

# Environment for non-environmental CSOs

## Webinar on mainstreaming green transition

30 November - 01 December 2023.

# GREEN TRANSITION IN THE CONTEXT OF THE EUROPEAN GREEN DEAL (EGD) AND REACHING CLIMATE NEUTRALITY

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## Structure of Webinar (2/2)

- Green Agenda for the Western Balkans and its main pillars (GAWB)
- Financing of GAWB (Investment and Economic Plan for WB)
- State of play in the area of Environment and Climate change in 6 WB

# Green Agenda for the Western Balkans and its main pillars (GAWB)

✓ EU-Western Balkans Summit in Sofia (November 2020);

Five pillars :

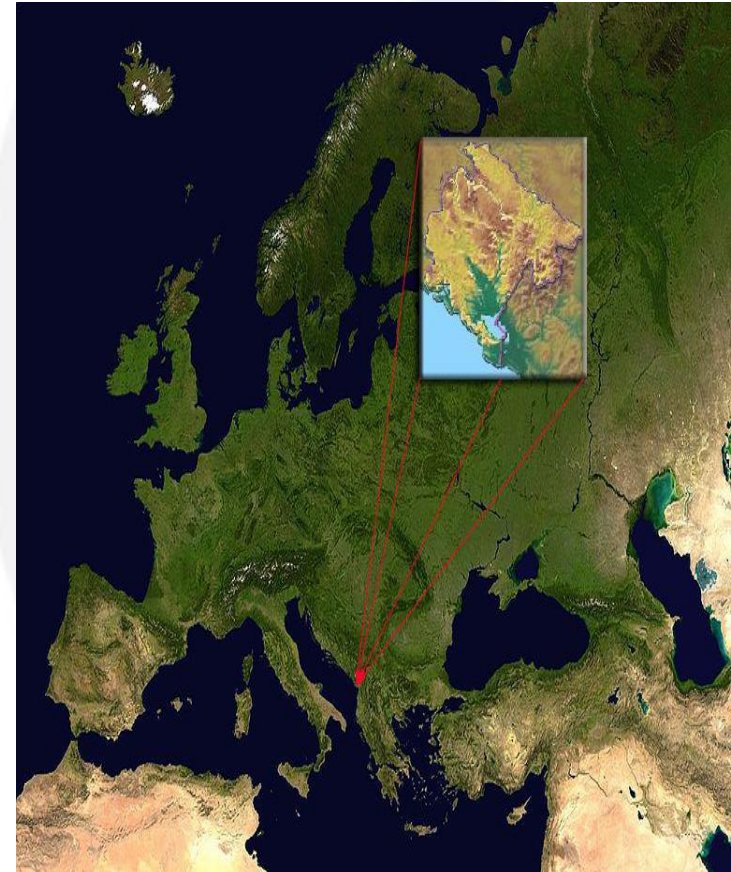
- (1) **climate action** (including decarbonisation, energy and mobility),
- (2) **circular economy** (addressing in particular waste, recycling, sustainable production and efficient use of resources),
- (3) **biodiversity** (aiming to protect and restore the natural wealth of the region),
- (4) **fighting pollution of air, water and soil**, and
- (5) **sustainable food systems and rural areas**.



# I) Climate action

## ✓ CLIMATE CHANGE

- Western Balkan is a region of Europe that is **most vulnerable** to the harmful consequences of climate change.
- Estimates of temperature increases of 1.7–4.0°C.
- Paris Agreement is ratified by five of the Western Balkan countries.
- In line with the European Climate Law, climate neutrality will be reflected in the EU's accession negotiations with the Western Balkans.
- Cut of GHG by 55% by 2030 will put the EU on a pathway to climate neutrality by 2050.



# I) Climate action

## ✓ CLIMATE CHANGE

- Reconsider unsustainable infrastructure and energy investments.
- Climate change will continue to create significant stress in Western Balkans.
- Strengthening the efforts on climate proofing, resilience building, prevention and preparedness is crucial.
- Carbon pricing.
- Transition to climate-neutrality must be socially just and inclusive.



