

**REPUBLIC OF SERBIA**

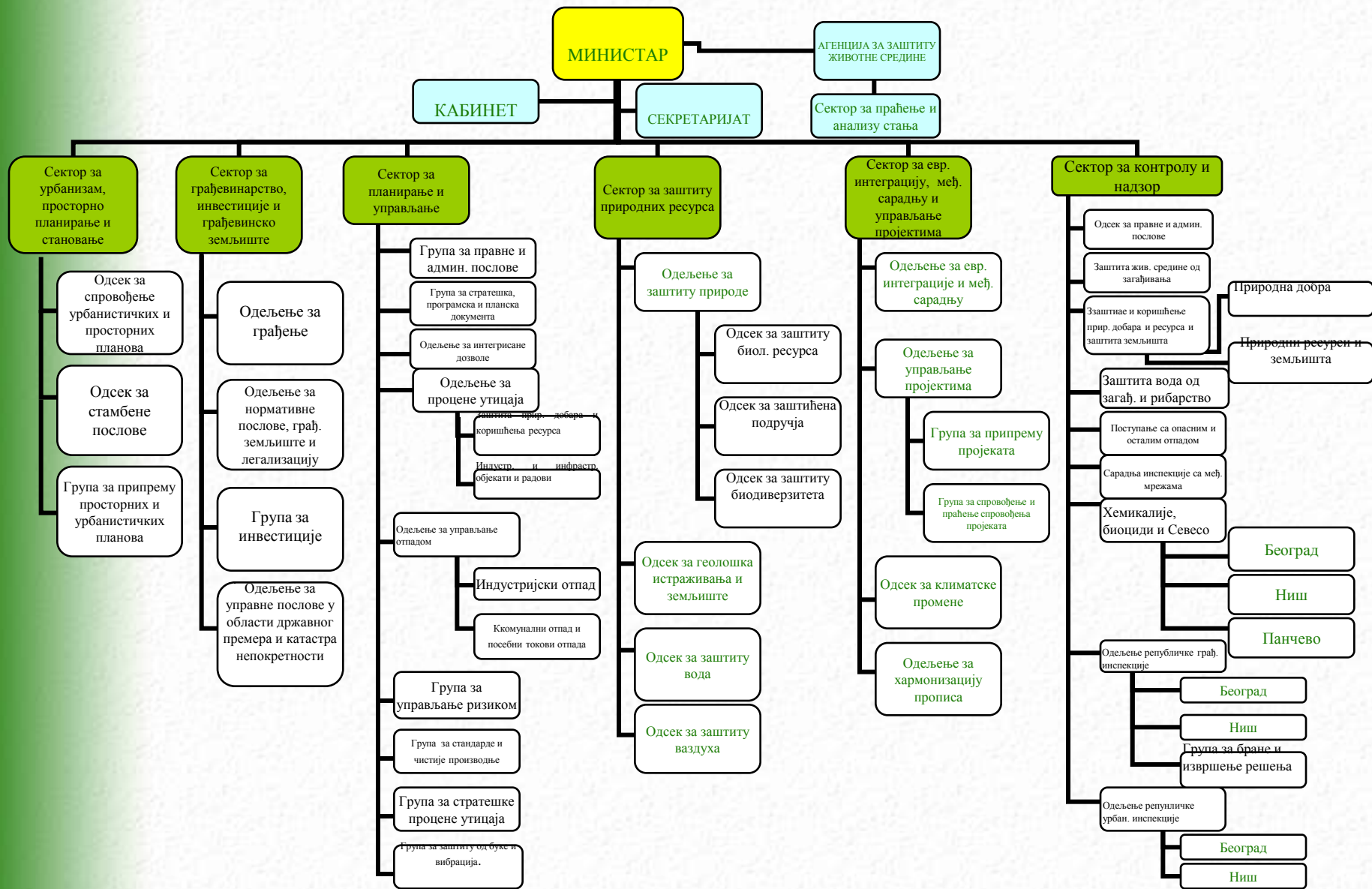
# **Environmental Funding**

**Ministry of Environment and Spatial Planning  
(MESP)**

**Serbian Environmental Protection Fund  
(SEPF)**

Poland 25. May 2010





# Responsibilities of the MESP

- Protection and sustainable development of natural resources (air, water, soil, mineral resources, forests, fish, wild plant and animal species);
- Environmental protection and improvement system;
- Basics of environmental protection;
- Nature Protection;
- Protection of ozone layer;
- Climate change monitoring;
- Cross-border air and water pollution;
- Definition and implementation of natural units of interest for the Rep.of Serbia;
- Definition of environmental requirements in spatial planning and construction of facilities;
- Early accident alert;
- Protection against noise and vibration;
- Protection against ionizing and non-ionizing radiation;
- Production and marketing of poisons and other dangerous matter, other than drugs and precursors;
- Management of chemicals;
- Management of waste other than radioactive waste;
- Approval of cross-border transport of waste and protected plant and animal species; and other tasks specified in the law.



