

Standard Summary Project Fiche – IPA centralised national programme

Project number 8: Technical assistance for Hazardous Waste Treatment Facility

1. Basic information

1.1 CRIS Number: 2009/021-638

1.2 **Title:** Technical assistance for Hazardous Waste Treatment Facility

1.3 **ELARG statistical code:** 03.27

1.4 **Location:** Republic of Serbia¹

Implementing arrangements:

1.5 **Contracting Authority:** EC Delegation (ECD) to the Republic Serbia

1.6 **Implementing Agency:** ECD

1.7 **Beneficiary (including details of project manager)**

The project beneficiary will be the Ministry of Environment and Spatial Planning (MESP).

The project manager from the beneficiary side will be Aleksandar Vesic, Assistant Minister responsible for the Sector for Planning and Management; the responsibility for operational project management will rest with the Department for Waste Management and Department for Project Management.

Contact details:

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The project steering committee will consist of representatives of the various stakeholders, including the EC Delegation. It will be chaired by EC Delegation and the Assistant Minister or his representative, and will convene on a quarterly basis to review project progress and reports from the Contractor and Consultants.

Financing:

1.8 **Overall cost:** EUR 3 million

1.9 **EU contribution:** EUR 3 million

1.10 **Final date for contracting:** 2 years after the signature of the Financing Agreement (FA)

1.11 **Final date for execution of contracts:** 4 years after the signature of the FA

1.12 **Final date for disbursements:** 5 years after the signature of the FA

¹ The only proposed site is the municipality of Čuprija in the district (okrug) of Pomoravski.

2. Overall Objective and Project Purpose

2.1 Overall Objective:

To improve quality of natural environment and health of population through improved waste management.

2.2 Project purpose:

To provide technical assistance for the analysis, planning, preparation for the future construction of a national Hazardous Waste Management facility in Serbia².

2.3 Link with AP/NPAA / EP/ SAA

The Council Decision of February 2008 on the **European Partnership** (EP) includes the following short-term priority for the Environment and European Standards:

- Further develop and start to implement waste management plans and start construction of a facility for treatment and safe disposal of hazardous waste.

The EP's medium term priority in the environment sector is to complete the construction of a hazardous waste treatment and disposal facility.

This project falls within the remit of the Stabilisation and Association Agreement (SAA article 113, Environment) which refers to sustainable development and the need to include environmental issues within Serbia's strategic planning framework.

This project addresses several objectives highlighted in the **National Programme for Integration with the European Union – NPI** (2008, chapter 3.27.3 Environment / Waste Management, short-term priorities 2008-2009). Till the end of 2009, pursuant to the Law on Waste Management, adoption of executive regulations in full compliance with: Directive 2006/12/EC; Directive 91/689/EEC (amended Directive 94/31); Commission Decision 2000/532/EC; Directive 67/548/EEC (amended 2006/121/EC); Directive 99/31/EC; Directive 2000/76/EC; the Basel Convention Technical Guidelines on landfills; Directive 75/439/EEC; Directive 2002/95/EC; Directive 2002/96/EC; Directive 2000/53/EC; Directive 91/692/EEC; and Regulation 2006/1013/EC.

2.4 Link with MIPD

The environment is specifically mentioned in the Multi-Annual Indicative Planning Document (MIPD section 2.3.1.3); it relates to specific investments designed to improve environmental infrastructure as well as developing sectoral strategies. This project contributes directly to this objective by creating a hazardous waste treatment facility.

2.5 Link with National Development Plan (where applicable)

Not applicable (N/A)

2.6 Link with national / sectoral plans

National Waste Management Strategy, adopted in 2003

The National Waste Management Strategy was adopted by the Serbian Government in 2003; it identifies the construction of a waste treatment facility and final disposal of hazardous waste as one of priorities. The situation is critical, as there are no strategic hazardous waste management facilities in the country, and export is an, expensive, short term option unaffordable to most of the hazardous waste generators. Also, the lack of proper facilities for

² This project is part of multi-phased project that will result in a hazardous waste treatment facility being built in Serbia. The budget for this total project is approximately EUR 15m (EUR 3m for Phase I (TA) – IPA 2009, and EUR 11m for Phase II (works) - IPA 2010).

hazardous waste management constitutes a barrier to foreign investment in waste generating industries.

The strategy requires the government to prepare and adopt national waste management plans, which should address issues associated with different waste streams such as electrical and electronic equipment, as well as implementing the requirements of the Basel³ and Stockholm⁴ Conventions.

