

### **3.2.3 Environment**

Bosnia and Herzegovina has made limited progress in this field.

Environmental issues are primarily dealt with at Entity level through laws, regulations and standards. Nevertheless, the Ministry of Foreign Trade and Economic Relations has received the authority to deal with issues of natural resources, including environmental protection, at State level. The Ministry's administrative capacity needs to be significantly strengthened to ensure it can carry out these tasks.

As regards the integration of environmental issues into other policies, no particular developments can be reported. The Bosnia and Herzegovina authorities are aware of this basic principle but not yet in a position to implement a policy in this respect.

Regarding **horizontal legislation**, Entity legislation provides for Environmental Impact Assessment (EIA) on the basis of the EIA Directive. Both Entities have adopted by-laws on EIA. In the Federation of Bosnia and Herzegovina a regulation on environmental permits for existing facilities was also adopted.

As regards **air quality**, a monitoring system has been established and is now operational, although an overall structure in charge of the National Environmental Monitoring System is still to be established. The Entities have also adopted legislation on air protection and relevant by-laws.

In the field of **waste management**, there have been some improvements on the legislative front. Current legislation is being implemented according to the Waste Management Strategy. In 2005, the Federation of Bosnia and Herzegovina adopted a considerable amount of implementing legislation in this area. A register of polluters is currently being developed. However, the "polluter pays" principle is not yet being applied.

As regards **water quality**, the collection of data on water quality is not yet functioning well and reporting to the European Environment Agency is not systematic. Poor water quality and insufficient waste water treatment remains a key environment challenge. Water quality is in general poor due to the discharge of almost 95% of municipal and industrial waste directly into rivers, the disposal of waste along riverbanks, and run-off from agricultural areas. Sewage connection is around 50% in urban areas but does not reach 10% in rural areas.

In December 2004, Bosnia and Herzegovina signed the Danube Convention on the sustainable use of the Danube river.

Both Entities and the Brcko District have adopted legislation on **nature conservation**. However, relevant implementing legislation is still missing.

Bosnia and Herzegovina's **administrative capacity** in the field of environmental protection continues to be insufficient. The institutional structure in this field is complex and there is a lack of central coordination and implementation even for international agreements. Capacity on the State level is particularly weak. There is a gap between attribution of environmental responsibilities and means to fulfil them. The number of vacant posts is significant and administrative development is limited. This is shown in the low number of professional environmental specialists in the subject fields, and the

many officials who are multifunctional in order to cover for the lack of specialists. In addition, stronger State-level responsibility for environment is not always accepted by the Entities. Bosnia and Herzegovina also suffers from limited absorption capacity and has very limited own financial resources, which has a negative effect on the possibilities to put in place important environmental investments.

Furthermore, there is an absence of environmental policy and strategy. Although the National Environment Action plan exists, there is no capacity amongst the authorities for deciding on priorities, policy or measures to implement it. A recent operational review of the sector recommended strengthening the capacity of the Ministry of Foreign Trade and Economic Relations and establishing a State Environment Agency. So far these recommendations have not been adequately implemented.

To conclude, some legislative steps have been taken by Bosnia and Herzegovina regarding air, water and waste management since the last report. The proper implementation of legislation in these areas should be treated as a matter of priority. It is also important that Bosnia and Herzegovina ensures that environmental impact assessments are carried out in compliance with the law and that a functioning environmental monitoring system is in place. Bosnia and Herzegovina should take steps towards the progressive application of the “polluter pays” principle. Attention should also be paid to identifying financing sources for the investments needed in the fields of water quality and waste management.

A key prerequisite for real progress is to substantially enhance Bosnia and Herzegovina’s administrative capacity and to strengthen the institutions involved in environmental protection, in particular at State level. Establishing a well equipped and operational State Environmental Agency would be a significant step forward in this respect. The establishment of a nationwide and harmonised legal framework for environmental protection is also important.