



Circular Economy Report
Bosnia and Herzegovina
2020

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1. Introduction

Circular Economy in the focus of European Union

The Circular Economy (CE) concept has seen a more in-depth development during 2020. The European Green Deal was announced and presented in December 2019, while in 2020 it was further broadened. The CE concept enables each country to reach higher ecological standards, and decrease negative influence of economic activities of natural resources usage. The CE is in line with the presented European Green Deal.

In each country, climate change and environmental degradation pose an existential threat. The Green Deal considers: no net emissions of greenhouse gases by 2050; economic growth is decoupled from resource use; no person and no place is left behind. The European Green Deal is planned to make the EU's economy sustainable, while climate and environmental challenges become opportunities, making the transition just and inclusive for all.

The European Green Deal is presented through its Action Plan as well considering efficient use of resources by moving to a clean, circular economy, restoring biodiversity and reducing pollution. The EU aims to be climate neutral in 2050, which foresees actions such as: investing in environmentally-friendly technologies; supporting industry to innovate; rolling out cleaner, cheaper and healthier forms of private and public transport; decarbonising the energy sector; ensuring buildings are more energy efficient; and working with international partners to improve global environmental standards.

The EU will provide financial support and technical assistance to help those that are most affected by the move towards the green economy – so-called Just Transition Mechanism. It will help mobilize at least €100 billion over the period 2021-2027 in the most affected regions. The Western Balkans and Turkey regions are included as the most affected. The European Commission will present an economic and investment plan for the Balkans in the autumn, which should accelerate economic growth and create new jobs in the region as part of efforts to recover from the coronavirus pandemic. The amount of 12.6 billion euros provided for the instrument of pre-accession assistance is a very important package from the EC. This should enable the European Commission to present an economic and investment plan for the Balkans in order to strengthen ties in the field of energy, transport, green agenda, as well as the region's inclusion in the EU digital agenda and support reform efforts. The EC points out that the goal is to support long-term economic recovery, to focus on key areas, such as connectivity, especially in transport and energy, green transition and digital transformation. Bosnia and Herzegovina is expected to adopt socio-economic reforms within the 14 priorities set by the EC as a condition for obtaining the status of a candidate for EU membership.

The timeline of the new concept:

19 November 2020 - Offshore-renewable energy

14 October 2020 - Renovation wave; Methane Strategy; Chemicals strategy for sustainability

17 September 2020 - Presentation of the 2030 Climate Target Plan

08 July 2020 - Adoption of the EU strategies for energy system integration and hydrogen to pave the way towards a fully decarbonised, more efficient and interconnected energy sector

20 May 2020 - Presentation of the EU Biodiversity Strategy for 2030 to protect the fragile natural resources on our planet

20 May 2020 - Presentation of the 'Farm to fork strategy' to make food systems more sustainable

11 March 2020 - Proposal of a Circular Economy Action Plan focusing on sustainable resource use

10 March 2020 - Adoption of the European Industrial Strategy, a plan for a future-ready economy

4 March 2020 - Proposal for a European climate law to ensure a climate neutral European Union by 2050; Public consultation (open until 17 June 2020) on the European Climate Pact bringing together regions, local communities, civil society, businesses and schools

14 January 2020 - Presentation of the European Green Deal Investment Plan and the Just Transition Mechanism

11 December 2019 - Presentation of the European Green Deal

France has been advocating for years for the introduction of a tax on carbon dioxide emissions at the external borders of the European Union, and now that idea has been accepted by the European Commission, which intends to include it in its development plan. The European Parliament gave the green light for new tax revenues on 16th of September, 2020. One of the sources of income would be the taxation of products from countries with more lenient environmental legislation, and in that way the EU should get additional money for the fund for the recovery from the pandemic worth 750 billion euros. The long-term goals of the French initiative are twofold - the fight against climate change and the protection of European competition rules.

The concept of circular economy has entered most of the ADRION region, either directly by introducing the concept within the country legislation or indirectly by improving the legal framework on sustainable waste management. Using the approach of the EU Monitoring Framework, the assessment of the current state is grouped under the following aspects of circular economy: (1) production and consumption of waste, (2) municipal waste management, (3) secondary raw materials and (4) competitiveness and innovation.

Status of Circular Economy in Bosnia and Herzegovina

Circular Economy (CE) has been introduced in the recent years in Bosnia and Herzegovina. Since the European Green Deal and Green Agenda for Western Balkan was presented, BiH started to move forward in that direction, because of the pre-accession interest to become an EU member.

The CE is recognized as a model that supports sustainable development, rather than the recycling itself presented in the last decades. In Bosnia and Herzegovina, the concept became "more alive" after being presented by LIR through ENV.net project, and by various experts previously dealing with waste management issues.

Environmental experts, waste management experts, socially responsible companies recognized this model and started to promote it more widely, and considered it for the improvement of their work and their positioning in national and international economy.

Following the publication of the European Green Deal, which underlines the need for the Western Balkans to engage in the decarbonisation pathway, the Secretariat and Berlin-based Agora Energiewende proposed a set of specific measures and proposed the development of a national energy transition roadmap, which includes:

- Introduction of carbon pricing and regionally coordinated price of CO2 emissions, compatible with the EU ETS;
- Plans to set concrete dates for phasing out coal-fired power generation in line with commitments under the Energy Community Treaty and the Paris Agreement;
- Regulatory, administrative and financing frameworks to enable a massive and rapid scaling of renewable energy sources and energy efficiency measures; and
- Cooperation to make the best use of the highly interconnected transmission infrastructure within the Western Balkans and with the EU and tap the potential for creating one integrated power market in the region.

The document underlines the unique opportunity to take advantage of the political momentum of the European Green Deal and final negotiations on the EU's budget to link concrete commitments by WB6 leaders with concrete pledges of the EU and some EU Member States to offer financial, administrative or technical support for a just transition. The Green Agenda for Western Balkans was developed and presented. LIR Evolution is part of the ENV.net and SEE networks, through which proposed actions and recommendations for the document "Joint civil society statement in the wake of the Sofia Summit" were prepared and submitted to the Heads of WB governments and to the EU Commissioners in charge of the Green Agenda for WB.

For centuries, the world economy has been based on a production that has led it to consume and exploit resources. For decades, leading economic experts have been discussing new models by raising awareness of the importance of resources and their reuse in production processes. This is the basis of the circular economy model, with experts defining it as an economy that changes the way of production.

The importance of this model is evidenced by the fact that the European Commission adopted an Action Plan for Circular Economy at the beginning of the year 2020, which further emphasized the development opportunities provided by this model.