In addition to these plans MESP is preparing strategic investment plans to identify how to prioritise future investments for landfills, possible incinerators and other forms of waste treatment and recycling

3. Description of project

3.1 Background and justification:

According to the draft National Programme for Environmental Protection Proposal, printed in 2007 (NPEP) the most acute waste management problem in Serbia is due to the lack of separate collection and processing of hazardous waste.

Landfilling is the primary waste disposal method. Municipal waste, including also hazardous waste generated by households, is usually disposed directly in landfills. However, there are no reliable data on the volumes of hazardous waste generated by industry. The draft National Programme for Environmental Protection (2007) estimates that 460,000 t/year of hazardous industrial and medical waste is generated in Serbia including: waste motor oils 106,000 t/y, mixed organics/water emulsions 257,000 t/y, other hazardous waste (medical waste, organic and inorganic hazardous waste from industry, PCB waste etc.) 97,000 t/y. Vojvodina faces a problem with waste from oil rigs (the quantity is estimated to be about 600,000 m³). There are neither facilities for hazardous waste treatment and disposal (destruction or incineration), nor proper storage facilities for hazardous waste. Hazardous waste is disposed temporarily in inadequate storages (some of which operate for several decades).

In 2006 there were 132 installations in Serbia that fell within the scope of Integrated Environmental Pollution Prevention and Control (IPPC) law. These installations were inspected by the Serbian Environmental Inspectorate as part of an EU funded project⁵. In summary, the majority of hazardous waste exists in the storage facilities of these installations; this waste is comprised of approximately 5.4 M tonnes of coal ash and slag (47% of all waste) and 5.6 M tonnes of tailings (49% of all waste). However, if this waste is ignored, because the installations could reclaim material from the tailings and slag, then the remaining wastes, as of 2005, may be broken down according to their main constituent as follows:

- Pharmaceuticals etc (23 tonnes, 0.9%);
- Solvents (360 tonnes, 13.3%);
- Cyanides (34.8 tonnes, 1.38%);
- Oils (2,115 tonnes, 78%);
- Poly aromatic phenols i.e. PCBs, PCTs, PBBs (37.6 tonnes, 1.4%);
- Tars, inks, dyes, pigment, resins, glues (20.1 tonnes, 0.8%);
- Explosive mixtures (50.9 tonnes, 1.9%) and
- Surface treatment chemicals (69.2 tonnes 2.6%).

³ Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

⁴ Persistent Organic Pollutants Convention (signed by Serbia 02 May 2005, but not yet ratified).

⁵ "Hazardous waste in Republic of Serbia in installations that fall under the Law on Integrated Environmental pollution Prevention and Control (IPPC)" EAR Environmental Capacity Building Programme 2003, led by DHV.

The NPEP also reports that total annual damage caused by inadequate waste management in Serbia (including air emissions and leachate from landfills, emissions from backyard burning of waste, damage caused by inadequate disposal of hazardous waste, fly ash and loss of resources) has been estimated to range from EUR 98 to 276 million (0.4% to 1.1% of GDP).

Hazardous waste management in the older member states of the EU generally functions well. However, the relevant technologies are relatively new. During the recent past period, most Central and Eastern European countries had strict state control of industry and state-wide planning of production. There was a tendency to view waste as “secondary raw materials”, even when there was no known way of utilising or recovering many of them, resulting in their indefinite stockpiling.

The net result is that there are very few strategic hazardous waste management facilities in Central and Eastern Europe. Hungary and Slovakia have strategic facilities and small private sector facilities are appearing in Romania. Serbia faces serious problems due to a lack of hazardous waste management capacity and recent government efforts at establishing necessary facilities have met with tremendous public opposition.

Needs/Problems assessment for this project

Serbian waste management legislation is not yet harmonised with the *Acquis* and there are no facilities for thermal or physical/chemical treatment or landfilling of hazardous waste. The Waste Management and the Packaging and Packaging Waste Laws are still going through parliamentary procedures but they are expected to be adopted by June 2009. Secondary legislation is being prepared and it is expected that the necessary hazardous waste regulations will be adopted by the end of 2011; the IPA 2008 project will support their preparation and will also prepared National Plans for specific hazardous waste streams in line with revised “National Waste Management Strategy including the program of harmonization with the EU” as well as other National plans for specific waste streams. This project will also assist in capacity building in preparation for the Hazardous Waste Management Facility.

