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Subject:	EUROPEAN UNION COMMON POSITION Chapter 27: Environment and climate change
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EUROPEAN UNION COMMON POSITION

Chapter 27: Environment and climate change

This position of the European Union is based on its general position for the Accession Conference with Serbia (CONF-RS 1/14), and is subject to the negotiating principles endorsed therein, in particular:

- any view expressed by either party on a chapter of the negotiations will in no way prejudice the position, which may be taken on other chapters;
- agreements - even partial agreements - reached during the course of the negotiations on chapters to be examined successively may not be considered as final until an overall agreement has been established;

as well as to the requirements set out in points 23, 28, 42 and 47 of the Negotiating Framework.

The EU encourages Serbia to continue the process of alignment with the *acquis* and its effective implementation and enforcement, and in general to develop, already before accession, policies and instruments as close as possible to those of the EU.

The EU encourages Serbia to ensure that environmental protection and climate action requirements are integrated into the definition and implementation of other sectoral policies and that resource efficient, low emissions and climate-resilient development is promoted. The EU also points out that all new investments should already reflect national environmental legislation, in line with the *acquis*.

The EU notes that Serbia, in its negotiating position CONF-RS 1/20, accepts the *acquis* under chapter 27 as in force on 1 June 2019, and that Serbia declares that it will be ready to implement it by the date of its accession to the European Union with the exception of certain requests for transitional periods.

As an overall response to Serbia's requests for transitional periods, the EU recalls its general position that transitional measures are exceptional, limited in time and scope, and accompanied by a plan with clearly defined stages for the application of the *acquis*. They must not involve amendments to the rules or policies of the EU, disrupt their proper functioning, or lead to undue distortion of competition. The EU takes note of the requests for transitional periods submitted by Serbia and will come back to them once the accession negotiations for the chapter have been formally opened.

The EU takes note that Serbia adopted detailed Directive Specific Implementation Plans (DSIPs) for the following ten Directives: Waste Framework Directive, Directive on Packaging and Packaging Waste, Landfill Directive, Directive on Waste Electrical and Electronic Equipment, Batteries Directive, Water Framework Directive, Nitrates Directive, Urban Wastewater Directive, Directive on Water Intended for Human Consumption and Industrial Emissions Directive.

These DSIPs, together with an Action Plan for Administrative Capacities Development and a Multi-Annual Investment and Financing Plan for the waste and water sectors, form an integral part of Serbia's negotiating position, which the EU expects Serbia to implement as planned. The EU takes note that Serbia is developing further DSIPs for the following six Directives: Directive on ambient air quality and cleaner air for Europe; Directive relating to a reduction in the sulphur content of certain liquid fuels; Directive on the control of volatile organic compound (VOC); Directive on Stage II petrol vapour recovery during refuelling of motor vehicles at service stations; Directive establishing a scheme for greenhouse gas emission allowance trading and Directive relating to the quality of petrol and diesel fuels.

The EU notes that Serbia will report on a regular basis on the implementation of the DSIPs, the Action Plan for Administrative Capacities Development and the Multi-Annual Investment and Financing Plan.

Horizontal legislation

The EU notes Serbia's high level of alignment with the *acquis* in this sector, including with Environmental and Strategic Impact Assessment Directives (2011/92/EU amended by Directive 2014/52/EU and Directive 2001/42/EC) and Directive 2007/2/EC (INSPIRE). The EU takes note of Serbia's plans to align with many of the horizontal EU legislation in this chapter by the end of 2020.

The EU underlines the need to continue to work on the effective implementation and enforcement of horizontal legislation, notably with respect to INSPIRE (Directive 2007/2/EC), Environmental Crime (Directive 2008/99/EC) and Environmental Liability (Directive 2004/35/CE) Directives. The EU stresses the importance of strengthening the capacities of the judiciary and environmental inspectorates. Thereby, inspection and other compliance assurance provisions in sectorial EU environmental legislation and Recommendation 2001/331/EC on environmental inspections are to be considered.