# I) Climate action

## ✓ CLIMATE CHANGE: INITIATIVES

- Facilitate swift **alignment with the EU Climate Law**
- Assist partners in the preparation and implementation of **long-term climate adaptation strategies**
- Provide technical assistance on **Emissions Trading Scheme** and **alternatives to fossil fuels**
- Explore options for early **inclusion of the Western Balkans in the EU Emissions Trading Scheme**
- Include the region in the **European Climate Pact** and its activities



# I) Climate action

## ✓ CLEAN ENERGY TRANSITION

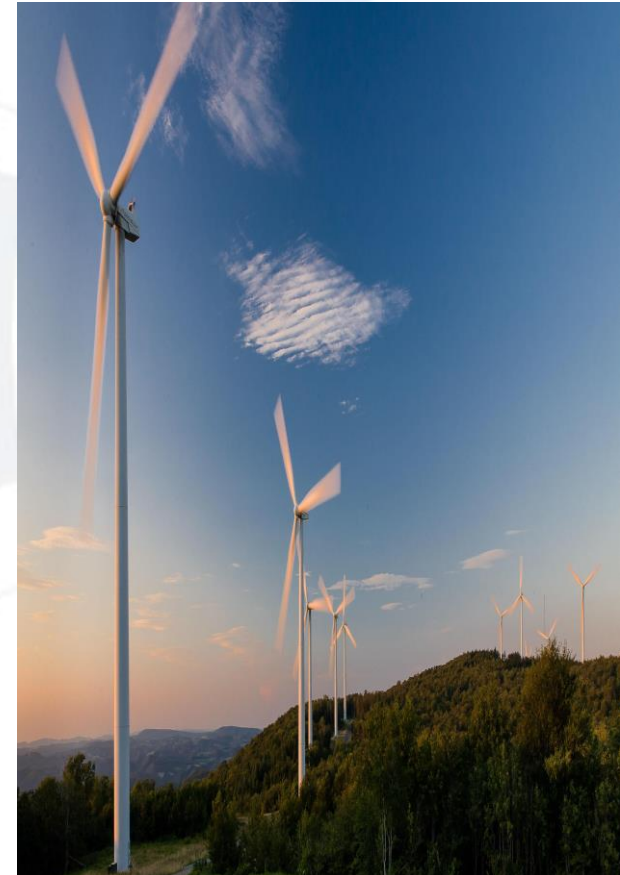
- Coal is still fundamental to the energy sector in the Western Balkans, accounting for around 70% of electricity produced.
- Western Balkan governments have committed to pursuing a clean energy transition.
- Regional approach to infrastructure management and planning.
- Energy efficiency
- National Energy and Climate Plans and Targets
- Renewable energy sources



# I) Climate action

## ✓ CLEAN ENERGY TRANSITION

- Integrated actions
- Energy poverty
- Building sector
- Greater circularity and more efficient use of materials
- Extend all dimensions of the Energy Union to the Western Balkans: supporting energy security, market integration and energy transition, energy efficiency and renewable energies.





# I) Climate action

## ✓ CLEAN ENERGY TRANSITION : INITIATIVES

- Alignment with the *Acquis* related to decarbonisation
- National Energy and Climate Plans
- Private and public building renovation schemes
- Addressing energy poverty in the region
- Coal Regions in Transition EU initiative
- Carry out an assessment of the socio-economic impact of decarbonisation in the region



# I) Climate action

## ✓ SMART AND SUSTAINABLE MOBILITY

- Road, rail and inland waterway connections in the Western Balkans are underdeveloped.
- Promote a **greener and more sustainable transport network**.
- Top priority in this respect remains the **revitalisation of the rail network**.
- Deployment of **Intelligent Transport System**.
- Promotion of **multimodal transport solutions and modal shift**.
- Outdated and underdeveloped **transport logistics**.



# I) Climate action

## ✓ SMART AND SUSTAINABLE MOBILITY

- **Cleaner fuels and higher fuel efficiency** could also help reduce the environmental and health impacts of transport.
- **Charging for infrastructure** use is another effective tool, which could be used to influence the price of transport and the demand for greener transport.
- **Innovative solutions** (smart mobility can combine different transport modes and options, such as public transport, car-sharing, car rental services, taxis and public bike-sharing/urban mobility schemes).



