

3.2.3 Environment

There has been some limited progress in Serbia and Montenegro's efforts to approximate European standards in the environmental area.

Both Republics have succeeded in integrating the environment into other policies in the energy field. By adhering to the Energy Community Treaty signed in October 2005, Serbia and Montenegro both agreed to respect EU environmental legislation and requirements relevant to the energy field.

As regards **horizontal legislation**, Serbia has taken steps to implement the Convention on Access to Information, Public Participation in Decision-Making and access to Justice in Environmental Matters (Aarhus Convention). Public participation in decision making is foreseen in certain provisions of legislation on environmental impact assessment, strategic environmental assessment and integrated pollution prevention and control. The Law on access to information of public interest was adopted. In Montenegro, public hearings on draft laws are obligatory. The Environmental Protection Fund in Serbia became operational in 2005, with initial funding from the Ministry of Finance. Own resources such as environmental charges (as the existing ones on biodiversity products) are expected to be the financial sources for the Environmental Protection Fund in the future.

In the field of **waste management**, Serbia is pressing ahead with its legal reform programme on issues such as packaging waste and hazardous waste export. Serbia continued to implement its Waste Management Strategy adopted in 2003. Montenegro has adopted a National Policy on Waste Management and Strategy on Waste Management, which are now in the implementation phase.

Limited progress can be reported in the field of **water quality**. Montenegro adopted a Master Plan and Feasibility Study on Waste Water Treatment for the central and northern region and a strategy for the coastal region. Poor water and sanitation remain key challenges for both Republics.

No new legislative developments are to be reported on approximation to European standards in **air quality, nature protection, chemicals and genetically modified organisms**, and **noise**. In Montenegro the Environmental Monitoring Programme for 2005, adopted in early 2005, but not yet in implementation, is devoted to air, soil, water, ionising radiation, biodiversity and noise. Serbia has pursued approximation to EU environmental legislation, with important steps forward as regards horizontal legislation (environmental impact assessment) and integrated pollution prevention and control. In Serbia as well as in Montenegro, approximation to European standards in those areas where draft legislation already exists should be actively pursued, so that the process can be completed in the near future. This also applies to the strategies currently in preparation, and which are foreseen for adoption by end 2006.

However, implementation and enforcement need to be considerably strengthened, notably through the adoption of implementing strategies and plans and institutional

capacity building. Both Republics need to pay attention to strengthening administrative capacity. Following adoption in late 2004 of the Serbian Law on the System of Environmental Protection, Serbia now needs to further strengthen the Agency for Environmental Protection and the Environmental Protection Fund. Enforcement of the newly adopted legislation will require significant efforts in both Serbia and Montenegro. Financing plans have to be developed as regards investments required to meet European standards, particularly in the field of water and solid waste, and to tackle pollution at existing hot-spots.