The EU reiterates the importance of ensuring public involvement in decision-making and appropriate meaningful public participation in line with the relevant EU *acquis* and the Aarhus Convention. Furthermore, the EU stresses the importance of establishing a track record of qualitative public participation and consultation in decision-making processes. It is equally important to ensure access to national courts for individuals and NGOs in line with the established standards of access to justice in environmental matters, also *inter alia*, in the nature, air quality and water sectors, where there are no explicit EU secondary legislative provisions, but only case law.

The EU encourages Serbia to accelerate strengthening its institutional, administrative and financial capacity, also at regional and local level, in line with its Action Plan for Administrative Capacities Development and Multi-Annual Investment and Financing Plan. The EU underlines the importance of improving inter-institutional coordination at all levels, setting up an effective and sustainable mechanism to manage environmental investments and providing adequate financial resources for the implementation of the *acquis*. The EU invites Serbia to continue and expand its active participation in activities of European environmental compliance assurance networks, such as IMPEL, ENPE, EUFJE and EnviCrimeNet.

The EU takes note of Serbia's request for a transitional period of two years and four months following the date of accession to the EU regarding the INSPIRE Directive 2007/2/EC, Chapter II, Chapter III, Chapter IV and Chapter V (Articles 5 to 17). The EU takes note that Serbia plans to provide updated information regarding the alignment with the INSPIRE Directive through the Directive Specific Implementation Plan, currently under development. The EU emphasises that this Directive Specific Implementation Plan should take into account the implementation priorities agreed under the INSPIRE maintenance and implementation framework. Serbia needs to monitor and report on the implementation of sectoral legislation, including areas overlapping with Directive 2007/2/EC, in accordance with Articles 7 and 8 of Directive 2003/4/EC, with a view to ensuring that high quality, comparable data, including metadata and services in the environmental field, are easily accessible to the public.

Air quality

The EU notes Serbia's good level of alignment with the *acquis* in the field of air quality. At the same time, Serbia is encouraged to enhance the work to reduce emissions from main sources like domestic solid fuel combustion, transport and energy production. Investments in the energy sector, in particular, should set a path for carbon neutrality by prioritising decarbonisation and moving away from coal towards a successful transition to greener energy, avoiding lock-in effects and contributing to air quality improvements.

The EU takes note of Serbia's intention to finalise by 2021 its legislative alignment with the Ambient Air Quality Directives 2008/50/EC and 2004/107/EC, as amended by Commission Directive (EU) 2015/1480. The EU takes note of Serbia's plans to develop an Air Protection Programme with an Action Plan and a Directive Specific Implementation Plan for the Ambient Air Quality Directive by 2020. The EU underlines the need to continue and intensify the implementation of the *acquis*, including taking measures to monitor and reduce pollution, along the limit values for certain pollutants in ambient air set by the *acquis*. The EU takes note of the Air Quality Plans, which are in place for the cities of Belgrade, Bor, Pančevo, Smederevo, Novi Sad and Užice. Serbia is encouraged to give priority to the implementation of these plans, and, if necessary, to update them in order to ensure that EU standards are met as soon as possible. Furthermore, Serbia is invited to accelerate work on air quality plans, in particular for all agglomerations with air pollution above limits. Reduction measures should be taken to meet the limit values.

The EU notes the progress made on air quality monitoring and that Serbia plans to upgrade its air quality monitoring system. The EU encourages Serbia to maintain as a high priority the need to monitor and assess air quality in line with the requirements set in the Ambient Air Quality Directives, including the one on information to the public. The EU notes the need to ensure measurements of fine particulate matter, PM_{2.5}, benzene and polycyclic aromatic hydrocarbons in ambient air in order to ensure that the monitoring includes all pollutants with monitoring requirements under the Ambient Air Quality Directives.

The EU takes note of Serbia's plans to achieve full legislative alignment with the Directive on reduction of National Emissions (NEC Directive (EU) 2016/2284) by 2020. The EU also takes note of Serbia's ongoing work on developing a Draft Specific Implementation Plan for the NEC Directive, as well as Serbia's plans to develop and adopt adequate national emission reduction commitments for the period until 2030 and for 2030 and beyond.