Project partners of ENV.net project met in Tirana on 5- 6th March, 2020 to present in a CE Conference the developments made in the sector of circular economy in each country: Albania, Bosnia and Herzegovina, Montenegro, Serbia, North Macedonia and Turkey. On the first day of the regional CE Conference, supporting partners from Italy and Belgium held their presentations as well. During the second day two visits were organised in entities that represented best practice examples in Tirana, Albania. The site visits were held at Albkalyian producing essential oil, and UKA farm. Both best practice examples presented their work as waste free businesses, which is in line with CE practice.

The project partner EEB organized an online event entitled "New momentum for the environmental agenda in the Western Balkans & Turkey" in October, 2020, following the European Green Deal, and the presentation of the EU Green Agenda for the Balkans. Environment and climate are top political priorities within the EU, and are also seeing increased attention in the external dimension, in particular in the EU's work with the candidate countries in the Western Balkans and Turkey and in its partnerships such as the Eastern Partnership. The increased attention on environment comes with new opportunities to push for better environmental protection, stronger environmental governance and improved environmental justice. The online conference thematically covered discussions on new opportunities to work for the environment in the Western Balkans and Turkey, opportunities as environmental CSOs. Since 2012 upon the establishment of the ENV.net as a regional network of environmental CSOs in the Western Balkans and Turkey, all these project actions showed that the network has become a leading pan-regional actor when it comes to the impact on the development of environmental laws and policies in the region and the alignment with the EU environmental *acquis*.

2. Monitoring progress

Bosnia and Herzegovina political structure consists of two entities and one district area. The state and entities have their own laws, policies and procedures, while Brčko District is following the legislation from Republika Srpska.

Bosnia and Herzegovina is in the pre-accession phase of the process of becoming an EU member. In the existing environmental laws, policies and regulations in both entities and on the state level, the term “Circular Economy” is still not incorporated as a self-standing term.

, The European Commission presented its Plan for Bosnia and Herzegovina, and the whole Western Balkans and Turkey areas. On 7th of October, 2020, the European Commission adopted a comprehensive Plan for the Western Balkans with the aim of fostering the region's long-term economic recovery, supporting green and digital transition, and supporting regional integration and convergence with the European Union. The main goal of the Economic and Investment Plan is to encourage the long-term economic recovery of the region and regional economic integration, and it is forecasted that the total IPA budget for 2021-2027 will be 9 billion euros. It will support the green and digital transition in the Western Balkans, the implementation of the reforms needed to make progress on the EU path and bring the region closer to the EU single market. All this should lead to sustainable economic growth and job creation. This plan is even more necessary now, due to the huge negative consequences of COVID-19 on the economies of the Western Balkans, which have lagged behind in terms of economic convergence with the EU, and face challenges due to weak competitiveness, high unemployment and structural weaknesses.

The plan identifies ten flagship investment initiatives in key areas of economic development, such as sustainable transport and energy connectivity, green and digital transformation, strengthening private sector competitiveness and supporting health, education and social protection, including the Youth Guarantee Fund for Youth Employment Opportunities. In the context of the green and digital transition, the Commission will analyse the costs, benefits and impact of these flagship investment projects and their accompanying project proposals with a view to active and meaningful progress. Ten leading initiatives are: Connecting East and West, Connecting North and South, Connecting coastal regions, Renewable energy sources, Coal transition, Renovation, Waste and Wastewater management, Digital infrastructure, Investments in the competitive private sector, and the Guarantee Fund for Youth.

The Energy Community Secretariat has announced the launch of a Platform Initiative to support the clean energy transition in coal regions in the Western Balkans and Ukraine through knowledge exchange, technical assistance, and financial assistance. The Platform Initiative will be led by the World Bank and implemented under the political leadership of the European Commission, according to the Energy Community's website. Apart from the Energy Community Secretariat and the World Bank, other implementing institutions are the European Bank for Reconstruction and Development (EBRD), the College of Europe (Natolin College), and the Government of Poland.

Having these achievements and instructions from the EU and the EC, BiH should work in line with the Green Agenda for WB. The major issue is related to coal transitions. Investment and loan taken for Block 7 of Tuzla's thermo-power plant will bring bankruptcy to Elektroprivreda BiH. The European Union adopted the new Green Deal with clear guidelines and plans of the EU, which means the decarbonisation of all sectors, especially energy, and no later than 2050. It means de-carbonization until 2035 or 2040, with deadlines being moved because funds are being adopted to speed up the process. A Chinese company made an investment in the thermo-power plant, but it will be paid by BiH citizens since they are the guarantee factor. Coal prices that have been calculated as cost-effective are unrealistic, and the price of electricity calculated in the project is also unrealistic, and the basic thing that has not been taken into account is the price of CO2 emissions that will inevitably be charged when Block 7 is put in operation.

Therefore, the profitability of Block 7 will be in question, and the repayment of the loan and the survival of Elektroprivreda, which will face bankruptcy, will also be in question. There are analyses of Elektroprivreda that were presented and adopted by the Supervisory Board last year, where the information that Elektroprivreda will go bankrupt if it starts with that is clearly stated.

Legislation

The changes in Law remained the same as in 2019. There is no specific term “circular economy” in entities and district laws and policies. In Republika Srpska, it is mentioned in the amendment of the Law on waste management of Republika Srpska (July 2019) – as the EU Directive 2008/98/EZ on waste was amended in 2018. The competent Ministry incorporated new terms such as the reuse of products, green backyards, program of extended responsibility, recycling yard, waste management centre and unregulated land field. In the same amendment, the responsibility is set on the local self-government units (cities and municipalities). Duties are specified for: development of separate waste collection systems, arranging ways to collect all types of waste, identifying locations for recycling yards, green yards and landfills, including larger waste collection sites, covering the costs of cleaning and rehabilitation of wild dumps, organizing educational and public awareness raising campaigns on eco-friendly waste management, as well as organizing public cleaning activities. The specific duties, responsibilities and obligations are defined regarding product manufacturers and waste carriers. Product manufacturers are required to use technology and develop production in a manner that ensures rational use of natural resources, encourages reuse and product recycling, and promotes environmentally sustainable management of natural resources. Producers are obliged to introduce and use as much as possible returnable packaging that reduces the environmental burden, compared to disposable packaging, and are responsible for placing the product and packaging, containing materials and dangerous substances in quantities and / or concentrations, which could adversely affect human health and the environment.

In the Federation of Bosnia and Herzegovina, the Law on waste management is from 2009, and there is no such term as “circular economy”.

General audience in BiH is not informed and educated enough on the CE concept, and still confuses CE with recycling. State and entity authorities are obliged to transpose the annexes and new articles of the related EU Directives into local laws and policies. Those EU Directives are: Directive 2008/98/EC on waste, Directive 1999/31/EC on waste landfills, Directive 94/62/EC on packaging and packaging waste, Directive 2000/53/EC on end-of-life vehicles, Directive 2006/66/EC on batteries and accumulators and waste batteries and accumulators and Directive 2012/19/EC on waste electrical and electronic equipment.