# Key Environmental Legislation

- Law on Environmental Protection (2004/ amended in 2009)
- Law on Strategic Environmental Assessment (2004/ amended in 2009)
- Law on Environmental Impact Assessment (2004/ amended in 2009)
- Law on Integrated Prevention and Pollution Control (2004)
  
- The Law on Planning and Construction (2009)
- The Law on Air Protection (2009)
- The Law on Waste Management (2009)
- The Law on Packaging and Packaging Waste (2009)
- The Law on Chemicals (2009)
- The Law on Biocidal Products (2009)
- Law on Noise and Vibrations (2009)
- Law on Protection from Ionizing Radiation and Nuclear Safety (2009)
- The Law on Protection from Non-Ionizing Radiation (2009)
- The Law on Nature Protection (2009)
- The Law on Protection and Sustainable Use of Fish Fund (2009)
- The Law on Environmental Fund (2009)
- The Law on Water (2010)



# Conventions (2009)

- Law on Ratification of the **Rotterdam Convention** on the Prior Informed Consent Procedure Of Certain Hazardous Chemicals and Pesticides in International Trade with Amendments
- Law on Ratification of the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (**Arhus Convention**)
- Law of Ratification of Belarus Amendment to Annex B of the **Kyoto protocol** under the UNFCCC
- Law on Ratification of the Convention on Transboundary effects of the **industrial accident**
- Law on Ratification of the **Stockholm Convention** on Persistent Organic Pollutants (POPS)



# Relevant National Strategies

- National Environmental Programme (2010)
- National Waste Management Strategy (2010)
- National Programme for Integration with EU (2009)
- Strategy of introduction a cleaner production in the Republic of Serbia (2009)
- National Sustainable Development Strategy (2008)
- Energy Sector Development Strategy (2005)
- In the proces of development:
  - Strategy with Action Plan for Biodiversity Protection
  - National Strategy for Using Natural Resources and Goods



# **STATE OF ENVIRONMENT IN THE REPUBLIC OF SERBIA**



# Waste management



- Only 60% municipal solid waste collected in Serbia mainly in urban areas
- Disposed at 164 officially registered municipal landfills
- Landfills age ranges from 4 years to 53 years
- 25 (15.2%) landfills are located at the distance less than 50 m from the river, streams, lakes or reservoirs
- 14 of 25 landfills are located on the bank of rivers
- 12 landfills are located at distances less than 100 m from the village



# Wild Landfills



- “Wild” landfills are usually located at rural areas
- “Wild” landfills received about 40% of municipal waste
- There are 4481 “wild” landfills in the Republic of Serbia according to the latest inspection report from the 2009th year



# STRATEGIC FRAMEWORK

## **Waste Management Strategy (2010-2019)**

### **Relevant short-term objectives (2009-2014):**

Cleanup existing dumpsites that pose the greatest environmental risk and Hot-spot locations

### **Proposed measures/activities:**

- to prepare cadaster (SEPA, 2010)
- to define risk assesment and methods of remediation and priorities for sanation
- to close, to do sanatization and recultivation
- to establish monitoring system for recultivation with high risk

## **National Programme of Environmental Protection (2010 - 2019)**

### **Ongoing relevant policy objective 2010-2019:**

Clean up existing dumpsites and do remediation on locations that pose the greatest environmental risk



# ...in relation to the “hot spots”

- Establishment of legal frameworks and methodologies.
- Setting up cleanup standards, definition and classification of contaminated sites.
- Risk assessment for hot spot sites.
- Designing an effective financing system for the remediation of contaminated sites.
- Environmental liabilities for past pollution.
- Historical pollution of hot spot mining sites, the modernisation of the legal framework and a move away from sector monitoring, inspection and management of specific hot spot areas, towards a more integrated approach.
- During the past privatisation process of various state owned companies, an opportunity has been missed in the region, to make a clear provision or state fund for the closure and reclamation of polluted industrial areas, as part of the state revenue for these privatisations.



# Sources of funding

- **Potential domestic sources of funding:**

- Serbian Environmental Protection Fund grants;
- Serbian Environmental Protection Fund loans;
- financial means of municipalities and Public utilities;
- Loans from local commercial banks;
- Investment in PPP models
- State budget

- **Potential international sources of funding:**

- IPA funds;
- Bilateral donations and loans;
- Loans from international finance institutions i.e. the World Bank, EBRD, EIB;
- Partnership between the public and private sector (PPP);
- Private investors;



# Serbian Environment Protection Fund - SEPF

- Was founded throughout Law on Environmental Protection (2004) as independent body (status of legal entity) within the Government of Republic of Serbia.
- SEPF is established in order to provide financial means to enhance and advance environment protection in the Republic of Serbia
- SEPF is a place where is collected revenues through the current economic instruments (particularly charges based on “polluter pay” and “user pays” principle
- The SEPF activities - to financing the preparation of implementation and development of programs, projects and other activities in the area of preservation, sustainable use, protection and advancement of the environment and use of renewable energy sources – in accordance with National objectives
- Law on Environmental Protection Fund (2009) - regulates the status, activities, organization, revenues of the SEPF, purpose and usage of SEPF finances



# The revenues of the Fund

on the basis of charges for:

- activity of trade with species of wild flora and fauna;
- Environmental pollution;
- products which become special waste streams after use;
- placing packaging on the market;
- use of fishing areas.
- In 2009(from 1 January to 31 December) the revenues reached the amount of approximately 23 million €, which is more than planned for 49.13% and more than double than incomes collected in 2008.
- It may be concluded that these financial instruments has shown successful, concerning increase in income from year to year.



