

PRESS RELEASE

United Nations Development Programme



Montenegro

Belgrade, October 10th, 2007

Sixth Ministerial Conference “Environment for Europe” Report on Environmental Policy in South-Eastern Europe

At a joint launch with the European Environment Agency (EEA) and the Organization for Economic Co-operation and Development (OECD) held at the Sixth Ministerial Conference “Environment for Europe” in Belgrade, the **Environmental Policy in South-Eastern Europe Report** was presented. **Preparation of this Report was coordinated by the United Nations Development Programme (UNDP) Montenegro.** The presentation was given by **Mr. Garret Tankosić Kelly, UNDP Resident Representative a.i./UN Interagency Focal Point in Montenegro** and, on behalf of countries and territories involved in the Report a brief commentary was given by his guest **Mr. Predrag Nenezić, Minister of Tourism and Environmental Protection of Montenegro.**

The Environmental Policy in South-Eastern Europe Report provides an overview of the progress in the development and implementation of environmental and sustainability policy in South-Eastern Europe (SEE). Since no similar report focusing on the region was prepared for the Kiev Conference in 2003, the Report covers the period from 2000 till today.

This Report is complementary with the Europe’s Environment: The Fourth Assessment Report prepared by the EEA and Policies for a Better Environment - Progress in Eastern Europe, Caucasus and Central Asia (EECCA) Report, prepared by the OECD, as well as with a number of other reports covering SEE. The purpose of the Report is to assist the ministers in the SEE, the EU, donor countries, international organizations and other interested parties in decision-making about their future engagement in the region.

The Report provides a picture of progress achieved in recent years across a broad range of issues in Albania, Bosnia and Herzegovina, Croatia, Kosovo - UN administered territory under UN Security Council Resolution 1244, Former Yugoslav Republic of Macedonia, Montenegro and Serbia.

This document recognizes that after the period of conflicts and instability in the region the countries focused first on post conflict reconstruction and building the institutional infrastructure for democracy and market economy. After this the governments embarked, with donor support, on the process of development of institutions, policies and legal frameworks. Currently the EU perspective is the main political driver for changes in the region. In that context environment sector has been one of the leaders in the overall reform process and in terms of regional cooperation. There has been rapid progress in drafting and adoption of environmental legislation. However, rapid transposition has proven unsustainable as it has created an implementation gap.

It is also implied that the region’s comparative advantage and an important asset for its development is relatively high quality of environment and nature, high quality of cultural and social capital. With

that the SEE countries have an opportunity to make shortcuts in progress towards sustainable development by applying mechanisms tailored to their advantages and by learning from the experience of more developed countries.

Now, when the levels of economic growth are high it seems critical from the Report that countries in the region should, as **Mr. Garret Tankosić Kelly** said “de-link economic recovery and growth from intense use of natural resources and build competitive advantage in Europe beyond low cost labour and resource extraction”. These two will enable the SEE region to develop its own sustainable development model. In this regard, **Minister Predrag Nenezić** emphasized that “the application of the principle of sustainable development on national levels as a precondition for overcoming the unsustainable growth and development and achieving the results which bring most benefits to the whole society are challenges we have to face with.”

“Such approach is very important in the Region of the South-Eastern Europe where after the period of political crisis and instability in 1990s, and the period of reconstruction and stabilization, significant changes occurred,” added **Minister Nenezić**.

The Environmental Policy in South-Eastern Europe Report also indicates that the biggest challenges on this sustainable road are on one hand residues from the past in terms of ecological/industrial hot spots and an energy intensive (old) industry structure. On the other hand future challenges are related to the implementation gap created by the lack of financial and human resources for the implementation of the environmental policies that will ensure sustainable development of the region.

“Transfer to market economy, process of privatization, and strong economic growth, additionally enhanced by strengthening of political stability of the Region, made challenges in the form of intensive use of natural resources, market liberalization, intensive urbanization, growing pressures on the environment,” said **Minister Nenezić**.

Mr. Tankosić Kelly emphasized that “dealing with industrial hot spots, energy intensive, i.e. old industrial structure, and financial and human resources gap in the implementation of environmental policies will be crucial, especially having in mind low environmental expenditures in the region - 0.2 – 0.6 % GDP – and very high estimated EU environmental compliance costs - for example for Croatia they are 6-12 billion”.

UNDP’s environmental portfolio in the SEE region is already 100 million USD. Findings of the Report have only reaffirmed UNDP’s commitment to supporting better integration of the environmental policies in the development agendas of the countries in the region. In that respect the key step is bridging the financial and human resources gap. UNDP will work with governments and international organizations on effective capacity building for implementation of sustainable environmental policies, since that will assist the SEE region in taking advantage of the opportunity of creating its own sustainable development model.

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UNDP in Montenegro promotes sustainable development, which is economically viable, socially inclusive and environmentally friendly.