

25th Meeting of the Environmental Task Force

25 April 2023, Vienna (hybrid)

Summary notes and Conclusions

Summary notes from the meeting:

Dirk Buschle (ECS) welcomed the participants and thanked representatives of the Contracting Parties either present physically or online for ensuring their participation in the meeting. He emphasized the importance of the environmental portfolio for the Energy Community and underlined that in the future, both the composition and the clearly defined topics and achievements by the group should be clear. We know that in both areas (air quality, permitting) are obvious implementation gaps and the Task Force should be able to deliver on both topics.

Peter Vajda (ECS) presented the agenda and announced that one short summary on emissions reporting prepared by the EEA on the status of LCP reporting will be delivered by the ECS in the afternoon.

It was announced that Daniel Montalvo (EEA) had to resign from his role as chair of the Task Force due to other obligations. The practical details of the functionality of the Task Force will be discussed under agenda item 5. The Task Force thanked wholeheartedly Mr Montalvo for his effective chairmanship throughout the past years and especially under the challenging circumstances of the Covid-19 pandemic.

Assessment of the permit-granting procedure for energy projects in the Energy Community

Aleksandra Bujaroska (ECS) announced the launch of the assessment of the permit-granting procedure for energy projects in the Energy Community being conducted by the consortium of Energy Institute Hrvoje Pozar and the Institute of Applied Ecology Oikon. She emphasized that the EIA Directive is part of the Treaty since its adoption and that in light of the looming major outroll of renewables, it would be very important to have a clear overview of the energy permitting process including the role of early spatial planning. In most Contracting Parties, there are the “usual permits” that stand at the forefront of the challenge (e.g. location permits, construction permits, use permit, etc.) that reflect the outcome of the EIA process. The goal of this assessment is to assess the EIA and permit-granting procedures for energy projects (with a focus on renewable energy projects), in the Contracting Parties and develop CP-specific guidelines and recommendations on permit-granting procedures to improve and streamline the development processes.

Marin Miletic (EIHP) provided an overview of the content of the questionnaires to be sent to three stakeholder groups – authorities, businesses and civil society –, that together with the desktop analysis will be part of the study on the Assessment of the permit-granting procedure for energy projects in the Energy Community.

The ECS stressed the importance of the feedback of the stakeholder groups on the questionnaires considering both the quality and quantity of information and that the Secretariat counts on the

support and assistance of the members of the Environmental Task Force. Participants were asked to provide their country-specific input and reflections on the presentation of the consultants and the Secretariat's introductory remarks.

Pippa Gallop (CEE Bankwatch) asked whether only EIA is part of the questionnaire. Especially in the case of small hydropower projects, very often there is no EIA but the developer just comes and starts construction. For wind and solar, this is not necessarily yet the case but it might happen in sensitive areas as well. Another issue is the quality of EIAs, which should also be included in the questionnaires.

The ECS mentioned that the issue of small HPPs is engraved in the EIA Directive (small plants only subject by the obligation of screening that may also be complied with by thresholds and criteria). The Secretariat adopted Policy Guidelines on small HPP development in 2020 to address this issue and Contracting Parties are invited to make use of them.

Aleksandra Bujaroska mentioned that another major issue is the legalization of illegally constructed projects, which is a topic that also will be addressed mostly in the desktop analysis of the legal framework that enables the legalisations and the relationship with the EIA. She further emphasized that one of the main motivations was to draft the questionnaires in a practical manner that is easy to be answered while allowing an opportunity for more elaborated and detailed answers.

North Macedonia pointed to the fact that there are different stakeholders in permitting of renewables-based permitting and that this should be addressed in the analysis and the questionnaires. The ECS noted that institutional setup in the permit-granting process will be in deep assessed considering the obligations for a *one-stop-shop* and streamlining the permitting process.

Bosnia and Herzegovina noted the different levels of decision-making processes in BiH and that this should be considered in the assessment. ECS noted that the assessment will encompass each CP's legal framework and its particularities in terms of the decision-making process including the participatory practices.

The ECS shared information on the current legislation trends in the EU and the steps taken to further accelerate the deployment of RES. In this regard, the latest EU regulation concerning the permitting of rooftop solar was discussed.

Zeljko Koren (Oikon Ltd.) presented an overview and the experience on the duration of the EIA process on renewables development projects in Croatia. During the presentation, there was an exchange with several representatives of the CPs on specific topics, e.g. the institutional setup, the quality of the EIA reports, the obligations for engaging experts, etc. The ECS noted that these aspects will be assessed within the analysis.

Pippa Gallop presented the NGO perspective as well as a study done in BiH on the different permitting aspects and practical challenges in both entities of the Contracting Party. Several recommendations concerning the EIA process and the permit-granting procedures were presented and the necessity for digitalization of the process was highlighted. It was mentioned that one of the main issues with implementation is the lack of the concept of prosumers. BiH representative provided input to the challenges and noted that the process of permit-granting has been improved gradually especially with regards to transparency. The government still work on further improvements and streamlining of the procedures for permitting.

The ECS mentioned that the concept of digitalization also needs to be considered from the perspective of cybersecurity and that given the vulnerability of such systems, it needs to be made sure that before too much reliance is provided to those, it would be necessary that these are solid enough.