Industry is forced to place hazardous waste in temporary storage or export it to OECD authorised facilities for treatment. However, the cost is so high that only few industries can afford it. In some cases, temporary storage has been used for decades. As there is no legal way to treat hazardous waste in Serbia, these large accumulated quantities of waste present a potential danger for the environment and human health. While some industries take reasonable care of their “temporary” storages, reports show that the majority do not.

In addition to temporary storage, some industries have large quantities of hazardous waste disposed in their own landfills. A specific issue concerns the tailing ponds where large quantities of toxic tailings are produced. Fly-ash landfills at power plants show similar problems. A change of technology for ash hydro transport would reduce the problem of air pollution due to aeolian erosion. It is necessary to elaborate plans for sanitation and remediation of many of these landfills.

Unfortunately, some hazardous waste is co-disposed with municipal waste on unsanitary dump sites or illegal dump sites.

Another problem in Serbia is privatization of state-owned enterprises that have considerable stockpiles of waste from the past. There is no realistic remediation plan for this until a local facility for adequate treatment of such quantities is constructed.

To address the situation, the Serbian Government adopted the National Waste Management Strategy in 2003. Strategy is in the revising process. Construction of a waste treatment facility and final disposal of hazardous waste is the priority of the Strategy.

The current situation is critical. No developed country can do without strategic hazardous waste management facilities; export is an expensive, short term option unaffordable to many hazardous waste generators. In reality most hazardous waste in Serbia today is either being

dumped or stored under poor conditions impacting human health. There is a clear impact upon the environment with impact on the atmosphere and major impact upon groundwater and river water quality.

There are improvements underway with respect to the management of municipal waste, with moves towards EU standard sanitary landfills. It is anticipated that, if these new landfills are operated to EU standards, hazardous industrial waste will be excluded, further restricting industrial disposal options. This may cause a significant increase in uncontrolled dumping of hazardous waste, resulting in increased environmental and health impact.

Membership of the EU requires that EU legislation is not only transposed but also enforced. The various waste directives need to be implemented if Serbia is to accede to the EU. Lack of visible progress in this regard may be seen as a barrier to accession.

This proposed project will help address the current problems in the waste management sector in Serbia through the provision of technical assistance to: a) produce a Feasibility Study for a national HWT Facility; b) complete HWT facility planning process; and c) prepare HWT Facility tender and FIDIC contract(s) documentation.

A recent attempt to plan and construct a facility was vehemently opposed in Serbia due perhaps to a lack of appreciation of the need to carefully manage public expectations and issues of transparency and good planning. A better and more widespread appreciation of the extent and severity of the problem by the wider public is therefore urgently needed, and the public perception of the risk associated with new facilities must also be brought into line with actual risk. This requires government to be open and honest about the pollution caused by hazardous waste, and a high-profile media campaign.

At Serbia's current stage of development, industrial and economical, it is likely that only one integrated hazardous waste management facility will be viable, meaning just one location. Political support for site selection is essential. It must be supported by all parties at national, regional and local levels. Without such cohesive support, site selection will continue to be a problem. A consultative mechanism should ideally be designed that can avoid political exploitation of people's fears by engaging all parties in the process.

The main needs/problems to be considered within this project are:

- Poor hazardous waste management system in Serbia;
- Limited planning capacity in relation to hazardous waste; and
- Lack of central Hazardous Waste treatment facility.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

This project will prepare the way for the first hazardous waste treatment facility in Serbia which will ultimately result in a cleaner and safer environment. Hazardous will be collected, treated and disposed of according to EU best practice which should help reduce pollution of air and groundwater. Proposals for the management of the new facility will be made by the TA team and could be one of a number of options including e.g. a partnership between an international company and a Serbian institution.

The success of the project lies in the planning stage (location analysis, EIA, site surveys – including ecological, geotechnical and hydrologic site investigations -, permits and building consents). Once planning has been completed construction may commence. The operation options for the facility will be agreed in cooperation with the TA team. One of the options could be that the operation is initially carried out by the contractor (who would also train the future Serbian operators). Operation of the plant could then be handed over to the Serbian authorities / operators two years after the successful commissioning of the facility thus

securing the institutional sustainability of the facility. It should be noted that this is simply an example operational structure and that a final decision will be reached during the TA phase.