Based on the “Contribution of the civil society to the Green Agenda and sustainable development of the Western Balkans as part of the EU accession process (European Economic and Social Committee initiative opinion)” adopted in September, 2020, the key points are the following:

1. Major current topics, the enlargement and the Green Agenda, integrating the new COVID-19 crises, and pointing out the importance of the integration of the WB in the European Green Deal.
2. The enlargement of the EU to the 6 WB countries provided they fulfil the necessary criteria for membership.
3. The recovery from COVID-19 crisis should endorse green policies and that the green transition has to be an integral part of a comprehensive and forward-looking recovery plan in the Western Balkans.

4. Considering the significant investments and regulatory adaptations required, social partners and CSOs have a particularly important role to play in the transition towards a greener and more sustainable society, especially as regards specific political contexts in the WB.
5. The impacts of climate change resulting in damage to general health and economy, and urgent action that needs to be taken in the WB to better the quality of life for their citizens, especially children and young people, by a just transition to a greener model, having in mind the 'no one should be left behind' principle.
6. The future actions towards greener WB to be adapted, including an adequate regulatory framework, cross-border activities, innovative technological solutions, locally produced and consumed energy and energy efficiency, sustainable urban transport, road and rail networks, public and private engagement, ICT and fast internet deployment, agri-food measures, etc.
7. The challenges in the WB can be turned into opportunities by investing in research and innovation, learning and adopting alternative approaches, circular economy, waste management, greener energy and connectivity solutions, as well as active measures to protect the rich biodiversity of the region.
8. The importance of developing green skills within active national and regional education/training and skills strategies, with a particular accent on gender equality, in cooperation with relevant actors and within an effective social dialogue.
9. The good governance and democratic institutions, the rule of law, successful anti-corruption policies, the fight against organised crime, respect for human rights and security need to be properly implemented in the WB. As greening of the economy needs substantial investment, it is vital to recall that the rule of law is a key factor in ensuring an effective business climate and attracting private and foreign direct investments.

Regarding the new IRENA (The International Renewable Energy Agency) report for Central and South-Eastern Europe, published in October, 2020, some of the points from the report are:

1. Countries from Central and South-Eastern Europe could cost-effectively raise the share of renewable sources in their total energy consumption to 34%.
2. Accelerated implementation of renewable energy sources RES in the region would lead to a reduction in energy costs of three billion euros annually in 2030.
3. The value of disease prevention, as well as environmental and climate-related damage, increases savings at the regional level to between 11 and 35 billion euros per year in 2030.
4. Accelerated transition to RES would enable reduction of greenhouse gas emissions at the regional level by 21% compared to current plans.

LIR Evolution, jointly with ENV.net project partners contributed and signed the “Joint civil society statement in the wake of the Sofia Summit” in November, 2020 in order to make the Green Agenda for the Western Balkans drive the transition to a sustainable, carbon-neutral wellbeing economy that works for people. The Statement points out the issue of clear lack of public participation during the design of the Agenda. There was no inclusive and transparent consultation process with many environmental NGOs in the region, which are not informed or consulted. Signatories stated that it is necessary to provide more funding to support environmental CSOs in the region next to large-scale economic investment to make sure that environmental organisations can play an active role in awareness raising, providing information-based advocacy and acting as a watchdog.

There is a growing interest of private companies in investing in circular economy activities as well as to develop organised electricity markets within the region. Some countries have either launched or are already in an ongoing preparation/ consultation process revising their energy strategies, adopting lower emissions arrangements. The growing environmental awareness in the local civil society and the effective networking capacity with the international civil society are also to be noted.

Legal background for CE

The legal background in which the Circular Economy term will be incorporated after the transposition of the related EU Directives is presented in the following tables:

2.1.1. Renewable Energy

Renewable energy	Date
Annual Implementation Report 2018/2019, Energy Community Secretariat	November 2019
Bosnia Herzegovina adopts its Third Progress Report for Bosnia and Herzegovina under Renewable Energy Directive 2009/28/EC.	July 2019
Renewable Energy Action Plan of Republika Srpska	Updated October 2018, Adopted March 2016
Renewable Energy Action Plan of the Federation of Bosnia and Herzegovina	Updated November 2018, Adopted May 2014
Bosnia Herzegovina adopts its First Progress Report for Bosnia and Herzegovina under the Renewable Energy Directive 2009/28/EC.	November 2017
The secretariat submitted draft amendments to Renewable Energy Laws in force of Republika Srpska and Federation, introducing support schemes for renewable energy in compliance with State aid guidelines.	July 2017
Bosnia and Herzegovina adopts the National Renewable Action Plan	April 2016
Law on Renewable Energy Sources and Efficient Cogeneration	2013; 2015

The latest energy statistical data provided by EUROSTAT revealed that Bosnia and Herzegovina is moving backwards, only reaching a 22,7% share of energy from renewable sources in 2017, which is 2,6% points below the share of 25,3% registered in 2016. Many measures described in the National Renewable Energy Action Plan are lagging behind.

The coordination among institutions involved in the authorization process for small, decentralized renewable energy producers should be improved in the entities. Increased clarity and simplification of procedures are needed to ensure a transparent and conducive investment framework for all applicants.

Activities towards the adoption of revised renewable energy laws that include a market-based approach for granting support, in line with Guidelines on State aid for environmental protection

and energy 2014 - 2020, have not started to be implemented in any entities yet. This is regardless of the draft amendments to the renewable energy laws of both entities provided by the Secretariat. Moreover, the removal of support for wind projects in Republika Srpska is a step in the wrong direction. Bosnia and Herzegovina must speed up the reform of its renewable energy framework.

2.1.2. Energy Efficiency

Energy efficiency	Date
Fourth annual report on the progress achieved towards the national energy efficiency targets	August 2020
In Brčko District, with the technical assistance provided by the Energy Community Secretariat, in 2019 activities related to the preparation of Law on Energy Efficiency of the BD started. The final draft has been prepared and in May 2020 submitted to the Government of the BD for comments.	Pending for adoption
Rulebook on establishment and management of a registry for energy performances of buildings	Not adopted / deadline: April 2020
Energy Efficiency Action Plan of Bosnia and Herzegovina	Adoption of NEEAP 2019-2021 pending
Regulation on the implementation of energy audits and issuance of energy performance certificates for buildings; Rulebook on minimum requirements for energy performance of buildings in FBiH	November 2019
Law on Spatial Planning and Construction of RS underwent a procedure of amendments to transpose requirements of article 5 of Directive 2012/27/EU on energy efficiency (Official Gazette of RS, 40/13, 106/15, 84/19)	2013, 2019
Ministry of Energy, Mining and Industry adopts the Rulebook on regular inspections of heating and air conditioning systems	October 2019
Bosnia and Herzegovina submitted its third Annual Report under the Energy Efficiency Directive to the Secretariat.	July 2019
At the level of the state of Bosnia and Herzegovina, a decision on the establishment of an energy management system and an information system on energy efficiency was adopted by the Council for Ministers.	June 2019