Next phase of the Task Force

As already mentioned in the introductory remarks, the intention is to structure the work of the Task Force in a topical manner, so that the two main workstreams remain active on the one hand in the environmental assessment-related activities, while on the other hand, the reduction of emissions, particularly into air.

North Macedonia expressed support for further focused discussion on environmental assessments and strongly supported the approach of co-chairing.

Bosnia and Herzegovina also supported the idea of co-chairing and emphasized that such an approach would contribute to increased ownership by the Contracting Parties. The ECS was asked to provide clarification on the terms of reference of the Task Force.

The ECS explained that the Task Force operates upon a mandate of the Permanent High Level Group and has the right to elect its own chair.

Serbia mentioned that co-chairing would indeed increase ownership and generally supported the approach but at the same time called upon considering human resources and time-related restrictions.

The ECS reassured Contracting Parties that the purpose of the idea is only related to increasing the ownership of the group and not to put additional burden on members.

Montenegro also supported the idea of co-chairing and agreed with SR that constraints on resources shall be taken into account.

Georgia thanked the ECS for the initiative and shared also the concerns about time constraints. At the same time, it was emphasized that such approach would be very helpful for the ownership of the Task Force.

Moldova considers co-chairing as a great initiative and referred to internal consultations needed before taking on the role potentially.

The ECS briefly presented the idea to establish a Center that would assist the members of the Environmental Task Force members with regard to the obligations for streamlining the environmental permit-granting process for energy projects and develop options for introducing the “one-stop-shop” institutional set-up and pre-screening of projects in the so-called “acceleration zones” for renewables-based projects. Such a Center would also provide a platform for discussion and cooperation of all environment and energy sector stakeholders with the aim of eliminating permitting bottlenecks and obstacles and sharing best practices.

Montenegro explained that they have established the one-stop shop principle in permitting and that the idea to organize a joint capacity building workshop would be very good, timely and important. The ECS agreed that the importance of zoning is essential in the planning of such projects and it is interlinked with the EIA process.

Bosnia and Herzegovina asked what would be the precise role of the Center. The ECS explained that it would be linked to the issues that were discussed in the framework of the study – legal gaps in the framework, one-stop shop, interlinkages between spatial planning, potential for establishing acceleration zones for renewable projects, etc. –and to assist Contracting Parties to develop

appropriate permit-granting processes and a planning mechanism to streamline the permitting of energy projects. Potential activities would be related to legislation, institutional setup, training and capacity building and implementation.

North Macedonia mentioned that the specificities of Contracting Parties are to be carefully considered and respected. The ECS confirmed that this would be precisely the purpose of the Center, to provide a syllabus whereby developers could be sure that if something is followed systematically, the project would be granted development consent.

Georgia recalled that EIA procedures are often halted or stopped because of the poor quality of EIA documentation and asked whether experience could be shared on this. The ECS explained that following the 2014 amendments, CPs are also under the obligation to provide quality assurance methods for such documents and that this is also a potential topic for the Center.

The Nature Conservancy mentioned that there is already a lot of consideration in the NGO community about the acceleration zones stemming from the RED III Directive. In those areas, the nature protection rules are bound to become looser, so forward thinking requires an early planning approach.

Serbia requested more information in writing on this proposal. The ECS confirmed that this will be done in the notes of the draft conclusions of today's meeting.

Emissions reporting

Peter Vajda (ECS) presented on behalf of Juan Calero (EEA) a short overview on the emission trends of Contracting Parties' large combustion plants sector. Both the EEA and the ECS thanked Contracting Parties for ensuring the timely reporting of their emissions data. The deadline for the opted-out plants (31 December 2023) was recalled and it was mentioned that several plants have already reached the end of their legal operational lifetime.

Georgia informed that the draft Law on Industrial Emissions was recently submitted to the Parliament and that it should be adopted by the end of the spring session.

AOB, wrap-up and next steps

The ECS announced that the Just Transition Forum will take place in the end of September and invited Task Force members to participate.

The next meeting of the Task Force will be held in October-November 2023. The precise date of the event will be announced 6 weeks in advance. Members are invited to observe the 21 calendar days deadline for advance payment requests.

Conclusions:

- 1. In April, the consultant will send the questionnaires concerning the assessment of the permit-granting process of energy projects to the Environmental Task Force members. The ECS might approach the members of the Environmental Task Force to assist in establishing communication with other competent authorities.**
- 2. The Environmental Task Force will further focus and deepen its work on two streams – 1) environmental assessments and permitting, and 2) emissions measuring, reporting and reduction. For the next upcoming meeting of the Environmental Task Force group, initially planned for October/November, the Secretariat will prepare a draft programme for the next period, January 2024–December 2025, that will consider these two work streams.**

- 3. The ECS will chair the next Environmental Task Force and will approach Contracting Parties for co-chairing. Meetings are still to be held in Vienna.**
- 4. The Environmental Task Force supports the idea of establishing a Center that will focus on the development of legal mechanisms and institutional setup for streamlining the permit-granting process of energy projects. Members of the Environmental Task Force will provide feedback and input on the aim and goal of such permitting Center.**
- 5. Members of the Environmental Task Force are invited to provide information related to the emissions as well as any new or follow-up information on the opted-out plants. Members of the Environmental Task Force will regularly inform the ECS and the European Environment Agency in case of changes of the focal points for emissions reporting.**