Financial sustainability will depend upon the operating model for the facility and the continued generation of hazardous waste streams (and this depends in part on the successful operation of the Environmental Inspectorate). It may be envisaged that existing stock piles of hazardous waste will provide a steady initial stream of material for treatment and disposal. It is essential that the feasibility study determines the volume of stock piles and the likely future generation of hazardous waste and that it produces different scenarios for future waste generation. This in turn will help determine the operational capacity of the facility. This must be assessed during the feasibility study.

The successful construction of the facility will reduce the export of hazardous waste, and may reduce its transit, as waste producers begin to use the facility. However, the presence of a new facility in the region may stimulate the import of such waste from across the region. This must also be assessed during the feasibility study.

3.3 Results and measurable indicators

Result 1 Adoption of Feasibility Study for national HWT Facility

The measurable output indicator: Competent Feasibility Study approved by MESP and EC Delegation within 6 months of project start-up.

Result 2 Completion of planning process (site selection, all permits / documentation)

The measurable output indicators are: preliminary EIA approved by MESP and ECD Timely delivery of required permits etc for HWM facility.

Result 3 Successful preparation and contracting of HWM Facility tender and contract(s) (FIDIC)

Measurable output indicators are appropriate FIDIC contract(s) awarded to best value bidder(s).

Result 4 Increase capacity of MESP and selected stakeholders through training

Measurable output indicators are an increase in technical knowledge and management capacity of MESP and stakeholders

3.4 Activities

1. Activities to Produce the Feasibility Study for national HWM Facility⁶

1.1. Literature review (in particular the 2004 HW study)

1.2. Produce HWM FS including, but not restricted to:

1.2.1. waste flow determination,

1.2.2. site & transport options,

1.2.3. treatment options & standards,

1.2.4. plant design options, construction plan,

1.2.5. tariff setting and break-even analysis,

1.2.6. operator issues, institutional set-up,

1.2.7. CBA, preliminary EIA, and site surveys – including ecological, geotechnical and hydrologic site investigations, sampling & analysis⁷).

1.2.8. Various technical options will be investigated and the preferred technical option selected.

1.3. Produce the Preliminary Design (along with technical drawings, bill of quantities, etc.)

⁶ The new study should be based upon the based on the revision of the document developed in 2004: “Feasibility study for hazardous waste including medical waste management“)

⁷ The determinants should be based on best international practice and agreed with MESP and ECD in advance.

- 1.4. Produce the Preliminary Environmental Impact Assessment Study (EIAS)
- 1.5. Ensure MESP & ECD approval / amendment
2. Complete planning process
 - 2.1. Finalise site selection, ensuring all necessary permits and approvals issued
3. Prepare HWM Facility FIDIC tender and contract(s) documents
 - 3.1. Agree most appropriate form of FIDIC contract(s) with MESP / ECD
 - 3.2. Prepare tender package(s) (including design and other documents as appropriate)
 - 3.3. Support tendering process (site visits, clarification, evaluation, negotiation)
4. Training
 - 4.1. Training needs assessment
 - 4.2. Delivery of training programme

Please note that the final detailed design and the full environmental impact assessment study will be prepared by the works contractor⁸.

Contracting arrangements

All these activities will be performed through a single service contract.

3.5 Conditionality and sequencing:

The ECD has stipulated a number of preconditions or prerequisites⁹ that must be met before this project may commence. These concern the possible site of the HWM facility:

- Successful completion of handover of the proposed site from the Ministry of Defence (MoD) to the Ministry of Environment and Spatial Planning (MESP).
- MESP confirms site location is available for the hazardous waste treatment facility;
- MoD provides due diligence documents providing environmental, hydro-geological surveys and survey maps of the location;
- MoD confirms that the site is without radioactive radiation (Report from “nuclear sciences institute - Vinca”, 2007) and is not contaminated (field survey to be performed by MoD), nor contains any underground storage areas¹⁰ that would prevent the proposed use of the site as hazardous waste treatment facility;
- After the location becomes MESP property, the Serbian Mine Action Centre will confirm that the site location is free from unexploded ordnance (UXO)
- Confirmation that funding is available for building the supporting infrastructure for the facility (confirmation letters from the relevant Ministries / authorities).

MESP will ensure these actions are carried out and that all these prerequisites are met in due time such that the construction of the facility may be part of the 2010 IPA programme.