The Rulebook on an energy efficiency information system was adopted in the Federation of Bosnia and Herzegovina	January 2019
Bosnia Herzegovina submits its Second Annual Report under the Energy Efficiency Directive to the Secretariat.	November 2018
ESCO model contracts and the legal gap analysis were finalized and submitted to Bosnia and Herzegovina by EBRD and the Energy Community Secretariat, as part of an international technical assistance program (REEP Plus).	June 2018
Energy Strategy of Bosnia and Herzegovina until 2035.	2018
The Council of Ministers adopted the Action Plan for Energy Efficiency in Bosnia and Herzegovina in the period 2016 - 2018, as the first document in this field, which was prepared by the working group comprised of the representatives of the Ministry of Foreign Trade and Economic Relations, the relevant entity ministries and Brčko District. The Plan was adopted during the 123 rd Session of the Council of Ministers, held in February 2018.	February 2018
Regarding energy efficiency measures in buildings, a comprehensive programme for energy efficiency improvements in the residential sector was launched by the EBRD Green Economy Financing Facility.	November 2017
The Government of Republika Srpska, in November 2017, adopted the Amendments to the Energy Efficiency Action Plan of RS until 2018.	November 2017
The Government of the Federation of BiH adopted the Energy Efficiency Action Plan and a roadmap for the implementation of Directive 2012/27/EU on Energy Efficiency.	July 2017
The Federation adopted the Law on energy efficiency, aiming to implement the Energy Services Directive 2006/32/EC.	February 2017
Three regulations came into force in Republika Srpska, setting the minimum energy performance requirements for buildings, as well as implementing schemes for energy audits and energy certification of buildings.	January 2016

State and entity level working groups are in the process of preparing a new NEEAP (National Energy Efficiency Action Plan). The specific targets (for renovation of central government buildings and the energy efficiency obligation scheme) are still not set, but most of the activities have been finalized and are awaiting political decisions.

No progress was registered in the reporting period regarding Energy efficient products- labelling. Republika Srpska adopted nine delegated regulations back in 2016, while no activities at all took place in the Federation of Bosnia and Herzegovina and Brčko District.

Related to institutional capacities, each entity established an energy efficiency and environmental fund, however, the capacities of ministries and surveillance bodies remain weak. The Permanent Coordination Group and ad-hoc technical working groups were established to coordinate the work on energy efficiency between state and entity levels, with the participation of public institutions and international donors.

In order to implement development and application of the legislative and regulatory framework on energy efficiency in final energy consumption, the following actions must be finalized:

1. Finalisation of the transposition of Directive 2012/27/EU on energy efficiency, Directive 2010/31/EU on energy performance of buildings and Directive 2010/30/EU on the indication by labelling and standard product information of the consumption of energy, into the legislation of BiH, RS, FBiH, cantons and Brčko District BiH;
2. Drafting of regulations to embed energy efficiency considerations in the transport sector;
3. Adoption of laws and by-laws to establish horizontal and vertical coordination mechanisms for the implementation of EEAP BiH.

2.1.3. Environment

Environment	Date
Law on environmental protection of FBiH	September 2019
Bosnia and Herzegovina fulfilled its reporting obligations on pollutants under the scope of the Large Combustion Plants Directive by submitting the relevant information to the European Environment Agency.	August 2019
The Ministry of Spatial Planning, Civil Engineering and Ecology of Republika Srpska submitted to the Ministry of Foreign Trade and Economic Relations an amended Rulebook on Measures to Prevent and Reduce Air Pollution and Improve Air Quality.	December 2017
Environmental Approximation Strategy of BiH adopted.	May 2017
Law on Air Protection RS.	2011; 2017
Strategy for protection of biological diversity during 2015-2020 and Action Plan for implementation adopted.	May 2017
The environmental protection strategy of BD BiH 2016-2026.	2016
The Secretariat gave a positive assessment on Bosnia and Herzegovina's National Emission Reduction Plan.	October 2016
Bosnia and Herzegovina submitted its National Emission Reduction Plan to the Secretariat.	December 2015
Law on Environmental Protection RS.	2012; 2015
Law on Nature protection.	2013
Law on Environmental Protection FBiH.	2003; 2009
Waiting for adoption of new updated Law (2019, 2020).	

Nature protection - In the Federation of Bosnia and Herzegovina, a Biodiversity Strategy and Action Plan is in force since 2016 and a network of protected areas is established, albeit without effective protective

measures. In Republika Srpska, the 2025 Biodiversity Strategy concedes that an ecological network still needs to be established.

The entity authorities of Bosnia and Herzegovina have to significantly increase their administrative capacities dealing with environmental assessments, which fall under their competence. For both the environmental impact assessment and the strategic environmental assessment, the implementing authorities have a too wide margin of discretion. The quality of both types of environmental assessments has to be improved and early and effective opportunities must be provided to the public to participate in the assessment procedures.

The emission limit values for existing plants in the secondary legislation of both entities of Bosnia and Herzegovina are in compliance with the Large Combustion Plants Directive. The NERP of Bosnia and Herzegovina, approved by the Secretariat, is in compliance with the Energy Community *acquis Communautaire* and is being implemented since January 2018. Three plants are being opted out, meaning that they can only remain in operation for not more than 20.000 operational hours and until December 2023 at the latest. Sufficient financing must be ensured by the operators of combustion plants in order to follow through with the implementation of the NERP. The current emissions from large combustion plants under the NERP show compliance with the ceiling for nitrogen oxides and dust, while in the case of sulphur dioxide, there is significant non-compliance which has to be addressed.

2.1.4. Water Quality

Water quality	Date
Water Management Plan for the Sava River Basin in the period 2016-2021, FBiH.	May 2018
Federation of BiH: Urban Waste Water Treatment directive 91/271/EEC has been transposed by the Order on conditions for wastewater discharge to natural recipient or to public sewage (Official Gazette of FBiH 4/12). Republika Srpska: Transposition of the Urban Waste Water Directive 91/271/EEC is considered fairly advanced.	2012 and 2001
Law on water management RS.	2006; 2009
Law on water management FBiH.	2006

2.1.5. Waste Management

Waste management	Date
Draft of the Waste management plan of Republika Srpska.	September 2019
Law on Waste Management of Republika Srpska, amended.	2018
Law on packaging waste.	2018

Law on Waste Management of FBiH, amended.	2017
Decision on requirements for transboundary transport of hazardous waste.	September 2016
Law on nuclear waste.	2009

Bosnia and Herzegovina reformed waste management legislation as part of efforts to transpose the European Union *acquis*. It started with introducing separation and recycling, and in RS progressed with the introduction of extended producer responsibility for waste streams. But there are no landfills compliant with the basic requirements for safe waste disposal, and municipal solid waste is still dumped near human settlements. Cooperation between municipalities in the construction of regional landfills has been uneasy.

