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The Green Agenda: Providing breathing space for Western Balkans citizens?

Across the Western Balkans, air, water and soil pollution levels are incredibly high. Public health is continuously jeopardised by air pollution arising from local heating sources and energy production plants. The Green Agenda for the Western Balkans aims to assist the region in tackling pollution problems and aligning the countries' environmental quality regulation with the European *acquis*. This paper analyses the state of affairs with regard to air, water and soil pollution in the Western Balkan Six (WB6)¹ and examines how it affects citizens' health and socioeconomic prospects. The policy brief argues that countries in the Western Balkans need to address a coal phase-out while simultaneously tackling energy poverty. The EU could more actively support this, not only by providing a platform for dialogue, but through supporting programmes for renewable energy provisions and infrastructure, reskilling of workers and job creation. The Sofia Declaration, that sets out the Green Agenda, needs to be complemented with measures to ensure compliance with environmental regulations, preferably by involving civil society organisations in monitoring implementation and raising public awareness of the socioeconomic costs of pollution.

The Western Balkans – A polluted region

The Western Balkans suffer from serious air, water and soil pollution. Air pollution is having a serious impact, especially in urban and industrial areas. The levels of particulate matter (PM10 and PM2.5), sulphur dioxide (SO₂), ozone (O₃) and nitrogen oxides (NO_x) frequently exceed legal limits and are

considered unsafe. Emissions are mainly generated from human activities, including energy consumption, transportation and heavy industry combustion. Households contribute substantially to air pollution as they rely on cheap, outdated, energy-inefficient appliances and outdated wood-burning devices for heating. 67% of households still use fuelwood or solid fuels, and out of five million households three million use stoves.² Many buildings are

¹ These are Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia and Serbia.

* Statement from RERI: This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

² RES Foundation, "[Energy poverty in the Western Balkans](#)", June 22, 2018.

energy-inefficient due to the lack of proper thermal insulation, adding to the problem.³ Likewise, a high share of emissions results from energy production through outdated coal- and lignite-fired power plants. In fact, the Western Balkan countries, except Albania, rely on coal for around 70% of their electricity production⁴ and have seven out of ten of the most polluting coal-fired plants in Europe.⁵

With regard to soil, the main challenge in the WB6 is land degradation, either by erosion or by contamination. A study conducted in Serbia found that over 85% of the total surface area is at risk of land degradation.⁶ Erosion (soil loss) has been identified particularly in Albania and Montenegro, amounting to five and four times the European average respectively.⁷ In the case of soil degradation there are many sources, including poor land use management, unsustainable agriculture and pollution.⁸ More worrying is the fact that erosion risk areas are expected to expand due to rising temperatures and changes in precipitation caused by climate change. Risks of soil contamination are attributable in part to the mining sector.⁹

Water pollution concerns the deterioration of groundwater quality. Such pollution in the region is attributed to the release of untreated wastewater from sewage networks and individual households into the open water. Additionally, significant pesticide use in agriculture causes further deterioration and contamination of open waters, while urban areas discharge collected wastewater mostly directly and without treatment.¹⁰ In Serbia, for example, 76 million m³ of untreated water was discharged by industry in 2020.¹¹ Another source of water pollution is the lack of treatment capacity for hazardous waste, especially in the industry and mining sector¹². Stockpiled hazardous wastes are often not stored appropriately but dumped directly into open space, leading to groundwater (and soil) pollution.¹³ Apart from water pollution, sufficient availability of groundwater remains a cause of concern due to extensive extraction by industry, agriculture and the public water supply.

Several causes can be identified for the forms of pollution discussed above. The regional socioeconomic context amplifies the problem. Low-income households who cannot afford appropriate heating and isolation are forced to rely on outdated wood, coal or even waste burning to keep their houses warm.¹⁴ On the government level, funds for adequate sewage systems, waste processing and energy infrastructure

3 Slavić Robić, [“Giving enough recognition to energy poverty in the Western Balkans”](#), *CEENERGY NEWS*, August 10, 2020.

4 EU Science Hub, [“Launching the Green Agenda: EU support in decarbonising the Western Balkans”](#), November 10, 2021.

5 World Bank, [“Regional AQM - Western Balkans”](#), October 2019, v.

6 Veljko Perović, Ratko Kadović, Vladimir Đurđević, Dragana Pavlović, Marija Pavlović, Dragan Čakmak, Miroslava Mitrović, and Pavle Pavlović, [“Major drivers of land degradation risk in Western Serbia: Current trends and future scenarios”](#), *Ecological Indicators* 123, (2021), 11.