Sequencing

There is a single contract in this project. However, the phases within this project need to be completed in sequence. For example, the feasibility study needs data on hazardous waste streams in the country in order to design a suitable treatment facility; also baseline environmental data are required. This data will take time to gather and may delay preparation of the EIA.

⁸ Funding for the construction of facility is yet to be agreed but may come from national sources, future IPA programme(s), and IFIs.

⁹ Some of these prerequisites need further definition. These must be agreed between the beneficiary (MESP) and the ECD.

¹⁰ This is a particularly difficult issue to resolve as there are technical solutions to most geotechnical and chemical / physical issues; however, the cost of any solution to any contamination or removal of underground storage areas may be prohibitive.

3.6 Linked activities

A CARDS 2003 project¹¹ financed the preparation of the “Feasibility Study for Management of Hazardous and Medical Wastes”. This study evaluated the construction of a facility for physical/chemical treatment of hazardous waste and the accompanying landfill for solidified treatment residues. Unfortunately, as mentioned above, the conditions for realization of the project were not in place and the funds had to be re-allocated.

Two CARDS 2004¹² projects improved infectious healthcare waste management in 35 healthcare facilities by completing the system for the collection, storage, treatment and disposal of infectious healthcare waste by providing equipment. The second project provided Technical Assistance.

The IPA Twinning 2008 project “Hazardous waste management” will provide the baseline for further hazardous waste activities by implementing legislation and strategic documents and enhancing the capacity and awareness of all stakeholders.

3.7 Lessons learned

The CARDS hazardous waste facility project failed due mainly to poor management of public awareness and resulting negative reactions from the municipalities originally interested in participating in the project. It demonstrated that more fundamental issues need to be addressed before such a facility can be constructed hence the emphasis on public awareness in the IPA 2008 Hazardous Waste Twinning project.

The lack of universal approval for a suitable location for the hazardous waste facility meant that funds earmarked for the construction of the facility were reallocated.

It has been suggested that the negative public attitude was a result of misinformation about the operation and safety of a modern hazardous waste management facility; this was compounded by a lack of awareness of the dangers of not having such a facility, and of the fear of poor practice or potential mismanagement of the facility. The strategic and legal framework for hazardous waste management needs to be established, that will ensure the effective implementation of the regulations and provide a clear and visible communication strategy addressing the key issues for both stakeholders and the public.

MESP has recognised these problems and acknowledges the need for constructing adequate capacities for treatment and disposal; therefore, they are concentrating on developing the necessary infrastructure. They are also involved in policy development, which will be enshrined in legislation followed by implementation and by raising public awareness. This public awareness will make people aware of the threats from inadequate handling of hazardous waste, as well as the need for its safe treatment and disposal in compliance with EU practice in a modern facility. MESP is committed to a transparent and visible process of all the activities in all stages; this will enable the promotion of this urgent problem in the society and overcome previous problems by addressing to all relevant stakeholders.

¹¹ Hazardous Waste feasibility Study contracted in August 2003 and led by SOFRECO.

¹² Hazardous Medical Waste Management Project, CARDS 2003, contracted in May 2007 and led by Carl Bro.

4. Indicative Budget (amounts in EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Service contract	x		3,000,000	3,000,000	100%							
TOTAL IB			3,000,000	3,000,000	100%							
TOTAL INV												
TOTAL PROJECT			3,000,000	3,000,000	100%							

5. Indicative Implementation Schedule

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	T + 1 Q	T + 3Q	T + 13 Q

6. Cross cutting issues

Investments in environmental facilities have a direct impact on poverty reduction. Indirectly, such activities have also contributed to the employment of a number of semi qualified and unqualified.

6.1 Equal Opportunity

This project does not target women specifically, but the general improvement in waste management will be beneficial to all citizens, including women.

6.2 Environment

This project directly relates to environmental issues and strengthening the provision of waste management in Serbia, thus protecting the environment.

6.3 Minorities

All minorities and vulnerable groups will benefit from this project, as it impact will help ensure a clean and safe environment. Vulnerable groups tend to suffer disproportionately from environmental degradation, and will thus benefit directly from their improvement.