# Charges on the bases of the Law on Environmental Protection

- **Charges for trade with species of wild flora and fauna**
- income of the Republic budget
- used specifically for the protection and improvement of the environment
- **Charges for environmental pollution**
- emission of SO<sub>2</sub>, NO<sub>2</sub>, particular matter ;
- substances that damage the ozone layer;
- production and disposal of hazardous and non-hazardous industrial waste;
- use of motor vehicles;
- polyethylene plastic bags
- On the basis of the amended Law on Environment Protection and the Ordinance on Types of Pollution and Criteria for Calculating the Fees for Environment Pollution, the Fund retains 60% of the fees collected, while 40% is returned to the municipality
- used specifically for the protection and improvement of the environment



# Charges on the bases of the other Laws

- Law on Waste Management,
- Law on Packaging and Packaging Waste
- Law on the Protection and sustainable use of fish fund
- These Laws introduce new fees that are revenue of the Republic budget and are used by the SEPF
- **Charges for products which become special waste streams after use**
- waste tires
- products containing asbestos
- batteries and accumulators,
- Waste oil,
- PCB waste,
- electronic and electric waste,
- end of life vehicles
- Ordinance on the products which become special waste streams after use (“Official Gazette of the RS“ No. 88/09 amended in 2010).



# Use of the SEPF's Finances

- The Fund's finances shall be used for financing action and rehabilitation plans in accordance with the National program, and in particular for:
  - 1) protection, preservation and improvement of the quality of air, water, soil and forests, mitigation of climate changes and ozone layer protection;
  - 2) **rehabilitation of waste landfills**, encouragement of reduction of waste creation, recycling and waste re-use;
  - 3) incentives for cleaner production and application of best available techniques for operation of facilities and activities performance;
  - 4) technology and products which shall reduce burden and pollution of the environment;
  - 5) biodiversity protection and preservation;
  - 6) incentives for sustainable use of protected natural values;
  - 7) incentives for sustainable development of rural areas;
  - 8) incentives for use of renewable energy sources and increased energy efficiency;



# Use of the SEPF's Finances

- 9) incentives for cleaner transport;
- 10) incentives for sustainable economy activities, namely sustainable economy development;
- 11) development of the system of information about environmental state, monitoring and evaluation of environmental state, as well as introduction of the system of environmental management;
- 12) incentives for educational, research and developing studies, program, projects and other activities, including demonstration activities;
- 13) co-financing preventive and intervention measures in emergency environmental pollution and training for reacting in case of accidents, including recultivation and remediation of contaminated area as a result of accident, when the cause of accident is unknown or in the cases which exclude polluters responsibility
- 14) **Recultivation /remediation of historical pollution**
- 15) co-financing program, project and other activities in the field  
basic geological research;
- 16) Financing programmes of education and public awareness in the field of environmental protection and sustainable development



# SEPF's contribution in financing

- preparation of technical documentation for remediation of 80 wild landfills – 40 to 60% co financing
- Construction of regional landfills and Transfer Stations
- remediation of solid waste landfills
- projects in the field of biodiversity-protection and preservation of biodiversity and geodiversity
- projects in the field of emission - the creation of conditions for the emissions reduction into the air and the monitoring of air quality
- set up 28 measuring stations
- project to increase public awareness in the field of waste management and the impact of waste disposal on human health
- Action “Clean up the Serbia” (in the 2009 and 2010 years) aimed at reducing pollution (the removal of illegal dump sites, solving the problem of hazardous waste) and improving public awareness in the environmental protection field;
- SEPF has been approved loans in cooperation with Development Fund /commercial banks



# SEPF started with...

- SEPF has been approved loans in cooperation with Development Fund /comercial banks
- incentive funds for re-use and exploitation of waste as raw material - in accordance with Ordinance on the amount and conditions for the award of incentive funds (“Official Gazette” No. 88/09) that regulates the height and conditions for the award of incentive funds for re-use and exploitation of waste as raw material or for energy production



# EU and bilateral donors

Republic of Serbia is in process of introduction of DIS –

## Before DIS accreditation:

- IPA I Component - Transition Assistance and Institution Building (TAIB)
- IPA II Component - Cross-border and regional cooperation (CBC)

Relevant IPA2008 twinning project - **“Hazardous Waste Management “**

- Relevant expected result is: Prioritization of “hot spots” through following activities:
- Prepare methodology for identification of polluted locations and prioritization
- Identify locations polluted by hazardous waste
- Prepare hazard and risk assessment and define priorities for remediation
- GEF/UNDP
- **“ Remediation of the Grand Backa Canal “**



Thank you for your attention.

Ministry of Environment and Spatial Planning  
Serbian Fund for Environment Protection

