secure appropriate financing

Like Action 11, minimal progress is observed. Implementation is slowing down[52].

Table 2.2.9: Progress Indicators: Support private and public buildings renovation schemes and secure appropriate financing[53]

WB6	2022	2023
Albania	44%	43%
Bosnia and Herzegovina	49%	49%
Kosovo*	73%	73%
Montenegro	67%	69%
North Macedonia	63%	61%
Serbia	92%	96%

Regional Energy Efficiency Programme (REEP)[54] is a major support scheme in this context. During 2013-2024, this programme delivered 1.1 billion euros in investments (€184.6m EU grants[55], €982m IFI loans) that avoided 730,000 tons of CO2 per year and saved 1,220GWh per year, which amounts to about 1.6% of overall emissions and output from power generation in the region. Bilateral donor (the World Bank) grant for energy efficiency investments in healthcare buildings of €2.2 million has been detected[56]. Green Growth Fund in its Green Lending Initiative to enhance access to finance for energy

51 According to the Energy Community Implementation Report 2024

52 https://wiiw.ac.at/the-energy-transition-in-the-western-balkans-the-status-quo-major-challenges-and-how-to-overcome-them-dlp-6896.pdf, page 24

53 According to the Energy Community Annual Implementation Report 2023, November 2024

54 https://www.wbif.eu/reep-2025 is the ONLY investment vehicle dedicated to energy efficiency within the WBIF

55 These are probably most of grants for energy efficiency reported in the WBIF Factsheet from September 2024: https://www.wbif.eu/storage/app/media/Factsheets%20September%202024/WBIF%20Sector%20Factsheet%20ENE%20September%202024.pdf

56 https://www.wbif.eu/storage/app/media/Library/2.%20Bilateral%20Donors/Bilateral%20Donors%20Factsheet_May25.pdf

efficiency and renewables indicates Outcome of 2nd Call (2023) of €24 million in grants and €231 millions of estimated investments lead by the KfW[57]. The Western Balkans Enterprise Development and Innovation Facility does not report any specific funding for energy efficiency investments[58]. As a result of all these investment efforts, WBIF Factsheet indicates total of 2,252 GWh/y energy saved[59] so REEP accounts for more than half of estimated savings. About €154 million[60] worth annual investments into inverter heat pumps across WB6 provide savings of estimated 1800GWh of energy taking into account modest utilisation rate.

Action 13	Increase the share of renewable energy sources and provide the necessary investment conditions

WB6 made considerable progress in implementation of legal and policy framework as well as public support to renewable energy[61].

Table 2.2.10: Progress Indicators: Increase the share of renewable energy sources and provide the necessary investment conditions[62]

WB6	Description	2022	2023
Albania	Renewable energy capacity change 2021/2022	+9MW	+9MW
	Renewable energy implementation	59%	61%
Bosnia and Herzegovina	Renewable energy capacity change 2021/2022	+ 46 MW	+46MW
	Renewable energy implementation	44%	46%
Kosovo*	Renewable energy capacity change 2021/2022	+ 2 MW	+2MW
	Renewable energy implementation	36%	68%
Montenegro	Renewable energy capacity change 2021/2022	+ 8 MW	+8MW
	Renewable energy implementation	14%	50%
North Macedonia	Renewable energy capacity change 2021/2022	+ 150 MW	+150MW
	Renewable energy implementation	46%	48%
Serbia	Renewable energy capacity change 2021/2022	+ 30 MW	+30MW
	Renewable energy implementation	63%	79%

57 https://www.wb6cif.eu/wp-content/uploads/2024/04/Training-CIF-on-WBIF-Private-Sector-26.04.2024.pdf

58 https://www.eif.org/eib.org/attachments/thematic/wb-edif-building-the-future-of-smes-in-the-western-balkans.pdf

59 https://www.wbif.eu/storage/app/media/Factsheets%20September%202024/WBIF%20Sector%20Factsheet%20ENE%20September%202024.pdf

60 Estimated according to www.Statista.com for WB6

61 Progress in actual commissioning of renewable energy capacity is not visible in available data as it looks like EnCT 2024 Report is still reporting 2022 data. Anecdotal evidence from investment market and CfD auctions indicate some growth in new installations.

62 According to the Energy Community Annual Implementation Report 2023, November 2023

The financial support available for investments in the WB6 has been significantly lower compared to the levels provided to EU member states. The recent WIIW report provides some evidence even without factoring in the substantial support available to Member States through the EU Modernisation Fund.[63]

Actual outcomes in implementing wind and solar renewable energy projects are reported by the Global Energy Monitor are provided in Figure 2.2.4 below.

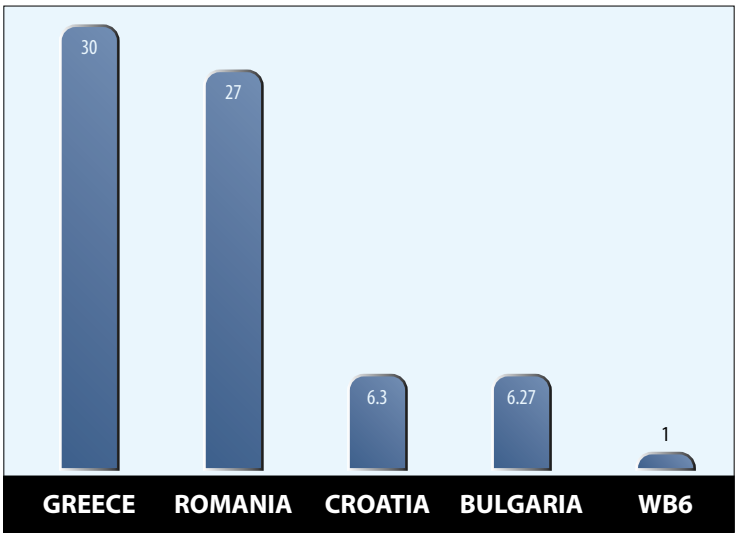


Figure 2.2.4: Volume Implementation ratio, volume of EU wind financial support for facilitating the green transition (in bn EUR)

Note: The amounts for Greece, Romania, Croatia and Bulgaria refer to the allocated Recovery Resilience Facility funds and solar power investments. The amount for the WB6 refers to the EU's Energy Support Package.

63 https://modernisationfund.eu/investments-2/ (15.45 billion EUR as observed on 20 June 2025)

The majority of prospective solar & wind power in the Western Balkans is not yet in construction

Status of prospective utility-scale solar & wind power capacity, in gigawatts (GW)
How to read this chart: → % of prospective capacity by status
↓ height of bars = total capacity in development, in gigawatts (GW)

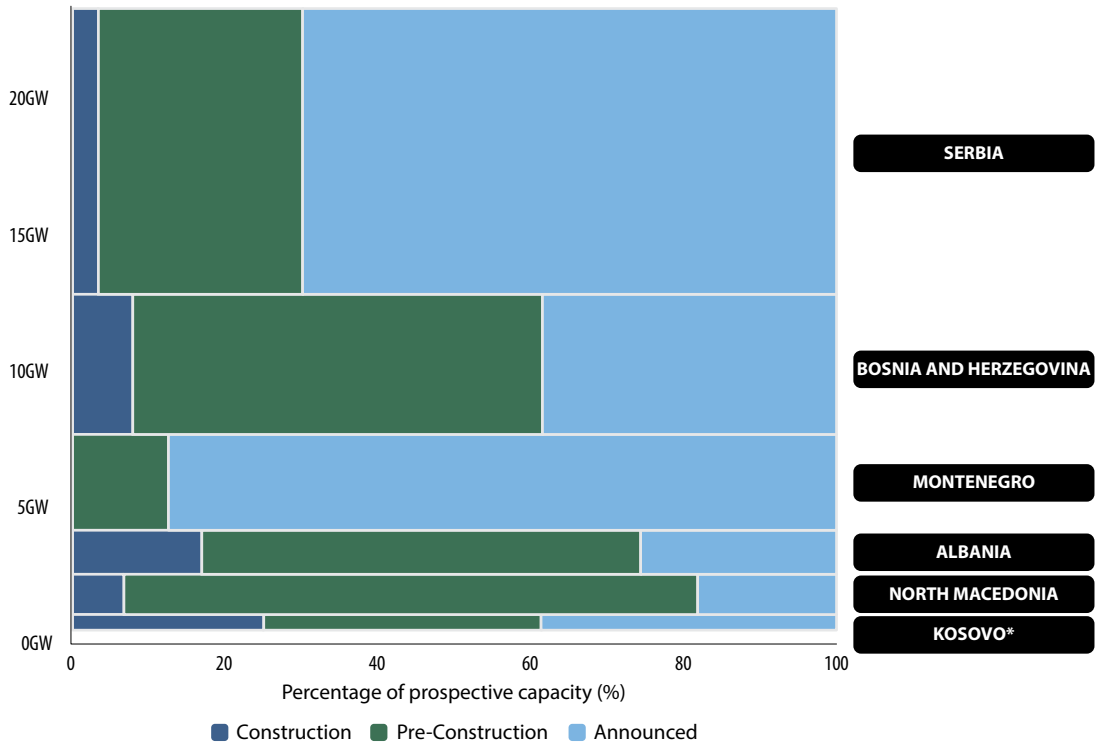


Figure 2.2.5: Status of prospective utility-scale solar and wind power capacity

Source: European Commission 2022

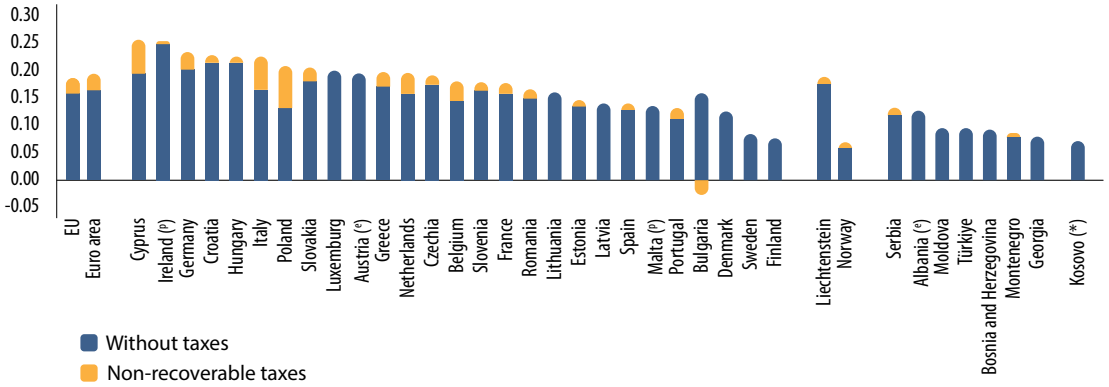
Policy instruments that support renewable energy implementation in the region are evolving as evidenced by the Energy Community Implementation Report 2024. Renewable energy targets have been largely established, although in some cases they do not align with the targets set by Ministerial Council Decision 2022/02/MC-EnC. Support schemes exist in the WB6.

Table 2.2.11: Renewable energy policy instruments[64]

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
2030 renewable energy targets	88%	73%	60%	13%	85%	65%
Quality of support scheme	90%	40%	80%	50%	65%	90%
Guarantees of origin	70%	35%	70%	70%	40%	65%
Sustainability criteria for biofuels, bioliquids and biomass fuels	0%	0%	40%	34%	0%	82%

64 According to the Energy Community Implementation Report 2024

Anecdotal evidence suggests that renewable energy investments are growing among industrial and commercial customers or driven by direct offtake (industrial PPAs or other instruments) arrangements with industrial and commercial customers. These customers, already exposed to market-based electricity and district heating prices, are finding certain forms of renewable energy commercially viable without public support. In addition to facing relatively high electricity prices and concerns over security of supply, many are responding to market demand for low-carbon production process. Notably, non-household electricity prices in the region are already comparable to those in some EU member states.



(*) 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.
(e) Estimate
(p) Provisional
No data available for Iceland and North Macedonia

Source: Eurostat (online data code: nrg_pc_205)

Figure 2.2.6: Comparative electricity prices for non-household consumers

Action 14	Decrease and gradually phase out coal subsidies, strictly respecting state aid rules

The issue of non-financial subsidies and the continued non-enforcement of obligations under the Large Combustion Plant Directive / Industrial Emission Directive indicated in the 2023 Report continues despite the commissioning of major flue gas desulphurisation installations in 2024.

The phase-out of existing coal-fired power plants would, by extension, lead to the gradual elimination of coal subsidies.

In line with the Energy Community Treaty, allowed emissions ceiling from the WB6 NERP[65] coal plants are reduced in 2024 compared to 2018-2023 period. However, actual emissions continue to exceed these limits, effectively constituting a significant form of domestic aid to the industry. From a regulatory perspective, existing power plants operate under considerable compliance risks, which further compounds concerns related to security of supply.

65 NERP stands for domestic Emission Reduction Plans

Table 2.2.12: Allowed emissions ceilings and emissions, 2023 versus 2024[66]

	Sulphur dioxide ceiling	Sulphur dioxide emissions	Dust ceiling	Dust emissions	Nitrogen oxides ceiling	Nitrogen oxides emissions
2023	103,518	589,644	11,180	19,611	48,344	69,153
2024	87,126	518,248	9,147	17,348	46,378	62,531

Compliant with the Industrial Emissions Directive (IED), the new power plant *Kostolac B3* was commissioned at the end of 2024, providing about 3% of additional thermal power generation in the region. The entire Kostolac complex now accounts for over 35% of the additional thermal generation capacity in WB6.

The project had been subject to prolonged scrutiny regarding domestic aid[67]. A similar project -- the *Tuzla 7* power plant -- appears to have been cancelled[68] following years of legal[69] and administrative procedures related to domestic aid[70] compliance.

Recent OECD Report[71] indicates further induced (price) support and financial support for energy sectors in the WB6 during the period between 2018 and 2023 and makes the conclusion that majority of fiscal support is directed to fossil energy. The report also indicates that electricity prices that are bellow EU average in nominal terms are still very high relative to GDP per capita in the region.

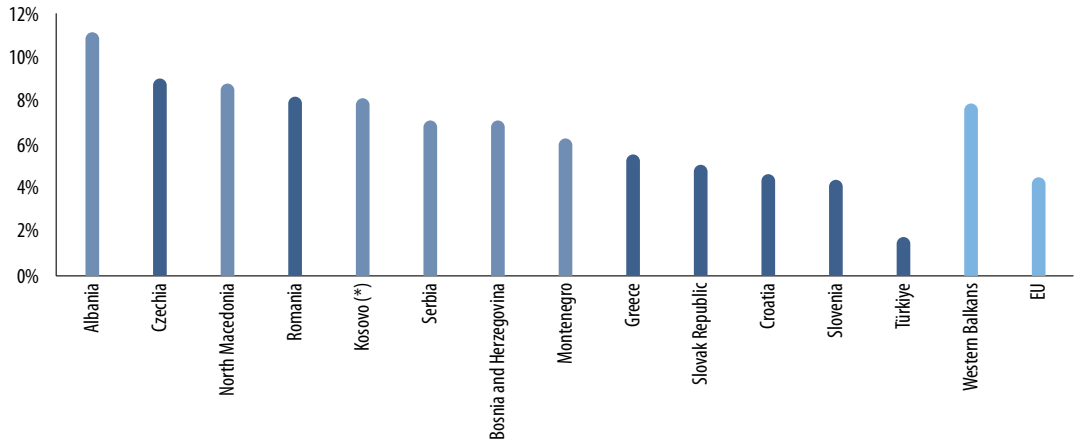


Figure 2.2.7: The cost of electricity relative to GDP per capita remains relatively high in the Western Balkans 6 (Average price (including taxes) for 5 000 kWh for households (in % of GDP per capita), 2024)

Source: Eurostat (2025[3]), Electricity prices for household consumers - bi-annual data (from 2007 onwards), https://ec.europa.eu/eurostat/databrowser/view/nrg_pc_204/default/table?lang=en&category=nrg.nrg_price.nrg_pc and World Bank (2025[4]), World Development Indicators, https://databank.worldbank.org/source/world-development-indicators.

66 https://www.complyorclose.org/wp-content/uploads/2025/06/2025_06_Comply-or-Close.pdf, pages 11-13

67 https://justfinanceinternational.org/2021/02/25/the-debacle-of-chinese-financed-kostolac-b3-coal-fired-power-station-in-serbia/

68 https://www.business-humanrights.org/en/latest-news/bosnia-and-herzegovina-prime-minister-confirms-cancellation-of-tuzla-7-lignite-plant-final-contract-termination-pending/

69 https://balkangreenenergynews.com/court-of-bih-annuls-ruling-that-state-aid-for-coal-plant-tuzla-7-was-illegal/

70 https://bankwatch.org/press_release/energy-community-bosnia-herzegovina-guarantee-for-chinese-loan-for-tuzla-7-is-state-aid-breaks-eu-law

71 https://www.oecd.org/en/publications/energy-prices-and-subsidies-in-the-western-balkans_082ea26a-en.html

Note: 5000 kWh is the average annual consumption of a household in line with the IEA's estimation for the average annual household consumption in Europe (IEA, 2022[14]). Price data is S1-2024, GDP data is for 2023 from WDI.

Table 2.2.13: Performance of Government aid and Competition authorities estimated by the Energy Community Secretariat[72]

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
AID AUTHORITY	35%	75%	25%	50%	60%	75%
COMPETITION AUTHORITY	40%	70%	45%	45%	20%	65%

Action 15	Ensure participation in the Coal Regions in Transition initiative for the Western Balkans

A fundamental prerequisite for the transition of coal regions is the actual phase-out of coal, under the assumption that adequate electricity supply will be ensured through alternative sources.

Table 2.2.14: Participation in the Coal Regions in Transition initiative for the Western Balkans 6 when it was ongoing[73]

WB6	Indication
Albania	Not applicable
Bosnia and Herzegovina	Participates
Kosovo*	Participates
Montenegro	Participates
North Macedonia	Participates
Serbia	Participates

Planned year of coal phase-out provided in table below does not provide indication of ambitious coal phase out.

72 Energy Community Implementation Report 2024

73 https://energy.ec.europa.eu/topics/carbon-management-and-fossil-fuels/coal-regions-western-balkans-and-ukraine/initiative-coal-regions-transition-western-balkans-and-ukraine_en (This scheme is discontinued. Action is irrelevant as written here. Covered by other EU support programmes.)

Table 2.2.15: Planned year of coal phase-out[74]

WB6	Draft NECP	PPCA[75]
Albania	Not indicated, no coal in electricity generation[76]	Coal-free (electricity sector) PPCA member
Bosnia and Herzegovina	No phase-out in electricity generation[77]	Not a member of PPCA
Kosovo*	No phase-out in electricity generation	2050[78] PPCA member
Montenegro	TPP Pljevlja is expected to be decommissioned by 2041	PPCA member, 2040[79]
North Macedonia	2027-2029 (for electricity generation with the decommissioning of Oslomej and Bitola TPPs)[80]	PPCA member, 2030
Serbia	2050 (for electricity generation)[81]	Not a member of PPCA

The largest coal industries in the WB6 (**Serbia** and **Bosnia and Herzegovina**) are not members of the Powering Past Coal Alliance (PPCA). The PPCA also features an emphasis on energy security[82] aspects of energy transition as well as decarbonisation strategies.

Action 16	Develop programmes for addressing energy poverty and financing schemes for household renovation and providing basic standards of living

The Energy Community Secretariat's document *"Addressing energy poverty in the Energy Community Contracting Parties: Factsheets on Status and Policies and Measures*[83]*"* provides grounds for considering three aspects related to energy poverty eradication policies, as presented in the Table in the Annex:

74 According to Table 6, page 19; Energy Community Secretariat's CBAM-Readiness Tracker 10/2024

75 https://poweringpastcoal.org/

76 Coal is not used in electricity industry in Albania

77 According to the "Policy" scenario in the draft NECP, in 2030, the share of coal in the energy transformation processes in Bosnia and Herzegovina is set at 70.1%. That is a decrease compared to the share of 80.46% projected in the "Baseline" scenario based on existing policies and measures. Framework Energy Strategy for Bosnia and Herzegovina contains alternative carbon neutral scenario. The draft of the Integrated Energy and Climate Plan of Bosnia and Herzegovina (July 2024) for the period until 2030 defines that the Bosnia and Herzegovina`s entity Federation of Bosnia and Herzegovina (FBiH) aimed to decommission two blocks of thermal power plants (TPP Tuzla 5 i TPP Kakanj 5) and convert one block to biomass (TPP Tuzla 3). Also, Phase 2 of this strategy document envisages accelerated decarbonisation in the period from 2030 to 2040.

78 Commitment as of December 2023: https://poweringpastcoal.org/press-releases/the-united-states-heads-a-group-of-countries-making-new-commitments-to-phasing-out-coal/ Observation at https://poweringpastcoal.org/members/ indicates existence of "different" phase-out dates.

79 As observed at https://poweringpastcoal.org/members/

80 To this date, Oslomej TPP has not been decommissioned as was indicated for the year 2021 in the NECP. There are several different planned target dates in the adopted NECP for decommissioning the Bitola

TPP. These dates cover a period between 2025 and 2028 and there is a reference to a possible delay of one or two years.