The EU takes note with concern of Serbia's plans to further postpone full legislative alignment with the Sulphur in Fuels Directive (EU) 2016/802 to the end of 2021. The EU takes note of the work ongoing for the development of a Directive Specific Implementation Plan for this Directive.

The EU takes note of the plans to align by end 2020 with the Directive 94/63/EC on the control of volatile organic compound (VOC) emissions resulting from the storage of petrol and its distribution from terminals to service stations, and Directive 2009/126/EC on Stage II petrol vapour recovery during refuelling of motor vehicles at service stations. The EU takes note of the ongoing work on the development of a Directive Specific Implementation Plan for this Directive.

The EU takes note of Serbia's request for four transitional periods:

- For the Ambient Air Quality Directives 2008/50/EC and 2004/107/EC, a transitional period in accordance with the Directive Specific Implementation Plan that is under development;
- For the Sulphur in Fuels Directive (EU) 2016/802, a transitional period in accordance with the Directive Specific Implementation Plan that is under development;
- For Directive 94/63/EC (VOC Petrol Stage I) and Directive 2009/126/EC (VOC Petrol Stage II), a transitional period of two years following the date of accession to the EU. The final indication regarding the number of years shall be provided on the basis of a Directive Specific Implementation Plan that is under development;
- For Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants, a transitional period that will depend on the calculation and establishment of national emission reduction commitments for Serbia for sulphur dioxide (SO₂), nitrogen oxides (NO_x), non-methane volatile organic compounds (NMVOC), ammonia (NH₃) and fine particulate matter (PM_{2.5}).

Waste management

The EU notes Serbia's good level of legislative alignment in this sector. The EU takes note of Serbia's plans to complete alignment with current EU waste legislation by 2021 through legislative acts and the adoption of a new Waste Management Strategy 2020-2025, including a National Waste Management Plan and a Waste Prevention Programme.

The EU invites Serbia to speed up the implementation of the *acquis*, in particular as regards waste prevention, waste reduction, waste separation, separate collection and waste recycling, landfilling, the management of hazardous waste streams and extended producer responsibility.

The EU encourages Serbia to pursue work for the full alignment with the Packaging and Packaging Waste, Waste Electric and Electronic Equipment (WEEE), Restriction of Hazardous Substances, Batteries and End-of-Life Vehicles Directives, including the establishment and/or alignment with the EU requirements of the extended producer's responsibility system needed for the creation and management of individual and collective schemes. As regards the WEEE collection target and the possibility to calculate the WEEE collection rate on the basis of WEEE generated, Serbia is invited to use the WEEE calculation tool that was produced by the European Commission and which is custom-made for Serbia. As regards the recycling rates on packaging and packaging waste, Serbia is invited to implement recycling targets of Packaging and Packaging Waste Directive as amended by Directive (EU) 2018/852 and the new calculation, verification and reporting rules for recycling targets under the Commission Implementing Decision (EU) 2019/665.

The EU invites Serbia to clarify the timeline for full alignment with the Polychlorinated biphenyls and polychlorinated terphenyls (PCB/PCT) Directive 96/59/EC and the implementation measures needed for the alignment with the Sewage Sludge Directive. Serbia is also invited to clarify when Serbia is going to meet the new recycling targets for 2025 and 2030 as introduced by the revised legislative framework on waste that entered into force in July 2018.

Serbia is invited to dedicate and secure proper funding for infrastructure investments in line with the relevant EU legislation, including the waste hierarchy. In addition, measures should be taken to strengthen administrative capacity and support capacity building at local and regional levels and inspection services, in order to effectively prepare for the implementation of EU waste legislation.