# I) Climate action

## ✓ SMART AND SUSTAINABLE MOBILITY: INITIATIVES

- Support the implementation of the Regional action plan for rail reforms
- Strategy to increase rail capacity and develop more environmentally friendly transport modes
- European Railway Traffic Management System;
- Regional action plan for transport facilitation, including border-crossing points
- Road safety action plan and the road action plan, including road maintenance and resilience;
- Climate resilience plans for national transport networks
- Sustainable urban mobility plans



# Green Agenda for the Western Balkans (GAWB)

Five pillars :

- (1) **climate action** (including decarbonisation, energy and mobility),
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- (5) **sustainable food systems and rural areas.**

## II) Circular economy

### ✓ RESOURCES, PRODUCTION AND INNOVATION

- Circular economy model
- Region has to look for options to reduce the consumption footprint and increase the circular material use rate
- Ensuring the sustainable supply of raw materials, in particular critical raw materials, by diversifying supply from both primary and secondary sources
- 'Best available technique reference documents' (BREFs)
- Innovative ways of producing and consuming



## II) Circular economy

### ✓ RESOURCES, PRODUCTION AND INNOVATION

- Local SMEs should benefit from the business opportunities of increased resource efficiency
- Sustainable lifestyles and consumption
- Industrial policy will be key in the achievement of the GAWB (smart specialisation strategy)
- Western Balkans have significantly improved in terms of **innovation** performance
- Catching up with other European regions would require a sustained annual GDP growth of 7%.
- Green approach in conducting **public procurement**



## II) Circular economy

### ✓ WASTE AND PLASTICS

- Generation of waste has been increasing steadily, with very low recycling rates.
- Establish proper waste management centres and recycling facilities (over 90% landfilling rate in the region).
- Implement effective separate collection schemes for at least paper, metal, plastic, glass and bio-waste.
- Fully implement modernised EU waste legislation, including its recycling and landfill reduction targets.
- Rivers in the Western Balkan carry disproportionate loads of litter to the Adriatic and to other seas.
- Wastewater treatment in the region is very poor or non-existent.
- Marine and coastal plastic litter is a critical issue





## II) Circular economy

### ✓ WASTE AND PLASTICS: INITIATIVES

- Improving **sustainability of production of raw materials**
- Integrating Western Balkans into the **EU industrial supply chains** (renewable energy, textiles, tourism, digital, mobility-transport-automotive and energy-intensive industries)
- Develop **circular economy strategies**
- **Consumer targeted initiatives:** raising awareness of citizens on waste
- **Waste management strategies and waste infrastructure**
- **Regional approach to the prevention of plastic pollution** (priority issue of marine litter)



# Green Agenda for the Western Balkans (GAWB)

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## III) Depollution: air, water and soil

### ✓ AIR

- Air pollution in the Western Balkans is one of the highest in Europe and has a direct impact on citizens' health.
- Very high concentrations of PMs.
- Ensure air quality monitoring and assessment.
- Emission inventories and projections of emissions.
- Effective implementation of the Industrial Emissions Directive (BATs).
- All Western Balkan countries are recording exceedances of air quality standards for at least one pollutant (PM, NO<sub>2</sub> and SO<sub>2</sub>).



## III) Depollution: air, water and soil

### ✓ WATER

- Western Balkans is a home to some of the last pristine rivers, but their protection remains a challenge.
- 30-50% of rural areas have only **basic sanitary facilities** and wastewater collection, while urban areas with collection of wastewater via sewer networks discharge mostly **untreated wastewater**.
- The risk of **release of nitrates and pesticides** into groundwater needs to be further controlled.
- The main **pressures on quantity** are water abstraction for industry, agriculture and public water supply.
- A challenge is a **steep increase in hydropower capacity**.
- Implementation of the water legislation.



## III) Depollution: air, water and soil

### ✓ SOIL

- Soil erosion or **land use degradation** is a problem in many mountainous areas of the Western Balkans.
- Combating land degradation and restoring degraded land include **sustainable food production**, improved sustainable **forest management**, soil **organic carbon management**, ecosystem conservation and land restoration, reduced deforestation and degradation, and reduced food loss and waste.
- Undertake actions to address land degradation and desertification which can offer co-benefits for other key environmental issues, as mentioned in the **EU Soil Thematic Strategy**



# III) Depollution: air, water and soil

## ✓ AIR, WATER AND SOIL: INITIATIVES

- Air Quality Strategies
- Increase uptake of Best Available Techniques in line with the Industrial Emissions Directive
- Accreditation of **air quality monitoring networks**
- Support **modernisation of water monitoring infrastructure**
- Implementation of EU water legislation
- Support regional and/or bilateral agreements and/or protocols on transboundary water pollution and on land-based sources of pollution



## III) Depollution: air, water and soil

### ✓ AIR, WATER AND SOIL: INITIATIVES

- Investment in **waste and manure management** and **wastewater treatment plants for reuse of water in agriculture**.
- Investment in **urban wastewater collection and treatment** including advanced treatment of nutrients.
- Support the Western Balkans to **use and contribute to the potential of programmes** such as European Earth Observation programme, Copernicus and Destination Earth.