81 The draft NECP of Serbia includes a reduction in lignite use by up to 25% in 2030 compared to 2019.

82 https://poweringpastcoal.org/strands-of-work/energy-security/

83 https://www.energy-community.org/dam/jcr:496a4ef5-7f59-4ecd-bfae-76bb1cdac693/Energy_Community_Poverty_Factsheets_102024.pdf

» Existence of the Definition of energy poverty (this is also the main recommendation provided by the Energy Community Secretariat to WB6)

» Existence of the Definition of vulnerable customer (that is another key recommendation. It is further assumed in recommendations to improve data gathering and statistical systems.)

» Existence of the Protection against utility disconnections in case of non-payment[84]

Other aspects from the Factsheet are reported in the Table 2.2.5 above.

Better coordination between energy efficiency policy and energy poverty eradication policy is needed[85]. Even focus of financial resources available for improvement of energy efficiency of buildings to eradication of energy poverty may provide tangible benefits for most vulnerable customers.

Table 2.2.16: Energy poverty eradication policy aspects

Albania	Definition of energy poverty	no
	Definition of vulnerable customer	Law on Power Sector No. 43/2015 defines a 'vulnerable customer' as a costumer, which due to social status, is entitled to certain special rights regarding the electricity/gas supply(Article 95).
	Protection against utility disconnections in case of non-payment	no
Bosnia and Herzegovina	Definition of energy poverty	no
	Definition of vulnerable customer	Partially.
	Protection against utility disconnections in case of non-payment	no
Kosovo*	Definition of energy poverty	No legal definition yet, but a definition included in the draft Law on Energy (not adopted yet) which is aligned with the EU's definition of energy poverty as outlined in the revised EU Energy Efficiency Directive
	Definition of vulnerable customer	A "customer in need" is defined as a household customer that qualifies for protection or assistance according to the rules and criteria established by the ministry in charge of social welfare (Electricity Act (Article 3), Natural Gas Act (Article 3))
	Protection against utility disconnections in case of non-payment	no

84 Since most of WB6 do not have applicable definition of the energy poverty, it is most likely that various measures listed in the "Factsheets on status and policies and measures" are actually available to all or most of households or to households that are affected by general poverty. There are no measures related to indoor pollution nor gender specific measures. There is no indication about other aspects of vulnerability (elderly, disabled, young children, etc.). The only measure that seems as immediately lifesaving is "Protection against utility disconnections in case of non-payment" and that measure represents actually applied intervention even if each of WB6 has a variety of measures that may, eventually, support households exposed to energy poverty.

85 https://www.resfoundation.org/who-owns-energy-efficiency-who-benefits-and-who-pays/

Montenegro	Definition of energy poverty	no
	Definition of vulnerable customer	The Energy Act defines 'vulnerable consumers' as those experiencing health and social vulnerability (G 5/16, 51/17, and 82/20, Article 198)
	Protection against utility disconnections in case of non-payment	no
North Macedonia	Definition of energy poverty	no
	Definition of vulnerable customer	More than two different definitions
	Protection against utility disconnections in case of non-payment	Yes
Serbia	Definition of energy poverty	The Law on Energy Efficiency and Rational Use of Energy defines 'energy poverty' as a situation resulting from a "combination of low household income, large expenditure of available income on energy and insufficient energy efficiency" (OG 40/2021, Article 3).
	Definition of vulnerable customer	The Law on Energy (no. 40/21, Article 10) and the Decree on Energy Vulnerable Consumers define 'vulnerable energy consumer' primarily based on factors such as health and income level. The Decree on Energy Vulnerable Consumers prescribes in more detail the criteria, manner of protection, conditions, and procedures for determining the status of an energy-protected consumer.
	Protection against utility disconnections in case of non-payment	Regulation on Energy Vulnerable Costumers defines protection against disconnecting vulnerable consumers from the grid, specifically those household members who possess medical support appliances requiring electricity for operation

WB6 are now included into the EU Energy Poverty Advisory Hub[86] even though some WB6 data remain incomplete. Technical assistance data base[87] does not reveal any projects within the WB6 as the region is currently ineligible to apply for direct support under the EPAH.

The Centre for Alleviating Energy Poverty[88] was established within the framework of the Energy Community Treaty. In 2024, the Energy Community Secretariat published *Factsheets on Status and Policies and Measures*, providing WB6–specific factsheets to track and compare the implementation of energy poverty legislation, policies and measures.

The factsheets include Energy Poverty Indicators issued by the Energy Poverty Advisory Hub (EPAH), focusing on:

(1) Arrears on utility bills;

(2) Building stock;

86 https://energy-poverty.ec.europa.eu/

87 https://energy-poverty.ec.europa.eu/our-work/technical-assistance

88 https://www.energy-community.org/topics/poverty/centre.html

(3) Inability to keep home adequately warm; and

(4) Housing cost overburden rate.

However, no data are available beyond 2021, making it impossible to assess the impacts of the energy price crisis from 2022 onward or any developments during 2024. Additionally, the factsheets offer no indication about potential linkages between air quality (indoor or outdoor) or emissions from energy sector and energy poverty[89].

Table 2.2.17: Policy recommendations offered by the Energy Community Secretariat[90]

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro[91]	North Macedonia	Serbia
Develop a methodology to assess the number of households in energy poverty as required by the Governance Regulation.	Y	Y	Y		Y	Y
Establish a domestic indicative objective to reduce energy poverty, including a timeframe.	Y	Y	Y		Y	
Adopt a definition for energy poverty.	Y	Y	Y		Y	
Include a detailed timeline, estimated budget, and financing sources for the policies and measures.	Y		Y			Y
Provide special support to energy poor households in related policies and measures on energy efficiency and renewable energy sources to address the root causes of energy poverty.	Y					
Align the NECP targets and measures on energy poverty with the Energy Efficiency Action Plan (EEAP) and the Sustainable Energy Action Plan (SEAP) and vice versa.	Y					
Improve Eurostat data collection on relevant surveys (SILC and HBS).		Y				
Specify measures for the programme for vulnerable customers and their focus.		Y				

89 Even though these linkages have been critical context for establishment of the Energy Community Treaty. See https://ec.europa.eu/commission/presscorner/detail/en/ip_05_1346

90 https://www.energy-community.org/dam/jcr:496a4ef5-7f59-4ecd-bfae-76bb1cdac693/Energy_Community_Poverty_Factsheets_102024.pdf

91 NECP was not available at the time of Report.

	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro[91]	North Macedonia	Serbia
Specify the regulatory framework to address energy poverty, including a clear distribution of responsibilities for the policies and measure on energy poverty in NECPs.		Y				
Set up a dedicated funding, focusing on long-term energy poverty measures, including renovation, energy efficiency improvements, heating system improvements and installation for energy poor households. Or similar fiscal issues		Y			Y	
Establish a register for vulnerable customers.			Y			
Strengthen targeted support for energy-poor households within programmes and measures for energy efficiency and renewable energy.			Y			Y
With regard to energy poverty, align NECPs with policies and measures mentioned in the Energy Strategy.			Y			
Strengthen long-term measures to address the root causes of energy poverty in the annual programme.					Y	

Policy coordination between the energy poverty, energy efficiency, renewable energy and fiscal policies appears to be a critical problem. The above table indicates that the Energy Community Secretariat offered 14 policy recommendations where 6 are related with policy coordination while further two call for fiscal adjustments. Tax initiatives or adjustments in taxation policies are not listed. Three recommendations are calling for identification or statistical coverage of vulnerable or energy poor households. Exposure to outdoor and indoor air pollution[92] is widely recognised as a basic human right but not listed in the Factsheet or recommendations.

92 https://docs.un.org/en/A/RES/76/300. Further reading: https://www.unep.org/news-and-stories/story/historic-move-un-declares-healthy-environment-human-right

2.3 Sustainable Transport Roadmap

Key recommendations include the following:

- Continue efforts to align regional transport legislation with EU standards, securing the availability of consistent funding for infrastructure development, while also strengthening governance structures and cross-border/boundary coordination mechanisms.
- The WB6 should prioritise development of comprehensive AI strategies, invest more in research and innovation (R&I) capabilities and promote stronger collaboration between academia, government and the private sector to accelerate integration of digital and AI-driven transport solutions.
- Further efforts are required to implement a set of critical transport-related actions, including:
    1. Implementation of the Regional Action Plan for Rail Reforms;
    2. Transposition and implementation of regulations related to the Euro vehicle standards and carbon emissions;
    3. Implementation of the Road Action Plan; and
    4. Transposition of sustainable mobility legislation into domestic legal frameworks.
- Continue addressing the skills and expertise gaps, particularly in relation to the modernisation of railway infrastructure, digitalisation and AI-driven transport solutions. This includes developing targeted training and education programmes to meet the evolving demands of the transport sector.
- Maintain momentum in implementing the Regional Road Safety Action Plan, with particular emphasis on enhancing safety in school zones to safeguard children's lives.
- WB6 should sustain efforts to harmonise climate and transport and sustainable urban mobility policies across central and local levels to ensure coherence and effective implementation. This includes aligning Sustainable Urban Mobility Plans (SUMPs) and Sustainable Energy and Climate Action Plans (SECAPs) with WB6 Energy and Climate Plans and the emerging WB6 Urban Mobility Policy and Programmes.
- Additionally, the transposition of the Alternative Fuel Infrastructure Regulation (AFIR) is a priority for achieving sustainable transport.
- Public–private partnerships should be reinforced to mobilise investment and drive the greening of the transport sector.
- Promote zero-emission, smart mobility and climate-resilient transport solutions and networks, while enhancing regional cooperation to ensure the WB6 transition towards sustainable transport.

2.3.1 Progress in implementing the Roadmap across the actions and the region

Action 17	**Support the development of smart transport infrastructure, promote fostering of innovative technologies (such as paperless transport, artificial intelligence, multimodal passengers ticketing, mobility as a service, border/boundary crossing applications, 5G corridors, etc.)**

The Sustainable and Smart Mobility Strategy (SSMS) Report for the WB6 highlights substantial progress across the three strategic objectives: Sustainable, Smart and Resilient Mobility.

Key achievements include the increased uptake of zero-emission vehicles, progress in the deployment of the Intelligent Transport System (ITS) and improvements in road safety data collection. However, major challenges persist in aligning regional legislation with the EU standards, securing consistent funding for infrastructure development and strengthening governance and cross-border/boundary coordination.

In 2024, the Transport Community Treaty (TCT) Secretariat placed its focus on capacity building and training, aimed at assisting the WB6 in the concrete implementation of the WB6 SSMS, as well as in monitoring and facilitating the transposition of the relevant EU *acquis* listed in Annex I of the Transport Community Treaty[93].

While each of the WB6 has its unique policy framework for environmentally sustainable transport, there is evidence of increased alignment with the Smart and Sustainable Mobility Strategy for the Western Balkans[94].

Significant progress has been made in advancing ITS in the region. Some of the WB6 (e.g. **Bosnia and Herzegovina** and **Serbia**) have established traffic control centres and deployed digital solutions to enhance road transport management.

The EU-Western Balkans Green Lanes Initiative, which was initially successful within the region, has expanded to include other EU member states (e.g. Greece, Italy, Hungary, Croatia), enhancing cross-border/boundary data exchange and transport efficiency[95].

The region has undertaken efforts to foster innovation and integrate data-driven solutions into the transport sector. The Transport Innovation Workshop held in Split in October 2024 was focused on sustainable and smart mobility and it provided a platform for knowledge exchange on innovative projects and collaboration. The endorsement of the Digital Mobility Centre of Excellence by Transport Ministers reflects a clear political commitment to leveraging digitalisation and artificial intelligence (AI) towards smart mobility. Despite these advancements, the development of comprehensive AI

93 ***:Annual Operational Report 2024, Transport Community, www.transport-community.org/wp-content/uploads/2022/11/AOR-2024_Designed_3.0_FINAL.pdf

94 ***:Western Balkans Competitiveness Outlook 2024: Regional Profile, 2024, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-regional-profile_170b0e53-en.html

95 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

strategies and data governance frameworks remains at an early stage. The region needs to invest more in research and innovation (R&I) capabilities and promote stronger collaboration between academia, government and the private sector to accelerate the adoption of digital and AI-driven transport solutions.

Action 18	Implement the Regional Action Plan for Rail Reforms

Overall progress in the implementation of the Regional Action Plan for Rail at the regional level has been steady, with an average implementation rate of 66% and a 4% increase in 2024[96]. The progress achieved by the WB6 is detailed in Table 2.3.1 below.

Table 2.3.1 Rail Action Plan – Monitoring Mechanism – Implementation Score (%)

WB6	up to 2023	2024
Albania	47	51
Bosnia and Herzegovina	51	56
Kosovo*	61	70
Montenegro	65	67
North Macedonia	61	62
Serbia	91	93
WB6	62	66

Source: Transport Community, Action Plans and the EU Acquis Progress Report

All WB6 have registered progress. The most significant qualitative results were achieved by **Kosovo***, which has undertaken concrete steps towards establishing an electronic register of vehicles and putting in place the Multiannual Contract for maintenance.

North Macedonia decided to close the market after several months of maintaining it open, which had a negative effect on the scoring system.

Albania, **Bosnia and Herzegovina** and **Kosovo*** achieved progress in interoperability compliance by taking concrete steps towards establishing an electronic register of vehicles. **Montenegro**, **Serbia** and **Kosovo*** drafted a Railway Safety Law with the aim of adopting it by the end of 2024. However, no tangible measures have been introduced by any of the WB6 regarding the mutual recognition of licences and certificates.

All WB6 have made significant progress in modernising the railway infrastructure. They actively participated in establishing the Network of Infrastructure Managers (IMs). An overarching concern has been the lack of staff. In response, the TCT Secretariat supported development of a framework for establishing a Regional Centre of Excellence, dedicated to training and education of operational staff as well as industry and policy experts.

96 ***: Action Plans and the EU Acquis Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2025/05/Action-Plans-and-the-EU-Acquis-Progress-Report-digital.pdf

The first regional project under the TCT Secretariat's umbrella, *Level Crossings Safety Improvement*, was completed in 2024. As a result, the TCT Secretariat has shared the technical specifications with all WB6 for the upgrade of level crossings.

All WB6 have identified priority projects of regional interest aimed at upgrading, reconstructing or constructing specific railway sections. Currently there are 20 ongoing rail projects with secured funding which are related to the upgrading, electrification and reconstruction of new railway lines, totalling to a EUR 3.1 billion investment[97]. All WB6 visibly invest into the rail sector. However, it is recommended that investments in the rail sector be closely accompanied by adequate policy and structural reforms.

The Next Generation Rail Action Plan 2025-2027 for the WB6 was formally adopted at the 21st Technical Committee on Railways held in Berlin on 26 September 2024[98]. This critical document guides WB6 over the next three years in transposing and implementing the EU Rail Acquis.

The Next Generation Action Plan consists of seven pillars[99]:

- Market Access
- Train Driver Licencing
- Railway Safety
- Interoperability
- Modernisation of the Railway Infrastructure
- Cooperation WB6 – European Union Member States

The action plan aims to support the region preparing for the establishment of a unified rail market in the WB6, aligned with EU transport legislation as outlined in Annex I of the TCT.

Action 19	Define rail freight and inland waterway transport corridors

The overall implementation pace of the Action Plan for Waterborne Transport and Multimodality has been slow to moderate, with a completion rate of 24% and a 3% increase during this reporting period[100].

With regards to the infrastructure, several important projects have advanced. The rehabilitation and modernisation of the river port in Brčko in **Bosnia and Herzegovina** was completed in 2024, while the Batajnica intermodal terminal was completed in **Serbia**. Multiple projects that focus on improving the navigability of the Danube and Sava rivers are currently underway.

97 ***: Action Plans and the EU Acquis Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2025/05/Action-Plans-and-the-EU-Acquis-Progress-Report-digital.pdf

98 ***: Annual Operational Report 2024, Transport Community, www.transport-community.org/wp-content/uploads/2022/11/AOR-2024_Designed_3.0_FINAL.pdf

99 ***: Next Generation Rail Action Plan 2025-2027 for the Western Balkans, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2025/05/Next-Generation-RAIL-Action-Plan-for-the-Western-Balkans-digital.pdf

100 ***: Annual Operational Report 2024, Transport Community, www.transport-community.org/wp-content/uploads/2022/11/AOR-2024_Designed_3.0_FINAL.pdf

A significant development for the WB6 occurred with the establishment of the new Western Balkans – Eastern Mediterranean Corridor[101]. The new corridor is part of the revised Trans-European Transport Network (TEN-T) maps, and it will enable seamless cross-border/boundary transport systems and help alleviate bottlenecks.

Action 20	Define an overall strategy to shift traffic from road to more environmentally-friendly modes

The Transport Community's (TC) Sustainable and Smart Mobility Strategy (SSMS) in the WB6 advocates for the adoption of EU emission standards for both light and heavy-duty vehicles. The Strategy's aim is to harmonise emission standards across the WB6. Currently, none have incorporated these EU emission standards into their regulations nor have they implemented carbon performance standards for vehicles sold within the EU. They did not adopt the End-of-Life Vehicles Directive either. Addressing these regulatory gaps is crucial for aligning the WB6 with EU standards on vehicle emissions and sustainability[102]. The overview of regulation transposition is detailed in Table 2.3.2 below.

Table 2.3.2 Transposition of Vehicle Regulation[103]

WB6	Euro standards for road vehicles Regulations (EC) No 715/2007[104], and (EC) No 595/200[9][105]	Carbon emission regulations Regulation (EU) 2019/631[106]
Albania	Not transposed	Not transposed
Bosnia and Herzegovina	Not transposed	Not transposed
Kosovo*	Not transposed	Not transposed
Montenegro	Not transposed	Not transposed
North Macedonia	Not transposed	Not transposed
Serbia	Not transposed	Not transposed

Source: Sustainable and Smart Mobility Strategy in the Western Balkans 6, Progress Report, Transport Community, 2024.

101 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

102 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

103 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

104 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0715

105 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R0595

106 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0631

Albania has achieved progress, particularly with regards to reviewing data on registered vehicles, and meeting the EURO 5 standard and above (provided by General Directorate of Road Transport Services (GDRTS)). The environmental impact has significantly improved between January and August 2024, with 66.5% of registered vehicles, mostly cars, meeting the EURO 5 or above, compared to the same period in 2023.

Bosnia and Herzegovina continued to support the purchase of electric vehicles, which began in 2021 through a reduction in customs rates and in 2022 with an incentive programme. In 2024, the Decision on the temporary reduction of customs rates for the import of new cars was again adopted by which the purchase of electrical vehicles is exempted from paying customs duties. In addition, two programmes related to purchase incentives for electric vehicles and plug-in hybrid vehicles were adopted (with total fund of BAM 1,000,000): the programme for citizens and the programme for private companies and entrepreneurs. The incentive for the purchase of an electric vehicle is BAM 10,000, and the incentive for a plug-in hybrid vehicle is BAM 7,000. The programme prescribes: conditions for the incentives use, method and responsible bodies for programme implementation, duration of the programme and control over the use of funds.

Montenegro introduced a regulation on 1 July 2024, which prohibits the import of vehicles older than 15 years, with the minimum standard set at Euro 5. This includes vehicles manufactured between 2009 and 2013, while EURO 6 compliance is mandatory for specific categories (Category M and Category N).

Albania has introduced a VAT exemption for new electric vehicles which had not been previously registered, alongside a waiver on registration fees for electric vehicles. These measures have significantly increased the number of electric vehicles, achieving the following results:

- 40.5% of first-time registered vehicles with 0km mileage are electric or plug-in hybrid vehicles, 16.4% more than in the same period of 2023;
- 1,878 electric vehicles were registered for the first time, which is an 81% increase compared to the same period in 2023;
- Albania registers an active electric vehicle fleet of 5,153 as of August 2024, which is a 55% increase from August 2023.

Montenegro has continued its annual initiative of publishing a tender to support electric and hybrid vehicle purchase. The grant was set at €100,000 per year (totalling €200,000), with half of the funds earmarked for electric vehicles and the other half for hybrids. Subsidies amounted to €5,000 for electric vehicles and €2,500 for hybrid vehicles, encompassing both plug-in and full hybrids. Individuals were eligible to receive a subsidy for the purchase of one vehicle, while businesses could access support for up to two vehicles. In 2024, the EKO-Fund allocated €325,000 in subsidies to support the procurement of energy-efficient vehicles for both individuals and businesses, as well as to promote the development of charging infrastructure.

In January 2024, **Serbia** adopted a regulation which supports purchases of new, fully electric vehicles. This is the fifth consecutive year that this initiative has been in place. The year's budget allocation is set at €1.45 million. Additional subsidies were introduced for public transport and taxi fleet renewal, with eligibility criteria for taxis requiring:

» Fully electric, hybrid or compressed natural gas drive,

» Compliance with the EURO 6 engine standard at minimum.

Additional conditions stipulate that the vehicle price must not be less than €13,000. A subsidy of €8,000 will be provided to qualifying legal entities or entrepreneurs, with the commitment to utilise the subsidised vehicle for public taxi transport for a minimum of three years. The subsidised purchase scheme will cover up to 6,000 vehicles annually over three years.

Action 21	Identify the EU technical standards and ensure their implementation and digitalisation of all transport modes

The region needs more coordinated support to leverage new digital opportunities.

Significant progress has been achieved in advancing Intelligent Transport Systems (ITS)[107]. **Bosnia and Herzegovina** and **Serbia** have established traffic control centres and deployed digital solutions for road transport management.