2.1.6. Climate Change

Latest developments in climate	Date
National Energy and Climate Plans.	Draft under preparation
Bosnia and Herzegovina officially launched a national working group to work on its NECP. The national working group is meeting regularly.	February 2019
The framework energy strategy until 2035 adopted at BiH level by the Council of Ministers.	August 2018
As a non-Annex I party to the United Nations Framework Convention on Climate Change (UNFCCC), BiH ratified the Paris Agreement.	March 2017

Bosnia and Herzegovina does not have a clearly defined system for GHG emission data collection and processing, quality assurance and control of input data, or a reporting and monitoring system. A Climate Change Adaptation and Low Emission Development Strategy of 2013 covering the period 2013-2025, is currently being updated. Its integration into all relevant sectors is slow. Bosnia and Herzegovina is working on a National Adaptation Plan (NAP) which will integrate more specific policies, measures and projects into sectoral strategies.

In February 2019, Bosnia and Herzegovina launched a national working group to work on its National Energy and Climate Plan (NECP). Preparatory work on the analytical and technical aspects of the NECP is at an initial stage, focusing on the identification of the base year for GHG emission reduction and calculation of national targets.

Bosnia and Herzegovina should adopt national legislation on climate change and transpose the Monitoring Mechanism Regulation. It should strengthen institutional capacities and formally define competences and responsibilities in this area. This includes the establishment of a greenhouse gas inventory system at national level, in accordance with the requirements of Regulation (EU) 525/2013.

Quality of data

Public bodies which provide data are: the Ministry of the Environment and Tourism of the Federation of Bosnia and Herzegovina, the Ministry of Physical Planning, Civil Engineering and Ecology of Republika Srpska and the Government of Brčko District, as well as local-self-government units (city, municipality, and related institutions).

Statistical data are produced by the Agency for Statistics of Bosnia and Herzegovina (BHAS), based on a memorandum of cooperation between entity statistics institutions. The full set of annual energy statistics has been compiled and transmitted to EUROSTAT following the defined procedure although with considerable delay. Information is collected, analysed and synthesised for the following data: demographic and social statistics, business, agriculture and forestry, transport, environment and energy, science, technology and digital society. In 2020 the data from 2019 were analysed (e.g., Cross-border traffic non-dangerous waste, waste recovery and disposal, utilization and protection of water against pollution in industry, waste from production activities, expenditures for environmental protection). The quality report for annual statistics was transmitted to EUROSTAT.

BHAS started to compile monthly reports for electricity and coal, but monthly oil and natural gas data are still missing. The prices of electricity and natural gas charged to industrial and household end-users, broken down per consumption band and per taxation level, as well as the breakdown of components of electricity and natural gas prices, are compiled and submitted to EUROSTAT. National statistics institutions have to pay special attention to meeting the quality related requirements, including the completeness, timeliness, quality reporting and revision policy. Completing monthly data, primarily oil, requires urgent action. There are laws and rulebooks, but there is no consistency in waste collection, proper disposal and treatment. Numerous activities were implemented in schools and in larger BiH cities, where separate waste collectors were set up (specific containers for plastic, paper, glass and metal), but the waste truck collected separate waste all in one collector of the truck, and drove it to the same waste disposal site. Several best practice examples exist (mentioned below in text), the companies that collect and export waste. In BiH waste is still not seen as resource.

It is foreseen to develop the Fourth cycle of Environmental Performance Reviews by UNECE in 2022, for countries in the pan-European region. The countries will be reviewed for progress and focus on environmental governance and financing, domestic-international interface, media and pollution management, and integration of environmental into selected sectors and SGDs substantive content. EPRs-4 will continue to be taken in a flexible manner, guided by the specific needs of each reviewed country, including Bosnia and Herzegovina. The EPRs-4 will largely be similar to the third cycle of EPRs as it will cover environmental governance and financing, domestic-international interface, environmental media and pollution management and integration of environment into selected sectors. However, selected chapters will be strengthened, for instance to address in depth the impact of climate change on priority sectors, mainstreaming climate adaptation, the mitigation of greenhouse gases and low-carbon development. The content on green economy will be enhanced to address circular economy, if requested by the country under review. The sectoral focus continues to be valuable and the fourth-cycle will be looking at how environmental concerns are mainstreamed into priority sectors, such as energy, agriculture, transport and industry.

Bosnia and Herzegovina generated 1.2 million tonnes of municipal waste in 2019, dropped 1,3% on 2018. A resident of Bosnia and Herzegovina generated on average 352 kg of municipal waste in 2019, 3 kg less than in 2018. In 2019, 933.455 tonnes of municipal waste were collected, by public transportation which is 1.3% more compared to 2018. Data comprising the origins of municipal waste collected indicates that the major increase was registered in the households' waste collection, 2,1% or 15.000 tonnes more,

compared to 2018. 1,133,000 tons of waste arrived at controlled landfills, of which 95% was permanently disposed, as disposal option. The municipal waste disposal rate fell to 0.6% in 2019, which is a slight decrease compared to 2018. The current trend suggests that more needs to be done on waste prevention, as well as a significant increase in the recycling rate in the coming years.

CE initiatives - Best practices examples

As best practice and solutions in this and following period, it is foreseen that 10 (ten) units of coal-fired power plants in total will be shut down by the end of 2023 in BiH, Montenegro and Serbia as a consequence of the implementation of the EU's Large Combustion Plants Directive (LCPD), according to the Energy Transition Tracker. The shutdown of the facilities with an installed capacity of about 1,000 MW will mean a temporary end of operation for thermal power plant Pljevlja in Montenegro and, for now, permanent closure of TPPs Kolubara A and Morava in Serbia.

The Energy Community Secretariat has launched Energy Transition Tracker to monitor the process in the Western Balkans. Balkan Green Energy News published the details of the development of the power exchanges in the region, and now we reveal the activities that are underway to reduce the emissions footprint.

In the last two and three years, circular economy is recognized as a new model and practice to be implemented in BiH. A first step towards implementing CE principles in practice is to establish communal infrastructure for waste disposal, and to treat waste differently – a starting point from linear to circular economy, and “seeing waste as new resource”.

Local best practices examples

Circular economy has already started to be more and more recognized as a term in BiH, and as a practice to be used and respected while starting or implementing work and services.