The EU invites Serbia to:

- Present information on the waste prevention measures that will be taken as part of the planned waste prevention programme;

- Prepare and present waste management plans (WMP) - national and regional - that include information on all waste streams, including hazardous waste, construction and demolition waste and industrial waste, and the solutions to manage them, including type and capacity of waste management infrastructure, separate collection schemes and economic instruments: landfill/incineration taxes, pay-as-you-throw schemes and extended producer responsibility schemes;
- Create an inventory of accumulated ‘historical’ hazardous waste, to improve hazardous waste characterisation and categorisation in industries; to secure and mark sites where hazardous waste is stored; to create a register of polluters;
- Take actions to promote prevention of industrial waste and to ensure an environmentally sound disposal. For construction and demolition waste, more information on the construction of transfer and recycling centres is needed;
- Provide a clear description of the location and technical details concerning landfills, which do not comply with the requirements of the Landfill Directive 1999/31/EC, and an action plan with timelines for their rehabilitation.

The EU takes note of Serbia's request for five transitional periods:

- For the Waste Framework Directive 2008/98/EC, Article 11, a transitional period of 15 years following the date of accession to the EU;
- For the Packaging and Packaging Waste Directive 94/62/EC, Article 6, paragraph 1, points (b), (d) and (e), a transitional period of 4 years following the date of accession to the EU;
- For the Landfill Directive 1999/31/EC, Article 5, subparagraph 2, points (a), (b) and (c), and Article 14, point (c), a transitional period of 15 years and 7 years, respectively. In the context of Article 5, subparagraph 2, Serbia requests to consider the year 2008 as a reference year for the purpose of implementation;
- For the WEEE Directive 2012/19/EU, Article 7, paragraph 1, subparagraph 1, a transitional period of 11 years following the date of accession to the EU;

- For the Waste Batteries Directive 2006/66/EC, Article 10, a transitional period of 11 years following the date of accession to the EU.

The EU takes note of Serbia's Directive Specific Implementation Plans developed for several waste directives and the Multi-Annual Investment and Financing Plan for the waste sector, which will form the basis of accession negotiations in this sector.

Water quality

The EU notes that Serbia is partly aligned with the EU *acquis* in the water management sector. The EU takes note of Serbia's plans to achieve full legislative alignment in this sector, including through the adoption of a new Water Law, by the end of 2020. The EU invites Serbia to increase efforts to progress with the implementation of the Groundwater, Nitrates and Drinking Water Directives.

The EU emphasises the importance of full alignment with, and proper implementation of provisions on transboundary cooperation in the water sector. The EU further takes note of Serbia's plans to adopt its first River Basin Management Plan (2021-2027) by the end of 2021. The EU invites Serbia to provide information regarding the development of a plan for the management of flood risks for the territory of the Republic of Serbia, planned to be ready by the end of 2021.

The EU notes Serbia's intention to establish by 2021 a water monitoring system compliant with the Water Framework Directive. Regarding water monitoring, the EU encourages Serbia to upgrade its network of monitoring stations, strengthen its institutional and administrative capacity and provide a sustainable financing system. The EU requests Serbia to provide more information on the timeline for full implementation of all EU water monitoring requirements. Serbia is expected to establish a network needed to comply with the monitoring requirements of the Water Framework, Urban Waste Water Treatment, Drinking Water, Groundwater and Nitrates Directives.

Regarding the implementation of the Urban Waste Water Directive, the EU underlines the importance of an adequate institutional framework and improved inter-institutional coordination and cooperation, in addition to the sustainable provision of investment financing.

Serbia needs to prepare for the full implementation of the EU *acquis* on river basin management. Thus, the EU invites Serbia to ensure that a river basin management plan (RBMP) is produced for each river basin district lying entirely within its territory, and to ensure coordination of international RBMPs. Where an international river basin management plan does not exist, Serbia needs to produce river basin management plans covering those parts of the international river basin district falling within its territory (Article 13 of Directive 2000/60/EC). Serbia should ensure that for each river basin district or for the portion of an international river basin district falling within its territory, an analysis of its characteristics, impact on surface waters/groundwater and economic analysis of water use will be undertaken (Article 5 of Directive 2000/60/EC). Serbia should ensure the establishment of programmes for the monitoring of water status in order to establish a coherent and comprehensive overview of water status within each river basin district (Article 8 of Directive 2000/60/EC).