However, progress in deploying the European Rail Traffic Management System (ERTMS) has been slower than anticipated. Only limited sections of the core and comprehensive rail networks are equipped with the ERTMS, indicating a need for accelerated efforts in rail digitalisation. Additionally, challenges also persist in achieving multimodal data interoperability and in establishing integrated transport information services. These shortcomings continue to hinder the full implementation of smart mobility initiatives, including E-Freight, Mobility as a Service (Maas) and the provision of real-time traffic information services.

Overall progress on infrastructure, digital and green elements of maritime ports has been slow, with an average regional accomplishment rate of 26%. Since these measures primarily concern **Montenegro** and **Albania**, both have consistently provided updates on their progress during technical committee meetings.

Albania upgraded its Port Community System (PCS) by integrating new modules to fully support the operations of the General Cargo Terminal. In **Montenegro**, the testing phase for the domestic Maritime Single Window (NMSW) has begun, and the second phase of the Vessel Traffic Monitoring and Information System (VTMIS) was completed in December 2024.

The Centre of Excellence in Maritime Affairs (CEMA)[108] has actively engaged in strengthening human resources and institutional capacities, benefitting not only port operators in Durrës but also other ports across the region.

107 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

108 The Centre of Excellence in Maritime Affairs (CEMA) is based in Durrës, Albania. It is a joint initiative of the Port of Durres, the University of Durres, and the Cooperation and Development Institute of Albania, with the support of the Transport Community Permanent Secretariat.

Action 22	Implement the Regional Transport Facilitation Action Plan

Following the endorsement of the roadmap for enhancing Green Lanes, improved customs cooperation and modernisation of border/boundary crossing points, in April 2024 the TCT Secretariat helped identify and present the following needs for improvements within the Border/boundary Crossing Point (BCP) fiches: 1) infrastructure, 2) new technologies and digitalisation, and 3) synchronised border/boundary controls and capacity building.

The prepared BCP fiches outline investment needs primarily focused on enhancing infrastructure to increase BCP capacity throughput. These include modernisation and upgrading outdated BCP facilities, addition of truck, bus and car lanes, installation of weighbridges (truck scales), improvements in traffic signalisation and the implementation of lane management systems.

Further financing needs focus on investing in new equipment, installation of new IT systems and digitalisation of services aimed at facilitating, accelerating and simplifying procedure for investments in human resources. Additionally, funding allocation needs to target inter-and intra-agency coordination aimed at improving the efficiency and performance of border/boundary staff. Eleven BCP draft fiches have been agreed upon as well as accompanying Roadmap endorsed at the EU-Western Balkans Summit in December 2024. Additionally, as a follow-up of the Summit, funding was made available under the Safe and Sustainable Transport Programme. Progress achieved in transport facilitation in 2024 is detailed below in Table 2.3.3.

Table 2.3.3 Transport Facilitation – Monitoring Mechanism – Implementation Score (%)[109]

Measure	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
Rail border/boundary crossing/common crossing measures	67	67	67	67	67	67
Road border/boundary crossing/common crossing measures	53	53	53	60	60	60
OVERALL SCORE	60	60	60	64	64	64

Source: Transport Community, Action Plans and the EU Acquis Progress Report Transport Community, 2024.

109 ***: Action Plans and the EU Acquis Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2025/05/Action-Plans-and-the-EU-Acquis-Progress-Report-digital.pdf

Action 23	Implement the Regional Road Safety Action Plan

Overall implementation of the Road Safety Action Plan has been steady, achieving an average completion rate of 58% with a 10% increase during this reporting period[110].

Statistics show that in 2023, the WB6 recorded 1,261 fatalities, marking an increase of 15 lives lost compared to 2022. It must be emphasised that the most significant increases were in **Albania** and **Bosnia and Herzegovina**, while **Serbia** reduced fatalities, saving 50 more lives than in 2022.

Overall progress has been adversely affected by delays in various initiatives, such as establishing Road Safety Agencies and improving data collection systems. The adoption of the draft law that will establish a Road Safety Agency in **North Macedonia** is awaiting government approval, while in **Kosovo***, the draft of the new Law on Roads is pending approval as well. The transfer of a number of existing departments in the Ministry to the new road safety agency will be proposed in the law. **Montenegro** has undertaken initial steps towards reviewing its institutional structure, and a model for establishing the Agency is expected to be provided.

No progress was noted regarding the improvement of the Coordination Body for Safety and its proper functioning. Each of the WB6 has established an internal mechanism for collaboration between the police and the judiciary to enforce road safety legislation; however, the exchange of cross-border/boundary information between regional partners and EU Member States has not yet been established.

Notable achievements include the launch of the EU Road Safety Project in **Albania**, adoption of the Road Safety Strategy in **Serbia** and **Montenegro** and the collection of Key Performance Indicators (KPIs) on seat belt use and child restraint use in the WB6.

Another step forward is reflected in that some regional partners have worked intensively to improve school zones and protect children lives.

Newly adopted Next Generation Action Plan on Road Safety includes measures related to the overall Vision Zero objectives. It sets targets to reduce serious injuries and fatalities by 25% by 2027, and 50% by 2030[111].

110 ***: Action Plans and the EU Acquis Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2025/05/Action-Plans-and-the-EU-Acquis-Progress-Report-digital.pdf

111 ***: Annual Operational Report 2024, Transport Community, www.transport-community.org/wp-content/uploads/2022/11/AOR-2024_Designed_3.0_FINAL.pdf

Table 2.3.4 Road Safety – Monitoring Mechanism – Implementation Score (%)[112, 113]

WB6	Road Safety Management		Ensure Safer Infrastructure		Protection of Vulnerable Road Users		Enhancing regional cooperation and experience exchange	
	2023 and earlier	2024	2023 and earlier	2024	2023 and earlier	2024	2023 and earlier	2024
Albania	33	50	78	100	33	33		
Bosnia and Herzegovina	50	50	78	78	33	33		
Kosovo*		35	78	78	33	33		
Montenegro	64	77	78	100	100	100		
North Macedonia	22	30	78	78		33		
Serbia	78	90	78	100	100	100		
WB6	47	59	50	56	50	56	100	100

Source: Author's interpretation from literature[98, 99]

Action 24	Implement the Road Action Plan

Overall implementation of the Road Action Plan has progressed at a steady pace, achieving an average completion rate of 61%, including a 5% increase for this reporting period. The overall progress for WB6 is detailed in Table 2.3.5 below.

Table 2.3.5 Road Action Plan – Monitoring Mechanism – Implementation Score (%)[114,115]

WB6	2023 and earlier	2024
Albania	67	73
Bosnia and Herzegovina	47	49
Kosovo*	47	52

112 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024,www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

113 ***: Action Plans and the EU Acquis Progress Report 2023, Transport Community, https://www.transport-community.org/wp-content/uploads/2023/12/Action-Plans-and-EU-Acquis-Progress-Report-2023-WEB.pdf

114 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024,www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

115 ***: Action Plans and the EU Acquis Progress Report 2023, Transport Community, https://www.transport-community.org/wp-content/uploads/2023/12/Action-Plans-and-EU-Acquis-Progress-Report-2023-WEB.pdf

WB6	2023 and earlier	2024
Montenegro	49	55
North Macedonia	58	64
Serbia	69	76
WB6	56	61

Source: Author's interpretation from literature[100,101]

Overall progress in establishing a functioning and efficient road maintenance systems has been moderate, with an average regional implementation rate of 47%. Key achievements include:

- Signing of multiannual maintenance plans in **Albania**;
- Establishment and operation of a Road Asset Management System (RAMS) in **Albania** and **North Macedonia**; and
- **Serbia** piloting a Service Level Agreement (SLA).

All WB6 established multiannual road maintenance frameworks with annual contracts in place. However, most continue to face challenges in advancing the Road Asset Management System (RAMS).

Montenegro is still in the process of finalising its Medium-Term Plan for Road Network Development, Reconstruction and Maintenance (2024-2027).

Action 25	Develop and implement climate resilience plans for Western Balkans` transport networks

Transport infrastructure in the WB6 is highly vulnerable to climate change, facing significant risks due to limited resilience and adaptive capacity. The WB6 have not yet established specific adaptation strategies for the transport sector. The path to a sustainable and climate-resilient transport system requires a multi-layered approach.

The Vulnerability Assessment Report for the WB6 evaluates the sensitivity and exposure of the TEN-T core and comprehensive road and railway networks to multiple climate-related hazards, considering both the current climate scenario for 2030 and a future scenario for 2050. It identifies floods, landslides, high temperatures, sea surges, and snowdrifts as the main hazards affecting the region's transport infrastructure[116]. Flooding and landslides are primary hazards for both road and rail networks, rising temperatures and snowdrifts are also projected to increase vulnerability, especially in certain regions, such as the northern parts of the WB6 region (nearly 56% of road and 34% of railway links are categorised as highly vulnerable for both timeframes). This high vulnerability rating suggests that large portions of these networks will require significant resilience-building efforts. The top 20 most vulnerable road and rail segments are identified for each WB6 by time period (20 for each timeframe: 2030 and 2050), focusing on climate hazards such as floods, landslides, high temperatures, and snow drift.

116 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

Progress in enhancing climate resilience and promoting alternative fuels across WB6 has largely been driven by technical assistance from CONNECTA and the TCT Secretariat. As part of the Smart and Sustainable Programme, proposals have been submitted to include domestic Resilient Strategies for the Road, Railway, and Maritime sectors. Furthermore, every grant application for EU funding requires a mandatory risk assessment and incorporation of suitable mitigation measures.

In **Albania**, the World Bank's Construction of Resilient Bridges in Albania project has commenced. In this phase, the reconstruction of 27 priority bridges is planned.

Montenegro started to develop the Road Infrastructure Climate Resilience Strategy for Montenegro and Action Plan with the support of the European Bank for Reconstruction and Development (EBRD). In North Macedonia, resilience considerations are incorporated into the detailed design of road infrastructure, alongside a growing recognition of the need to establish legislation addressing natural hazards and climate change adaptation. In **Serbia**, Public Enterprise Roads of Serbia (PERS) has successfully installed 54 Road Weather Information Systems (RWIS), bringing the total of 81 RWIS units now operational across the entire network.

Action 26	Promote preparation and implementation of Sustainable Urban Mobility Plans for urban areas in the Western Balkans

The development of Sustainable Urban Mobility Solutions (SUMPs) across the WB6 is largely supported by international donors, local governments and various other programmes[117].

In **Albania**, GIZ has provided support to several cities, including Tirana and Elbasan.

In **Bosnia and Herzegovina**, GIZ and programmes like Interreg and ADRION have supported SUMP development in cities such as Sarajevo, Bijeljina and Zavidovići, with some municipalities currently in the adoption phase.

In **Kosovo***, cities such as Gračanica and Ferizaj are working on their SUMPs, with support provided by GIZ. However, many plans are yet to be adopted. The UNDP has engaged in facilitating SUMP development in cities of Prizren and Suhareka, although these are in the earlier development stages. These highlight Kosovo*'s ongoing commitment to implementing sustainable transport initiatives across its municipalities.

Montenegro is now preparing a second-generation SUMP for its capital, Podgorica, to further align its transport with EU urban mobility frameworks by integrating sustainable practices.

In **North Macedonia**, a technical assistance project was launched to develop SUMPs for five municipalities (Kavadarci, Kočani, Prilep, Strumica, and Struga) by September 2024, with the aim of improving urban transport systems by enhancing efficiency, reducing environmental impact and ensuring inclusive and safe mobility options.

117 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

In **Serbia**, five cities (Belgrade, Aleksinac, Kruševac, Valjevo and Šabac) have officially adopted SUMPs, while additional plans are under development. The goal is to create 20 more SUMPs through the World Bank and AFD-funded *Local Infrastructure and Institutions Development* (LIID) project, in alignment with the updated EU urban mobility frameworks and guidelines.

Action 27	Define sustainable mobility solutions at the regional level including plans for deployment of alternative fuels

Overall progress on this set of measures has been moderate, with an average regional implementation rate of 44%. The progress is largely due to the support provided by CONNECTA and the TCT Secretariat in developing strategic plans for deployment of e-charging stations and a regional plan for improving climate resilience of the road network. However, WB6 have yet to take significant steps to incorporate these deliverables into their strategic documents or to adopt them as standalone plans.

Albania notes a number of positive developments. **Serbia** records steady progress in the deployment of e-charging stations. The implementation of legislative changes provides support to an easier purchase and use of electric and hybrid vehicles.

The Green Mobility Summit, organised by the TCT Secretariat and Federal Ministry for Economic Cooperation and Development of Germany (BMZ) and held on 6-7 June 2024 in Sarajevo, Bosnia and Herzegovina, brought together experts and leaders to discuss and promote innovative sustainable transport solutions. The summit culminated in the endorsement of the Declaration for Green Mobility of South-East European Parties and Observing Participants. The Declaration calls for the establishment of a Digital Mobility Centre of Excellence and a Digital and Innovative Transport Forum to expedite digitalisation of transport and support the achievement of measures from Sustainable and Smart Mobility Strategy Flagship 6: Making Connected and Automated Multimodal Mobility a Reality, and Flagship 7: Innovation, Data and AI for Smart Mobility.

A Digital Mobility Centre of Excellence is critical to accelerate the WB6 transition to smart, sustainable transport in line with the EU climate goals. By uniting governments, innovation hubs, universities and NGOs, the Centre will drive digitalisation in transport, support interdisciplinary research and enable practical pilot projects. It will advance the region's Sustainable and Smart Mobility Strategy by integrating technologies like AI, improving planning and reducing emissions, while connecting with EU initiatives to strengthen regional innovation and collaboration. The creation of digital mobility centres and smart innovation forums can play a pivotal role in fostering a collaborative environment for data-driven transport solutions[118].

118 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

Action 27A	Define a plan for deployment and building of charging stations for electric vehicles

The deployment of electric vehicle charging stations (EVCSs) on the TEN-T road network in the Western Balkans is uneven. The total number of stations with alternative fuels is detailed below in Table 2.3.6.

Table 2.3.6 Overview of the Total Number of EVCSs

WB6 Year	2024
Albania	5[119]/32[120]
Bosnia and Herzegovina	78[121]/73[122]
Kosovo*	-/40[123]
Montenegro	41[124]/65[125]
North Macedonia	57[126]/64[127]
Serbia	124[128]/125[129]
WB6	305/399

Source: Author's interpretation from literature [105-115]

CONNECTA and TCT Secretariat provided support in developing both the strategic plans for deployment of e-charging stations and a regional plan for improving climate resilience of the road network. However, WB6 have yet to undertake significant steps to incorporate these deliverables into their strategic documents or to adopt them as standalone plans.

119 https://www.electromaps.com/en/charging-stations/albania

120 https://chargemap.com/map

121 https://www.electromaps.com/en/charging-stations/bosnia-herzegovina

122 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

123 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

124 https://www.electromaps.com/en/charging-stations/montenegro

125 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

126 https://www.electromaps.com/en/charging-stations/north-macedonia

127 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

128 https://www.electromaps.com/en/charging-stations/serbia

129 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, 2024, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

In **Albania**, the Agency for Energy Efficiency installed 8–9 charging stations at various border/boundary crossings and coastal towns in 2024.

With regards to the deployment of e-charging stations, **Kosovo*** has met the criterion to place EVCSs at every 60 km within the TEN-T core and comprehensive network. However, there is no detailed information regarding the capacity of these charging stations.

In **North Macedonia**, an electric vehicle (EV) charging station is set to be installed along the road section connecting Skopje to Blace. This initiative is being financed through a loan from the European Bank for Reconstruction and Development (EBRD).

Serbia has advanced green mobility through legal reforms and the deployment of e-charging stations. Sixteen new e-charging stations will be installed along Serbian motorways, each with at least five e-chargers, offering a minimum power of 150 kW per charger and with at least two connections for simultaneous charging. It is anticipated that by the end of November 2024 six e-charging stations with five e-chargers each will be operational. Serbia plans to have a total of 164 electric vehicle (EV) chargers installed along its motorways by April 2025[130].

Action 28	Increase regional cooperation in the area of alternative fuels infrastructure development

The Fit for 55 package led to the adoption of Regulation (EU) 2023/1804, replacing Directive 2014/94/EU, effective as of 13 April 2024.

Albania has actively engaged in integrating alternative fuels and associated infrastructure into its energy policy framework. Some elements of the Directive 2014/94/EU on the deployment of alternative fuels infrastructure have already been included in the legislation. Albania expressed its commitment to implement the new Regulation 2023/1804 on alternative fuels by 2025, as outlined in the Plan for European Integration.

Montenegro plans to update the Transport Development Strategy in 2025, placing focus on green elements. An appropriate methodology for the deployment of e-charging stations is not in place and should be developed. In line with the EU Directive, a Feasibility Study for the Use of Alternative Fuels is scheduled to start by the end of 2024.

North Macedonia's Ministry of Economy undertook the obligation to introduce the regulation on the deployment of alternative fuels infrastructure, during the Bilateral Screening. As part of the technical assistance provided in 2024, a plan has been initiated to prepare an analysis which should determine the most appropriate legal framework for the transposition of this regulation.

With regards to **Serbia**, the minister in charge of transport established a working group in May 2024 to draft the Law on Deployment of Alternative Fuels Infrastructure.

The status of transposition of sustainable mobility legislation across the WB6 is detailed in Table 2.3.7 below.

130 https://seenews.com/news/serbia-plans-to-have-164-ev-chargers-on-motorways-by-april-1263426

Table 2.3.7 Transposition of Sustainable Mobility Legislation[131]

WB6	Clean Vehicles Directive 2009/33/EC[132]	Alternative Fuels Regulation 2023/1804/EU[133]
Albania	Not transposed	Not transposed
Bosnia and Herzegovina	Not transposed	Not transposed
Kosovo*	Not transposed	Not transposed
Montenegro	Not transposed	Not transposed
North Macedonia	Not transposed	Not transposed
Serbia	Not transposed	Not transposed

2.4 Circular Economy Roadmap

The key recommendations are as follows:

- Continue modernising legal and regulatory frameworks to achieve full compliance with the EU acquis, particularly the Waste Framework Directive and Directive 2006/21/EC on the management of waste from extractive industries.
- Enhance stakeholder engagement and raise public awareness, recognising their importance across all phases of mining activities.
- Promote the comprehensive and consistent application of relevant standards and regulations.
- Strengthen the implementation of the Aarhus Convention in the context of mining operations, with a view to improving transparency, public participation, and access to justice in environmental matters.
- Promote the development of a regional industrial policy to support the WB6's integration into European industrial ecosystems. This may include technical standards alignment, use of EU funding instruments to develop industrial clusters, promotion of public-private partnerships for knowledge exchange and workforce development consistent with EU priorities. According to CRM2, these efforts are key for enhancing regional industrial competitiveness and meeting the evolving demands of integrated European markets.
- Adopt Geographic Information Systems (GIS) and artificial intelligence (AI) technologies to improve the accuracy and reliability of waste data monitoring and analysis.
- Strengthen cooperation with financial institutions to secure the investments required for upgrading and expanding waste management infrastructure across the region.

131 ***: Sustainable and Smart Mobility Strategy in the Western Balkans, Progress Report, Transport Community, www.transport-community.org/wp-content/uploads/2024/12/2024-Sustainable-and-Smart-Mobility-Strategy-monitoring-report.pdf

132 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009L0033

133 https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R1804

- Facilitate the establishment of public-private partnerships and enhance the involvement of citizens and non-governmental organisations in order to foster robust and inclusive sustainable waste management systems in the WB6.
- Stimulate consumer demand for sustainable products and support the businesses in their transition to circular economy models by addressing key barriers: 1) environmental compliance challenges, 2) increased operational costs, 3) limited access to raw and secondary material supply, and 4) ingrained consumer purchasing behaviours.
- Integrate green practices and circular economy principles into existing funding mechanisms to enhance circularity and SMEs greening.
- Promote the eco-design and eco-labelling of products to drive sustainable production and informed consumer choices.
- Introduce practical educational programmes on circular economy at secondary education and university levels, ensuring that the future workforce is adequately equipped for green transitions.

2.4.1 Progress in implementing the Roadmap across the actions and the region

Action 29	Improve sustainability of primary production of raw materials

The WB6 region holds significant reserves of primary raw materials. In 2024, several mining operations were under foreign ownership, including ArcelorMittal's Ljubija as well as Omarska iron mines and Adriatic Metals' Vareš/Rupice in Bosnia and Herzegovina. Zijin Mining Group (China) owns the Bor copper mine in Serbia.

New mining projects, such as proposed lithium extraction in Serbia's Jadar valley and Bosnia and Herzegovina's Majevica, Ozren, and Jezero areas, have drown increased public attention and scrutiny[134]. These events have heightened discussions on the local, central and international levels within the WB6. In response, various civil society and international organisations have continued to contribute data, analysis, and awareness-raising efforts, with a strong emphasis on safeguarding the right to a healthy environment. The WB6 have partially integrated sustainable practices into their mining legislation; however, full implementation is yet to be attained[80].

134 Vedran Džikić, Mining in the Western Balkans, The Rise of Dangerous Transactionalism, BiEPAG, 2025

Industry stakeholders are increasingly prioritising secondary raw materials (SRMs) towards an improved supply security, reduced energy consumption and reduced waste generation. The optimisation of SRM utilisation requires full compliance with the Waste Framework Directive[135] and Directive 2006/21/EC (regarding extractive industry waste management)[136] .