Taking into account the importance of circular economy for the future of the economy, Heinrich Böll Foundation organized an event to discuss "Green Economy in BiH - Opportunities and Obstacles" at the end of November, which, due to the pandemic was held online. The aim of the conference was to explore and highlight the issues, challenges and opportunities that Bosnia and Herzegovina face in the process of energy transition, circular economy and rural development in the light of the Green Agenda for the Western Balkans.

At the beginning of December, INTERA Technology Park in Mostar, organized a one-day workshop on Circular Economy for representatives of companies and organizations that recognize the potential of their business in applying this model. Through the workshop, participants had the opportunity to hear a brief overview of linear economy, but also to get acquainted with the basics of circular economy and its elements.

This approach is used by LIR, other companies and civil society organizations, where the CE model is presented to wider audience in order to clarify the approach and understanding of the differences between linear and circular economy models. Since this 2020 year has been marked by the COVID-19 pandemic situation in the world, most of the meetings, sessions and discussions were held online. Because

of the pandemic many businesses remained closed because of their inability to financially survive through the whole situation.

One of the best practice examples is Elektro-Tim Company from Banja Luka, dealing with innovative decorative lightning for streets and holidays decorating of public areas. Their new project is “From waste to job”, in which they are planning to collect plastic waste (from streets, waste dumps, river banks), to recycle it and develop new items such as decorative lightning and New Year’s decorations. The plan for 2020 is to collect 90.000,00 plastic bottles and to create 500 decorations. The Company will as well promote the model of circular economy, raising awareness on environmental protection.

Best practices are seen in numerous examples of companies that are dealing with recycling. This is primary for companies dealing with packaging waste, which in BiH legislation is stipulated as a responsibility that lies with the product producer. These companies are operating in line with the legislation in force, recycling paper, metal, plastics, wood and glass. For example, Ekopak company collected over 12,500 tons of packaging waste.

In the City of Neum, local authorities jointly with GIZ support are setting up 15 locations for separate waste collection. Waste will be collected in separate waste bins specifically for paper, plastic and metal. The activity is implemented under the “Integrated Waste Management & Marine Litter Prevention in the Western Balkans” project. It will contribute to the improvement of knowledge on prevention of marine waste and increased knowledge on the importance of environmental protection. The waste utility company will procure waste trucks, 25 metal containers for communal waste, 25 containers for PE, while for the next period it is foreseen to build the sorting centre. As part of the promotional project activities, there will be organized presentations for citizens and children in kindergartens and schools, in order to inform and instruct them how to separately dispose waste.

At the beginning of July, the civic initiative "Because It Concerns Us" / “Jer nas se tiče” set up educational and promotional stands at two locations in Mostar where citizens could sign a petition to close the waste landfill Uborak near Mostar City. The president of the "Because it concerns us" initiative, Omer Hujdur, said that the citizens who sign the petition give their support for the closing of the existing landfill Uborka and the opening of the landfill in a new location, which would not endanger the health and life of Mostar citizens. The initiative is organized in order to educate the population about the harmful effects of the landfill on the City of Mostar and the inhabitants of the Neretva Valley. The information collected is also about the interest of Mostar residents in moving the landfill from the current to another suitable location.

In December 2019, the investor "Medic otp" submitted a request asking for the approval of the Environmental Impact Assessment Study on a project concerning the construction of a plant for thermal treatment of hazardous waste in the settlement of Karakaj in the city of Zvornik, which was put on public review from 31.1 to 31.3.2020. At the public hearing in Zvornik, concern was expressed about the justification of the project and a large number of questions were raised but not resolved, because the investor did not attend the hearing. The plant will not be built, because the RS Ministry of Physical Planning, Construction and Ecology rejected the request of the company "Medic otp" for this construction, after the identified shortcomings that make the project unfounded for the continuation of the procedure. The main reason for rejecting the request is the location of the incinerator in the settlement of Karakaj,

which has 2,828 inhabitants. A large number of associations, individuals and experts submitted objections to the project to the competent ministry, and as it is pointed out by the Mountaineering Ecological Society (PEK) Korak, which is among the initiators of the initiative to stop this project, they are satisfied with the decision. In addition to numerous organizations and associations from the civil sector, comments on the study were submitted by the RS Ministry of Health and Social Welfare, the RS Ministry of Agriculture, Forestry and Water Management, the Republic Institute for the Protection of Cultural, Historical and Natural Heritage, and the city of Zvornik and two local communities. This is a great example of the joint efforts, commitment and influence, where the private investor is obliged to implement a project in line with laws and procedures, while respecting local habitants' requirements and environmental protection.

At the beginning of September 2020, the construction of the municipal sanitary landfill "Eko-sep" started. It is foreseen that the construction will last 13 months. The landfill will cover territories of 3 municipalities in Tuzla Canton, and it is owned by the City of Živinice with a share of 60% and the municipalities Banovići (30%) and Kladanj (10%). It is an environmentally friendly landfill, and, as a symbol for environment, young seedlings have been planted. The landfill is located in the area of Živinice, at the Višća, which is located on the border with the municipality of Banovići. It is a project of a total value of around 12 million BAM, which will enable the company Eko-Sep to commercially repay the loan and be stable, without the garbage collection being more expensive for the citizens than it is currently. Waste management and disposal in an environmentally sound and acceptable way, and to make it economically sustainable, is one of the priority challenges of every local community. The benefits of eco-friendly waste management will bring to about 100,000 inhabitants more qualitative life in these three local communities.

The company "23. Mart" in Podlugovi started a business exporting products to two continents. They buy raw materials from regional meat industries, and export it. The products of this company are very popular as food in Turkey, as well as other countries in Asia, although it is waste to us. In BiH habitants eat meat, and in those exporting countries people eat legs and ligaments and other products obtained by processing by-products of the meat industry. Instead of destroying and throwing away meat waste, most can be used and processed and exported where it is used. The company "23. Mart" solves some of the modern problems such as recycling food waste, and it employs hard-to-employ categories of citizens from several municipalities, Ilijaš, Visoko, Breza and others. Currently, this company employs about 20 workers, and new employments are planned.

From October 2020, the authorized operator for the disposal of electrical and electronic waste ZEOS eco-system is conducting an environmental-educational campaign "Where I buy, there I recycle". The campaign is organized through a collection network of 12 socially responsible companies: Bau&Garten (OBI), BINGO, Elektro Centar, ELEKTRO-JURIĆ, ELEKTRO MILAS, ELMARK GROUP, Gorenje Commerce, KONZUM, MANEDRA-COMPANY, Mercator BH, Orbiter G and Penny Plus. The aim of the campaign is to raise awareness and inform the general public about the possibility of disposing electrical and electronic waste, the so-called "Green furniture", in vertical containers which can be found in the mentioned stores. In this manner, citizens get the opportunity to actively participate in reducing pollution from EE waste.