ANNEX I: LOGICAL FRAMEWORK MATRIX

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number	
Technical assistance for Hazardous Waste Treatment Facility		Contracting period expires 2 years after signing of financing agreement	Disbursement period expires 5 years after signing of financing agreement
		Total budget : 3,000,000 €	IPA budget: 3,000,000 €
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
To improve quality of natural environment and health of population through improved waste management	Positive assessment on developments related to the treatment of the hazardous waste	EC Annual Progress Report	
PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions
To provide technical assistance for the analysis, planning, preparation for the future construction of a national Hazardous Waste Treatment Facility in Serbia ¹³ .	<ul style="list-style-type: none"> • Outcome indicator: MESP and ECD approval of project outputs • Impact indicator: Construction of national HWM Facility within time, budget and FIDIC conditions 	<ul style="list-style-type: none"> • MESP reports • EC Delegation review • TA Contractor reports 	Political and public will to deal with hazardous waste issues

¹³ This project is part of multi-phased project that will result in a hazardous waste treatment facility being built in Serbia. The budget for this total project is approximately EUR 15m (EUR 1.5m for TA – IPA 2009, and EUR 13.5m for works - IPA 2010).

RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>1. Adoption of Feasibility Study for national HWM Facility</p> <p>2. Completion of planning process (site selection, all permits / documentation)</p> <p>3. Successful preparation and contracting of HWT Facility contract(s) (FIDIC)</p> <p>4. Increase capacity of MESP and selected stakeholders through training</p>	<ul style="list-style-type: none"> • Output indicator: Competent Feasibility Study approved by MESP and EC Delegation within 6 months of project start-up • Output indicator: EIA approved by MESP and ECD • Output indicator: Timely delivery of required permits etc for HWT facility • Output indicator: Appropriate FIDIC contract(s) awarded to best value bidder(s) • Output indicator: Measurable increase in technical knowledge and management capacity of MESP and stakeholders 	<ul style="list-style-type: none"> • MESP reports • EC Delegation review • MESP reports • EC Delegation review • Evaluation report • EC Delegation review • MESP reports • Training reports • TA Contractor reports 	<ul style="list-style-type: none"> • MESP willing to make fully engage in HWM process • Quality of TA team • Well management planning and construction process

Activities	Means&Costs	Assumptions
<p>1.1. Literature review (in particular the 2004 HW study)</p> <p>1.2. Produce HWM FS (including but not limited to: waste flow determination, site & transport options, treatment options and standards, plant design options, construction plan, tariff setting and break-even analysis, operator issues, institutional set-up, CBA, preliminary EIA, site surveys – including ecological, geotechnical and hydrologic site investigations sampling & analysis)</p> <p>1.3. Ensure MESP & ECD approval / amendment</p> <p>2. Finalise site selection, ensuring all necessary permits and approvals issued</p> <p>3.1. Agree most appropriate form of FIDIC contract(s) with MESP / ECD</p> <p>3.2. Prepare tender package(s) (including design and other documents as appropriate)</p> <p>3.3. Support tendering process (site visits, clarification, evaluation, negotiation)</p> <p>4.1 Training needs assessment</p> <p>4.2 Delivery of training programme</p>	<p>Service contract</p> <p>EUR 3 Million</p>	<ul style="list-style-type: none"> • Full cooperation of MESP and all other stakeholders

**ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project
(IPA CONTRIBUTION ONLY)**

Contracted	N+2Q	N+3Q	N+4Q	N+5Q	N+6Q	N+7Q	N+8Q	N+9Q	N+10Q	N+11Q	N+12Q	N+13Q	Total
Contract 1		3.00											3.00
Cumulated		3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Disbursed													Total
Contract		0.60	0.42		0.42		0.42		0.42		0.42	0.30	3.00
Cumulated		0.60	1.02	1.02	1.44	1.44	1.86	1.86	2.28	2.28	2.70	3.00	3.00

ANNEX III: INSTITUTIONAL FRAMEWORK

The Serbian Ministry of Environment and Spatial Planning is the main authority for monitoring, implementation and enforcement of the environmental laws in Serbia. MEPSP has the main competence for control, implementation and enforcement of the hazardous waste laws and deals mainly with issuance of waste management criteria approvals and permits for the use or release of waste.

Stakeholder Analysis

The Key Stakeholders are:

- Ministry of Environment and Spatial Planning
- Serbian Environmental Protection Agency (SEPA)
- Ministry of Defence
- Municipality of Cuprija and other appropriate municipalities
- Ministry of Infrastructure
- Ministry of Finance
- Ministry of Agriculture, Forestry and Water Management
- Ministry of Health

Interested partners

- The Standing Conference of Towns and Municipalities (Committee on Communal Services and Housing) - NGO
- The Chamber of Commerce of Serbia (Committee on Environmental Protection and Sustainable Development)
- Secretariat for Environmental Protection of the Autonomous Province of Vojvodina
- Hydro-meteorological Institute, Environmental Protection Agency, Statistical Office, Health Institute, Soil Institute, Institute for nature protection,
- Local self-governments
- Generators (Industry e.g. Cementers, Thermo Power Plants, Regional health institution, etc.)