7 Ivan Blinkov, [“The Balkans: The most erosive part of Europe?”](#), *Glasnik Šumarskog fakulteta* 111, (June 2015), 17.

8 European Commission, [“Soil and Land”](#), accessed May 31, 2021.

9 See for example Nikola Đorđević, [“As Serbia prepares to mine lithium, activists warn of high environmental cost”](#), *Emerging Europe*, April 27, 2021.

10 European Commission, [“Guidelines for the Implementation of the Green Agenda for the Western Balkans”](#), SWD (2020) 223 final, October 6, 2020, 10.

11 Statistical Office of the Republic of Serbia, [“Water use and protection against water pollution, 2020”](#), June 10, 2021, 2.

12 Peter Sanfey and Jakov Milatovic, [“The Western Balkans in transition: diagnosing the constraints on the path to a sustainable market economy”](#), *European Bank for Reconstruction and Development*, (February 2018), 30.

13 See Environment South East Europe, [“Toxic waste in Serbia: state of the environment”](#), April 18, 2018.

14 Manjola Banja, Gordana Đukanović, Claudio Belis, [“Status of air pollutants and greenhouse gases in the Western Balkans”](#), *JRC Science for Policy report*, 2020.

are scarce.¹⁵ Furthermore, ‘bad’ governance (corruption) and patterns of clientelism make it easier for businesses to escape health or environmental standards, as they can easily avoid sanctions.¹⁶ Finally, coal-powered energy production and mining sectors are continuing to expand because investments take insufficient account of environmental impacts. In this regard reference is often made to Chinese investments in the region.

Impact on people

The different forms of pollution, as laid out in the above section, have strong adverse effects on citizens of the WB6. In particular poor citizens experience unacceptable health effects and socioeconomic challenges.

Air pollution is a critical health risk factor and cause of death and disability in the region.¹⁷ Emissions threaten public health, impacting particularly low-income citizens living close to power and large combustion plants and/or people relying on outdated devices for heating and cooking. Every year, the off-limits pollution causes 3,000 premature deaths, 8,000 cases of bronchitis in children and other chronic illnesses costing both health systems and economies EUR 6.1-11.5 billion.¹⁸ In terms of years of life lost per 100,000 inhabitants, the largest impacts of PM2.5 emissions in Europe are observed in Kosovo, Serbia,

Albania, Bulgaria and North Macedonia.¹⁹ According to a conservative assessment, the annual economic cost associated with health damage from ambient air pollution in Bosnia and Herzegovina, Kosovo and North Macedonia ranges between 3.6% and 8.2% of gross domestic product (GDP).²⁰

Water pollution causes further hardship to poorer households. The lack or ineffectiveness of wastewater management and the absence of proper sanitary services puts a strain on the already low quality of fresh drinking water. Statistics have shown that between 30% and 50% of the population living in rural areas has access to basic sanitary facilities.²¹ Citizens who cannot afford to buy bottled water bear the health consequences of drinking unhealthy tap water. Since 2004, several Serbian cities have experienced drinking water issues due to inadequate tap water quality.²² The region most affected is North Serbia/Vojvodina, where almost half of the public water supply systems have chemical and microbiological malfunction.²³

Energy poverty is furthermore a major issue in the region. Low-income households lack access to or cannot afford essential energy services for heating, cooking, washing and lighting.²⁴ In Kosovo, for example, 50% of

15 See for example: Branko Vucijak, Mugdim Pasic, Izet Bijelonja, “[Financial sustainability of public utilities in Western Balkans](#)”, *International Journal of Engineering* XVI(3), 2018.

16 United Nations Office on Drugs and Crime, “[Business, Corruption And Crime In The Western Balkans: The impact of bribery and other crime on private enterprise](#)”, 2013, 31.

17 World Bank, “[Regional Note on Air Quality Management in the Western Balkans: Bosnia and Herzegovina, Kosovo, and North Macedonia](#)”, March 2020; United States Environmental Protection Agency, “[Particulate Matter \(PM\) Basics](#)”, accessed May 31, 2021.

18 Vlatka Matkovic Puljic, Dave Jones, Lauri Myllyvirta and Rosa Gierens, “[Impacts of transboundary coal air pollution from Balkan region to European public health](#)”, *European Journal of Public Health* 29, Issue Supplement, (November 13, 2019), 150.

19 European Environment Agency, “[Air quality in Europe – 2020 report](#)”, September 2020, 107.

20 World Bank, “[Regional Note on Air Quality Management in the Western Balkans: Bosnia and Herzegovina, Kosovo, and North Macedonia](#)”, March 2020, 107.