The company "Omorika Recycling", which uses highly automated process lines, with constant improvement and work on the establishment of the state-of-the-art quality control laboratory, constantly sets an excellent example to others. The factory, which currently has 51 employees, maintains production

at a solid level, despite the pandemic, taking careful hygiene measures. Habits of PET and other polymers recycling are still not sufficiently promoted in Bosnia and Herzegovina, despite many existing “recycling stations” (special waste separation containers located in schoolyards and large buildings). Many people are skeptical about recycling and are mistaken in thinking that even separate waste is dumped to city landfills. This is a harmful prejudice, given that "Omorika Recycling" has a great demand, and currently imports part of the waste. Since this factory exports 97% of its final products due to its excellent quality, it constitutes an example of PET recycling best practices.

Companies presented in LIRs contribution for 2019 continued to operate in 2020:

Company	Activities
EKOPAK Sarajevo	Green Dot License (each piece of packaging paid for its disposal); the leading operator of the packaging waste (industries, agriculture).
Aida Commerce	Purchase and recycling of electrical and electronic equipment; PET packaging and plastic; storage, transportation and recycling of medical waste.
ALBA	Leader in recycling and environmental management (21 cities in FBiH and 11 in RS). Collaboration with companies: Robot, FIS, Prevent, Azel France, Konzum, Vispak, BEST, Konjic Karton, Mega Markets (recycling of waste paper, foil, glass, plastic, electrical and electronic waste and edible oil waste).
ZEOS Eco system	System of electrical and electronic waste management in BiH.
CBOS	Metal waste recycling; alternative fuel production - use in cement plants.
FORTIN d.o.o. Tesanj	Transport and recycling of scrap metal.
BH RECYCLIING	Recycling of scrap metal.
GRIZELJ Sarajevo	Production of waste treatment equipment.
ADRA, Mozaik Prijateljstva	“textile bread” – social project of collecting used clothes.

3. Findings

Production and consumption

Public procurement

Bosnia and Herzegovina needs to introduce a comprehensive and effective system of electronic public procurement to foster transparency and reduce abuse of public resources. An enhanced monitoring system of possible abuses of the Law on Public Procurement during the COVID-19 pandemic was implemented by the Public Procurement Agency of Bosnia and Herzegovina and prosecutor’s offices throughout the country.

Bosnia and Herzegovina has some level of preparation in the area of public procurement. There was serious backsliding resulting from the extension of preferential treatment for domestic bidders in awarding public contracts during the reporting period, in breach of the commitments of Bosnia and Herzegovina towards the EU. The country needs to align its legislation with the EU *acquis* in the area of public procurement and utilities and start the alignment process for concessions where the legal framework is highly fragmented and needs to be harmonised to eliminate overlaps, inconsistencies and uncertainties. Recommendations from last year were not addressed and remain valid. In the coming year, Bosnia and Herzegovina should in particular:

- withdraw the decision on preferential treatment of domestic bidders in awarding public contracts to ensure compliance in this area with the SAA;
- adopt the new law on public procurement;
- strengthen the administrative capacities of the Public Procurement Agency and the Procurement Review Body by increasing their staff and providing appropriate training, and make the procurement process more transparent.

The current legal framework, enacted in 2014, is partially in line with the EU *acquis*. The Public Procurement Law aims at ensuring compliance with the principles of non-discrimination, competition, transparency and equal treatment. However, the principle of non-discrimination is not applied as the government of Bosnia and Herzegovina adopted, in May 2020, a decision on obligatory application of domestic preferential treatment for domestic bidders at the rate of 30% for a one-year period starting on 1 June 2020. The decision is in breach of the SAA, which bans any preferential treatment for domestic bidders as of 1 June 2020 (following the transitional period with gradual reduction of preferences). The implementation of the 2016 -2020 strategy for the development of public procurement has been delayed.

Public procurement, which represents a significant share of public spending and thus plays an important role for the private economy, is managed on the base of overly complex procedures which facilitate corruption and still contain a preference for domestic suppliers, which is incompatible with the EU *acquis*. There is still a wide range of administrated prices. There is no information available on the weight of administrated prices in the country's consumer basket.

Waste management

Waste management plans and Strategy

A consistent countrywide strategy for waste management has yet to be developed. Due to its administrative order, Bosnia and Herzegovina needs to ensure a coordinated and harmonised countrywide approach in dealing with waste management. This needs to be reflected both in the legislative framework and its strategic approach. The environmental protection strategy that is under development could provide for this. Bosnia and Herzegovina needs to align with the Landfill Directive, including by adopting a directive specific implementation plan and by closing down or rehabilitating non-compliant landfills. Substantial efforts and awareness raising measures are required to reduce waste generation and promote reuse and recycling. Alignment is required with the EU *acquis* on sewage sludge, batteries, packaging, polychlorinated biphenyls/ polychlorinated terphenyls and end-of-life vehicles. In the coming year, Bosnia and Herzegovina should in particular:

- implement the countrywide environmental approximation strategy, and accordingly enhance the legal framework, strengthen administrative capacity and monitoring systems, and improve inter-institutional coordination among all relevant authorities;

- formalise the procedures for the appointment and functions of the national focal points (NFP) for Bosnia and Herzegovina for the implementation of all environmental conventions to which Bosnia and Herzegovina is a signatory;
- start implementing the Paris Agreement by putting in place policies and measures to deliver on its nationally determined contribution (NDC), update and implement the climate change adaptation and low emissions development strategy, and develop an integrated national energy and climate plan (NECP) in line with the Energy Community recommendation.

Secondary raw materials

The recycled materials still do not provide basis for raw materials in industry. Just a few companies dealing with recycled materials are mainly exporting to EU countries. BiH has no recycling facilities on waste disposal sites. There are two examples of green recycling backyards in Sarajevo and in Trebinje, but those sites are not promoted and used by local inhabitants.

Competitiveness and innovation

The innovation policy is impeded by the large number of stakeholders involved and the low degree of cooperation and coordination, leading to a low efficiency of the overall system. The absence of an efficient funding system is another factor, preventing the country's innovation policy from achieving better results for the funds spent. Bosnia and Herzegovina's level of assistance to innovation by SMEs is still the lowest in the region, despite both entities' financial allocations for innovation in 2019. SME skills programmes are still receiving support, mainly from international donors. Bank lending remains the dominant source of SME finance and financial instruments for innovative start-ups and high-growth enterprises are still absent. The country did not participate in the Enterprise Innovation Fund (ENIF) of the Western Balkans Development and Innovation Facility, as it had not paid its financial contribution and had not identified eligible projects.