The Law on Ministries forms ministries and special organizations and defines their responsibilities («Official Gazette of RS», No. 65/08). The Law on Ministries prescribes the Ministry of Environment and Spatial Planning as responsible for hazardous waste management. Certain issues concerning hazardous substances are in jurisdiction of other ministries, namely:

- Ministry of Agriculture, Forestry and Water Management - Directorate for Plant Protection is responsible for plant protecting and nutrition agents (pesticides and fertilizers);
- Ministry of Health is responsible for enforcement of the Law on Health Safety of Food and Consumption Goods (cleaning agents and cosmetic products) and Law on substances used in prohibited production of narcotic drugs and psychotropic substances;
- Ministry of Interior is in charge of enforcement of the Law on explosive substances, flammable liquids and gases and Law on trade in explosive substances;
- Ministry of Labour and Social Policy - Directorate for Occupational Safety and Medicine is responsible for enforcement of the Law on occupational safety and medicine, and therefore of implementation of measures concerning hazardous waste at work.

There are three ministries responsible for enforcement of the Law on Transport of Dangerous Goods: Ministry of Infrastructure, Ministry of Interior and Ministry of Environmental Protection.

The Ministry of Environment and Spatial Planning, Department for Waste Management is in charge of waste management. Department for project management will provide coordination of project.

Other ministries involved in the management of waste include the following:

- Ministry of Agriculture, Forestry and Water Management
- Ministry of Public Administration and Local Self-Government
- Ministry of Health
- Ministry of Infrastructure
- Ministry of Energy and Mining
- Ministry of Finance

ANNEX IV: REFERENCE TO LAWS, REGULATIONS AND STRATEGIC DOCUMENTS

SAA Article 113 “The Parties shall develop and strengthen their cooperation in the environmental field with the vital task of halting further degradation and start improving the environmental situation with the aim of sustainable development.

The parties shall, in particular, establish cooperation with the aim of strengthening administrative structures and procedures to ensure strategic planning of environment issues and coordination between relevant actors and shall focus on the alignment of Serbia’s legislation to the Community Acquis. Cooperation could also centre on the development of strategies to significantly reduce local, regional and trans-boundary air and water pollution, to establish a framework for efficient, clean, sustainable and renewable production and consumption of energy, and to execute environmental impact assessment and strategic environmental assessment.”

Reference to MIPD 2009-2011

Section 2.3.1.3 **Environment:** Support to the approximation and implementation of Environmental legislation and related strategies; support to environmental authorities at all levels in terms of project preparation, management, planning, permitting, inspecting, and monitoring; support to local infrastructure investments including environmental information systems, solid waste, regional land fields, water and sewage. Support for participating in Environmental networks including the European Environmental Agency.

In terms of compliance with European Directives in the waste management sector the following are in preparation:

- By the end of 2009, pursuant to the Law on Waste Management, adoption of executive regulations in full compliance with: Directive 2006/12/EC; Directive 91/689/EEC (amended Directive 94/31); Commission Decision 2000/532/EC; Directive 67/548/EEC (amended 2006/121/EC); Directive 99/31/EC; Directive 2000/76/EC; the Basel Convention Technical Guidelines on landfills; Directive 75/439/EEC; Directive 2002/95/EC; Directive 2002/96/EC; Directive 2000/53/EC; Directive 91/692/EEC; and Regulation 2006/1013/EC.
- By the end of 2009, pursuant to Packaging and Packaging Waste Law, adoption of executive regulations in full compliance with Directive 94/62/EC (amended Directive 2004/12/EC) - except in the part which regulates packaging waste types for certain chemicals, to which cash refund of the deposit shall be applied; Directive 2006/12/EC; Commission Decision 2001/171/EC; Commission Decision 1999/177/EC, Commission Decision 97/129/EC.
- By the end of 2009 adoption of executive regulations (pursuant to the Law on Waste Management and Packaging and Packaging Waste Law) in full compliance with the EU reporting regulations: Directive 94/62/EC, Commission Decision 2005/270/EC, Commission Decision 97/622/EC.
- Harmonization of the current reporting method on flow of special waste with the requirements of Directive 91/692/EEC, Commission Decision 97/622/EC and Commission Decision 2005/270/EC.

