

Almost six months have passed since the last **Ministerial Council** meeting of the contracting parties of the Energy Community Treaty, when the Western Balkan six countries (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) made a historic decision to adopt the headline climate and energy targets for 2030 on a community, as well as on a national level. Today, less than a month before the deadline for submission of their draft integrated **National Energy and Climate Plans** (NECPs) to the Energy Community Secretariat for review, little to no action has been taken in the respective countries to develop the necessary pathways with policies and measures securing the energy transition of the region.

This taking into account that the original date for submission of the NECPs was reset in 2021 to accommodate the developments regarding the adoption of the climate and energy targets, already allowing the WB countries to delay their submission for a year. Back in 2021, the adoption of the NECPs was postponed until 2024 at the latest, with a deadline of 30th of June 2023 for the preparation and submission of the drafts, and an obligation that the process will be pursuant to the provisions of the Governance Regulation.

In last year's report on the NECPs by Climate Action Network (CAN) Europe, which warned of the limited progress in the integrated energy and climate planning in the Western Balkans, it was highlighted that any further delays can compromise regional leaders' promises to reduce the emission of greenhouse gases through applying effective policies, since these ten year plans are effectively one of the crucial practical tools by which a country shows how it will achieve its 2030 energy and climate targets. This in turn should be a stepping stone for the countries to reach climate neutrality by mid century, a commitment made by all Western Balkan leaders at the Sofia Declaration on 10th November 2020.

Despite the repetitive political announcements that works are underway and such plans will be developed and publicly consulted in a timely manner, Albania and North Macedonia remain to be the only two Western Balkan countries that to this date have adopted their NECPs. Since these two countries already have submitted draft plans and received the recommendations for their improvement, they are not legally obliged to resubmit them by the end of June this year.

However it would be important to prepare revised draft NECPs, implementing the already received recommendations and providing a credible and comprehensive set of policies and measures which would reflect the achievement of the new climate and energy goals. This was not the case with the drafts that were submitted as they were prepared before the targets were adopted. The other four countries, despite the fact that they began the process



two years ago, are still at various preparation stages, with no significant progress made since December. Apart from Bosnia and Herzegovina that presented some advancements in the process and work done in April, none of the other countries started the public discussion and consensus building on the way forward.

Taking stock of the available information so far regarding the progress of the respective NECP processes, it seems like the Western Balkans National Governments are at risk of failing to use a historic opportunity to present concrete pathways to the 2030 targets while responding to the energy crisis in a timely and inclusive manner: to deliver true change and make the life of their citizens better, by dramatically accelerating climate action to a nature-friendly and socially just energy transition in the next few years.

Bosnia and Herzegovina

After experiencing some delays and interruptions over the course of last year, the NECP process in Bosnia and Herzegovina finally reached a milestone in April 2023, when the first public presentation of the draft plan took place. The public presentation was conducted by the deputy Minister for international trade and economic relations of Bosnia and Herzegovina, as part of his participation in an Energy Summit. On this occasion, the deputy Minister announced that the draft would be submitted to the Energy Community Secretariat within the agreed timeframe. However no draft text was publicly made available, nor were public consultations announced.

During the Energy summit it was presented that the plan envisages measures that will lead to the achievement of the adopted headline climate and energy targets in 2030. The targets presented were: a reduction of the greenhouse gas emissions of 41,21 % compared to 1990; a share of energy from renewable sources in gross final energy consumption of 43,62 %; and a maximum primary and final energy consumption of 6,84 million tons of oil equivalent (Mtoe) and 4,34 Mtoe respectively.

In a previous public engagement in February 2023, a representative from the Ministry also shared that their plan is to prepare the draft NECP and send it to the Secretariat by June. However, they announced that the necessary consultation will take place only afterwards and will span over the course of the following 12 months until the final draft is submitted in June 2024. A credible public consultation process prerequisites transparency from the early stages of the NECPs development, and before their submission to the Secretariat. It is also crucial that the draft document becomes accessible in a timely manner prior to the public consultations that are announced to be scheduled in the upcoming period. National Civil Society Organisations urge the authorities to allow for the allocation of the necessary time for preparation and engagement of the stakeholders in the public consultations. It is



fundamental that working group meetings, that the public does not have information of, are not used as a substitute for an inclusive and needed public participation process.