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## IV) Sustainable food systems and rural areas

- Agriculture and related sectors **contribute around 10% of GDP**.
- Agri-food systems face numerous challenges and are constrained by **deeply-rooted structural problems**.
- The level of **compliance** of Western Balkans with the EU animal and plant health, food safety and animal welfare standards varies significantly.
- The common challenge is to bring **food processing establishments** into conformity with EU standards.
- Demand for food in the region is increasing.



## IV) Sustainable food systems and rural areas

- Ensure that **the transition does not contribute further to unemployment or depopulation of rural areas** or to biodiversity loss.
- The rural areas will also require assistance in adapting to **possible consequence of climate change.**
- IPARD.
- Western Balkan countries will need to transform not only their primary production sector, but also the food processing sector and promote sustainable food consumption.



# IV) Sustainable food systems and rural areas

## ✓ INITIATIVES:

- Support **alignment of the agri-food and primary production sectors with EU standards** for food safety, plant and animal health and welfare
- Strengthen **sanitary controls** along the entire food chain
- Improve **consumer information** and promote sustainable food.
- Promote **environmentally friendly and organic farming** and reduction of synthetic chemicals in food production
- Facilitate **transfer to innovative and environmentally friendly technologies** and farming methods
- **Reduce waste in rural and coastal areas**



# Green Agenda for the Western Balkans (GAWB)

Five pillars :

- (1) **climate action** (including decarbonisation, energy and mobility),
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## V) Biodiversity

- Western Balkans should spare no effort to protect the biodiversity and the ecosystem services.
- Lack of **political commitment** to improve implementation of biodiversity policy, lack of **financial resources** and the **impact of economic activities**.
- Success of national biodiversity strategy depends on the effective **mainstreaming of nature and biodiversity** into other policies (agriculture, forestry, regional development, energy, fisheries, etc.).
- Western Balkans countries are encouraged to align to the EU Biodiversity Strategy for 2030.



## V) Biodiversity

- **Deforestation and illegal logging** are an important challenge.
- Fight against illegal logging and deforestation should contribute to improve the conservation status and the resilience of the forests.
- **Coastal and marine habitats** are under high pressure.
- Integrated Coastal Zone Management and Maritime Spatial Planning are essential cross-cutting tools that can be deployed in the Western Balkans.



## V) Biodiversity

### ✓ INITIATIVES:

- Support the region in developing and implementing a Western Balkans 2030 Biodiversity Action Plan
- Assist in preparing and implementing a Western Balkans Forest Landscape Restoration Plan
- Assist in an analysis of biodiversity benefits of nature-based solutions and of opportunities for their integration into the development of climate and other plans
- Strengthen the mechanisms for regional cooperation on biodiversity conservation
- Support knowledge exchange among the Western Balkans and EU research centres



- Green Agenda for the Western Balkans and its main pillars (GAWB)
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- State of play in the area of Environment and Climate change in 6 WB



# Economic and Investment Plan for the Western Balkans (EIP WB)

- ✓ EIP WB aims to foster a long-term recovery supported by a green and digital transition and bring Western Balkans closer to the EU single market.
- ✓ €9 billion (in 10 investment flagships) for the period 2021-2027, based on the reform of the Instrument for Pre-Accession Assistance III (IPA III)
- ✓ €6 billion – Plan for Recovery (November 2023)



# EIP WB



## GAWB financing instruments

- The EIP identifies 10 investment flagships and allocates a substantial financial package of up to **€9 billion** in EU funds, with a potential to mobilise up to **€20 billion** of investments through the WB Guarantee Facility (to attract private funding to chale up green investments).

- IPA III
- IFIs
- WBIF
- EIC



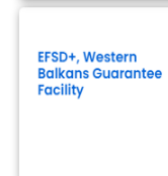
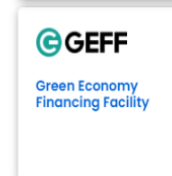
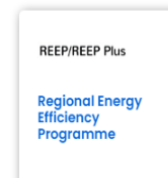
### Financing Facilities

The European Union, through the WBIF, contributes to programmes and facilities that provide financial instruments to:

- improve capacity & access to affordable finance for the SMEs
- support the regional measures to cut CO2 emissions
- help create a sustainable market for energy efficiency

Guarantee instruments facilities help to reduce:

- the cost of financing for public & private investments
- the risk for investors.