On research and innovation policy, the legislative framework regulating science and research development remains fragmented and still needs to be improved throughout the country. There was no progress in developing the action plan for the implementation of the 2017-2022 revised strategy for scientific development. The government's efforts in upgrading research and innovation policies and related activities (e.g. the Strategy for the Development of Science and the current adoption and implementation of the related Action Plan) as well as grants provided to organisations for submitting proposals under Horizon2020 have been intensified. Bosnia and Herzegovina has completed the preparatory work allowing for Framework Agreements on scientific and technical cooperation. This will greatly facilitate cooperation on research and innovation with international partners.

A very good increase in the publications, 925 publications per 1000 researchers, above the EU average of 717 was observed, as well as a significant increase in the innovation activity, with 67 patents per 1000 researchers. It is important to note that the success rate of applications from Bosnian entities is at 13,2%, above the overall Horizon 2020 success rate of 12%. The country also cooperates at regional level, as a co-signatory of the regional strategy on research for innovation, with the Central European Initiative and is also active in COST with an increasing number of participations in its actions. Bosnia and Herzegovina is taking part in the creation of the South East European International Institute for Sustainable Technologies. The country continues to participate in the European Research Area Committee and related advisory bodies and initiatives. It also participates in the European Strategic Forum on Research Infrastructure, but

still has to develop the roadmap for research infrastructure. Bosnia and Herzegovina is still not included in the European innovation scoreboard as not all the indicators needed to participate are available.

Bosnia and Herzegovina needs to continue playing a constructive role in building a common regional market, which will be critical to increase the attractiveness and competitiveness of the region. It will help Bosnia and Herzegovina to speed up the recovery from the aftermath of the pandemic – notably to attract investors looking for diversification of supply and shorter value chains. Such a common regional market has to be inclusive, based on EU rules and built on the achievements of the regional economic area multiannual action plan.

Regarding enterprise and industrial policy principles, Bosnia and Herzegovina still lacks a countrywide industrial development strategy. There is no state-level body promoting consistency between industrial strategies or coherence with other policies affecting industrial competitiveness. The Federation entity adopted a decision on drafting a new development strategy for 2021-2027, as its action plan on industrial policy expired in 2019. The Federation entity and some cantons adopted legislation on mitigation of negative economic consequences of the COVID-19. The Republika Srpska entity introduced a temporary moratorium on banking loans during the emergency period. This entity is yet to prepare a strategy for industrial development beyond 2020. The renewal of the 2008-2017 development strategy of the Brčko District is still ongoing.

Bosnia and Herzegovina introduced a domestic price advantage in public procurement contrary to the SAA and EU rules. Such a preferential treatment is not considered effective as a means to raise industrial competitiveness and is incompatible with the principles of the EU industrial policy.

Since 2017, Bosnia and Herzegovina has been participating in the EU's COSME programme on the competitiveness of enterprises and small and medium-sized enterprises. It has entity based Enterprise Europe Network (EEN) consortia, which supported over 2,000 SMEs and uses the Loan Guarantee Facility that lent EUR 14.4 million to 161 beneficiaries through a sole intermediary. Bosnia and Herzegovina has not yet used the Equity Facility for Growth. Some 15 exchanges have taken place through the Erasmus for Young Entrepreneurs (EYE) programme. The potential of COSME to assist SMEs in accessing markets has not been fully used. The country did not participate in the Enterprise Innovation Fund (ENIF) of the Western Balkans Development and Innovation Facility, as it had not paid its financial contribution and had not identified eligible projects.

4. Conclusion

The Circular Economy (CE) concept has seen a more in-depth development during 2020. The European Green Deal was announced and presented in December 2019, while in 2020 it was further broadened. The CE concept enables each country to reach higher ecological standards, and decrease the negative influence of economic activities of natural resources usage. The CE is in line with the presented European Green Deal. The EU will provide financial support and technical assistance to help those that are most affected by the move towards the green economy – the so-called Just Transition Mechanism. It will help mobilise at least €100 billion over the period 2021-2027 in the most affected regions. The Western Balkans and Turkey regions are included as the most affected.

The European Commission presented its Plan for Bosnia and Herzegovina, and the whole Western Balkans and Turkey areas.. On 7th of October 2020, the European Commission adopted a comprehensive Plan for the Western Balkans with the aim of fostering the region's long-term economic recovery, supporting green and digital transition, and supporting regional integration and convergence with the European Union. The main goal of the Economic and Investment Plan is to encourage the long-term economic recovery of the region and regional economic integration, and it is forecasted that the total IPA budget for 2021-2027 will be 9 billion euros. It will support the green and digital transition in the Western Balkans, the implementation of the reforms needed to make progress on the EU path and bring the region closer to the EU single market. All this should lead to sustainable economic growth and job creation.

The project partner EEB organized an online event entitled “New momentum for the environmental agenda in the Western Balkans & Turkey” in October, 2020, following the European Green Deal, and the presentation of the EU of the Green Agenda for the Balkans. Environment and climate are top political priorities within the EU, and are also seeing an increased attention in the external dimension, in particular in the EU’s work with the candidate countries in the Western Balkans and Turkey and in its partnerships such as the Eastern Partnership. The increased attention for the environment comes with new opportunities to push for better environmental protection, stronger environmental governance and improved environmental justice.

The changes in Law remained the same as in 2019. There is no such specific term as “circular economy” in entities and district laws and policies. In Republika Srpska, it is mentioned in the amendment of the Law on waste management of Republika Srpska (July 2019) – as the EU Directive 2008/98/EZ on waste was amended in 2018. The competent Ministry incorporated new terms such as reuse of products, green backyards, program of producers extended responsibility, recycling yard, waste management centre and unregulated land field. In the same amendment, the responsibility is set on the local self-government units (cities and municipalities). Duties are specified for: the development of separate waste collection systems, arranging ways to collect all types of waste, identifying locations for recycling yards, green yards and landfills, including larger waste collection sites, covering the costs of cleaning and rehabilitation of wild dumps, organizing educational and public awareness raising campaigns on eco-friendly waste management, as well as organizing public cleaning activities.

Since the whole year was marked with the pandemic COVID-19, civil society organizations, companies and experts, have mainly organized online events, sessions and discussions where the CE model is presented to a wider audience in order to clarify the approach and understanding on the differences between linear and circular economy models. Because of the pandemic many businesses remained closed because of their inability to financially survive through the whole situation.

The best practices examples in terms of supporting circular economy principles in Bosnia and Herzegovina were provided by the following companies: Elektro-Tim Company, EKOPAK, City of Neum, Initiative "Because It Concerns Us", City of Zvornik, landfill "Eko-sep", company "23. Mart", Heinrich Böll

Foundation, INTERA Technology Park, ZEOS eco-system, "Omorika Recycling", Aida Commerce, ALBA, CBOS, FORTIN, BH RECYCLING, GRIZELJ Sarajevo, ADRA, Mozaik Prijateljstva.

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