Kosovo

Kosovo established NECP working groups and presented a draft NECP over a year ago. Currently it is undergoing revisions in alignment with the new Energy Strategy spanning from 2022 until 2031. However, to this date there is a lack of available viable information regarding updates on the revisions' process. Furthermore, no public consultations have been announced, and it is very likely that they will occur after the draft is submitted to the Secretariat.

Although working group meetings are currently in progress, and intra-ministerial consultations are expected to start soon, there has been no initiation of a wider public dialogue regarding the pathways towards achieving the new climate and energy targets for 2030. This absence of public dialogue hampers the potential for broad and well-informed public participation in the process.

Montenegro

In Montenegro, draft chapters of the NECP were shared with the Energy Community Secretariat for informal review in 2021. However, there is no available information regarding the reconvening of the working group since that time.

In the auspices of the Berlin process last year in October, the Minister for capital investments of Montenegro announced that the first NECP will be adopted in the envisaged deadline of June 2024. Yet, there has been no publication of a draft and no initiation of public consultation or national dialogue either before or after the adoption of the new 2030 targets. This lack of action hinders the plausibility of a transparent and participatory process for developing the plan, especially prior to submitting the draft to the Secretariat.

Serbia

Following Albania and North Macedonia, Serbia was the third country that made the biggest progress in the development of the NECP last year. This progress included the completion of the process for the harmonisation of its legislative framework for the development and adoption of the NECP in accordance with the EU Governance Regulation, as well as the Development of the Energy Capacity Study with three basic scenarios needed to develop its initial NECP draft.

However, after the draft NECP was presented to the working group in October, there has been no response by the responsible Ministry to the submitted comments and views by its members, nor has a new working group meeting been scheduled. In addition, no updated draft nor a clear timeline have been made available.



There have been occasional mentions by the competent Ministry that the NECP works are underway and public consultations will be organised, but no concrete announcements were made and the discussions on the pathways towards the adopted climate and energy targets have not yet started.

The only concrete reference point publicly available related to the timeline is in the proposal for a new Law for confirmation regarding the loan liquidity guarantee agreement for Elektroprivreda Srbije (EPS) between Serbia and the European Bank for Reconstruction and Development (EBRD), where it is stated that the NECP will be adopted by December 31st 2023.

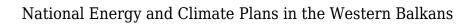
Immediate action and meaningful public participation process needed

Immediate action is necessary in the Western Balkan countries to accelerate the development of the draft NECPs that will be fit for purpose. Speeding up the energy transition is urgently needed to increase energy security, address the energy crisis and provide clean and affordable energy supply.

The process of NECPs development must be transparent and participative, serving as a means to build national consensus on the path forward. Inclusive and effective public participation process means that the core public participation principles are respected, especially with regards to consultations and integration of the views expressed, which in principle should take place prior to the submission of the plans to the Energy Community Secretariat. Besides, the prerequisite of a credible NECPs development process also includes a proper Environmental Impact Assessment process.

These plans are strategic planning tools that need to present policies and measures in consistency with the long-term climate neutrality goals at the national level. Furthermore, as integrated plans, they should outline a pathway for the decarbonisation of the entire economy, encompassing other relevant emitting sectors such as transportation, industry, and agriculture. Furthermore, one thing that was clear from the analysis we carried on the already adopted NECPs in the WB region, was that the Governments must delve deeper and incorporate the regional and pan-European market perspectives when developing the plans. This approach is decisive as it offers the only viable long-term and sustainable solution for the region.

The Western Balkan countries are at a pivotal moment to plan for a fossil fuels free future, and a just transition pathway. This transition pathway incorporates essential elements such as social considerations, employment and distributional analysis, as well as finance clarity and a comprehensive assessment of investment needs and requirements. The region needs to develop and provide solutions that extend beyond 2030, break the chain of missed





opportunities and initiate fundamental reforms without delay, as now is the time to seize the momentum to build a better future.

Source: CAN