**WBIF – public sector infrastructure (grants and loans) and private sector support (financing MSMEs, EE project financing, sub-loan investments)**

# EIP WB

The **Western Balkans Investment Framework** is a blending mechanism

Investment grants from the EU budget are provided in a range between 30 to 70% of the total investment costs

Promoting investments, including Technical Assistance support for:

- renewable energy generation
- energy efficiency (for both public and private buildings and businesses),
- low carbon transition
- performant electricity transmission lines for increased use of renewable energy sources in line with the region's potential
- the mobilization of the private sector



# 10 flagship initiatives into 6 clusters

- Transport
- Energy
- Environment
- Digital field
- Private sector support
- Support employment and offer solutions and perspectives for young people at the local level



# 10 flagship initiatives into 6 clusters

<p><b>1. TRANSPORT</b></p> <p><b>INVESTMENT FLAGSHIP 1 - CONNECTING EAST TO WEST</b></p> <ul style="list-style-type: none"> <li>• The "Peace Highway" in linking Pristina with Niš</li> <li>• The project on Corridor X to upgrade the rail connection between Belgrade and Zagreb will be considerably advanced, as will the project to upgrade the rail link to Skopje ;</li> <li>• Rail Corridor VIII between Skopje and the Bulgarian border</li> <li>• Demining of the Sava river and addressing bottlenecks on the Danube river</li> </ul> <p><b>INVESTMENT FLAGSHIP 2 - CONNECTING NORTH TO SOUTH</b></p> <ul style="list-style-type: none"> <li>• 75% of the main north-south road corridor (Corridor Vc) will be completed to motorway standards</li> <li>• <b>Rail Route 4 linking Belgrade to Podgorica</b> to the Montenegrin port of Bar. The parallel road corridor will be further advanced, in particular, <b>the Podgorica bypass</b> ;</li> <li>• The Sarajevo to Podgorica capital-to-capital connection will be enhanced</li> <li>• Railway Route connecting Belgrade with Pristina will be further upgraded</li> </ul> <p><b>INVESTMENT FLAGSHIP 3: CONNECTING THE COASTAL REGIONS</b></p> <ul style="list-style-type: none"> <li>• The Rail Route 2 linking the capitals of Tirana and Podgorica, and extended to the port of Durres</li> <li>• Major steps will be taken to complete the "<b>Blue Highway</b>" along the coast from Croatia down to Greece</li> </ul>
<p><b>2. ENERGY</b></p> <p><b>INVESTMENT FLAGSHIP 4 – RENEWABLE ENERGY</b></p> <ul style="list-style-type: none"> <li>• The Fierza Hydro Power Plant rehabilitation will be completed, and the construction of the Skavica Hydro Power Plant advanced, AT</li> <li>• <b>The Piva Hydro Power System will be expanded, start of the construction of the Komarnica Hydro Power Plant ;</b></li> <li>• Preparations for the construction of the Ibër-Lepenc Hydro System Phase II, KS*</li> <li>• Wind park and solar power plant investment, MK</li> </ul> <p><b>INVESTMENT FLAGSHIP 5 – TRANSITION FROM COAL</b></p> <ul style="list-style-type: none"> <li>• Trans Adriatic Pipeline, the construction of the Fier-Vlora gas pipeline in Albania will be completed, and the Ionian-Adriatic pipeline along the coast will be prioritised</li> <li>• The Gas-interconnector (Sarajevo)– Croatia</li> <li>• The Skopje – Pristina Gas Interconnection</li> <li>• The Skopje – Belgrade Gas Interconnection will be prepared for construction;</li> <li>• The Trans-Balkan Electricity Transmission Corridor (<i>Serbia</i>)</li> </ul> <p><b>INVESTMENT FLAGSHIP 6 – RENOVATION WAVE</b></p> <p>The EU together with international financing institutions, will support the efforts of the Western Balkans partners to triple the current renovation rate and energy savings in existing buildings and achieving nearly-zero energy and emission standard in new buildings</p>

