

CAPACITIES OF LOCAL SELF GOVERNMENTS IN SERBIA FOR ENVIRONMENTAL PROTECTION DEVELOPMENT – CASE STUDY

mr Nedeljko Ćurić

^{1S}Standing Conference of Towns and Municipalities, Belgrade

e-mail: nedeljko.curic@skgo.org

Abstract: In the past more than decade the process of strategic planning and programming was embedded into the public administration procedures at all levels, from national to local. From the other side, it is strong need for procedure and national legislative *harmonization* with EU Directives on strategic, but also on project level in the area of environmental protection (with time and resources consuming investments). In this paper the capacity of LSGs in the sample of 20 programme budgeting for 2015.analysis, conjunction with of planned project of environment protection with the identified projects in action plans of local strategic documents will be presented, with recommendations for improvement.

Key words: programme budgeting, project, strategic planning

INTRODUCTION

The chapter 27 – Environmental Protection is one of the most complex negotiation chapter in EU accession because of high implementation costs, complex institutional framework and administrative capacities at all level improvement necessity

The main principles of environmental protection investment managing are:

- Concentration of resources on the most expensive sectors,
- EU requirements fulfilment on the lowest price,
- Public funds allocation to the public infrastructure with high priority
- Cooperation toward cost reduction
- Phase approach during the implementation,
- IPA II funds reallocation on the priority infrastructure needs (70% on water and 30% on communal solid waste)
- Long term planning in order to improve investment cycle,
- Active participation in project preparation

The approximate costs

Sector	Investment costs (million €)
Drinkable water / National approximation strategy in the environmental protection	2.000
Waste Water Treatment / draft of the plan for water protection	4.962
Communal Solid Waste / specific implementation plan for Directive of landfill	918
Total investment costs	7,880

The main activities related to cost approximation are:

- The Draft of the Strategy of water management on the territory of the Republic of Serbia and Water Pollution protection Plan which identifies agglomerations and gives precise implementation costs in the Water area,
- The development of the Specific Implementation Plan for Directive of landfills
- The development of other sectors' documents is in progress, and supposed to be adopted by the end of 2015

The goals of national strategies of the sectors: Communal Solid Waste, Waste Water and Remediation are:

- To construct Regional centres for solid waste management in accordance to the Directive for landfills 99/31/EU and relevant Serbian legislative,
- To expand percentage of households connected to the public sewerage network to 65% of inhabitants until 2019.
- To ensure communal waste water treatment (in the settlements where organized water supply and significant influence on the recipients exist as well as water quality in sensitive areas)
- To ensure revitalization and normal operation of the existing waste water treatment plants in the settlements,
- Existing dumps with the highest risk on the environment pollution, sanitation and location of “black points” with historical pollution with hazardous waste.

The preparation of planning and project documentation – experiences, so far:

- Lack of prepared project documentation is one of the main obstacle for IPA funds absorption
- It is need to strength of the capacities and awareness at all levels institutions for project documentation
- Project documentation has to be prepared in accordance to Serbian legislative as well IPA funds

MATERIAL AND METHODS

Assessment of 20 local programme budgets¹ for 2015

Assessment of 20 local programme budgets for 2015 on the basis of parameters identified and data collected was performed in SCTM in the period March-July. The overall objective of was: to assess compliance between selected Local Self Governments / LSGs’ local budgets targeted and Methodology of Program Budgeting Implementation issued by Ministry of Finance in February 2014 in terms of usage of defined list of programmes and programme activities.