The EU notes Serbia's request for six transitional periods:

- For the Water Framework Directive 2000/60/EC, Article 4, a transitional period of 21 years following the date of accession to the EU;
- For the Urban Waste Water Directive 91/271/EEC, Articles 3, 4, 5 and 7, a transitional period of 20 years following the date of accession to the EU;
- For the Environmental Quality Standards Directive 2008/105/EC, Article 3, a transitional period of 21 years following the date of accession to the EU;
- For the Groundwater Directive 2006/118/EC, Article 6, a transitional period of 5 years following the date of accession to the EU;
- For the Nitrates Directive 91/676/EEC, Article 5, paragraph 4, a transitional period of 16 years following the date of accession to the EU;
- For the Drinking Water Directive 98/83/EC, a transitional period of 20 years following the date of accession to the EU.

Nature protection

The EU notes that Serbia is partially aligned with EU legislation on nature protection. The EU takes note of Serbia's plans to achieve full alignment of its legislative framework by 2021 except for the Birds Directive, on which Serbia plans to achieve full alignment before the date of accession.

Regarding the latter, the EU requests Serbia to provide further information on the timeline towards full alignment and invites Serbia to step up its work regarding the incorporation of EU standards on prohibited species and means of capturing and killing of wild animals in Serbia's legislation on hunting.

The EU takes note of Serbia's proposal of technical adjustments and adaptations to the Habitats and Birds Directives.

The EU takes note of Serbia's plans to finalise a full list of the Natura 2000 sites by 2023 and encourages Serbia to further intensify its work in this regard. The EU invites Serbia to submit the list of proposed sites of Community importance under the Habitats Directive and classified special protection areas under the Birds Directive to the Commission well in advance of accession in order to allow their adequate evaluation. The EU underlines that Serbia needs to further demonstrate its capacity to ensure their effective management, in particular by ensuring that approved plans and projects, including development of hydropower, do not compromise the conservation of the future sites. The EU invites Serbia to demonstrate its capacity to manage the Natura 2000 network by ensuring effective management of its national protected areas and listed potential sites. Serbia also needs to set up a system to monitor the conservation status of habitats and species protected by the Directives by the date of accession.

The EU underlines the importance of establishing an adequate system of strict protection for all protected species and habitats under the Habitats Directive, and an adequate general system for the protection of wild birds. Furthermore, the EU invites Serbia to demonstrate its effectiveness by ensuring sustainable hunting practices and by strengthening enforcement.

The EU underlines the importance of further administrative capacity building in the field of nature protection, at both the national and local levels, including public institutions for management of national and nature parks and future Natura 2000 sites, and other protected areas, and with respect to nature protection inspection services (nature protection and veterinary inspections). The EU also underlines the need to further develop coordination mechanisms and to continuously improve cooperation between the numerous administrative bodies involved in *acquis* implementation and enforcement. In view of enforcement, the EU emphasises the importance of improving the efficiency of Serbia's wildlife trade controls.

The EU takes note of Serbia's plans to be fully aligned with the EU Wildlife Trade Regulation by 2020 and underlines the importance of increasing both human and material resources in the CITES Management Authority as well as in the relevant enforcement bodies. Capacity building is critical, especially for the border controls. The EU underlines the need to organise appropriate housing and care for confiscated wildlife. Special attention needs to be given to improved and transparent management of indigenous species such as the wolf, in line with the Habitat Directive as well as the EU Wildlife Trade Regulations.

The EU takes note of Serbia's plans to designate Competent Authorities under the EU Timber and Forest Law Enforcement, Governance and Trade (FLEGT) regulations by the end of 2021.

Industrial pollution and risk management

The EU notes that Serbia's level of alignment in this sector is at an early stage. The EU takes note of Serbia's work to further align its legislation in this sector and invites Serbia to step up its work in this respect, in particular regarding Directive 2010/75/EU on Industrial Emissions (IED), Directive 2012/18/EU on the control of major-accident hazards involving dangerous substances (SEVESO III) and Directive (EU) 2015/2193 on the limitation of emissions of certain pollutants into the air from medium combustion plants (MCP).