21 European Commission, “[Guidelines for the Implementation of the Green Agenda for the Western Balkans](#)”, SWD (2020) 223 final, October 6, 2020, 10.

22 Han Dirk Hekking, “[Serviërs ontdekken de Schaduwkant van China](#)”, *Financieele dagblad*, March 1, 2021.

23 Tanja Knezevic, “[Report on Health Correctness of Drinking Water of Public Water Supplies and Water Facilities in the Republic of Serbia for 2019](#)”, *Institute of Public Health of Serbia*, 2020, 8, title translated.

24 EU Energy Poverty Observatory, “[What is energy poverty?](#)”, accessed May 31, 2021.

households cannot afford sufficient heating.²⁵ The latest development is that the price of energy, which has traditionally been kept artificially low by state aid, is rising with the liberalisation of energy markets.²⁶ In Serbia, for instance, households devote 12% of their overall expenditure to energy.²⁷

The envisioned energy transition based on the gradual elimination of coal will affect the socioeconomic situation of the most fragile communities in the foreseeable future. The coal industry in the five Western Balkan countries (except Albania) employs over 30,000 people, most of whom earn their living in coal mining.²⁸ Thus, the coal-mining communities are the most economically and socially vulnerable, given that mine closures may lead to unemployment, at least in the short term. All these factors constitute a major transition challenge that will require special attention in the drafting and implementation of depollution strategies.

The governance of pollution

As set out above, the WB6 face significant problems in tackling air, water and soil pollution with strong adverse effects on citizens. The current state of play in combatting pollution is, in spite of 15 years of EU accession efforts, far from promising. Environmental governance is obstructed by corruption, ineffective law enforcement mechanisms and the lack of reliable data on the state of the environment.

The WB6 are facing serious challenges related to the implementation of the Treaty Establishing the Energy Community. As signatories to the Energy Community Treaty and as part of their EU accession

process, these countries must adopt the EU environmental *acquis*. The EU and the Western Balkans are working closely together through various institutional frameworks to achieve transposition. In addition, intergovernmental initiatives such as the Berlin Process, a cooperation forum comprising the WB6 and certain EU Member States, facilitate political dialogue, including on the Green Agenda.

With regard to the transposition of EU regulation, the Western Balkan countries are progressing but still face implementation and enforcement challenges, for example with regard to the EU's Ambient Air Quality Directive. The problems include air quality monitoring, with reporting stations failing to fulfil criteria of completeness of data and punctuality in their reporting.²⁹ There are also challenges concerning alignment with the EU Large Combustion Plants and Industrial Emissions Directive requirements, i.e. reduction of pollutant emissions from thermal power plants.³⁰ However, policy implementation is not yet fully effective everywhere. In particular, there is no effective monitoring system, partly due to poor quality of data and a poor maintenance system; no territorial and hourly emissions data (SO₂, NO_x, PMs (PM_{2.5} particularly)) are available.³¹ Alignment with the EU water management legislation remains a significant challenge due to high investment costs in wastewater facilities and low capacity for implementing integrated water management systems.³²

Intergovernmental processes also have their flaws. The Berlin Process, for example, facilitates political dialogue as well as discussion among stakeholders, for

25 RES Foundation, "[Energy poverty in the Western Balkans](#)", Presentation at the Sustainability Forum of the Energy Community, Vienna, June 22, 2018.

26 Slavica Robić, "[Giving enough recognition to energy poverty in the Western Balkans](#)".

27 RES Foundation, "[Energy poverty in the Western Balkans](#)".

28 CAN Europe, "[Joint position: Four principles for a participatory just transition in the Western Balkans and Ukraine](#)", December 10, 2020, 1.

29 Manjola Banja, Gordana Đukanović, Claudio Belis, "[Status of air pollutants and greenhouse gases in the Western Balkans](#)", *Joint Research Center (JRC) Science for Policy report*, 2020, 1.

30 Energy Community, "[Secretariat initiates dispute settlement procedures against four Contracting Parties in relation to NERPs](#)", March 16, 2021.

31 EC Communication "[An Economic and Investment Plan for the Western Balkans](#)" (SWD(2020) 223 final)

32 European Commission, "[Albania 2020 Report](#)", SWD(2020) 354 final, October 6, 2020, 83.

example in civil society and the academic community, who are active in advocating for depollution. However, these forums take place on different levels that are somewhat disconnected from one another. This is problematic, as some governments in the region seem to lack the political will to implement and enforce the necessary policies. For instance, the governments of Serbia, Montenegro and Bosnia and Herzegovina were late in submitting their National Energy and Climate Plans (NECPs) in which the WB6 set the targets and policies to achieve decarbonisation by 2050.³⁴ Experts point to the risks that come with the inflow of EU funds to tackle depollution, asking whether governments are interested in implementation or in the funds that come with it.