In 2024, the EU introduced the Critical Raw Materials Act (CRMA)[137] to secure access to strategic materials, which are vital for industrial activities and are subject to supply risk. This legislation aligns with the Green Deal Industrial Plan and the proposed Net Zero Industry Act, aiming to enhance domestic mining, processing, and recycling capacity while diversifying import sources. Given the global demand for these materials, the Western Balkans Six have become strategically significant for the EU and its member states.

On 19 July 2024, Serbia and the EU formalised a Strategic Partnership through a Memorandum of Understanding (MoU), focusing on sustainable supply chains for raw materials, battery components, and electric vehicles. The partnership seeks to support Serbia's industrial development and promote high environmental, social, and governance (ESG) standards.

In April 2024, the WB6 Chamber Investment Forum (WB6 CIF), in cooperation with the European Commission's DG NEAR and DG GROW, conducted an online workshop on critical raw materials in the Western Balkans Six. The session covered the EU's CRM policy framework and the objectives of CRMA, and explored collaboration opportunities between the EU and the WB6.

The EU is planning to launch a Call for Expression of Interest to attract private investment in the WB6, with a focus, among others, on "ensuring environmentally responsible access to critical raw materials", in line with the Western Balkans Growth Plan and the Western Balkans Investment Framework[138] .

Mining projects in the WB6 continue to receive significant public attention, particularly in relation to environmental sustainability. Authorities and investors have made notable efforts to align these initiatives with recognised environmental standards. However, ensuring consistent implementation and building public confidence in these processes remain ongoing areas for development.

As in the rest of Europe, there is also an opportunity to further strengthen public engagement practices. Communities across the region are increasingly seeking active involvement in decision-making processes, particularly for projects with potential impact on their environment and quality of life. Promoting transparent communication and inclusive dialogue can contribute to more balanced outcomes and reinforce trust among all stakeholders. In this context, continued progress towards full implementation of the Aarhus Convention would support efforts to enhance access to information, participation, and environmental justice in line with best international practices.

Addressing these deficits requires targeted reforms across several domains in primary raw materials production: environmental policy, land-use planning, mineral resource legislation, and regulatory

135 Waste Framework Directive, https://environment.ec.europa.eu/topics/waste-and-recycling/waste-framework-directive_en

136 Directive 2006/21/EC (regarding extractive industry waste management). https://eur-lex.europa.eu/eli/dir/2006/21/oj/eng

137 Critical Raw Materials Act (CRMA). https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act_enen

138 https://balkangreenenergynews.com/european-commission-launches-call-for-investment-in-green-transition-critical-raw-materials-in-western-balkans/ https://balkangreenenergynews.com/european-commission-launches-call-for-investment-in-green-transition-critical-raw-materials-in-western-balkans/

frameworks governing exploration and extraction activities within the WB6. Industry experts and policymakers alike emphasise the importance of defining clear strategic objectives, optimising resource utilisation, promoting sustainable management of mineral deposits and waste, and extending the operational lifespan of mining sites. Technological innovation, including advancements linked to mechanisms such as CBAM, is beginning to transform conventional mining practices. As a result, companies operating in the region are increasingly investing in modernised processes and adopting internationally recognised technical standards and certification systems, with the aim of minimising environmental impact and aligning operations with evolving regulatory expectations.

Action 30	Apply an industrial ecosystem approach to attain environmentally sustainable, balanced economic recovery

The life cycle approach is an essential methodology within the sustainability toolkit, particularly for industrial systems. It enables comprehensive assessment of both environmental and social impacts across a product's entire existence from raw material extraction to end-of-life. This is central to the EU's sustainability strategy, as evidenced by the Ecodesign for Sustainable Products Regulation (ESPR)[139], formally adopted on 18 July 2024. The ESPR lays the groundwork for the EU's ambition to make sustainable products the standard by 2030, focusing on improved product design to reduce waste, limit resource use, and minimise overall environmental impact. The regulation introduces robust requirements for durability, reliability, reparability, reusability, and energy/resource efficiency, while mandating greater transparency for consumers regarding environmental impacts.

For the WB6 these policy shifts represent significant challenges and opportunities. The Common Regional Market (CRM) and its associated Action Plan (2025-2028)[140] are positioned to serve as a framework for advancing green industry and supporting alignment with EU standards.

Throughout 2024, WB6 implemented various steps to improve industrial policy. **Albania**[141] advanced its 2021-2027 Business and Investment Development Strategy and its 2020-2024 Sustainable Industrial Development Programme, including revisions to its start-up law to establish a dedicated agency and accommodate digital nomads. In the Republika Srpska entity of Bosnia and Herzegovina, a 2024-2027 Small and Medium Enterprise (SME) Innovation Action Plan was enacted, alongside the appointment of a new SME development council. **Bosnia and Herzegovina**, however, has yet to implement guidelines to harmonise SME support with the EU Small Business Act, leaving its legislative alignment with the EU acquis incomplete[142].

Access to finance remains a persistent constraint for SMEs in the region. The **Kosovo*** Credit Guarantee Fund[143] expanded its scope, enabling loans totalling EUR 731.8 million by September 2024, with a focus on production, service, agriculture, trade, start-ups, and women-owned businesses. Further, the

139 Ecodesign for Sustainable Products Regulation, https://commission.europa.eu/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/ecodesign-sustainable-products-regulation_en

140 RCC, Common Regional Market (CRM) with Action Plan (2025-2028), 2024

141 Albania 2024 Report, 2024 Communication on EU Enlargement Policy

142 Bosnia and Herzegovina 2024 Report ,2024 Communication on EU Enlargement Policy

143 Kosovo* 2024 Report, 2024 Communication on EU Enlargement Policy

Competitiveness Council in **Montenegro**[144] adopted an action plan in March 2024 to address barriers to business operations, detailing thirty-seven targeted actions in areas including the grey economy, business environment, legislative framework, and public administration efficiency.

North Macedonia[145] approved its 2024-2027 Export Promotion Strategy in January 2024, with rapid implementation now a priority. Serbia[146] is executing its 2021-2030 Industrial Development Strategy and, as of April 2024, introduced a new action plan for 2024-2025. Notably, **Serbia** issued its first US-dollar-denominated environmental, social and governance (ESG) bond in 2024, raising USD 1.5 billion in line with international ESG principles, enhancing its regional leadership in green finance.

At the regional level, the OECD hosted the inaugural Regional Peer Dialogue on Industrial Symbiosis in April 2024, supported by the Ministry of Foreign Affairs of Italy and International Co-operation. This event formed part of a broader project to support the WB6 green transition via circular economy roadmaps. Additionally, the Renewable Energy Solutions (RES) Serbia 2024 Conference highlighted the WBIF pilot project on Eco-Industrial Parks, which aims to accelerate decarbonisation and promote resource-efficient industrial growth through circular economy principles and renewable energy. This initiative obtained a €2.5 million grant from WBIF.

In summary, regional industrial policy can facilitate the WB6's integration into European industrial ecosystems through technical standard alignment, utilisation of EU funding for cluster development, fostering public-private partnerships for knowledge exchange, and workforce development consistent with EU priorities[147]. These measures are crucial for enhancing industrial competitiveness and meeting the evolving demands of integrated European markets.

Action 31	Develop circular economy strategies looking at the entire lifecycle of products

By 2024, Circular Economy (CE) principles had been integrated into policies and action plans across the WB6, demonstrating a strong alignment with this key EU priority. Despite the existence of these policy frameworks, a substantial gap remains between strategic objectives and their effective implementation. Nevertheless, activities related to circular economy in WB6 are accelerating: **Serbia** has published a methodological guide for creating local circular economy roadmaps and is assisting start-ups focused on converting agricultural biomass waste into biofuels. **Albania** has started a pilot programme for deposit refunds for plastic bottles in some of its cities. In 2024, **Bosnia and Herzegovina** launched a modest e-waste collection and renovation initiative, but its entire Circular Economy Roadmap is still in the planning stages. In March 2024, **North Macedonia** unveiled its Circular Economy Roadmap, which was created through a multi-stakeholder approach. This plan aims for systemic circular practices, such as eco-design, growth of recycling companies, and sustainable public procurement, going beyond conventional waste management.

144 Montenegro 2024 Report, 2024 Communication on EU Enlargement Policy

145 North Macedonia 2024 Report, 2024 Communication on EU Enlargement Policy

146 Serbia 2024 Report, 2024 Communication on EU Enlargement Policy

147 RCC, Tracking and Assessing Industrial Performance and Policy Impact in the Western Balkans Six, 2025

Given the existing dearth of trustworthy waste data, developing strong data and monitoring systems for the circular economy remains a major technical issue for the WB6. EU technical assistance will be needed to assist the WB6 in developing their CE monitoring frameworks and indicators.

The European Environment Agency and its partners implemented a regional Capacity Building Programme on Circular Economy (2022–2024) in WB6. During the final workshop in October 2024, representatives from each WB6 shared their perspectives on preventing food waste, circular business models, and learning from EU case studies.

The Environment Agency Austria in Vienna, known for its sophisticated circular economy systems, hosted a study visit - *Supporting the Transfer of Circular Economy Practices to the Western Balkans 6*[148] as part of the EU4Green initiative. In order to debate regional adaptation and investigate transferable practices, representatives from the WB6 met with Austrian experts. The three-day gathering established the foundation for future regional collaboration and context-specific technological solutions by promoting professional communication between government representatives, business experts and environmental practitioners.

Action 32	Make further progress in the construction and maintenance of waste management infrastructure for cities and regions

In the WB6, landfilling remains the dominant method of waste disposal, while recycling rates continue to be significantly low. This is due to a combination of challenges, including inadequate infrastructure for waste collection and sorting, persistent underfunding at the municipal level, and limited public awareness and engagement in waste separation practices. Although legal provisions for source separation exist, implementation is minimal, primarily due to the lack of organised systems for separate waste collection. Overall, waste management infrastructure across the region remains underdeveloped and insufficiently financed.

Investments in waste infrastructure in the WB6 are primarily supported by the EU and Western Balkans Investment Framework (WBIF) funding. For example, Pristina (**Kosovo***), commissioned a new regional landfill and recycling centre in 2024, consolidating waste from multiple informal dumpsites. Serbia's long-awaited Belgrade waste-to-energy facility is finally operational; it aims to reduce landfill dependency and generate electricity, though concerns persist about incineration emissions and long-term sustainability. A solid waste management centre is currently under construction in **Bosnia and Herzegovina** in Živinice, with capital sourced from EU and bilateral donors, Sweden's SIDA, and a significant EBRD loan. In **Albania**, EU-financed integrated waste management projects are underway in Fier and Durrës, with additional support from the French Development Agency and the Albanian government for a 19-million-euro circular economy initiative covering Gjirokastër, Vlora South, and Kukës.

One persistent technical challenge is the lack of reliable waste data in the WB6, which impairs infrastructure planning and investment. To address this, the adoption of the geographic information system (GIS) and artificial intelligence technologies is recommended for more accurate monitoring and analysis.

148 EU4GreenProject, Supporting the Transfer of Circular Economy Practices to the Western Balkans https://eu-4green.eu/exploring-austrias-circular-economy-practices/

Cooperation with financial institutions is essential for investments in waste management infrastructure to succeed. Establishing public-private partnerships and increasing the involvement of citizens and non-governmental organisations will further support the development of sustainable waste management systems in the WB6 region.

Action 33	Design and implement consumer-targeted initiatives to raise awareness of citizens on waste prevention, separate collection and sustainable consumption

According to public opinion, the WB6 region faces a range of pressing environmental challenges[93], with waste management, air and water pollution ranking among the most prominent. The implementation of circular economy practices is seen as an important tool in mitigating these issues. However, levels of understanding and awareness of the circular economy concept vary considerably across WB6. Survey data indicates that, on average, 35.9% of respondents are familiar with the term, while 57.3% are not, and 6.8% chose not to respond.

Consumer demand for sustainable products is prompting companies to transition towards circular economy models; though the transition remains complex. Businesses continue to face key challenges, including environmental compliance requirements, increased operational costs, constrained access to secondary raw materials, and evolving consumer behaviours.

At the regional level, priorities include waste prevention, improved systems for separate waste collection, and the promotion of sustainable consumption patterns. The Western Balkans Circular Economy Week, held from 27 to 31 May 2024, showcased these efforts.

In parallel, the UNEP LIFE-IP project implemented extended producer responsibility (EPR) frameworks for packaging and tires, with a primary focus on **Bosnia and Herzegovina**.

In **Serbia**, implementation activities during 2024 included 18 technical training sessions on circular economy principles, reaching a total of 661 participants. An additional 18 workshops were conducted to support improvements in municipal waste management systems.

To mark International Zero Waste Day, the NGO Zero Waste **Montenegro**, in collaboration with the University of Montenegro, organised a technical outreach event engaging the Faculty of Electrical Engineering and the Maritime Faculty. Activities included practical waste separation and a workshop on zero waste and circular economy held at the American Corner. Youth participants received targeted information on current sector trends and actionable strategies to reduce waste and mitigate environmental impact through incremental behavioural change.

In **Kosovo***, the *Let's Do It* initiative continues its annual clean-up campaigns, alongside sustained educational outreach in schools focused on waste reduction. This persistent effort reflects a commendable commitment to both environmental stewardship and youth engagement. Raising awareness of waste prevention requires focusing particularly on youth as a target group to ensure the effective adoption of separate collection and sustainable consumption principles.

Action 34	Conclude and implement a regional agreement on the prevention of plastic pollution, including specifically addressing the priority issue of marine litter

Marine ecosystems are currently facing severe impacts from plastic pollution, primarily due to inadequate waste management systems. Key contributing factors include insufficient waste collection infrastructure, uncontrolled disposal practices, illegal dumping, widespread littering, and substandard landfill conditions.

On 8 October 2024, the Regional Cooperation Council (RCC) convened its Annual Ministerial Meeting in Hamburg, Germany, focusing on advancing the Green Agenda for the WB6. Among the key outcomes of the meeting was the endorsement of the initiative to finalise the Regional Action Plan on Prevention of Plastic Pollution, including Marine Litter. This forthcoming action is expected to play a pivotal role in strengthening waste management systems and promoting more sustainable practices across the WB6 region.

According to the Report[149] this Action Plan needs to prioritise the identification of critical transport and distribution routes and zones with high concentrations of marine litter, given their potential to disrupt coastal and marine biodiversity. Additionally, emphasis is placed on strengthening extended producer responsibility schemes and exploring funding mechanisms for systematic clean-up operations. Development and implementation of this action plan is coordinated by the RCC through Regional Working Group on Green Agenda for the Western Balkans, in collaboration with the European Union and other stakeholders. Effective execution will require both financial and technical resources at the local and regional levels.

As of 2024, progress in the full transposition and implementation of the Marine Strategy Framework Directive across the WB6 remains limited. The adoption of an ecosystem-based management approach is necessary to ensure the sustainable use of marine resources and ecosystem services in the WB6.

Multiple programmes and projects are currently addressing marine litter. Among them, the Integrated Waste Management and Marine Litter Prevention (MLP) initiative supports coordinated strategies to reduce plastic leakage, engaging public and private sector entities along with civil society across four of the WB6. This initiative provides technical guidance to minimise plastic waste entering the Adriatic Sea.

Furthermore, the AdriPlast project, financed through the EU Interreg VI-B IPA Adriatic-Ionian Programme, aims to address the growing issue of plastic pollution in the Adriatic and Ionian seas. The project fosters collaboration among Italy, Croatia, Slovenia, Serbia, Montenegro, and Albania to devise sustainable solutions for plastic waste reduction.

Launched in September 2024, the TETHYS4ADRION project targets riverine plastic pollution in the Adriatic-Ionian region. It establishes a coordinated monitoring network at five strategic river sites: Alfeios (Greece), Buna-Bojana (Albania, **Montenegro**), Soca (Slovenia), Neretva (Croatia, **Bosnia and Herzegovina**), and Reno (Italy) to collect and analyse data on plastic contamination.

149 RCC, Regional action plan for the implementation of the joint statement on prevention of plastic pollution, including marine litter (desk study and action plan), 2024.

Action 35	Further implement Smart Specialisation Strategies, place-based, innovation-led transformation agendas for sustainability

Smart Specialisation Strategy (S3) represents a significant policy framework in regional development, focused on identifying and fostering areas of competitive advantage grounded in a region's distinctive strengths and opportunities. While typical S3 models are not widespread, the WB6 demonstrate several promising prospects for collaboration in science and technology. The Smart Specialisation process can enhance regional partnerships and help bridge the persistent gap between scientific research and industry across the WB6. The Common Regional Market 2.0 highlighted the need to accelerate the Smart Specialisation processes[95].

The Joint Research Centre's 2024 Report[150], *Smart Specialisation in the Western Balkans and Türkiye – Lessons Learned*, points out that the adoption of S3 strategies across the region has stagnated. Several factors contribute to this: the profound impact of the Covid-19 pandemic, limited financial and temporal resources, unstable political environments, and importantly - the lack of prior knowledge and experience in implementing such strategies.

In 2024, Albania made notable progress in advancing its innovation agenda through the implementation of its Smart Specialisation Strategy, officially adopted in December of the same year. This Strategy targets sectors with high growth potential, with a strong focus on technological advancement and innovation-driven development. The Ministry of Education and Sports allocated approximately EUR 200,000 for organisations participating in international research projects under the EUREKA Western Balkans Six initiative. Furthermore, the Agency for Science Research and Innovation announced a new call for Technology and Innovation Projects in February 2024. Additionally, **Albania** identified raw materials as one of the priority sectors under its Smart Specialisation Strategy and opened a *Regional Innovation Centre* in 2024.

In March 2024, **Montenegro** introduced a roadmap for its next smart specialisation strategy. In terms of innovation performance, the European Innovation Scoreboard 2024 categorised **North Macedonia** as an "emerging innovator," with a score at 45.1% of the EU average, which unfortunately represents a 4.5% decline compared to 2023. **Serbia**, also classified as an emerging innovator, achieved a score of 62.8% in 2024—exceeding the emerging innovator average. Notably, its ten enterprises partnered with scientific research organisations to develop solutions within the framework of the UNDP *Circular Communities in Serbia* project.

Kosovo* is currently in the process of identifying its priority areas for Smart Specialisation.

Overall, Smart Specialisation Strategy initiatives in the WB6 have considerable potential to strengthen regional collaboration and facilitate more effective integration between the scientific and industrial sectors.

150 Joint Research Centre's report, Smart Specialisation in the Western Balkans and Türkiye – Lessons Learned, 2024

2.5 Depollution Roadmap

The key recommendations include the following:

- Finalise the ratification of the Convention on Long-range Transboundary Air Pollution and its associated protocols.
- Improve air quality by reducing emissions, especially from energy production and industrial processes. Special attention should be given to reducing particulate matter (PM) emissions from residential combustion in urban areas.
- Continue the development, harmonisation and implementation of Air Quality Strategies in line with EU requirements and tailored to the each of WB6 contexts.
- The WB6 should prioritise full transposition and implementation of the existing EU air quality directives, while also preparing for the transposition of the revised Ambient Air Quality Directive (EU) 2024/2881, which introduces more stringent requirements and clearer obligations.
- Ensure the application of Best Available Techniques (BAT) to industrial processes, promoting the most effective and advanced methods and processes to achieve a high level of environmental protection.
- The WB6 should further develop air quality monitoring systems and support the development of air quality plans, particularly targeting two significant air pollution sources: domestic heating and agricultural waste burning.
- Overcome the lack of human and financial resources required for effective implementation of water supply and sanitation measures. Outdated infrastructure should also be addressed.
- Ensure adequate technical capacity by planning and securing skilled personnel to operate wastewater treatment infrastructure. Effective human resource planning is crucial to ensuring a sustainable delivery of water and sanitation services.
- Strengthen efforts in food safety and quality and sustainable agricultural practices, aiming to reduce soil degradation and water pollution.

2.5.1 Progress in implementing the Roadmap across the actions and the region

Action 36	Finalise the process of ratification of Convention on Long-range Transboundary Air Pollution and its protocols

During the reporting period, no progress was noted with regards to the ratification of the Convention on Long-Range Transboundary Air in comparison to 2023 Report. [151, 152]

The status of protocol ratification is provided in Table 2.5.1[153] below and there is no progress compared to 2022.

