



Weekly Briefing

Serbia social briefing:
Serbia's' Green Development Policy and Action
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Abstract

There are several very serious challenges that humanity is faced with. Leaving a side COVID-19, out of many, climate change, biodiversity loss, and growing inequality could be named. Each of those harshly affects the environment and therefore each country, within its capabilities, should contribute protection by designing green development policies and appropriate actions.

Serbia is on a good path towards developing a new economic model based on green growth through more intensive use of digitalization, circular economy and adoption of innovative solutions for greater de-carbonization and better utilization of renewable energy resources.

Serbia and international standards

Being a responsible member of the international community, the Republic of Serbia has ratified the United Nations Framework Convention (UNFCCC) on the 12th of March 2001.¹ Its commitment to sustainable development later has confirmed by adopting new supreme legal act – the Constitution.²

As stated in Provision 9 of Article 97 of the Constitution of the Republic of Serbia “the Republic of Serbia regulates and ensures sustainable development; the system of protection and enhancement of the environment; protection and enhancement of flora and fauna; production, trade and transport of armaments, poisonous, flammable, explosive, radioactive and other hazardous substances“.³ According to the Constitution the Republic of Serbia is also obliged to ensure balanced development as stated in its Article 94: „The Republic of Serbia shall ensure balanced and sustainable regional development, in accordance with the law.“

¹ “The United Nations Framework Convention on Climate Change”, the United Nations, 1992, https://unfccc.int/files/essential_background/background_publications_htmlpdf/application/pdf/conveng.pdf, accessed on 07/08/2021.

² “Constitution of the Republic of Serbia”, *Official Gazette of the RS* No. 98/2006, <http://www.ustavni.sud.rs/page/view/en-GB/235-100028/constitution>, accessed on 07/08/2021.

³ *Ibidem*.

Reforms implemented in the Republic of Serbia so far have initiated its growing into sustainability that was led by the commitment to bring to life equality of sustainable opportunities for all in all parts of Serbia. Significant new possibilities have been opened for accessible sustainable opportunities for better life choices for all and a balanced encouragement of abilities of all to enjoy the benefits of increasing social inclusion and solidarity, greater social and economic equity and for spreading pre-requisites for decent work and effective participation in community decision-making.

Additionally, the strategic overarching document of integrated management of all sectoral policies in order to achieve sustainable development was adopted on 9 May 2008. The National Strategy of Sustainable Development for the period 2009 - 2017⁴, along with the accompanying Action Plan for its implementation adopted in 2009, clearly set out that sustainable development is a „general direction and commitment of the Republic of Serbia and is an aspiration to create better living conditions by adjusting the social and economic factors with the environmental factors“.

The goal of the Strategy, for which there was a reporting obligation, was to achieve a balance: “between the three ‘pillars’ of sustainable development which include: knowledge-based economy, socio-economic development and the protection of the environment and natural resources.

The Strategy set out the following national priorities:

- a) membership in the European Union (EU);
- b) developing competitive market economy and balanced economic growth;
- c) developing human resources and increasing the rate of employment;
- d) developing infrastructure and balanced regional development; and
- e) protection and enhancement of the environment and improving the utilization of natural resources.”⁵

Besides internal political decisions about improving environment protection, since Serbia officially opened the accession negotiations with the European Union on 21st of January 2014,

⁴ “National Sustainable Development Strategy”, Government of Serbia, <http://www.gs.gov.rs/english/strategije-vs.html>, accessed on 07/08/2021.

⁵ Ibidem.

there are also requirements set by the EU. Actually, one of the most requiring and the most challenging negotiation chapters is Chapter 27 on environment and climate change.⁶

Chapter 27 includes one-third of all European Union regulations and comprises around 700 legal documents and 200 key directives, regulations and decisions. Economic challenges in the area of environment are also significant. Based on the status of infrastructure in the Republic of Serbia, it has been estimated that total costs for implementation of all legal requirements of the European Union in the field of environmental protection will amount to approximately 10 billion Euros, out of which most funds will be needed in the area of water management, followed by waste management and industrial pollution. Environmental protection is a matter that concerns all, since it is an indicator of social prosperity, and conservation thereof means creation of healthy and sustainable future.

Therefore, as the EU candidate country, Serbia is making an effort to align it's with the EU policies and actions. One of them is the EU 2030 Climate and Energy Framework that set three key targets to be achieved by 2030: at least 40% cuts in GHG⁷ emissions (from 1990 levels); at least 32% share for renewable energy; and at least 32,5% improvement in energy efficiency.