Tackling pollution through the Green Agenda

Despite existing governance problems, on November 10, 2020 the WB6 leaders signed the Sofia Declaration on the Green Agenda for the Western Balkans.³⁵ The Declaration acknowledges the European Green Deal as the European Union’s new growth strategy towards a modern, climate-neutral, resource-efficient and competitive economy. The WB6 leaders committed to work in line with the Green Deal towards climate neutrality in 2050 and towards the depollution of air, water and soil, as highlighted in Box 1. Will the Green Agenda contribute to depollution in the Western Balkans while also keeping into account citizens’ interests?

Fifty years of EU experience in translating environmental quality ambitions into depollution policies³⁶ reveals (at least) four

Box 1 INITIATIVES TO PROMOTE DEPOLLUTION: AIR, WATER AND SOIL

1. Assist region in developing and implementing Air Quality Strategies
2. Increase uptake of Best Available Techniques in line with the Industrial Emissions Directive
3. Accreditation of air quality monitoring networks
4. Including the region in pan-European networks supporting depollution initiatives, e.g. Air Quality: Forum on Air Quality Modelling (FAIRMODE) & Network of Air Quality Reference Laboratories (AQUILA); Soil: European Soil Bureau Network (ESBN) etc.
5. Support Modernisation of water monitoring infrastructure
6. Implementation of Water Framework, Urban Wastewater and Extractive Waste Directives
7. Support regional and/or bilateral agreements and/or protocols on trans boundary water pollution and land-based sources of pollution
8. Investment in waste and manure management and wastewater treatment plants for reuse of water in agriculture
9. Investment in urban wastewater collection and treatment including advanced treatment of nutrients
10. Support the Western Balkans to use and contribute to the potential of programs such as European Earth Observation program, Copernicus and Destination Earth.

Source: European Commission³³

33 European Commission, “[Guidelines for the Implementation of the Green Agenda for the Western Balkans](#)”, 12.

34 Energy Community Secretariat, “[WB6 Energy Transition Tracker](#)”, February 2021, 18.

35 Regional Cooperation Council, “[Sofia Declaration on the Green Agenda for the Western Balkans](#)”, 2020.

36 The first EU Environmental Action Programme (EAP 1) was adopted in July 1973 and may be regarded as the start of environmental policy development in the EU.

fundamental preconditions for effective policy implementation: reliable, supranational monitoring mechanisms of the state of the environment and related health effects; effective enforcement mechanisms to ensure compliance; transparency and awareness-raising among the population about the negative effects of pollution; and socially just and inclusive action that tackles both pollution and energy poverty. Our assessment shows that so far, these lessons are incorporated only partly in the Green Agenda.

First, the quality of environmental impact assessment in the Western Balkan region is poor and insufficient to enhance preventive action to tackle pollution, address soil degradation and avoid health risks in the early stages of project planning. In this regard, the Green Agenda supports the accreditation of air quality monitoring networks and the modernisation of water monitoring infrastructure.³⁷ However, it does not specify which agency will be responsible for monitoring or what support the EU will provide.

Second, the WB6 countries face serious challenges in terms of enforcement of EU policies and directives.³⁸ However, the Green Agenda does not provide any enforcement mechanism to ensure full implementation and compliance. As one author put it, “it is full of support, promotion, facilitation, and assisting, but short on binding measures”.³⁹ The Green Agenda leaves the enforcement up to the national governments through their respective legal framework, particularly through the adopted EU and Energy Community *acquis*. The National Energy and Climate Plans (NECPs) – whose adoption has been delayed in some countries – are important policy tools for the Green Agenda implementation, but they leave the

establishment of enforcement mechanisms to the national governments.⁴⁰ This shortcoming risks undermining the implementation of depollution initiatives, including Air Quality Strategies, Water Framework, Urban Wastewater and Extractive Waste Directives.

Third, involving society at large is crucial for successful depollution. The Green Agenda foresees the importance of awareness-raising among the local population about the adverse effects of climate change and pollution. In particular, it mentions the extension to the Western Balkans of the existing EU initiatives such as Climate Diplomacy Week and the European Climate Pact.⁴¹ While not mentioned in the Green Agenda, it would be important to tap into the expertise of civil society organisations and local communities when developing policies to ensure both inclusion and sound policymaking.