Table 2.5.1 The Status of Ratification of Convention on Long-range Transboundary Air Pollution

Title	Entry into force	Status of ratification						
			Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
1999 Protocol to Abate Acidification, Eutrophication and Ground-level Ozone and its 2012 amended version	17 May 2005	Original protocol					✓	
	7 October 2019	Amended version						
1998 Protocol on Persistent Organic Pollutants (POPs) and its 2009 amended version	23 October 2003	Original protocol Amended version, annexes I, II				✓	✓	✓
	20 January 2022	Amended version, annexes I, II, III, IV, VI, VIII						

151 CHAPTER XXVII: ENVIRONMENT 1. Convention on Long-range Transboundary Air Pollution Geneva, 13 November 1979, STATUS AS AT: 19-06-2025 09:15:36 EDT, https://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg_no=XXVII-1&chapter=27&clang=_en

152 https://unece.org/protocols

153 https://unece.org/protocols

Title	Entry into force	Status of ratification	Albania	Bosnia and Herzegovina	Kosovo*	Montenegro	North Macedonia	Serbia
1998 Protocol on Heavy Metals and its 2012 amended version	29 December 2003	Original protocol				✓		✓
	8 February 2022	Amended version						
1994 Protocol on Further Reduction of Sulphur Emissions	5 August 1998						✓	
1991 Protocol concerning the Control of Emissions of Volatile Organic Compounds or their Transboundary Fluxes	29 September 1997						✓	
1988 Protocol concerning the Control of Nitrogen Oxides or their Transboundary Fluxes	14 February 1991		✓				✓	
1985 Protocol on the Reduction of Sulphur Emissions or their Transboundary Fluxes by at least 30 per cent	2 September 1987		✓				✓	
1984 Protocol on Long-term Financing of the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollutants in Europe (EMEP)	28 January 1988		✓	✓		✓	✓	✓

Source: Author's interpretation from official web site[138]

Action 36A	Support modelling to establish economy-wide emission reduction commitments for the five main pollutants covered by the NEC Directive and the Gothenburg Protocol under the Convention on Long-range Transboundary Air Pollution

As part of several initiatives - including ENVAP, IPA 2014 and EU4Green[154,155] project implemented in cooperation with the Environment Agency Austria, preliminary Emission Reduction Commitments (ERCs) for SO_2, NO_x, NH_3, NMVOC and $PM_{2.5}$ were prepared for all WB6. These ERCs cover the period 2020–2029 as well as projections for 2030 and beyond, using the Greenhouse Gas – Air Pollution Interactions and Synergies (GAINS) model.[156] These commitments aim to achieve a 50% reduction in premature deaths attributable to air pollution between 2005 and 2030 across the entire WB6, in line with the methodology used to derive ERCs for 2030 under the Emission reduction Commitments Directive (NECD). The modelled ERCs may serve as a basis for establishing formal targets.

The approach adopted is consistent with that of the EU Commission in deriving ERCs for EU Member States for 2030. The 50% reduction target in premature deaths attributable to air pollution is set at the regional level for the WB6. Using the GAINS optimisation model, specific measures have been identified for each WB6 that, when implemented collectively, achieve the regional target in the most cost-effective way. These measures include the introduction of cleaner residential boilers, flue gas cleaning technologies in industry and more efficient application of mineral fertilisers.

The results of the modelling exercise highlight the importance of regional cooperation. While a 50% reduction relative to 2005 is technically achievable for the region as a whole, this level of reduction cannot be attained by each of WB6 in isolation[157].

The Task Force on Integrated Assessment Modelling (TFIAM), in collaboration with the Centre for Integrated Assessment (CIAM/IIASA), prepared a document entitled *Policy brief on potential targets to reduce risks for health and ecosystems*[158]. The objective of the document was to assess the feasibility of introducing a risk-based overarching goal under the Convention, with a particular focus on a health damage reduction target. The analysis centred on the attainability of an indicative 50% reduction in health risks associated with exposure to particulate matter and ozone, as well as for the risk of biodiversity loss.

Analyses for the WB6 highlights that residential combustion is the dominant source of particulate matter (PM) in many urban areas, contributing to 50% of ambient concentrations in certain cities. The power sector continues to be a significant contributor to air pollution in the region. Although baseline projections indicate some reductions, the expected pollution levels remain above the air quality standards set by the World Health Organization (WHO). This highlights the urgent need for

154 https://eu4green.eu/

155 https://gains.iiasa.ac.at/models/

156 https://gains.iiasa.ac.at/models/

157 https://eu4green.eu/working-together-for-cleaner-air-reducing-emissions-in-the-western-balkans/

158 ***: Policy Brief on Potential Targets to reduce Risk for Health and Ecosystems, Modelling, version 4, November 2024, https://iiasa.ac.at/sites/default/files/2024-11/TFIAM-CIAM%20Policy%20Brief%20on%20targets%20to%20reduce%20risks%20for%20health%20and%20ecosystems_EN_V4_0.pdf

strengthened mitigation efforts targeting local, regional, and transboundary sources of air pollution to achieve meaningful improvements in urban air quality across the WB6.

In the context of the ongoing revision of the Gothenburg Protocol, and based on inputs from the Task Force on Integrated Assessment Modelling (TFIAM) and CIAM/IIASA, as outlined in the referenced policy brief, further modelling has been deemed a lower priority at this stage. Instead, the focus should be placed on reviewing and assessing the findings of the policy brief—along with any necessary updates—and on fostering a dialogue that includes all relevant stakeholders.

Action 37	Develop and implement Air Quality Strategies

Progress in 2024 remains limited compared to the previous year. Weak coordination between central and local governments still hampers the tailored implementation of air quality frameworks across all levels[159].

In **Albania**, although the implementation of air quality strategies is ongoing, delays have been observed in the adoption of specific measures, including the development of local air quality plans[160]. Considering the variation in pollution sources and exposure levels across different areas—especially between urban and rural regions—spatially differentiated policies could offer a more cost-effective approach to achieving environmental improvements than uniformly applied measures.

In **Bosnia and Herzegovina,** the Law on Air Protection was adopted in 2024[161,162] establishing a unified air quality management system within the entities and introducing regulatory measures for emissions from industrial facilities. Air quality objectives and targets are also embedded in environmental and social action plans (ESAPs) at both central and entity levels.

In **Montenegro,** the adoption of the Air Quality Management Strategy has once again been postponed[163]. The draft strategy foresees the development of three new air quality plans for municipalities where pollution levels exceed established limits, with each plan tailored to address specific local pollution sources and priority pollutants.

In March 2024, final air quality plans for several cities in **North Macedonia** (Veles, Ohrid, Prilep, Struga, Shtip, and Gevgelija) were submitted for public consultation and approval by the Ministry of Health and Environment[164].

Serbia has taken a significant step forward by adopting its first Air Protection Programme (2022-30) along with the Action Plan spanning from 2022 to 2026. This comprehensive initiative is designed to

159 ***: Western Balkans Competitiveness Outlook 2024: Regional Profile, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-regional-profile_170b0e53-en.html

160 ***: Western Balkans Competitiveness Outlook 2024: Albania, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-albania_541ec4e7-en.html

161 ***: Western Balkans Competitiveness Outlook 2024: Bosnia and Herzegovina, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-bosnia-and-herzegovina_82e0432e-en.html

162 https://fbihvlada.gov.ba/sr/20-zakon-o-zastiti-zraka

163 ***: Montenegro Report 2024, Directorate-General for Neighbourhood and Enlargement Negotiations, 2024, https://enlargement.ec.europa.eu/montenegro-report-2024_en

164 ***: North Macedonia Report 2024, Directorate-General for Neighbourhood and Enlargement Negotiations, 2024, https://enlargement.ec.europa.eu/north-macedonia-report-2024_en

reduce health damages resulting from poor air quality by 50%, compared to the levels recorded in 2015. Namely, the Programme's most ambitious targets are to reduce sulphur dioxide (SO2) emissions by 92% and PM2.5 emissions by 58.3% by 2030, complying with Best Available Technique-Associated Emission Levels (BAT-AELs) to decrease air pollutants and heavy metals from industrial processes. Ammonia (NH3) emissions from the agriculture sector are also foreseen to be cut by 20.5% in 2030. Moreover, twelve local air quality plans tailored to specific local circumstances have been approved by the relevant ministry, and more are expected in the upcoming period[165].

Looking ahead, the WB6 should prioritise full implementation of the existing air quality directives as well as preparations for the transposition and implementation of the revised Ambient Air Quality Directive (EU) 2024/2881[166], which EU MS are required to implement by the end of 2026. More broadly, a comprehensive implementation framework should be established—detailing clear timelines, institutional responsibilities, capacity-building needs, and budgetary allocations—to ensure effective alignment with EU ambient air quality requirements.

Action 37A	Increase the uptake of Best Available Techniques in accordance with the Industrial Emissions Directive

Alignment with the EU Industrial Emissions Directive (IED) remains incomplete across the WB6. Compared to 2023, overall progress is limited, highlighting the need for intensified efforts in the upcoming period.

It is essential that the WB6 enhance regulatory enforcement and compliance frameworks to ensure effective implementation of pollution control measures in industrial installations and power generation facilities, and reduce emissions of harmful substances. In this context, reference to the EU's Best Available Techniques (BAT) Reference Documents (BREFs) should be systematically integrated into domestic permitting procedures, thereby strengthening alignment with EU standards and supporting the transition towards cleaner industrial practices.

Frameworks in **Serbia** and **Bosnia and Herzegovina** foresee the introduction of BATs aimed at reducing emissions of air pollutants and heavy metals originating from industrial processes.

Action 38	Establish an adequate air quality monitoring system, including through accreditation of air quality monitoring networks

As of 2024, comprehensive data on improvements to air quality monitoring systems across the WB6 remain unavailable.

The WB6 continue to experience poor air quality, particularly during the winter months. In response, each of WB6 is undertaking assessments of the current situation, identifying key gaps, and developing

165 ***: Western Balkans Competitiveness Outlook 2024: Serbia, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-serbia_3699c0d5-en.html

166 DIRECTIVE (EU) 2024/2881 on ambient air quality and cleaner air for Europe https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202402881

targeted strategies to improve air quality—contributing to the broader goals of the Green Agenda for the Western Balkans.

Under the EU4Green project, a series of work packages have been designed to address several key aspects of air quality management, monitoring and emission reporting. To enhance air quality management in the WB6, EU4Green will support the development of air quality plans, with preparation of draft guidance documents, with particular emphasis on two significant air pollution sources: domestic heating and agricultural waste burning.

Reference Laboratories (NRL) play a key role in ensuring the quality, reliability and traceability of air quality data. The already operational NRL in **Montenegro** serves as a model for the other WB6. Under the EU4Green project, the requirements for establishing and operating NRLs across all WB6 will be examined, and tailored implementation approaches will be developed[167].

In **Montenegro**, the efforts in air quality monitoring are underway to strengthen data collection and management capacities at both central and local levels, with support from donor funding.

Action 39	Implement relevant EU water-related acquis (Water Framework Directive, Urban Waste Water Treatment Directive and Nitrates Directive)

The technical competence of personnel operating wastewater treatment infrastructure must be proactively planned and ensured to support effective and sustainable service delivery.

In **Albania,** a new Law on Water Resources was adopted in April 2024, aiming to further align domestic legislation with the EU Drinking Water Directive, the Urban Wastewater Treatment Directive and the Nitrates Directive[168].

In **Bosnia and Herzegovina**, a new Law on Water Services is also being prepared with the support of a newly established interdepartmental working group. Funding to upgrade water supply and sanitation infrastructure has been secured, with a notable commitment from the World Bank's EUR 25 million loan for modernising water services, scheduled to commence in 2024[169].

In **Kosovo***, non-revenue water is planned to be addressed in a specific objective outlined in the Water Strategy 2023-2027 to reduce water losses in the public water supply system[170].

In **Montenegro**, the regulatory framework for water supply and sanitation has seen improvements since the previous assessment. A new Law on Water Services, planned for adoption in 2025, is set to regulate the provision of water supply services such as the delivery of drinking water and municipal wastewater services. While the draft legislation marks a positive step, it is currently only partially aligned with the EU Water Framework Directive[171].

167 https://eu4green.eu/topics/depollution-of-air/

168 ***: Western Balkans Competitiveness Outlook 2024: Albania, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-albania_541ec4e7-en.html

169 ***: Western Balkans Competitiveness Outlook 2024: Bosnia and Herzegovina, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-bosnia-and-herzegovina_82e0432e-en.html

170 ***: Western Balkans Competitiveness Outlook 2024: Kosovo*, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-kosovo_ff74ae0e-en.html

171 ***: Western Balkans Competitiveness Outlook 2024: Montenegro, https://www.oecd.org/en/publications/west-

In **North Macedonia**, the support provided under the UNECE-WHO Protocol on Water and Health, ratified in 2023, can assist water authorities in strengthening their capacities. This includes guidance for regulatory alignment, facilitation of domestic exchange, and the provision of technical assistance.[172].

In **Serbia**, the Water Management Strategy (2017-34) remains the guiding strategic document for water supply and sanitation. EU water-related acquis is partially transposed through the Water Law and bylaws. Full transposition is expected to be accomplished after the adoption of the new water legislation (new Water Law together with the relevant bylaws). The implementation of Water Framework Directive has started with the adoption of the 1st River Basin Management Plan (RBMP), approved in April 2023. *EU for improving Chapter 27 planning and implementation in Serbia* project is preparing a gap analysis of the level of EU water-related acquis transposition and revision of the DSIP for Water Framework Directive, Urban Waste Water Treatment Directive and Nitrates Directive which will include all activities preformed from the preparation of the first DSIPc by now and give new timeframe for full implementation. Further efforts are needed to ensure alignment of the water legislation with the EU acquis and to strengthen administrative capacity for monitoring and co-ordination among all relevant stakeholders[173].

Action 40	Modernise water monitoring infrastructure and reach good status for all water bodies

No substantial progress has been recorded compared to 2023.

It is also important to highlight that the European Water Resilience Strategy, adopted in June 2025[174], focuses on three key objectives:

- Restore and protect the water cycle as the basis for water supply;
- Build a water-smart economy to boost competitiveness, attract investment and promote the EU's water industry; and
- Secure clean and affordable water and sanitation for all and empower consumers for water resilience.

Future activities in the WB6 should aim to align more closely with the objectives and priorities of the European Water Resilience Strategy. Improvements in water quality are anticipated through both ongoing and planned investments in water supply and sanitation infrastructure across all WB6, with primary financial support provided by international partners. However, persistent challenges remain across the region—particularly the limited human and financial resources needed for the effective implementation of water supply and sanitation measures, as well as for upgrading outdated infrastructure.

ern-balkans-competitiveness-outlook-2024-montenegro_ead1588e-en.html

172 ***: North Macedonia Report 2024, Directorate-General for Neighbourhood and Enlargement Negotiations, 2024, https://enlargement.ec.europa.eu/north-macedonia-report-2024_en

173 ***: Western Balkans Competitiveness Outlook 2024: Serbia, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-serbia_3699c0d5-en.html

174 https://commission.europa.eu/topics/environment/water-resilience-strategy_en

Efforts to address these challenges are underway through several reform initiatives, such as the reorganisation of water supply and sewerage services in **Albania**, **Bosnia and Herzegovina** and **Serbia**[175]. These reforms aim to clarify and strengthen the roles and responsibilities of local self-government units and utility operators. Key objectives include regulating water provision, setting water tariffs and establishing contractual frameworks for the delivery of water services.

In **Bosnia and Herzegovina**, preparation of a new Law on Water Services is underway, supported by a recently established interdepartmental working group. Financial resources have been secured to upgrade its water supply and sanitation infrastructure, including a significant commitment in the form of a EUR 25 million loan from the World Bank, scheduled to begin in 2024 to modernise water services.

In **Montenegro,** the government adopted 2024 Programme for Monitoring Surface and Ground Water Resources in February 2024. This initiative is expected to facilitate the establishment of a central cadastre of water polluters. Additionally, four new inspectors have been recruited to strengthen monitoring and compliance. It is recommended that **Montenegro** adopt a sewage sludge management plan and define handling and treatment of generated sewage sludge at both central and local levels[176].

In **North Macedonia,** further efforts are required to strengthen the inspection and enforcement system as well as to reinforce the sector's funding model, in line with the polluter-pays principle and full-cost-recovery. Some progress was made with the signing of a EUR 50 million agreement between the Ministries of Finance and Environment and the European Investment Bank (EIB). This funding will support municipal water infrastructure investments, including improvements in water supply, loss reduction, riverbed regulation and wastewater treatment[177].

Action 41	Build the necessary infrastructure for wastewater treatment

On 2 July 2024 in London, the WBIF Operational Board endorsed a €1.2 billion investment package to support eight new flagship investments under the EU's Economic and Investment Plan (EIP) for the Western Balkans[178]. This package will support, among other priorities, investments in water supply, sanitation and wastewater treatment. Implementation will be carried out in close cooperation with the WB6 and international financial institutions[179]. Specifically, projects in Montenegro and Bosnia and Herzegovina will focus on the reconstruction and rehabilitation of water supply and sanitation infrastructure. While implementation plans have been developed, further efforts are required to ensure clearly defined financial frameworks and ensure effective monitoring of implementation milestones. Additionally, securing adequate technical capacity among operating personnel must be secured to guarantee the sustainability and effectiveness of these investments.

175 ***: Western Balkans Competitiveness Outlook 2024: Regional Profile, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-regional-profile_170b0e53-en.html

176 ***: Montenegro Report 2024, Directorate-General for Neighbourhood and Enlargement Negotiations, 2024, https://enlargement.ec.europa.eu/montenegro-report-2024_en

177 ***: North Macedonia Report 2024, Directorate-General for Neighbourhood and Enlargement Negotiations, 2024, https://enlargement.ec.europa.eu/north-macedonia-report-2024_en

178 https://www.wbif.eu/news-details/additional-12-billion-wbif-investment-package-infrastructure-and-entrepreneurship-western-balkans

179 https://ec.europa.eu/commission/presscorner/detail/en/ip_24_3586

The majority of Western Balkans Investment Framework (WBIF) investments in the environment sector concern infrastructure improvements in the water supply and wastewater treatment sector, varying from small to larger municipalities. In the period 2024-2030, 23 projects will be implemented across WB6 related to water supply, water treatment and reduction of water loss with the support of the WBIF[180]: **Bosnia and Herzegovina** (6), **Kosovo*** (2), **Montenegro** (11), **North Macedonia** (2) and **Serbia** (2).

Action 42	Integrate soil protection in other policy areas and establish a regional soil partnership to improve knowledge exchange and identify examples of best practices for soil protection from pollution and degradation

The WB6 must intensify efforts to safeguard soils from pollutants in order to preserve ecosystem health, agricultural productivity and human well-being. Progress in strengthening food safety and quality remains limited, while unsustainable agricultural practices continue to contribute to soil degradation and water pollution.

Enhancing regional cooperation is essential to improve soil monitoring practices across the WB6. A significant opportunity lies in the forthcoming LUCAS Soil survey, an EU initiative designed to standardise soil data collection across Europe. Participation in this initiative would provide the WB6 with valuable insights into soil health, aligning their monitoring practices with EU standards.

The Western Balkans Soil Partnership (WBSP) was established in December 2022. The partnership is created to preserve, protect, and restore the soils in the WB6, and to harmonise WBSP activities with the activities of the European Soil Partnership[181] .

In **Albania**, no formal policy framework for soil protection is currently in place. Albania has established a network of 26 monitoring sites, though resource constraints have limited the scope of its soil monitoring efforts. Despite these challenges, Albania has made significant progress in identifying soil contamination levels, providing a foundation for future enhancements.

Bosnia and Herzegovina also lacks an overarching soil protection policy at both central and entity level. Nevertheless, clean-up activities for the contaminated sites are foreseen under the ESAPs of both entities. For example, Bosnia and Herzegovina's entity of Republika Srpska aims to rehabilitate at least 50% of non-compliant landfills by 2032, while Bosnia and Herzegovina's entity of Federation of Bosnia and Herzegovina plans to reconvert abandoned mining areas[182].

Kosovo* has yet to implement a comprehensive soil monitoring system. Nevertheless, several studies focusing on industrial contamination have provided crucial data, paving the way for more systematic monitoring in the future[183].

Montenegro conducts annual soil monitoring with a focus on hazardous substances. Plans are underway to expand monitoring activities, particularly in urban and industrial areas, to ensure a more comprehensive assessment of soil health.

180 https://wbif.eu/investment-grants

181 https://www.fao.org/global-soil-partnership/regional-partnerships/europe/western-balkans-soil-partnership/en/

182 ***: Western Balkans Competitiveness Outlook 2024: Bosnia and Herzegovina, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-bosnia-and-herzegovina_82e0432e-en.html

183 https://eu4green.eu/advancing-soil-monitoring-in-the-western-balkans-key-achievements-and-future-steps/

In **North Macedonia**, soil monitoring is in the developmental stage, with new laws and strategies expected to bolster efforts. Involvement in EU-wide soil monitoring initiatives could significantly enhance domestic capabilities.

Serbia is preparing the Programme for Industrial Safety, expected to be adopted by the end of 2024, which aims to enhance disaster resilience and industrial risk management. To facilitate effective remediation of sites contaminated by industrial activities, Serbia maintains a Cadastre of Contaminated Sites Information System, while the Environmental Protection Agency of Serbia (SEPA) regularly collects soil-monitoring data during the operational, post-operational and remediation stages to identify potential health risks[184]. **Serbia** has laid a strong legislative foundation for soil monitoring and is in the process of establishing a network. Integration and coordination of data across multiple institutions are key priorities towards full implementation.

Action 43	Prepare and sign regional agreements on transboundary air and water pollution

Several bilateral and multilateral agreements have been signed in WB6, with implementation efforts currently underway. **Albania** and **North Macedonia** concluded a bilateral agreement for the protection and sustainable development of the lake Ohrid[185]. **Bosnia and Herzegovina** underlines that cooperation under the Water Convention helped strengthen collaboration with riparian neighbours and establish a network of cooperating institutions, based on a mutual understanding of the Convention[186].

An inter-ministerial Memorandum of Understanding on cooperation concerning regular functioning and maintenance of the flood forecasting and warning system in the Sava River basin was signed by **Bosnia and Herzegovina**, **Croatia**, **Serbia**, Slovenia and **Montenegro**. **Serbia** cooperates within the multilateral frameworks of the International Commission for the Protection of the Danube River (ICPDR). Agreement on the Protection and Sustainable Development of the Prespa Park Area brings together **Albania**, Greece, **North Macedonia** and the European Union and provides integrated protection of the ecosystem and sustainable development of the Prespa Park Area, including development of integrated river basin management plans[187].