Assessing the contribution of Serbia to all the joint efforts of a thorough transformation as is envisaged in the sustainable development vision of the Agenda 2030, and which was jointly determined to be desirable and achievable, the Commission in 2018 stated that Serbia: “is fully committed to implementing the 2030 Agenda and the accompanying Sustainable Development Goals. Their customization to the circumstances in the country is under way. Serbian and the United Nations initiated in 2017 the Development Partnership framework for the period 2016 to 2020. The Development Partnership Framework is fully integrated within the national development priorities, as well as with the process of the accession of the Republic of Serbia to the European Union and the Sustainable Development Agenda by 2030.”⁸

⁶“Negotiating Positions”, Ministry of European Integration Government of the Republic of Serbia <https://www.mei.gov.rs/eng/documents/negotiations-with-the-eu/accession-negotiations-with-the-eu/negotiating-positions/>, accessed on 07/08/2021.

⁷ GHG emissions - greenhouse gas emissions.

⁸ European Commission, Annex to the Commission implementing decision amending Commission Decision C(2014)5872 of 19.8.2014 adopting the Indicative Strategy Paper for Serbia for the period 2014-2020, Brussels, 10.08.2018, <https://ec.europa.eu/neighbourhood-enlargement/sites/default/files/20180817-revised-indicative-strategy-paper-2014-2020-for-serbia.pdf>, accessed on: 07/08/2021.

Serbia also has ratified the Paris Agreement on 25th of July 2017 under which has commitment under to “reduce GHG emissions by 9,8%³ until 2030 compared to emissions in 1990”.

Serbian internal green regulations and policies

Process of the EU integration, speeded up developing and adoption of the relevant legislation.

In March 2021, the Government of Serbia has adopted the set of bills on renewable energy sources, energy, energy efficiency, and mining, and sent them to the Parliament for adoption. The National Assembly of the Republic of Serbia has adopted two new laws – the Law on renewable energy sources⁹ and the Law on energy efficiency and rational use of energy¹⁰, as well as amendments to two laws – the Law on energy¹¹ and the Law on mining and geological research¹².

Given the changes it brings, such as auctions for the allocation of premiums and conditions for the development of the free electricity market of renewable energy sources, the renewable energy sources bill has attracted the most attention. However, it retains some feed-in tariffs, a supporting mechanism introduced by the Serbian Government almost a decade ago to support the first investments in renewables. In the new law, the feed-in tariffs will be applied for new power plants below 500kW and for wind power plants up to 3 MW.

The bill will create conditions to speed up the development of green energy projects including the construction of wind farms and solar power plants, but also the installation of

⁹ “The Law on renewable energy sources”, *Official Gazette of the RS* No. 40, 22/04/2021, (in Serbian: “Zakon o korišćenju obnovljivih izvora energije”, “Službeni glasnik RS”, broj 40 od 22. aprila 2021), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/skupstina/zakon/2021/40/2/reg>, accessed on: 07/08/2021.

¹⁰ “The Law on energy efficiency and rational use of energy”, *Official Gazette of the RS* No. 40, 22/04/2021, (in Serbian: “Zakon o energetskej efikasnosti i racionalnoj upotrebi energije”, “Službeni glasnik RS”, broj 40 od 22. aprila 2021), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/skupstina/zakon/2021/40/4/reg>, accessed on: 07/08/2021.

¹¹ “The Law on energy”, *Official Gazette of the RS* No. 40, 22/04/2021, (in Serbian: “Zakon o energetici”, “Službeni glasnik RS”, broj 40 od 22. aprila 2021), https://www.paragraf.rs/propisi/zakon_o_energetici.html, accessed on: 07/08/2021.

¹² “The Law on mining and geological research”, *Official Gazette of the RS* No. 40, 22/04/2021, (in Serbian: “Zakon o rudarstvu i geološkim istraživanjima”, “Službeni glasnik RS”, broj 40 od 22. aprila 2021), accessed on: 07/08/2021.

solar panels on the roofs of houses and companies to enable citizens and businesses to produce electricity for self-consumption, and became prosumers.

The new legal framework enables investments and Serbia's shift towards green energy and the green economy. They will allow the country to embark on the path of climate-neutral development and green energy.

Evidently, it is too early to judge if and to what extent this new set of laws will contribute to the Serbian environment, but the existing framework is providing solid base for achieving targets set both by the European Union and the United Nations.

Conclusion

Serbia is in a position to pursue long-term sustainable 'green growth' strategies. Green growth strategies should be considered as a possible set of no regret development strategies. Society in Serbia can be mobilized around this goal, since green growth strategies are able to simultaneously deliver on GDP growth, impairment of regional disparities and employment creation, generating numerous, yet dispersed winners. Such development can be achieved only as a path that genuinely responds to the needs of Serbian citizens. Public participation in policy making, implementation, monitoring and evaluation are essential if such a policy is to be pursued. Energy and resource efficiency is the key sector in which reform should begin. Relevant international standards, both EU and non-EU, for governance in general and the energy sector in particular, should be used as tools in this endeavor.