The EU takes note of Serbia's plans for full legislative alignment with Directive 2004/42/EC on the limitation of emissions of volatile organic compounds due to the use of organic solvents in certain paints and varnishes and vehicle refinishing products by 2021.

The EU notes that Serbia ratified the Protocol on Pollutant Release and Transfer Registers in 2011 and has a pollutant register with a pollutant emissions database in place.

The EU takes note of Serbia's Directive Specific Implementation Plan for the Industrial Emissions Directive (IED), which provides for the full transposition of the IED in the period 2019-2021 and permitting the IPPC installations by 31 December 2024. Full compliance with Chapter II of IED is planned to be achieved by 31 December 2024. The EU takes further note of Serbia's request for an extended implementation period, until 2032 at the latest, for specific installations listed in the Draft Specific Implementation Plan. As regards new plants, the EU invites Serbia to ensure alignment with all Chapters of the IED, including the application of Best Available Techniques, and to take the necessary steps for the preparation of its timely implementation.

The EU underlines the importance to strengthen administrative capacity across the sector, including through training, in particular regarding law enforcement and inspection, at national and local level, and in particular for issuing of environmental permits and enforcement of the SEVESO Directive.

Regarding the implementation of the Regulation (EC) No 66/2010 on the EU Ecolabel, the EU underlines that the Ecolabel Competent Body will have to comply with all the requirements defined in Article 4 of the EU Ecolabel Regulation – “Competent bodies”. The EU takes note that the administrative capacities for the implementation of the EU Eco-Management and Audit Scheme (EMAS) and Ecolabel Regulation are sufficient.

Chemicals

The EU notes Serbia's high level of alignment of its legislation in this sector, including with the Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and Regulation (EC) 1272/2008 on classification, labelling and packaging of substances and mixtures (CLP). The EU also notes that Serbia is party to the Stockholm Convention on Persistent Organic Pollutants and to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

The EU takes note of the establishment of a National Helpdesk, a Chemicals Registry, a National Poison Control Centre and a Registry of Biocidal Products. The EU encourages Serbia to continue to work on the legislative alignment and implementation of the *acquis*, including for the Directive 2010/63/EU on the protection of animals used for scientific purposes and Directive 87/217/EEC on the prevention and reduction of environmental pollution by asbestos.

The EU informs Serbia that Regulation (EC) No 850/2004 on persistent organic pollutants has been replaced by Regulation (EU) 2019/1021 on persistent organic pollutants and that alignment with this new Regulation is sought.

As regards administrative capacity, the EU takes note of Serbia's institutional setup for the management of chemicals. The EU takes further note of plans to strengthen administrative capacity across the sector, in line with its Action Plan for Administrative Capacities Development. The EU would like to reiterate the need for adequate capacity for proper monitoring of chemical pollutants, in particular persistent organic pollutants, and for effective enforcement of chemicals legislation, addressing in particular illegal trade.

The EU takes note of Serbia's request for a transitional mechanism for the implementation of the REACH Regulation and for adaptation periods for the implementation of the CLP Regulation and Regulation on Biocidal Products.

Noise

The EU notes Serbia's good level of alignment on noise. The EU takes note of Serbia's plans to finalise transposition of the EU *acquis* on noise by 2020 and fully implement Directive 2000/29/EC on environmental noise by 2021.

The EU takes note of the development of strategic noise maps for a road network of 843 km by Serbia's public enterprise for roads. Further measures planned by Serbia for full implementation are: developing noise maps and noise management action plans for five agglomerations (Belgrade, Novi Sad, Niš, Kragujevac and Subotica), further road sections, railways and the Belgrade Airport 'Nikola Tesla'.

The EU invites Serbia to ensure that the public concerned will be consulted when developing noise management action plans.