184 ***: Western Balkans Competitiveness Outlook 2024: Serbia, https://www.oecd.org/en/publications/western-balkans-competitiveness-outlook-2024-serbia_3699c0d5-en.html

185 Agreement between the Council of Ministers of Albania and the Government of North Macedonia for the protection and sustainable development of Lake Ohrid and its watershed (Skopje, 17 June 2004); Agreement between the Government of North Macedonia and the Council of Ministers of Albania on international waterway transport in Ohrid Lake (Skopje, 14 November 2022).

186 Progress on Transboundary Water Cooperation under the Water Convention, Third report on implementation of the Convention on the Protection and Use of Transboundary Watercourses and International Lakes 2020–2023, https://unece.org/sites/default/files/2024-12/2417627_E_PDF_WEB.pdf

187 Nikolov A.: Transboundary Cooperation in the Balkans: Overcoming Challenges and Building Success, 8th October 2024, www.europarc.org/wp-content/uploads/2024/10/Transboundary-Cooperation-in-the-Balkans-Overcoming-Challenges-and-Building-Success-Ana-Nikolov.pdf

According to the Regional Joint Statement on Prevention of Plastic Pollution, including Marine Litter[188], the WB6 are actively working on an Action Plan to prevent plastic pollution, with a focus on reducing marine litter and improving waste management practices.

2.6 Sustainable Agriculture Roadmap

The key recommendations are as follows:

- Identify and assess recent changes in agricultural policies across the WB6 and analyse their implications for the EU accession process.
- Provide targeted information and guidance on the Green Agenda relevant areas including climate policy, reduction of pesticides, strengthening of organic farming, nature conservation and biodiversity policy.
- Accelerate the implementation of strategies for legislative alignment with the EU acquis, particularly in areas such as official controls, quality policy and organic production, animal health, and plant health.
- Further increase the share of food establishments compliant with the EU standards, and in particular support the transformation of food systems to meet EU standards and respond to climate change, ensuring sustainable food production and strong consumer protection.
- Continue to strengthen administrative capacity and infrastructure for food safety controls, disease surveillance and vaccination, as applicable.
- Update and accelerate the implementation of the action plan for EU acquis alignment in agriculture and rural development.
- Take measures to improve implementation and avoid further loss of IPARD funds.
- Increase awareness amongst farmers and other stakeholders about strategies and policies.
- Redesign the budgetary support to increase climate resiliency of agricultural production and productivity.
- Increase financing of AKIS, research, digitalisation and competent authority capacity.
- Increase financing of AEMs (Measure 4 of IPARD III) dedicated to environmental protection on farmland and climate resilience, including support for digital CSA platforms, AKIS and agri-environmental pilot initiatives.
- Support green capital investment in agriculture and food processing.
- Strengthen the capacity of competent authorities to monitor the results of AEMs.
- Establish the manure management regulatory framework and relevant guidelines.
- Strengthen animal identification, registration and movement controls.

188 www.berlinprocess.de/uploads/documents/regional-joint-statement-on-preventing-plastic-pollution-including-marine-litter-bp-summit-2023_1697614083.pdf

» Gradually increase the number of AEMs beyond only organic farming.

» Step up efforts for sustainable development and livelihood diversification of rural areas.

» Support self-organisation in the rural areas, namely through the LEADER mechanism.

» Find an adequate mechanism (possibly in the context of spatial planning) to better coordinate between sustainable agriculture, energy, circular economy and transport.

2.6.1 Progress in implementing the Roadmap across the actions and the region

Action 44	Align the agri-food and primary production sector with the EU standards on food safety, plant and animal health and welfare and environment, and address effluent, manure and waste management

Albania made limited progress during the reporting period. In the area of Common Market Organisation (CMO), secondary legislation was adopted concerning analytical methods for olive oil and the management of inward and outward registers in the wine sector, marking partial alignment with the EU *acquis*.

Regarding rural development, implementation of the IPARD II programme continued. However, further capacity building and oversight are needed to ensure completion of the IPARD II programme, and to enable the start of the IPARD III efficient implementation in full compliance with the principles of sound financial management.

Progress was also noted in **animal health**, with continued vaccination campaigns against rabies and the implementation of control and eradication programmes for monitoring brucellosis and tuberculosis in cattle herds.

Albania made additional progress towards partial alignment with the EU *acquis* in the area of food safety, particularly on food additives and maximum levels for specific contaminants in food. Albania approved the risk-based pest monitoring plan to be implemented during 2024[189].

Bosnia and Hercegovina made no significant progress in the area of quality policy, and still needs to improve and align its legal framework with the EU *acquis* as well as ensure clarity in the distribution of competences.

There was no progress in setting up the regulatory framework for the **Common Market Organisation**, nor in harmonising **rural development** programmes or support measures. Likewise, Bosnia and Herzegovina has yet to adopt the new plant health law and a law on official controls.[190]

Kosovo* adopted the Law on Market Organisation for Agricultural Products in December 2023. Secondary legislation for its full implementation should be prepared.

189 COMMISSION STAFF WORKING DOCUMENT Albania 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

190 COMMISSION STAFF WORKING DOCUMENT Bosnia and Herzegovina 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

The Programme for Agriculture and Rural Development for 2023-2027 was adopted in October 2023, but support measures require alignment with the EU *acquis* in the coming period. A new Law on Animal Health, replacing the 2004 Veterinary Law, is still pending.[191]

The Programme for European Integration 2024–2028 was approved in October 2024 with the aim of harmonising various areas with the EU standards, including agriculture, environmental protection and food safety.[192]

With regards to the quality policy, **Montenegro** still needs to follow up on the recommendations of the 2019 EU Peer Review Mission, including actions to strengthen the control systems.

In the context of the Common Market Organisation (CMO), Montenegro needs to enhance the implementation of activities under the action plan on the EU *acquis* alignment. Legislation on oenological practices in the wine sector was adopted in October 2024, aligning it with the EU *acquis*.

Montenegro received a conditional rollover entrustment for the IPARD III programme, followed by the opening of four calls for applications under the new programme covering four measures. In 2024, Montenegro prepared the programme of phytosanitary measures, including the programme of seed production, propagating materials and genetic resources control.

Montenegro implemented the disease surveillance programmes. In January 2024, the presence of the African swine fever virus was confirmed and measures to reduce the risk of spread of the disease as well as awareness raising campaigns were carried out. In March 2024, the government adopted a crisis management plan.[193]

As an addition to the information from the previous report, Montenegro adopted Agriculture and Rural Development Strategy 2023-2028[194] in June 2023.

North Macedonia made notable progress on quality policy, with the adoption of the Law on Wine. However, administrative capacity and resources remain limited.

The overall common market organisation legislation remains to be adopted, and institutional mandates defined.

The IPARD III implementation started with the launch of two project calls while work on finalisation of the IPARD II programme is progressing.

Four pieces of secondary legislation on zoo-technics were adopted as well. A new Law on Plant Health, aimed at aligning with the new EU plant health legislation, is yet to be adopted.[195]

191 COMMISSION STAFF WORKING DOCUMENT Kosovo*. 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

192 chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://kryeministri.rks-gov.net/wp-ontent/uploads/2025/01/PKIE-2024-2028-ENG.pdf

193 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

194 https://www.gov.me/en/documents/1e9c16c3-8814-49ab-ba89-de4f60f796af

195 COMMISSION STAFF WORKING DOCUMENT North Macedonia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

Serbia has yet to adopt and begin the implementation of the plan to achieve compliance with EU raw milk quality standards. No progress has been made in aligning the permitted aflatoxin levels in milk with the EU *acquis*. There is no progress in the area of the Common Market Organisation (CMO).

Implementation of the action plan for EU *acquis* alignment in agriculture and rural development needs to show progress, since its update was finalised in 2024.

African swine fever outbreaks continued to be periodically reported, causing economic losses to farmers. Further efforts are needed to enhance legislative alignment with EU plant health legislation, as well as to improve pest surveillance, early detection, and eradication measures.[196]

Action 45	Strengthen the official sanitary controls along the entire food chain and improve traceability and labelling of food products

Albania adopted Food Security Strategy 2023–2027 in June 2023[197]. With regards to general food safety, the legal framework is not aligned with the General Food Law Regulation. The legal framework for official controls is not aligned with the Official Controls Regulation (OCR) in the areas falling under its scope.

The revitalisation of the AKU-net system on inspection statistics, data management and transparency at the Food Authority (AKU) is underway (i.e. the food business operator's database). The reform of the veterinary sector remains incomplete, with human resources still not fully secured at both central and local level.

Substantial work is required to upgrade the animal register with additional information on other animals as required by the EU *acquis* in order to establish robust traceability systems for food of animal origin.

While Albania implemented its Residue Monitoring Plan, it remains insufficiently comprehensive. Modest progress was made in developing capacity, accreditation and validation methods for the laboratory network. Albania has made limited progress in aligning its legislation on feed and genetically modified organisms (GMOs) with EU standards[198].

In **Bosnia and Herzegovina,** a reliable central database for animals and official controls is not yet in place, while the surveillance of notifiable diseases is not regularly implemented. A system of reference laboratories remains to be established, and existing laboratories are yet to be accredited to detect notifiable diseases.

196 COMMISSION STAFF WORKING DOCUMENT Serbia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

197 Albania Food Security Strategy 2023–2027

198 COMMISSION STAFF WORKING DOCUMENT Albania 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

The food and feed control system remains misaligned with the EU *acquis*. Further reforms are necessary at all levels of government, particularly with regard to inspection services and laboratories. The level of alignment with the EU *acquis* concerning genetically modified organisms (GMOs) also remains low[199].

In December 2024, the Food Inspectorate of the entity of Federation of Bosnia and Herzegovina engaged in educational activities on food additives, held in Sarajevo, as part of the *Improving the Food Safety System in Bosnia and Herzegovina* project under the auspices of the Czech Republic. The training covered key topics including legislation, official controls, declaration process, sampling and analysis of food additives. The aim of the training was to affirm the importance of food safety, and the implementation of standards based on HACCP[200].

In **Kosovo*,** the Food and Veterinary Agency continues to face constraints in terms of financial and human resources which remain insufficient to implement the EU *acquis*. The food control traceability and management system and the laboratory information management system are operational; however, more resources are needed to strengthen and systematically maintain them.

In the area of phytosanitary policy, alignment with the EU *acquis* still needs to be improved. Kosovo* has yet to begin the work on developing the legal basis for novel food and genetically modified organisms[201].

In Montenegro, inspection capacities in the areas of food safety and veterinary services slightly declined during the reporting period due to staff attrition. The 2024 Programme for Food and Feed Safety Quality Measures was prepared, including a monitoring programme for residues in animals and products of animal origin. In the area of genetically modified organisms (GMOs), the 2024 programme of seed and planting material control testing for GMOs was adopted[202].

Multi-year Monitoring Programme for pesticide residues in food of plant and animal origin for 2025, 2026 and 2027 entered into force on 4 October 2024[203].

In April 2025, the Directorate for Food Safety, Veterinary and Phytosanitary Affairs (UBHVFP) of Montenegro agreed to cooperate with the Food Safety Agency of Bosnia and Herzegovina[204] in the process of harmonising food regulations with the EU legislation. This cooperation includes the exchange of experiences and joint advocacy to strengthen regional cooperation in the field of food safety.

199 COMMISSION STAFF WORKING DOCUMENT Bosnia and Herzegovina 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

200 https://federalna.ba/federalni-inspektorat-za-hranu-na-strucnom-usavrsavanju-o-aditivima-u-hrani-7kpuu?utm_source=chatgpt.com

201 COMMISSION STAFF WORKING DOCUMENT Kosovo* 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

202 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

203 Montenegro Multi-year Monitoring Programme for pesticide residues in food of plant and animal origin for 2025, 2026 and 2027.

204 https://www.gov.me/clanak/dogovorena-saradnja-u-procesu-usaglasavanja-propisa-o-hrani-sa-zahtjevima-i-standardima-eu?utm_source=chatgpt.com

During 2024, the accreditation of laboratories for food sample testing continued, thus increasing the capacity to carry out official controls and monitoring[205].

North Macedonia adopted amendments to the Law on Food Safety. Additionally, a new Law on Official Controls was prepared and is yet to be adopted. The rapid alert system for food and feed is established and operational. The Food and Veterinary Agency's internal audit and training systems continued operating in 2024, with ongoing audits of accredited laboratories. The phytosanitary monitoring programme for plant health was implemented and the phytosanitary information system was further developed. Secondary legislation regarding training in the field of phyto-pharmacy, phyto-medicine and the sustainable use of phyto-pharmaceutical products was adopted as well. However, the Law on Genetically Modified Organisms is not fully aligned with the EU *acquis*[206].

In the area of general food safety, **Serbia** has yet to adopt a strategy and action plan for alignment with the EU *acquis*. No framework laws were harmonised with the *acquis* during the reporting period. EU companies continue to express concerns regarding the frequency, duration, and cost of border/boundary controls for imported food products.

In addition to the veterinary inspection, the Veterinary Directorate's policy and its other departments require strengthening.

Policy departments of the Plant Protection Directorate remain understaffed as well. Further work is needed to align the legislation on genetically modified organisms with the EU *acquis*[207].

In September 2024, Serbia adopted the Regulation on Maximum Concentrations of Certain Contaminants in Food, which is compliant with the EU Regulation 2023/915[208].

Action 46	Promote environmentally-friendly (zero pollution) and organic farming and reduction of synthetic chemical products used in food production

The Regional Rural Development Standing Working Group (SWG RRD) continues to support organic agriculture through the Regional Expert Advisory Working Group (REAWG) on Organic Agriculture, which serves as a regional platform for dialogue, knowledge exchange and policy coordination, focusing on aligning regional efforts with the EU Green Deal and promoting environmental and market benefits of organic farming.

Organic agriculture in **Albania** remains in a nascent phase, currently covering only around 0.09% of total Utilised Agricultural Area (UAA).

On 19 September 2024, the Parliament adopted the new Law No. 104/2024 on Organic Production, Labelling of Organic Products and Their Control[209].

205 https://www.gov.me/clanak/odrzana-dvodnevna-konferencija-o-izazovima-sigurnosti-i-bezbjednosti-hrane?utm_source=chatgpt.com

206 COMMISSION STAFF WORKING DOCUMENT North Macedonia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

207 COMMISSION STAFF WORKING DOCUMENT Serbia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

208 https://www.paragraf.rs/propisi/pravilnik-o-maksimalnim-koncentracijama-kontaminenata-u-hrani.html

209 https://qbz.gov.al/eli/ligj/2024/09/19/104

A draft Organic Action Plan (NOAP) is prepared for the period 2025–2030 and is currently under review by the Ministry of Agriculture and Rural Development (MARD).

The IPARD III includes a component allocated to organic agriculture.

Organic agriculture in **Bosnia and Herzegovina** remains at an early stage of development, though it shows some signs of progress, primarily driven by donor assistance and regional collaboration.

However, no significant progress was achieved in the reporting period with respect to organic farming. Bosnia and Herzegovina still needs to adopt a law on organic production, in line with the EU *acquis*, and a harmonised regulatory framework across all levels.

In Bosnia and Herzegovina's entity of Federation of Bosnia and Herzegovina, the regulatory framework for organic agricultural production continues to evolve in line with EU standards. The Law on Organic Agricultural Production (No. 72/16) remains in force and is partially aligned with the EU's organic regulations. To reflect recent developments in EU law, Bosnia and Herzegovina's entity of Federation of Bosnia and Herzegovina initiated a **technical revision of the law in 2024**, with the aim of incorporating provisions from **EU Regulation 2018/848**.

At the same time, the authorities initiated a review of the Rulebook on Organic Crop and Livestock Production (Official Gazette No. 14/18) to align practices with the latest EU guidelines. As part of broader efforts to strengthen the organic sector, significant attention has been devoted to enhancing cooperation between certification bodies and producers. Notably, in early 2024, a series of training workshops—supported by the Agency for International Cooperation of Germany (GIZ)—was organised to improve communication, mutual understanding, and compliance across the organic production chain.[210]

Bosnia and Herzegovina's entity of **Republika Srpska prepared** a new Law on Organic Production[211] in December 2024, marking a major step forward in harmonising legal frameworks with EU standards.

Kosovo* has not yet adopted new legislation related to organic production. However, important preparatory steps are underway with the aim of establishing the legal framework by 2025. The status of key legal documents is as follows:

- Action Plan for the Protection of Agricultural Land, which addresses the land degradation, has not been adopted yet;
- Draft Law on Organic Production and Labelling of Organic Products has not yet been enacted;
- 2024–2025 Organic Market Development Plan has been adopted and is currently under implementation.

Organic Action Plan 2023-2026 needs to be implemented and actions must be taken to prioritise organic farming and production as a cross-cutting element within the Programme for Agriculture and Rural Development[212].

210 COMMISSION STAFF WORKING DOCUMENT Bosnia and Herzegovina 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

211 www.paragraf.ba/nacrti-i-prijedlozi/nacrt-zakona-o-organskoj-proizvodnji-republike-srpske.pdf

212 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of regions, Kosovo* Report 2024 Communication on EU enlargement policy

Montenegro's Law on Organic Production from 2004 (OG No. 123/2024 from 23.12.2024), underwent multiple updates to ensure full alignment with the EU Regulation 2018/848[213]. The Rulebook on Organic Production and Labelling was amended in 2023 and further fine-tuned in early 2024.

With regards to organic farming, further alignment of the legislation on organic production with the EU *acquis* is still pending.[214]

In **North Macedonia,** the new Law on Organic Farming is yet to be adopted. Its adoption will enable further alignment with the EU *acquis*. Actions to enhance the monitoring and control of organic certification and traceability of organic products should be improved[215].

This Law will replace the previous Law on Organic Agricultural Production (Official Gazette No. 146/09). It aims to harmonise the domestic organic farming with EU organic production and labelling standards, replacing the previous version from 2010.

The Action Plan for Organic Farming (2024–2026) was launched to align more closely with the EU Regulation (EU) 2018/848. The Organic Market Promotion Plan (2024–2025) is implemented with the EU support, including consumer awareness campaigns, promotion of local organic brands and support to organic farmers entering domestic and EU markets.

In **Serbia**, the Law on Organic Production (No. 30/10 and 17/2019 – other law) is still in force and already largely harmonised with EU Regulation (EU) 2018/848. However, a new draft has been prepared, with the aim to fully align the organic farming with the EU *acquis*. Based on the latest information from the Ministry of Agriculture, Forestry and Water Management (MAFWM), the document was approved by the Government's Legislative Secretariat and a public hearing is planned for the first half of 2025, while its adoption is planned for the fourth quarter of 2025.

Since 2013, all subsidies in agriculture, including subsidies for organic production, have been prescribed by the Law on Incentives in Agriculture and Rural Development (no. 10/13, 142/14, 103/15, 101/16, 35/23, 92/23 and 94/24). Serbia started with the implementation of the IPARD III (2021-2027) Programme, containing the new measure "Agri environment, climate and organic farming". This measure, however, is still not accredited.

Action 47	Cooperate with scientific, education, business and agricultural holdings to facilitate transfer to innovative and environmentally-friendly technologies and farming methods

Albania continues with the implementation of the Strategic Action Plan for Reforming Agricultural Advisory Services (2022–2026) which showed tangible results in 2024. The implementation of

213 https://www.gov.me/dokumenta/f51e2031-d1ca-4f94-aee0-6f0a7594801d

214 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

215 COMMISSION STAFF WORKING DOCUMENT North Macedonia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

the strategic action plan for the reform of the advisory system continues at a slow pace as the implementation capacities remain low[216].

Key activities in 2024:

- Agricultural Training Scheme organised by MARD and with support from Austria. The goal was to strengthen capacities in agriculture;
- Provision of training for specialists and farmers: 242 specialists and 1,100 farmers were trained in 2023 and 2024. The farmer training was delivered through fifty demonstration farms.

On 01 November 2024, an agreement was signed between the Ministry of Agriculture and Rural Development (MARD), the Regional Agricultural Extension Agencies (RAEAs), and four municipalities: Shkodër, Berat, Kolonjë, and Divjakë.

A Draft AKIS Strategic Framework Document was finalised in December 2024 (in coordination with SWG REAWG). It proposes AKIS Coordination Body, hosted by MARD, with participation from universities, NGOs, private sector and cooperatives. Additionally, it establishes mechanisms for public-private collaboration and funding channels.

Bosnia and Herzegovina continues to face institutional fragmentation in the AKIS development. Though advisory services are functional at the entity level, there is no unified central-level AKIS strategy, and the coordination between research, advisory and farmer organisations remains weak.

In 2024, Bosnia and Herzegovina's entity of Republika Srpska formed a Working Group for AKIS, composed of advisory services, academia and select producer associations, while Bosnia and Herzegovina's entity of Federation of Bosnia and Herzegovina launched consultations for the creation of a Cantonal AKIS platform in early 2025, as well as adopted the Law on Advisory Services in Agriculture (No. 52/06) which provides the legal basis for public extension services.