Within the scope of support provided to LSGs in programme budgeting and strategic planning, SCTM fulfilled following activities during 2015 with objective of improving programme budgeting (PB) process for 2016 and strategic planning:

1. Screening of the implementation of strategic planning process in 20 selected LSGs based on the evidence of implementation of strategic documents with regards to budget spending for the relevant timeline (March 2015);
2. Screening of the implementation of programme budgeting with regards to the compliance with the proposed PB structures, objectives and indicators for 20 targeted LSGs (March 2015) ;
3. Assessment and revision of SCTM recommended PB programme/programme activities’ goals and indicators and provision of recommendation for their improvement (July/April 2015);
4. Field work with LSGs on enforcement of PB and SP -

SLAP information system

SLAP Information System is a database, structured collection and pre-evaluation/scoring tool of municipal infrastructure projects, It allows the municipalities to present their infrastructure priorities by registering projects within a strategic framework set by relevant line ministries. The database can be accessed online and has been managed by the Standing Conference of Towns and Municipalities (<http://www.slap.skgo.org>) since 2008 and financially supported by European Union.

¹ The programme budgets system was implemented for the first time for the budget for 2015 of all levels: national, provincial and local. SCTM was appointed by the Ministry for Finance of the Republic of Serbia for technical support LSGs in programme budgeting, especially in programmes’ programme activities’ unique goals and indicators determination. More at: <http://www.skgo.org/reports/details/1542>

The main purpose of SLAP is to facilitate identification and prioritization of municipal and intermunicipal infrastructure projects in a transparent and efficient manner and in line with the national strategic framework. Main features of the information system include:

- Continuous and sustainable system of presenting municipal infrastructure projects;
- Top-down approach: central level sets up policy and criteria for selecting priorities;
- Bottom-up approach: LSGs identify and present the priorities;
- Sector based approach: relevance of sector strategies and support to their implementation;
- Flexibility: available online, reporting, grading. Possibility to extend to monitoring and implementation in the future;
- Transparency: evaluation of projects using objective criteria, based primarily on relevance and quality, while taking project maturity into account.

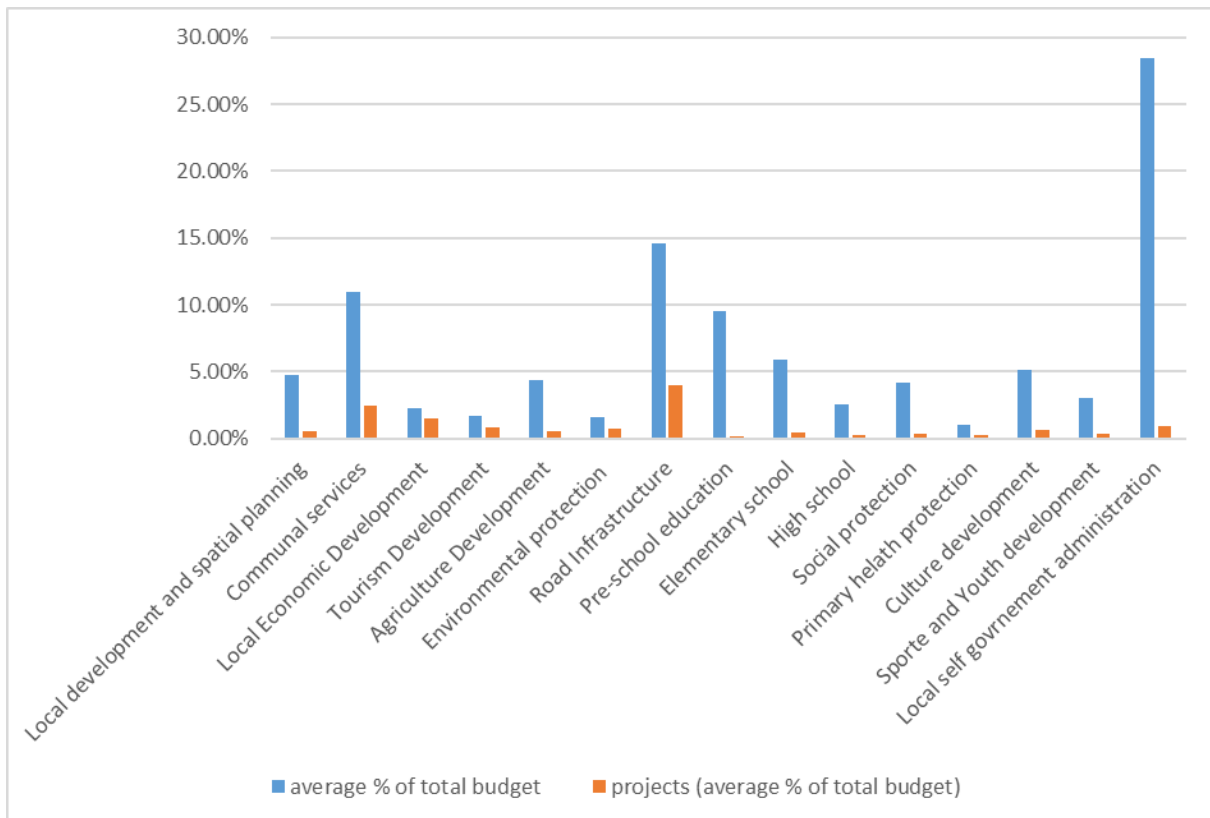
Table 2 the status of project submitted to SLAP as per October 2015²