Civil Protection

The EU takes note of Serbia's legal and policy framework for civil protection comprising of the Law on Disaster Risk Reduction and Emergency Management adopted in November 2018, the National Disaster Risk Management Programme and the Action Plan for Natural Disaster Risk Management for 2017-2020. The EU invites Serbia to provide more information on the timeline for alignment with the requirements of the EU legislation on the Union Civil Protection Mechanism, to which Serbia is a participating state since 2015.

The EU recalls the need for Serbia to connect to the Common Emergency Communication and Information System (CECIS). The EU recalls that Serbia needs to establish a Secure Trans European Services for Telematics between Administrations (sTESTA) connection as a precondition to access CECIS.

The EU encourages Serbia to continue to work on local risk assessments and protection and rescue plans and to increase focus on multi-hazard risk assessments. Against the background of the Covid pandemic, the EU underlines the importance to strengthen capacities for civil protection also with regard to health emergencies.

Climate Change

The EU takes note of the current limited level of legislative alignment in this field and invites Serbia to step up its work in this respect, in particular as regards Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading (EU ETS), the Effort Sharing Regulation (targets for sectors not covered by ETS), the LULUCF Regulation and regulations on monitoring, reporting and verification of greenhouse gas emissions (MRV).

The EU encourages Serbia to start work to transpose Regulation (EU) 2019/631 on CO2 emission performance standards for new passenger cars and for new light commercial vehicles and recalls the obligation to put in place a monitoring and reporting system for newly registered vehicles.

The EU recalls the obligation to put in place the appropriate framework to fulfil the obligations under the Climate Monitoring Mechanism Regulation (Regulation (EU) No 525/2013) and related Delegated Regulation (EU) No 666/2014 and Implementing Regulation (EU) No 749/2014. The EU reminds Serbia that some provisions of these three Regulations keep effect until 2022 included, whereas others are to be repealed as of 1 January 2021. Regulation (EU) 525/2013 is repealed by Regulation (EU) 2018/1999 (Regulation on the Governance of the Energy Union and Climate Action) and the Implementing Regulation 749/2014 and Delegated Regulation 666/2014 by Implementing and Delegated Regulations, which are currently under preparation and are expected to be adopted in 2020.

The EU takes note of Serbia's work to align with Regulation (EC) No 1005/2009 on substances that deplete the ozone layer and the Regulation (EU) 517/2014 on fluorinated greenhouse gases, and recalls the obligation to fully align with the above as well as the related delegated and implementing acts.

The EU notes that the adoption of Serbia's Climate Change Strategy is still pending. The EU recalls that Serbia needs to ensure consistency with the EU 2030 climate and energy policy framework (e.g. EU ETS Directive, Effort Sharing Regulation (Regulation (EU) 2018/842), Land Use, Land-Use Change and Forestry (LULUCF) Regulation (Regulation (EU) 2018/841) and Regulation on the Governance of the Energy Union and Climate Action (Regulation (EU) 2018/1999), and to integrate climate action into all relevant sectoral policies and strategies. The EU further recalls that Serbia needs to start implementing the Paris Agreement and the Serbian nationally determined contribution to it.

The EU underlines the need for Serbia to pursue the work on strengthening administrative capacity and inter-institutional cooperation.

The EU notes Serbia's requests for two transitional periods and/or derogations:

- For Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading, transitional arrangements after the DSIP is developed, following the adoption of the National Climate Change Strategy and the Action Plan;

- For Directive 98/70/EC relating to the quality of petrol and diesel fuels, a transitional period according to the DSIP under development.