# 10 flagship initiatives into 6 clusters

## 3. ENVIRONMENT

### INVESTMENT FLAGSHIP 7 - WASTE and WASTE WATER MANAGEMENT

- Construction of wastewater treatment plants in Skopje and Pristina will be completed.
- The implementation of an environmental investment programme in RS,
- Integrated regional waste management systems in AL, ME, SK and RS; Support for the establishment of proper air and water monitoring systems and pollution prevention measures;

## 4. DIGITAL FIELD

### INVESTMENT FLAGSHIP 8 - DIGITAL INFRASTRUCTURE

- The development and roll-out of national broadband infrastructure in the WB6 will continue – with the completion of the most advanced investment projects in the region by 2024
- Setting up secure, energy-efficient and trustworthy data centres, edge and cloud infrastructures while ensuring alignment with EU's rules and fundamental values, including data protection, as well as linking to EU initiatives on high performance computers, digital incubators and innovation hubs;
- Building on ongoing initiatives such as the Balkan Digital Highway, synergies with other connectivity areas such as transport and energy should be fully explored in the context of infrastructure-sharing.

## 5. PRIVATE SECTOR SUPPORT

### INVESTMENT FLAGSHIP 9 – INVESTING IN THE COMPETITIVENESS OF THE PRIVATE SECTOR

- Plan to **increase the grant amount** to support the private sector under the Western Balkan Investment Framework. 50% of EU private sector funding should be dedicated to innovation and green growth;
- Plan to **increase the guarantee capacity supporting investments to, primarily to strengthen the competitiveness of SMEs** and enhance employment creation, particularly catering to young people, through the **Western Balkans Guarantee Facility**;
- Mobilise assistance for sustainable transformation of **agri-food systems** and **rural development** in the region;

## 6. SUPPORT EMPLOYMENT AND OFFER SOLUTIONS AND PERSPECTIVES FOR YOUNG PEOPLE AT LOCAL LEVEL

### FLAGSHIP 10 – YOUTH GUARANTEE

Phase 1 – **Implementation plan**: identification of planned measures and their timelines, budget, necessary changes to legal framework, definition of a central coordinating body and the roles of relevant public authorities and stakeholders;

Phase 2 – **Preparatory work**: building commitment at political level; building the commitment and capacity of public authorities and stakeholders, staffing and infrastructure development; changes to legal framework, preparation of monitoring and evaluation frameworks;

Phase 3 – **Pilot phase**: implementation in a limited number of localities/regions, monitoring and evaluation

Phase 4 – **Progressive/General deployment**: implementation in more regions/countrywide, monitoring and evaluation

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# State of play in 6 WB countries and Turkey in Cluster 4 (ECs Reports for 2023)

√ The lack of administrative capacities in environment is constant, in climate change is of serious concern and enforcement capacities need to be upgraded

*There is a lack of administrative capacities (both in quantitative and qualitative terms) in environment and climate change in all countries. Both national and local competent authorities need trainings, capacity building, finances and project development, as they must know how to turn the EU enlargement and GAWB into a development opportunity.*



# State of play in 6 WB countries and Turkey in Cluster 4 (ECs Reports for 2023)

✓ **Financial constraints are hampering implementation of Green Agenda  
legislation**

*The need for more substantial and stable financing in the areas covered by the Green Agenda is undeniable, since the state budgets for environment and climate change are not sufficient to implement the EU Acquis.*

# State of play in 6 WB countries and Turkey in Cluster 4 (ECs Reports for 2023)

Date/Time

✓ **Administrative capacities for the EU funds programming and management are a serious issue**

*The lack of adequate resources for programming, procurement, contract management and implementation of EU funds is a weakness.*

# State of play in 6 WB countries and Turkey in Cluster 4 (ECs Reports for 2023)

Date/Time

✓ **Institutional set up to implement the EU's IPA III and future cohesion policy is not established (Chapter 22)**

*Programming process of IPA III across the administrations is still without complete programming philosophy encompassing the entire IPA instrument, meaning that a stronger linkage should be ensured among teams dealing with IPA programming and those covering good governance, Public Administration Reform (PAR) and strategic planning. Also, in order to attain evidence-based decision making, all countries are to build upon reliable data basis, that are up-to-date, accurate, transparent to allow for greater involvement of all interested parties into this specific and complex decision-making process.*



EU TECHNICAL ASSISTANCE  
TO CIVIL SOCIETY ORGANISATIONS  
IN THE WESTERN BALKANS AND TURKEY

# Q&A



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# Thank You for Your Attention!

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