In 2024, the Ministry of Agriculture enhanced institutional capacity by supporting the training of over 300 advisors and municipal agricultural officials in areas such as farm recordkeeping, sustainable agricultural practices and preparation for IPARD funding.

In 2024, Bosnia and Herzegovina's entity of Republika Srpska made progress in strengthening its agricultural advisory services. The advisory system expanded its focus to climate adaptation, digital technologies and soil health, aligning them with modern agricultural trends and sustainability efforts. Additionally, a draft proposal for the improvement of the procedure for supporting applied research in agriculture from its budget has been prepared.[217]

The Ministry of Agriculture, Forestry and Water Management completed drafting of a rulebook regulating financial and institutional support for the AKIS-related activities. The draft was completed as planned by June 2024, with its adoption still pending.

Kosovo* laid the foundation for the AKIS formalisation. Advisory services are regulated under the Law on Advisory Services and Support for Farmers (Law No. 04/L-114), which establishes the institutional and operational framework for public extension.

216 COMMISSION STAFF WORKING DOCUMENT Albania 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

217 https://seerural.org/news/importance-of-establishment-of-akis-knowledge-repository-in-the-western-balkans/

On 5 November 2024, the Food and Agriculture Organization (FAO) convened over 40 stakeholders for an inception workshop to launch the development of Kosovo*'s Digital Agriculture Programme and Action Plan[218].

In 2024, Kosovo* drafted a Concept Document on AKIS Coordination, proposing the creation of a multi-stakeholder AKIS platform under the Ministry of Agriculture, Forestry and Rural Development (MAFRD). A consultation roundtable was held in July 2024, and the feedback is currently being incorporated into a Strategic Framework for AKIS, scheduled to be finalised in late 2025.

Montenegro's legal and strategic frameworks for the AKIS exist; however, the implementation and coordination among stakeholders remain insufficient. The European Commission's 2024 report notes that the institutional framework for knowledge transfer is inadequately developed, though some improvements in digital advisory tools and IPARD-related training were recorded. The strengthening of farm advisory services should be accelerated[219].

In June 2024, a draft Rulebook on Support to Knowledge and Innovation Exchange was finalised, aligning with GAWB and EU AKIS guidelines.

North Macedonia adopted the new Law on Advisory Services[220], providing for the creation of the legal framework for developing farm advisory services in line with the EU *acquis*.

The 2024 EC Report on North Macedonia noted moderate progress in advisory reform and recognised a growing focus on innovation, knowledge exchange and digital support systems, which are particularly aligned with the EU Green Deal and the Common Agricultural Policy (CAP) reform processes.

Ministry of Agriculture, Forestry and Water Economy (MAFWE) introduced an Advisory Quality Standards Programme, which is currently being piloted in six regions.

In 2024, the *e-Zemjodelstvo* (e-Agriculture) platform was further developed, which enhanced its functionality with online advisory modules, soil health data integration and tools such as a subsidy calculator and farm business planner. To improve accessibility in rural areas, the MAFWE launched a mobile version of the platform in late 2024[221].

In 2024, MAFWE finalised the Strategic AKIS Roadmap (2024–2027), establishing a structured framework for North Macedonia's Agricultural Knowledge and Innovation System (AKIS).

A multi-stakeholder AKIS Coordination Group was officially launched in January 2025, bringing together representatives from key institutions and sectors. The group held its first strategic planning meeting in February 2025, marking the beginning of coordinated efforts to enhance agricultural innovation and knowledge transfer[222].

With technical assistance from SWG and EU-funded Technical Assistance (TA), the Ministry launched pilot projects for two Operational Groups (OGs) in 2024. North Macedonia became one of the first WB6

218 https://www.fao.org/digital-villages-initiative/europe/news-and-articles/news-and-articles-detail/kosovo-launches-the-development-of-the-digital-agriculture-programme-and-action-plan-with-fao-support/en

219 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

220 https://www.gov.mk/Почетна-Легислатива.aspx

221 https://www.e-zemjodeljstvo.mk

222 AKIS Roadmap Document – MAFWE, Dec 2024, SWG REAWG on AKIS Meeting Summary, Feb 2025

to implement OGs in alignment with the EU EIP-AGRI guidelines, marking a significant step towards strengthening agricultural innovation and collaboration in the region[223].

Serbia has one of the most structured and institutionally developed AKIS systems in the WB6. The European Commission 2024 Report acknowledges Serbia's progress in improving advisory service performance, introducing digital tools and piloting multi-entity cooperation models, although it also notes an uneven reach across regions and a need for stronger innovation scaling mechanisms.

Serbia developed a Draft AKIS Strategic Framework in 2023, which was updated in late 2024. The AKIS Coordination Working Group was established in the first quarter of 2025. The group's task is to harmonise advisory, research and innovation initiatives, and to guide Serbia's CAP alignment process.

In 2024, Serbia launched three Operational Groups (OGs) co-financedby its budget and EU, aimed at fostering agricultural innovation and sustainability. Each group was composed of farmers, advisors, small and medium-sized enterprises (SMEs) and researchers, following the EU EIP-AGRI standards to encourage collaboration and knowledge exchange.

Action 48	Devise actions to reduce waste in rural and coastal areas

While all WB6 recognise the importance of reducing waste in rural and coastal areas, progress during 2024 was fragmented, with Serbia and Montenegro slightly ahead in implementing coastal and rural-specific measures.

Albania made limited progress, particularly in the following areas:

- Circular economy with the establishment of the Agency for Waste Economy;
- Water quality, with the adoption of the laws on water resources and the protection of marine environment, along with three river basin management plans;
- Civil protection, with the adoption of the Strategy for Disaster Risk Reduction 2023-2030.

The newly established Agency for Waste Economy, tasked with implementing the waste hierarchy and promoting waste separation and recycling, has officially begun its work. However, further efforts are needed, including public awareness, financial incentives and the finalisation of the draft Law on Extended Producer Responsibility[224].

The 2024–2030 Waste Management Strategy targets coastal zones, including clean-up operations and improved collection infrastructure, particularly in Vlora, Durres, and Shkodra. Rural zones still lack basic waste collection. Illegal dumping is widespread outside tourist hotspots[225].

223 Operational Group Case Studies – SWG AKIS Secretariat, MAFWE Innovation Support Programme Report, Dec 2024

224 COMMISSION STAFF WORKING DOCUMENT Albania 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

225 COMMISSION STAFF WORKING DOCUMENT Albania 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

Bosnia and Herzegovina must adopt a comprehensive waste management strategy aligned with the circular economy, EU plastic strategy, and single-use plastics directive, and harmonise regulations with the Landfill Directive and EU acquis on sewage sludge, batteries, packaging, PCBs/PCTs, and end-of-life vehicles.

In the area of water quality, a consistent and harmonised strategy and sustainable investment plan on water management and urban wastewater management are still absent. Specific plans for the implementation of the EU legislation on drinking water, urban wastewater and flood risk management still need to be adopted[226].

Kosovo* made progress in the implementation of waste management legislation, including the approval of regulations governing export, import, transit and transboundary movement of waste. The number of illegal dumpsites continued to decline steadily.

In April 2024, the Parliament of **Montenegro** adopted the Law on Waste Management. Infrastructure for separate waste collection and recycling exists; however, it is not properly used by citizens, while the issue of illegal and temporary waste disposal has yet to be resolved. There is a need for comprehensive educational campaigns—integrated into school curricula and disseminated through media—to raise awareness and support the proper enforcement of waste separation and recycling rules, targeting both citizens, including children, and local authorities[227].

In 2024, **North Macedonia** made limited progress marked by the adoption of legislation aimed at expanding producer responsibility.

Additionally, the Roadmap Towards Circular Economy[228] was developed in the area of waste management during the reporting period.

The principles of circular economy are embedded in the waste management legislation; however, concrete progress is still lacking due to limited stakeholder awareness, insufficient financial support and infrastructure shortcomings[229].

Serbia has made a noticeable progress in a few areas: waste management legislation, integrated permits for industrial pollution control, and the adoption of the Climate Change Adaptation Programme and the NECP[230].

In comparison with the previous report, several key legislative measures were adopted in September 2023 to enhance regulatory compliance and environmental sustainability:

226 COMMISSION STAFF WORKING DOCUMENT Bosnia and Herzegovina 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

227 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

228 https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/03/a-roadmap-towards-circular-economy-of-north-macedonia_f4d7444c/1973c88c-en.pdf

229 COMMISSION STAFF WORKING DOCUMENT North Macedonia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

230 COMMISSION STAFF WORKING DOCUMENT Serbia 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

» Sludge Management Programme (2023–2032): Establishes long-term strategies for handling sludge from wastewater treatment processes;

» Amendments to the Law on Waste Management: Introduce updated provisions to improve waste handling, disposal and recycling practices;

» Secondary Legislation for Specific Waste Streams: Defines regulatory frameworks for managing hazardous and non-hazardous waste categories;

» Regulation on the Manner and Procedure of Sludge Management from Municipal Wastewater Treatment Plants: Sets guidelines for the safe treatment and disposal of sludge.

Action 49	Step up efforts for sustainable development of rural areas with implementation of LEADER

The LEADER approach in the WB6 achieved notable results, with key developments in its legal and institutional frameworks.

In **Albania**, the accreditation of the LEADER measure under the IPARD III Programme is planned for 2025. Currently, only two LAGs are formally registered with the Ministry of Agriculture and Rural Development (MARD), while several others are at various stages of the registration process.

Unregistered LAGs can operate legally, but they must register with MARD to qualify for Ministry and IPARD III funding.

Bosnia and Herzegovina is still not implementing the LEADER programme. No LAGs are currently operational or registered, and no funds have been allocated at cantonal or local levels to support the initiative. Despite being referenced in the Bosnia and Herzegovina's entity of Federation of Bosnia and Herzegovina 2021–2027 Agriculture and Rural Development Strategy, the LEADER approach has not been adopted due to the lack of parliamentary endorsement. Institutional capacity remains low, with only isolated, project-based activities indicating minimal progress.

In contrast, Bosnia and Herzegovina's entity of **Republika Srpska** has taken more structured steps. Two LAGs are officially registered, though they have remained inactive for the past four years. While the institutional framework supports the LEADER methodology in strategic documents and laws, the approach lacks consistent funding and political backing. Nevertheless, the 2024 Action Plan for Technical Assistance includes Measure 9 funding for the preparation of Local Development Strategies (LDS), with several LAGs engaged in rural development projects through alternative funding mechanisms.

Kosovo* established thirty LAGs through an initiative led by the Ministry of Agriculture, Forestry and Rural Development (MAFRD). Despite their establishment, not all LAGs are currently active due to a lack of organisational and financial stability.

MAFRD has integrated the LEADER Measure into its Programme for Agriculture and Rural Development.

North Macedonia has integrated the LEADER approach in its Rural Development Programme via Measures 412 and 413, and for the first time in the IPARD 2021–2027 Programme under Measure 5. Although procedural requirements have been submitted for EU accreditation, delays persist.

Eight LAGs have been formally registered, meeting legal requirements for funding eligibility. Capacity building initiatives have been rolled out to strengthen LAG strategic planning and project management capabilities. However, the underutilisation of IPARD Technical Assistance suggests a need for greater public awareness and further expansion of LAG coverage.

In **Montenegro**, there is no legal recognition or framework for LAGs. The Law on Agriculture and Rural Development does not yet incorporate LEADER methodology, and a standardised LDS formulation framework is still pending. LAGs in Montenegro currently operate informally, as they lack formal accreditation and financial capacity.

Measure 5 of the IPARD III Programme has not yet entered the accreditation process, and no legal foundation exists for the formation of LAGs. This regulatory vacuum significantly impedes progress and the effective implementation of community-led rural development

Serbia has an institutional framework that supports the LEADER like approach, which is embedded in its legislation and strategic documents. As of 2024, 21 LAG partnerships have been approved by the Ministry of Agriculture, Forestry and Water Management through the Rural Development Programme.

An Action Plan for Technical Assistance was adopted under IPARD Measure 9, with funding allocated for preparing Local Development Strategies (LDS). While several potential LAGs are implementing community development projects, these are supported through alternative or domestic funds, as the LEADER measure under IPARD programme has not yet been entrusted. The entrustment process for IPARD Measure 5 remains ongoing, with political commitment and sustainable funding identified as key challenges.

Action 50	**Support investments in renewable energy production and technologies as well as GHG emission reductions and adaptation to climate change measures in agriculture**

The latest 2023–2024 data reveal a 10.5% decline in GHG emissions per capita from agrifood systems and land use in the WB6, amounting to a reduction of approximately 0.38 tCO_2. This decrease is primarily driven by modest improvements in fertiliser efficiency, slower livestock growth, reforestation efforts in specific areas and the continued prevalence of low technology input agricultural practices.

Table 2.6.1 Agriculture GHG Emissions Per Capita in the WB6 vs. the EU27 (CO_2 eq t/pc)

	Albania	Bosnia and Herzegovina	Montenegro	North Macedonia	Serbia	Average
Agri-food systems	1.4	1.6	1.5	1.4	2.7	1.72
Emissions on agricultural land	1.0	0.8	0.6	0.5	1.7	0.92
Agriculture, Forestry and Other Land Use (AFOLU)	0.8	0.3	0.6	0.5	0.8	0.60
Σ	3.2	2.7	2.7	2.4	3.2	3.24

Source: Study on Climate change adaptation in agriculture– status and prospects in the Western Balkans 6, SWG

Albania increased its allocation for Measure 4 from 2% to 3% among broader reforms under IPARD III. Notable institutional advances include the operationalisation of the Land Parcel Identification System (LPIS), Integrated Administration and Control System (IACS) and Farm Accountancy Data Network (FADN). The EC 2024 Report praised Albania's integration of renewable energy into the irrigation infrastructure, particularly solar powered systems, as a model for climate-smart rural development. The SWG Report notes that Albania has begun piloting agro-environmental schemes targeting erosion control and organic farming in elevated terrain. In conclusion, Albania remains in the early phases of transitioning towards climate-resilient and environmentally sustainable agriculture[231].

Bosnia and Herzegovina remains structurally insufficiently prepared for the IPARD III programme, lacking a certified Paying Agency (PA) and LPIS, rendering it ineligible for IPARD funding. The 2025 EC Report emphasises continued political fragmentation and weak inter-entity coordination as critical obstacles. International financial institutions are showing a slight increase in interest in backing climate-smart agriculture via agricultural credit lines.

Kosovo* continues to trail behind other WB6 in institutional and policy readiness for IPARD environmental measures. Key systems such as PA, LPIS and IACS are not operational. Access to finance is a persistent barrier for small-scale farmers[232]. Weak land markets and limited access to agricultural finance further inhibit investment in sustainable practices. Urgent institutional development is needed to prepare Kosovo* for EU-aligned green agricultural reforms[233].

Montenegro continues to allocate a significant share of its rural development funds to AEMs. Its pilot schemes in organic and sustainable farming are considered exemplary[234]. Supported by functional PA, LPIS, and GSAA systems, Montenegro is actively piloting and scaling IPARD Measure 4 actions,

231 *Climate change adaptation in agriculture – status and prospects in Western Balkans 6 - Volume II: reports, SWG*

232 *COMMISSION STAFF WORKING DOCUMENT Kosovo* 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy*

233 *Climate change adaptation in agriculture – status and prospects in Western Balkans 6 - Volume II: reports, SWG*

234 COMMISSION STAFF WORKING DOCUMENT Montenegro 2024 Report Accompanying the document COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF REGIONS 2024 Communication on EU enlargement policy

including organic farming, mountain pasture restoration and livestock waste recycling. The 2024 EC report commends Montenegro's strategic coherence and implementation capacity, while the SWG highlights its progress in carbon footprint assessments and biodiversity monitoring.

North Macedonia marginally increased the share of IPARD Measure 4 funding from 1% to 1.5%, reflecting slow but steady efforts to channel more support into green investment. Reforms in the agricultural and rural development strategy, along with strengthened farm advisory services and pilot initiatives in soil management and carbon farming, suggest a gradual but promising alignment with the European Green Deal objectives. The share of subsidies allocated to couple support remains high. There is insufficient integration of environmental conditions in the allocation criteria, which delays alignment with the Green Agenda[235].

Serbia has modestly increased its IPARD Measure 4 allocation from initial 4.5% under IPARD II Programme to 5% under IPARD III Programme, driven by interest in climate technologies and post-harvest loss reduction, but in the absolute values the increase is higher. The 2025 EC Report stresses that approximately 70–80% of subsidies still support input-intensive production, with minimal environmental conditionality. While Serbia's LPIS and IACS systems are expanding, their incomplete coverage continues to delay broader AEM implementation. Serbia has a relatively well-developed agricultural credit market and growing participation in green financing schemes through local banks and EU-funded initiatives.

2.7 Protection of Nature and Biodiversity Roadmap

The key recommendations include the following:

- All WB6 should invest considerable efforts into revising and aligning their policies, strategies, programmes and plans with both regional, EU and global biodiversity frameworks.
- The development of the Western Balkans Biodiversity Strategic Plan (WBBSP) 2030 will be a valuable step forward. Strengthening cooperation among the WB6, conservation institutions, and policymakers is essential—particularly in the context of the WBBSP 2030—as it sets out long-term goals for biodiversity conservation in the region.
- It is necessary to work actively on seven main priorities identified as important for regional biodiversity protection:

    1. Terrestrial and marine conservation;
    2. Improvement of green infrastructure and ecological connectivity;
    3. River and wetland protection and restoration;
    4. Species and habitat protection;

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5. Increasing forest coverage;
6. Prevention of wildlife crime, and
7. Control of invasive alien species.

» Support should be provided for the development and implementation of a Western Balkans Forest Landscape Restoration Plan. Priority restoration areas and measures should be identified, and financing supported through technical justification, alignment with EU strategies for biodiversity and forest restoration. NbS interventions should be guided alongside supporting the establishment of a regional fund.

» The NbS systematic approach across the region should be enforced.

» Regional mechanisms such as the WB BDTF and RWG GAWB can effectively coordinate and support green infrastructure and ecosystem connectivity.

» Comprehensive green infrastructure networks should be developed between urban, peri-urban and rural areas, enhancing biodiversity corridors and ecosystem services.

» Natural habitats should be restored through large-scale projects focused on wetlands, riparian zones and degraded landscapes.

» Nature-based solutions should be promoted as these can significantly increase urban green cover and biodiversity, in addition to supporting the climate resilience of the WB6.

» Intra-regional ecological corridors, crucial for facilitating species migration and genetic exchange, should be established, in line with Natura 2000 requirements (EU Bird and Habitat Directives including Bern Convention Emerald Network) as they are essential for climate adaptation.

» Attention should be placed on the implementation of afforestation and reforestation of degraded lands, former agricultural areas and urban spaces, using native and climate-resilient tree species.

» Community-based forestry should be promoted with the intention to involve and engage local population in forest management and conservation.

» Agroforestry systems should be integrated into agricultural landscapes and tree cover should be significantly increased, including improving the soil health.

» Forest protection policies should be strengthened as they are essential to safeguarding existing forests from deforestation and degradation.

» Urban forests and green areas should be considered.

2.7.1 Progress in implementing the Roadmap across the actions and the region

In 2024, the WB6 advanced their GAWB commitments related to biodiversity and ecosystems, pursued policy alignment with EU nature directives and expanded conservation efforts, albeit at varying speeds. Some headway was made in implementing the biodiversity and nature protection actions

outlined in the GAWB Action Plan, although many measures remain delayed. Regional cooperation has been reinforced, particularly through the active engagement of the Biodiversity Task Force of the Western Balkans (BDTF WB).

The assessment is based on a desk review of policy documents, progress reports, and data releases for 2024. Key sources include the environment chapters of the European Commission's 2023–2024 enlargement reports, biodiversity legislation and strategic documents of WB6, as well as information from the Regional Cooperation Council (RCC), the International Union for Conservation of Nature (IUCN) and other relevant publicly available sources.

Most actions scheduled for delivery in 2024 have either been delayed or only partially achieved, with ongoing implementation expected between 2025 and 2030. While all WB6 have previously formulated biodiversity strategies and set nature protection objectives, the majority of these documents are now outdated.

The 2023 *GARI Report* listed the policy documents adopted by the WB6 in the areas of biodiversity conservation and restoration. However, considerable work remains to revise and align their policies, strategies, programmes and plans with both regional and global biodiversity frameworks.

In 2024, two projects[236] developed by IUCN ECARO in close collaboration with the RCC and BDTF WB were approved for funding. These initiatives aim to support the implementation of Actions 51–58 and Action 6 of the Action Plan, with a particular focus on enhancing opportunities for the use of Nature-based Solutions for climate change mitigation and adaptation under the Decarbonisation pillar. NbS are instrumental in creating synergies across GAWB pillars by harnessing natural processes, which are at the core of the Roadmap for the Protection of Nature and Biodiversity, thereby contributing to broader regional environmental objectives.

Action 51	Develop and implement a Western Balkans 2030 Biodiversity Strategic Plan

Action 51, which calls for the development and implementation of a Western Balkans Biodiversity Strategic Plan (WBBSP), remained behind schedule.