Reference to national / sectoral investment plans

National Waste Management Strategy, adopted in 2003

Middle – term priorities:

- The Government of the Republic of Serbia shall pass the national waste management plans (for example: National Plan for Biodegradable Waste Reduction), in compliance with Directive 2006/12/EC on Waste and Directive 99/31/EC on the Landfill of Waste;
- By the end of 2012, pursuant to the Law on Waste Management executive regulations shall be adopted in full compliance with: Directive 96/59/EC; Basel Convention Technical Guidelines; Directive 87/217/EEC; Directive 2002/95/EC and Directive 2002/96/EC; Directive 78/176/EEC; Directive 82/883/EEC; Directive 92/112/EEC; Directive 86/278/EEC (amended Directive 91/692/EEC and Regulation 807/2003/EC) harmonized with Regulation 850/2004/EC and provisions of the Stockholm Convention;
- Pursuant to Packaging and Packaging Waste Law executive regulation shall be adopted, which determines packaging types for certain chemicals, to which to which cash refund of the deposit shall be applied, in full compliance with Directive 94/62/EC .n Packaging and Packaging Waste;
- The Law on Amendments and Supplements to the Law on Mining in full compliance with Directive 2006/21/EC.
- The Ministry shall develop plans for implementation of certain Directives in the waste management field where big investments are necessary (Landfill Directive, Waste Electrical and Electronic Equipment Directive, Directive on Packaging Waste, Directive on the Incineration of Waste).

Ownership of assets (current and after project completion)

The ownership of the land and assets will remain with the Ministry throughout the duration of the project, with a short-term concession for the design, construction and operation of the facility.

ANNEX V: DETAILS PER EU-FUNDED CONTRACT

Hazardous Waste Facility Location and Planning

MESP's provisional research implies that only one integrated hazardous waste management facility is economically viable. The Government gives this a high priority and by a Government Decision of 25 December 2008, MESP was asked to identify a suitable location for the facility.

MESP with the Ministry of Defence start up the procedure for transferring a potential site near Ćuprija to MESP. MESP is going through the preliminary site examination process. Clearly, this site is simply an option at this stage and a more appropriate site may be chosen as a result of the current project.

One of the benefits of acquiring a potential site from the Ministry of Defence is that the land would be owned by MESP and therefore, the necessary permit procedures could be expedited, whilst fully respecting all procedures and the need for transparency. MESP has already begun to prepare information for a public and wider consultation process.

This current project will directly assist MESP in preparing for the facility by reviewing and updating a previous feasibility study (prepared in 2004¹⁴). The project will elaborate a preliminary project schedule and operational plan with an economic and financial analysis arising from the options generated in an Environmental Impact Assessment (EIA); this will lead on to an assessment of the economic costs and benefits. It will also prepare tender documentation according to FIDIC, along with applications for preliminary permits associated with the construction of the facility, which is a candidate for funding from IPA 2010. In addition to updating the first study, it will reflect on the present situation, particularly in terms of likely waste streams.

It is necessary to conduct a preliminary environmental assessment¹⁵ (EA), which will take into account the "due diligence" process carried out when the potential site was transferred from the MoD to MESP. Further, it is likely that the site will contain contaminated land; but it is not yet known the extent or the severity of any such contamination. This must be clarified at an early date so that the scope of the environmental assessment can be made prior to the preparation of the ToR for this project.

A full environmental impact assessment (EIA) is required by Serbian law and it may be necessary to conduct a Strategic Environmental Assessment (SEA); this will be decided once the social, economic and financial analyses of the various technical options have been carried out and the preferred technical option selected.

It will be necessary to complete ecological, hydro- and geo-technical surveys for the location. However, the location for the proposed facility must be able to accommodate ancillary infrastructure as well as the waste management facilities. The entire infrastructure could, for example, include:

- Relevant road infrastructure connecting to the motorway, yet to be precisely defined,
- Connection to the utilities (water, electricity, sewerage etc), and
- Large enough area to house the HWM facility

¹⁴ CARDS 2003 project, "Feasibility study for hazardous waste, including medical waste management"

¹⁵ This preliminary environmental assessment will provide the necessary baseline data and information for the full EIA, should such information not be available to MESP.