Sector	Number of projects	Investment (mill €)
Communal solid waste	18	251,15
Waste water	29	727,31
Water supply	8	174,38
Tourism	9	56,81
Industrial zones, including technological parks	17	95,49
Energy – public buildings	3	0,17
TOTAL:	84	1.305,31

RESULTS AND DISCUSSION

Based on the mentioned Analysis the following graph shows average percentage of 20 LSGs' budget relocation in the 15 programmes and average percentage of projects. The following LSGs budget was analysed: the Cities: Zrenjanin, Novi Sad, Vranje, Valjevo, Sremska Mitrovica, Novi Pazar, and the Municipalities: Trgoviste, Koceljeva, Kula, Trstenik, Lucani, Backa Topola, Gornji Milanovac, Ada, Aleksinac, Paracin, Knic, Kovin, Knjazevac, Golubac

² Up to now, 19 projects from SLAP have been selected for financial and technical support by EU. The list of financed projects are on www.misp-serbia.rs. 25 project was selected by Environmental protection fund in October 2011. The average amount of investment of those projects is about 10 million of Euro



The average budget appropriation to the programmes Environmental Protection is relatively small (less than 5% with smaller portion of budget for projects). For the Programme Communal Services average budget appropriation is in the third place, but relatively with small appropriation to the projects. The biggest budget appropriation for projects goes to the Road infrastructure, approximately equal of the sum of portion of Environmental protection and Communal Services. Generally the distribution of the budget to the projects in area of environmental protection at LSGs level, is not sufficient toward requirements of the EU accession and present limited absorption capacity at local level.

Comparing the list of identified projects in programme budgets with projects from action plans of local development strategies the conclusion is: For the projects of the Environmental protection area of the local action plans of the strategic document, in average 4.24% of budget selected LSGs allocate, which is twice bigger then appropriation for the Programme Environmental Protection and approximately the same portion for the Programs: Communal services and Environmental protection together.

According to previous data, the proportion of budget reallocation of the LSGs budgeted to the programs of Environmental protection and Communal Services is not balanced refer to the estimated approximate costs (the most higher costs are related to the sectors: Communal Solid Waste, Waste Water Treatment, and Water Supply and Industrial pollution.

So, the needs for synchronization of local processes of budget and strategic planning at local level and with national level is obvious and urgent.

CONCLUSION

Considering that goals and priorities of the strategy development documents from all levels of governance is achieved by the *projects*, and that 60% of all activities related to environment protection will be realized on the local level and under responsibility of LSGs, it can be concluded that the processes of local strategic, financial planning has to be improved in order to increased it' efficiency and effectiveness. The source of data for local *strategic, capital and programming budgeting* in the

area of environmental protection is the same: the project documentation. Since, the comprehensive data on project documentation is embedded into SLAP data base structure, SCTM will promote it as *unique* data source for the similar planning and programming purpose. By that way, LSGs will be motivated to input and update data on their projects, regularly, which ensure data base for strategic planning at ministry level and IPA 2 programming.

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