Finally, depollution policies will directly impact the people, especially vulnerable communities who suffer the most from the harmful effects of pollution. In this regard, the Green Agenda explores the adaptation of the EU Just Transition Mechanism and associated funding to the Western Balkan region. This mechanism would support a green and just transition process by providing resources, such as reskilling programmes and access to new jobs, for the most affected regions.⁴² In December 2020, the European Commission established the initiative for coal regions in transition for the Western Balkans and Ukraine, which provides a space for multi-stakeholder dialogue to share best practices.⁴³

37 European Commission, “[Guidelines for the Implementation of the Green Agenda for the Western Balkans](#)”, 12.

38 European Commission, “[Serbia 2020 Report](#)”, SWD(2020) 352 final, October 6, 2020, 106.

39 Pippa Gallop, “[A Green Agenda for the Western Balkans: Where are the teeth?](#)”, *Bankwatch*, October 8, 2020.

40 Energy Community Secretariat, “[WB6 Energy Transition Tracker](#)”, February 2021, 18.

41 European Commission, “[Guidelines for the Implementation of the Green Agenda for the Western Balkans](#)”, 19.

42 European Commission, “[Guidelines for the Implementation of the Green Agenda for the Western Balkans](#)”, 16-17.

43 European Commission, “[Initiative for coal regions in transition in the Western Balkans and Ukraine](#)”, April 21, 2021.

Conclusions and Recommendations

Pollution is a major challenge for the Western Balkan region and strongly impacts local populations who suffer from poor air quality, water and land contamination and bear the health and economic consequences. By signing the Sofia Declaration, which established the Green Agenda for the Western Balkans, the WB6 governments undertook to tackle this problem and promote depollution in cooperation with the EU. However, regional challenges have hampered depollution efforts in the past and certain shortcomings on the EU side need to be properly addressed to turn depollution in the region into a success.

The following six recommendations could assist the EU institutions and Member States to successfully contribute to combatting air, water and soil pollution in the Balkans while also considering the social dimension of that process.

- A key issue for successful policies is the prioritisation of integrated environmental monitoring systems that provide access to both real-time and processed data online.⁴⁴ The EU should assist the WB6 in establishing an independent entity to monitor the state of the environment and related health effects in the WB6. Enhancing the relationship between the WB6 and the European Environmental Agency (EEA) could be a promising option. A first step could be for the EU to provide clear indications on how it intends to support the partners in the region to enhance their monitoring mechanisms.
 - For energy and climate change targets, the EU needs to set up a dedicated and independent monitoring system. This could be done in coordination with
- the Regional Cooperation Council (RCC) and the Energy Community and could be focused on overseeing the implementation of the targets that the Western Balkan countries will define in their own NECPs. This would make the WB6 countries more likely to comply with what they agreed upon in the Sofia Declaration. The role of civil society in independent monitoring needs to be taken into consideration in the design of a monitoring system. The recent initiative of the RCC to set up an NGO forum, which among other things would have a monitoring role, is promising in that regard.⁴⁵
 - Raising awareness among the Western Balkan population about the negative effects of pollution as well as its causes is essential to successfully achieve depollution. The EU would do well to engage with local civil society organisations and fund targeted programmes to provide transparent information on environmental threats, depollution targets and best practices to achieve the targets.
 - The EU could expand its initiative for coal regions in transition in the Western Balkans and Ukraine beyond the platform for dialogue it currently provides. It could do so by providing budget to create new employment opportunities and reskilling programmes for coal workers so that they can take up jobs in new fossil-free economic sectors. Funding should not be used to extend or retrofit fossil thermal power plants, since this would run contrary to decarbonisation and coal phase-out objectives.
 - Making the WB6 green transition an inclusive and just transition, in particular by tackling energy poverty, should be seen not only as a ‘potential social gain’ of the transition, but as one of

44 Manjola Banja, Gordana Đukanović, Claudio Belis, [“Status of air pollutants and greenhouse gases in the Western Balkans: Benchmarking the accession process progress on environment”](#), EUR 30113 EN, Publications Office of the European Union, 2020, 3.

45 Regional Cooperation Council, [“1st NGO Forum On The Implementation Of The Green Agenda For The Western Balkans”](#), June 9, 2021.

its central features. Increasing energy access is essential to secure a basic standard of living and citizens' buy-in. Effective programmes should be designed to address affordability issues while protecting the environment.

- To make deeper cuts in greenhouse gas emissions, the European Commission recently proposed the “fit for 55” package. The Western Balkan region still has relatively high emissions, but it is also still suffering from unhealthy pollution levels. Its air, soil and water need to be cleaned to avoid a further deterioration of living conditions for citizens in the region and to make sure the Western Balkans do not fall behind even further in their EU accession process.

About the Clingendael Institute

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