A key regional milestone in 2024 was the First Ministerial Meeting on the GAWB, held in Hamburg in October 2024. During the meeting, ministers reaffirmed their commitment to biodiversity protection and endorsed the development of the WBBSP 2030. The Hamburg Declaration[237] on GAWB highlighted key implementation priorities and welcomed the strategic direction provided in the *Analytical Paper for the Development of the Western Balkans 2030 Biodiversity Strategy Plan* (RCC, 2024). It also recognised the progress achieved through the BDTF WB and RWG GAWB. The Hamburg Declaration further launched a revision process for the GAWB Action Plan, to be undertaken jointly by the RCC and regional partners via the RWG GAWB, with the updated version expected in 2025. Under the Greening the Western Balkans[238] initiative, IUCN ECARO and its partners are working to reinforce

236 Projects: 1. Greening the Western Balkans and 2. ADAPT 2.0: Nature-based Solutions for Climate Change Mitigation and Adaptation in the Western Balkans

237 https://www.rcc.int/docs/717/hamburg-declaration-on-the-green-agenda-for-the-western-balkans

238 Greening the Western Balkans | IUCN

existing regional frameworks, with the BDTF WB positioned as a central platform for coordination. The project seeks to encourage cooperation among WB6, conservation institutions and policymakers in the formulation and implementation of priority actions, particularly the WBBSP 2030, which outlines long-term biodiversity conservation goals.

Action 51A	Develop a Western Balkans Biodiversity Report

The signatory parties to the UN Convention on Biological Diversity (UNCBD) are required to submit their seventh Report by 28 February 2026. These reports must be aligned with the Kunming-Montreal Global Biodiversity Framework (KMGBF). Contracting parties to the UNCBD are obliged to comply with this reporting requirement. The forthcoming Western Balkans Biodiversity Report, in support of the implementation of the KMGBF, will serve as a tool for monitoring progress towards global biodiversity targets.

Additionally, two international initiatives, funded through the Global Environment Facility (GEF-7) and implemented by the United Nations Environment Programme (UNEP), are currently underway in **Albania**, **Bosnia and Herzegovina**, **Montenegro**, **North Macedonia** and **Serbia**. These initiatives are designed to strengthen biodiversity conservation in line with global commitments.

The first initiative, titled *Global Biodiversity Framework Early Action Support (Central and Eastern Europe)*, seeks to enhance the preparedness of participating WB6 to implement the KMGBF. The second initiative is the *Umbrella Programme to Support NBSAP Update and the 7th Domestic Report*, which complements this effort by assisting selected WB6 in updating their Biodiversity Strategy and Action Plans (NBSAP) and preparing their seventh reports for submission to the UNCBD.

Action 51B	Develop a Western Balkans Biodiversity Strategic Plan

The development of the WBBSP is scheduled for 2025, with the endorsement of its outline expected at 2025 annual GAWB ministerial meeting. Progress to date includes the approval of one preparatory document, while the Biodiversity Policy Analysis is still under development. The foundational document, *Analytical Paper for the Development of the Western Balkans 2030 Biodiversity Strategy Plan*, prepared by the RCC with support from BDTF WB, represents the initial step in this process.

The paper offers a systematic overview of existing indicators currently used in reporting under the UNCBD and relevant EU legal frameworks. It identifies data gaps and highlights the need for additional data collection to ensure the comprehensive and evidence-based preparation of the WBBSP 2030. Additionally, it emphasizes key regional biodiversity protection initiatives of strategic importance. Specifically, it outlines seven priority regional initiatives: 1) terrestrial and marine conservation, 2) enhancement of green infrastructure and ecological connectivity, 3) river and wetland protection and restoration, 4) species and habitat protection, 5) increasing forest f coverage, 6) prevention of wildlife crime, and 7) control of invasive alien species.

Action 52	Prepare nature protection and restoration plans including for marine areas

Partial progress has been achieved, as some of the WB6 have developed their local nature restoration plans, focusing on reforestation, wetlands and other ecosystems. However, a comprehensive regional plan that includes marine areas has not yet been established. Planning efforts are expected to continue beyond 2024.

All WB6 are investing efforts to expand their protected area coverage in line with the EU and the Kunming Montreal Global Biodiversity Framework. This target includes both legally established protected areas and Other Effective Area-Based Conservation Measures (OECMs). Although efforts have been made to incorporate OECMs into conservation practices, legally designated protected areas currently remain the primary mechanism for area-based conservation. The IUCN's ongoing work on identifying and recognising OECMs[239] can support the achievement of this ambitious conservation goal.

Action 53	Develop and implement a Western Balkans Forest Landscape Restoration Plan

The Western Balkans Forest Landscape Restoration Plan was not finalised by 2024. However, a new funding source, namely the *ADAPT 2.0: Nature-based Solutions for Climate Change Mitigation and Adaptation in the Western Balkans* project, which began in late 2024, is supporting the development of the Plan. The implementation of restoration commitments will continue through 2030. In collaboration with the ADAPT 2 project, developed and coordinated by IUCN ECARO in partnership with WB6, this initiative will facilitate the transposition of the new Nature Restoration Law, establishment of regional targets and will assist with the local prioritisation of restoration efforts.

The Regional Rural Development Standing Working Group (REAWG) developed an analysis and guidelines entitled *Sustainable Forest Management: Close-to-Nature Forest Management as a Response to Climate Change in the Western Balkans*[240] (2024). This work was supported by the Agricultural Policy Dialogue of Germany – South East Europe (APD). The analysis could indirectly support efforts towards the development and implementation of a Western Balkans Forest Landscape Restoration Plan.

Action 53A	Prepare Restoration Opportunities Assessment Report

The Restoration Opportunities Assessment Report (ROAR) is in the pipeline as a crucial tool to guide ecosystem restoration in the region; however, as of 2024 it had not yet been prepared. One of the objectives of the ADAPT 2.0 project is the preparation of ROAR to assess the degradation of forest landscape and identify opportunities for biodiversity improvements and climate adaptation.

239 https://portals.iucn.org/library/sites/library/files/documents/PATRS-003-En.pdf

240 https://www.apd-see.org/fileadmin/user_upload/PDFs/Regional_report_on_CNFM_in_WB.pdf

Additionally, the project will identify priority restoration areas and measures, support financing through technical justification, alignment with EU strategies for biodiversity and forest restoration, and guide NbS interventions while supporting the establishment of a regional fund.

Action 53B	Prepare Forest Landscape Restoration Plan (including a financial plan)

The Forest Landscape Restoration Plan (FLRP) has not yet been completed and is currently behind schedule. However, efforts are ongoing, and through the implementation of the ADAPT 2.0 project, the FLRP is expected to be finalised in forthcoming period.

A pilot project with regional relevance is contributing to the more ambitious development of a regional FLR plan in the forthcoming period. The initiative, *Forest Restoration in North Macedonia and Albania*[241], focuses on the application of NbS, including Forest Landscape Restoration (FLR) interventions across approximately 40 hectares of degraded forest land in Bukovilj in **North Macedonia** and Pashtrik-Morina in **Albania**. These interventions are expected to significantly enhance biodiversity and ecological connectivity, particularly within and around adjacent protected areas. The FLR measures will deliver multiple benefits, such as increased carbon sequestration and ecosystem resilience, and improved habitat conditions for the Balkan Lynx and other threatened endemic species, thereby halting biodiversity loss. The project also aims to strengthen domestic capacities and commitments to future restoration efforts and sustainable forest management through active engagement of relevant stakeholders and decision-makers. Furthermore, it seeks to foster knowledge exchange and bilateral dialogue to reinforce commitments to FLR and sustainable forest governance in both Albania and North Macedonia.

Action 54	Analyse biodiversity benefits of Nature-based Solutions and opportunities for their integration into the development of climate and other plans

With regard to policy commitments, the Hamburg Declaration underscored that NbS represent a vital strategy for addressing the climate crisis across the WB6 region. NbS are also considered essential for safeguarding biodiversity and supporting large-scale reforestation and restoration efforts. While certain elements of NbS are being integrated into each of WB6 climate plans, their systematic integration remains limited across the region.

ADAPT 2.0 (September 2024 – August 2028) is a regional initiative led by IUCN ECARO and supported by the Swedish International Development Cooperation Agency (Sida), focusing on the application of NbS to address climate change mitigation and adaptation challenges in the WB6. Building on the foundations of its previous phase, ADAPT 2.0 aims to demonstrate the value of NbS in strengthening regional resilience and advancing sustainable development. The project focuses on enhancing understanding of the potential of NbS for both climate change mitigation and adaptation, and promoting their integration into domestic and regional policies, strategies, and practices. It also seeks to catalyse practical opportunities for the deployment of NbS on the ground, supporting the region's

241 Forest Restoration in North Macedonia and Albania | IUCN

transition towards more sustainable and climate-resilient landscapes. A key objective of ADAPT 2.0 is the establishment of a regional NbS fund by the end of the project, aimed at mobilising resources for the continued development and implementation of NbS, in alignment with regional restoration plans and climate priorities. Through a combination of policy engagement, capacity-building, and pilot implementation, ADAPT 2.0 will contribute to long-term climate resilience in the WB6, demonstrating the essential role of nature in addressing the growing impacts of climate change. Through the project, the implementation and scaling-up of NbS in the WB6 region will involve identifying pilot areas for field interventions, carrying out NbS activities at these sites, and catalysing further opportunities for on-the-ground deployment.

This project facilitates synergies and supports the implementation of the WB6 Climate Adaptation Roadmap.

Action 54A	Report on climate change and biodiversity linkages

The preparation of the report on climate change and biodiversity linkages is currently delayed. It will be undertaken within the framework of the ADAPT 2.0 project. One of the key objectives of the project is policy integration and climate-smart planning, which includes producing a regional comparative policy analysis, communicating the benefits of NbS for people and nature to policymakers, and mainstreaming NbS into ongoing policy processes. An objective of ADAPT 2.0 that will significantly support scaling up and ensuring sustainability is the establishment of a regional NbS Fund aligned with GAWB restoration plans. The ADAPT 2.0 project will foster multiple synergies between nature conservation and climate adaptation.

This project could also contribute to Action 6 (Pillar 1 – Decarbonisation) by increasing opportunities for deploying NbS to mitigate and adapt to climate change.

Financing mechanisms should be structured to prioritises projects that address both biodiversity conservation and climate adaptation, making it easier to mobilises diverse funding streams. Most adaptation interventions are considered as "no-regret" measures, and they deliver benefits under any future climate scenario and often generate additional advantages, particularly when implemented as NbS. To unlock the full potential of NbS in the WB6, reforms in financing regulations and the formal integration of NbS into policy frameworks are needed. These steps would help steer funding in favour of NbS, recognising s them as highly effective, desirable solutions.

The findings of the *Status of Environment and Climate in the Western Balkans*[242], developed by the Joint Research Centre (JRC) as European Commission's science and knowledge service, are expected to reinforce the role of NbS as essential components for climate resilience. The document offers an overview of the environment and climate in the WB6, highlighting existing gaps in alignment with the EU *acquis*. It aims to support implementation of the GAWB, particularly within the depollution and decarbonisation pillars. Although biodiversity is not the primary focus of the report, the document remains pertinent due to its attention to climate-related impacts, such as changing on hydrological patterns (e.g. rainfall, droughts, surface and groundwater), forest fires, and heat waves, all of which significantly affect biodiversity. Given that the WB6 have rich biodiversity, shaped by their

242 https://publications.jrc.ec.europa.eu/repository/handle/JRC140061

heterogeneous geological substratum, varied relief, hydrology and climate, the report emphasises the importance of sustainable land management practices to protect biodiversity and ecosystems.

To finance adaptation effectively, it is essential to ensure sustainable investment through stronger public-private collaboration. For the private sector to align with resilience goals and avoid maladaptation, it must be equipped to identify and assess climate-related risks. The European Commission's Platform for Sustainable Finance[243] supports this by facilitating dialogue among public and private entities, academia, industry, civil society, and the financial sector, and by supporting progress towards European Green Deal objectives.

According to the European Climate Risk Assessment[244] report (EEA, 2024), Europe faces significant and urgent climate-related risks, one of the most critical being within the Ecosystems risk cluster. Key threats to biodiversity and carbon sinks stem from drought, elevated temperatures, and pest outbreaks. An integrated monitoring system that encompasses climate change, its impacts, land degradation, and biodiversity would pave the way for developing multifunctional and long-term adaptation measures. Such a system represents a promising point of convergence for biodiversity conservation and climate adaptation efforts in the WB6 region.

Action 55	**Strengthen the mechanisms for regional cooperation and strategic planning on biodiversity conservation and implementation of commitments under the Convention on Biological Diversity**

The meetings of the BDTF WB and related cooperation activities were regularly held in 2024. They successfully strengthened experience-sharing among the WB6, contributing to the implementation of the GAWB Action Plan. The BDTF WB functions effectively as a regional coordination mechanism, enhancing cooperation on the UNCBD commitments through regular regional meetings and shared initiatives. Continued improvements are anticipated through 2030. The UNCBD Decision 15/8 enables the establishment of a new instrument, Technical and Scientific Cooperation Support Centres (TSCs), aimed at supporting the implementation of the KMGBF. Within the Europe TSC, the WB6 will closely cooperate with the EU JRC, the IUCN ECARO and the IUCN Centre for Mediterranean Cooperation, which will be in charge of managing this sub-regional TSC. This initiative will significantly contribute to the implementation of Action 55.

In June 2024, **Albania** became a member of the International Union for Conservation of Nature (IUCN), indicating a strong commitment to global biodiversity conservation efforts.

In 2024, **Albania** and **North Macedonia** continued to strengthen their collaboration in protecting the Prespa–Ohrid ecosystem, a shared lake region renowned for its biodiversity. This work was supported by mechanisms such as the Prespa Ohrid Nature Trust (PONT), a conservation trust fund that provides long-term financing to the region's protected areas and local environmental entities. PONT's grants sustained joint projects, enabling coordinated conservation efforts on the ground.

243 Platform on Sustainable Finance - European Commission

244 https://www.eea.europa.eu/en/analysis/publications/european-climate-risk-assessment

Albania strengthened marine conservation through regional cooperation in 2024. During the 47th General Fisheries Commission for the Mediterranean meeting held in November 2024, Albania and EU partners agreed on a ground-breaking measure to protect sensitive marine habitats in the Adriatic. They designated the first-ever shared Fisheries Restricted Area between the EU and Albania, located in the Otranto Channel between Albania and Italy. This measure will strengthen sustainability strategies at the sea basin level, promote sub-regional cooperation and support the overall management framework for the Adriatic Sea, aligned with the principles of the EU Common Fisheries Policy.

The WB6 region is home to several strategic initiatives focused on the conservation of large carnivores and the enhancement of protected area networks, contributing significantly to biodiversity protection and sustainable development across the region.

The *Large Carnivore Initiative for Europe (LCIE)*, established in 2010, is a Specialist Group within the Species Survival Commission (SSC) of the IUCN. Active in Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia, LCIE functions as a leading expert platform dedicated to the conservation of large carnivores across Europe. The initiative plays a critical role in building expert coordination networks and in the development of regional action plans for large carnivore species. These efforts are central to shaping biodiversity priorities and guiding conservation policies in the region.

Complementing this initiative is the *Dinaric-Balkan-Pindos Large Carnivore Initiative (DPP LCI)*, which runs from October 2022 to September 2024 and is implemented by Adelphi consult GmbH and Carnivora Magna with support from the German Federal Environment Ministry's Advisory Assistance Programme (AAP). This initiative also covers Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia, and seeks to establish a long-term collaborative framework. Its main objectives include creating an exchange platform for sharing information, experiences, and best practices on large carnivore management, thus fostering stronger regional cooperation and coherence in conservation actions.

The *Balkan Lynx Recovery Programme (BLRP)*, launched in 2006, focuses specifically on the conservation of the Balkan lynx, a critically endangered and emblematic species of the region. Implemented by the Protection and Preservation of Natural Environment in Albania, the Ecological Society of North Macedonia, and the Environmentally Responsible Action (ERA) group in Kosovo*, under the scientific guidance of Carnivore Ecology and Wildlife Management (KORA) and with support from the MAVA and Euronatur foundations, the BLRP is active in Albania, Kosovo*, and North Macedonia. The programme envisions the long-term survival of a viable Balkan lynx population within its historical range, in harmony with and supported by local communities. It aims to establish a continuous monitoring system for the lynx and its prey, strengthen stakeholder collaboration, promote habitat restoration, and advocate for the designation and effective management of protected areas. The programme focuses on three primary conservation targets: the Balkan lynx itself, its prey, and its habitat.

Park Dinarides, established in 2014, is a regional network of protected areas that brings together protected area managers from Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia. Supported by member fees and diverse donors such as the US Forest Service International Programs, EU Interreg – MED, and Sida, Park Dinarides works to foster cooperation among the protected areas of the Dinaric Arc. The network's mission is to promote environmental protection and sustainable development, strengthen the management of natural and cultural resources, support the needs of protected areas, and facilitate the exchange and implementation of good practices in sustainable management.

Together, these initiatives illustrate the necessity of regional cooperation in biodiversity conservation, large carnivore protection, and sustainable natural resource management in the WB6. They represent a strong foundation for long-term ecological resilience and regional integration through nature conservation and are contributing to the implementation of the GAWB.

The *EU4Green Recovery*[245] project, implemented by Umweltbundesamt GmbH (UBA) with the support of the EU and the Austrian Development Agency, is designed to assist WB6 in implementing the GAWB. Running from January 2022 to December 2025, the project aims to foster sustainable development and accelerate the region's transition towards climate neutrality by 2050. It engages key institutional partners across the region to ensure ownership and alignment with EU integration priorities. EU4Green is a comprehensive and multifaceted initiative that builds on the shared expertise and fosters close cooperation with UBA across several thematic areas. These include decarbonisation, the circular economy, depollution of water, air, and soil, biodiversity conservation, sustainable agriculture, communication and education for sustainability, stakeholder engagement, and green finance. By addressing these interconnected sectors, the project supports systemic transformation aligned with European environmental standards and contributes to regional resilience and long-term ecological sustainability.

Action 56	**Reinforce the engagement with the United Nations Rio Conventions (and synergy between the three), and join efforts in preparing a regional position on a global post-2020 biodiversity agenda**

No regional position has been formulated as of 2024. However, each of WB6 continues to engage with the Rio Conventions (UNFCCC, UNCBD, and UNCCD), which is complemented by ongoing regional dialogue.

Action 57	**Set up the Western Balkans Biodiversity Information Hub to improve knowledge exchange and availability of information**

As of 2024, the regional information hub is not yet operational. The improvement and alignment process with the EU/UNCBD standards is gradually progressing. The organisation and management of biodiversity data and information in the WB6 involves both technical and political aspects, which are expected to be thoroughly addressed during the preparation of the WBBSP. Besides scientific research and academic publications, key sources informing biodiversity planning and decision-making include sector-specific biodiversity databases, strategies and action plans. The IUCN Red List of Threatened Species holds significant importance among these resources. Notably, substantial results have been achieved in the development of domestic Red Lists recently in Montenegro, North Macedonia and Serbia.

245 https://euneighbourseast.eu/projects/eu-project-page/?id=2684

Action 57A	Biodiversity Monitoring and Evaluation Framework

A regional monitoring and evaluation framework incorporating biodiversity indicators has yet to be established, despite its fundamental role in supporting the development of the Western Balkans Biodiversity Information Hub. Biodiversity indicators aligned with EU and UNCBD frameworks are essential to assist the WB6 in both annual reporting and the planning of biodiversity conservation measures.

Acknowledging ongoing challenges related to data availability and accessibility, current efforts have prioritised collection, analysis and dissemination of biodiversity data, with a particular focus on GIS-based information. Furthermore, improving operational practices and compliance through shared experiences and collaborative learning across the WB6 remains essential.

Action 58	Development of green infrastructures and ecosystem connectivity

The *Analytical Paper for the Development of the Western Balkans 2030 Biodiversity Strategy Plan* identifies the enhancement of green infrastructure and ecological connectivity as one of seven crucial priorities for the WB6 region, highlighting its significance for biodiversity conservation and sustainable regional development. Awareness of the need to integrate green infrastructure into spatial planning has grown. Several pilot initiatives, such as urban green corridors and river restoration projects, are underway, alongside efforts to map ecological corridors. However, the creation of a coordinated regional mechanism to support green infrastructure and ecosystem connectivity is still outstanding.

The EU Environment Partnership Programme for Accession (EPPA)[246], an initiative led by NIRAS in partnership with Austria's Umweltbundesamt, took place prior to the 2024 reporting period. However, it is worth mentioning, as it has supported the WB6 in aligning their environmental legislation and policies with EU standards to a certain extent. Notable outputs include studies on green infrastructure and ecological connectivity, the designation of marine protected areas in the Adriatic, micro plastics management, and patterns of illegal logging. These studies have contributed to legislative reforms, strengthened regional cooperation, and accelerated progress towards EU environmental compliance. One of the main outcomes of the EPPA was the preparation of the Study on Green Infrastructure Deployment and Ecological Connectivity Status in Albania, Bosnia and Herzegovina, Montenegro, Serbia, and North Macedonia[247] (European Commission: Directorate-General for Environment, Niras, Umweltbundesamt GmbH, and Vassilev, V., Publications Office of the European Union, 2022). Although the results of this EPPA initiative precede the 2024 project reporting period, the study is worth mentioning as a basis for future work on ecological connectivity and green infrastructure in the WB6.

246 EU Environment Partnership Programme for Accession (EPPA) - Ecosystem V2

247 Study on green infrastructure deployment and ecological connectivity status in Albania, Bosnia-Herzegovina, Montenegro, Serbia and North Macedonia - Publications Office of the EU

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