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In view of the present state of Serbia's preparations, the EU notes that, on the understanding that Serbia has to continue to make progress in the alignment with and implementation of the *acquis* covered by the chapter 27 Environment and climate change, this chapter may only be provisionally closed once it is agreed by the EU that the following benchmarks have been met:

- Serbia completes alignment with the horizontal Directives and continues implementing impact assessment legislation (Environmental Impact Assessment and Strategic Impact Assessment Directives) including public participation, transboundary consultations, and access to justice in environmental matters; Serbia demonstrates that it will be fully prepared to ensure the effective implementation and enforcement of the horizontal Directives at the date of accession;
- On air quality, Serbia fully aligns with the revised Directive on the reduction of national emissions of certain atmospheric pollutants (NEC Directive (EU) 2016/2284). Serbia presents an analysis of cost-effective emission control strategies for 2020 and 2030, which shall serve as a basis for the final agreement between the EU and Serbia on its reduction obligations under the NEC Directive. Serbia reports on an annual basis its emissions, in line with the Directive and the Convention on Long-range Transboundary Air Pollution and develops a National Air Pollution Control Programme. Furthermore, Serbia enhances the preparation for the implementation of the *acquis* in this area, by regularly taking measures to reduce national air pollution, particularly in zones where the EU limit values for air quality are exceeded, and by developing or updating air quality plans, as envisaged by Directive 2008/50/EC on ambient air quality and cleaner air for Europe (Air Quality Directive);

- Serbia dedicates appropriate funding to infrastructure investments in line with relevant EU legislation, including the waste hierarchy. Serbia establishes waste prevention programmes and prepares waste management plans (WMP) – national and regional – that include information on all waste streams and the solutions to manage them, including type and capacity of waste management infrastructure, separate collection schemes and economic instruments;
- Serbia makes significant progress on *acquis* alignment in the water sector and develops river basin management plans for each river basin district lying entirely within its territory, including the portions of international river basin districts falling within its territory, and ensures that the legal basis and mechanisms for international coordination of these plans are in place;
- In the area of nature protection, Serbia submits to the Commission the list of proposed Natura 2000 sites, sufficiently covering the habitat types and species in line with the requirements of the Birds and Habitats directives, and demonstrates the capacity to manage the Natura 2000 network. Serbia submits a National Action Plan on preventing illegal bird killing (IKB) and starts implementing a system to enforce relevant EU legislation including prevention of IKB offences;
- Serbia continues its alignment with the *acquis* in the chemicals, noise and civil protection sectors, and demonstrates that it will be fully prepared to ensure the implementation and enforcement of the EU requirements on the date of accession;
- On climate change, Serbia continues its alignment with the *acquis*, notably by adopting legislation on the functioning of the European Emissions Trading System (EU ETS), in line with the EU ETS Directive 2003/87/EC and its successive amendments. Serbia further aligns with relevant secondary legislation on monitoring and reporting, accreditation and verification, the Union Registry, free allocation, and auctioning. Serbia makes sure that the appropriate framework is in place to implement the EU ETS in its entirety regarding the monitoring, reporting, and verification of greenhouse gas emissions;

- Serbia, in line with the Action Plan for Administrative Capacities Development, significantly enhances the capacity of the administrative bodies at all levels, including capacities for priority setting, strategic planning and programming, information sharing and monitoring, performance measurement and enforcement and compliance. Serbia further improves coordination of work and demonstrates that all appropriate administrative structures and adequate training will be in place in good time before accession to enable implementation and enforcement of the *acquis* in all sectors of this chapter.

Monitoring of progress in the alignment with and implementation of the *acquis* will continue throughout the negotiations. The EU underlines that it will devote particular attention to monitoring all specific issues mentioned above with a view to ensuring Serbia's full legal alignment with the *acquis* in this chapter as well as the administrative capacity for its effective implementation and enforcement. Particular consideration needs to be given to the links between the present chapter and other negotiation chapters. A final assessment of the conformity of Serbia's legislation with the *acquis* and of its implementation capacity can only be made at a later stage of the negotiations. In addition to all the information the EU may require for the negotiations in this chapter and which is to be provided to the Conference, the EU invites Serbia to regularly provide detailed written information to the Stabilisation and Association Council on progress in the implementation of the *acquis*.

In view of all the above considerations, the Conference will have to return to this chapter at an appropriate moment.

Furthermore, the EU recalls that there may be new *acquis* between 1 June 2019 and the conclusion of the negotiations.
