

Minutes from the 8th regular meeting of the Joint Working Group  
held on 06-11-2007,  
from 10.00am – 12:00am  
in the room 437 of the SIV3

Present: Valentina Mileusnic (WD), Arpad Varga (Srbijavode), Milica Nadezdic (Hydromet)  
Claus Heuberger, Ivana Ivkovic, Jovana Nastasijevic

#### 1. Opening of the meeting

The participants from "Vode Vojvodine" are missing, as well as Olivera Grozdic from the Water Directorate. Christian Ebel also can't participate in the meeting due to his travel to Ulm (Germany).

Claus gave the overview over the activities carried out and the results obtained in the period since the last JWG meeting (29<sup>th</sup> May 2007).

Component 01: shorter and more general overview.

The Twinning team prepared the materials for training seminars.

Several missions have taken place regarding the transformation of the EU directives into the Serbian legislation. For example:

- the Nitrate Directive is finished;
- the Drinking Water Directive ongoing (initiated)
- the Flood Directive is also started (on special request of the Serbian colleagues).

The main expert in charge of legal harmonization is preparing the Strategy for the implementation of the WFD.

Another mission has been carried out for elaboration of the Financial plan (activity 1.3.4.).

The strategy for the human resource development has begun.

The results of the questionnaire for assessment of the public awareness of the WFD are being evaluated as well as prize winners selected and contacted.

Component 02: In Christian's absence, Claus explained with help of Jovana, what has been done in the past several months.

First of all, the technical specifications for the EAR tender for procurement of equipment for automated monitoring stations in Serbia have been finalised.

In addition to this, outside of the scope of the project and not related to the EAR tender, the used equipment for 4 automated monitoring stations donated from the BMU and City of Hamburg to the RHMZ has already been sent and is on its way to Serbia. The only thing left is to solve is the tax/duty exemption so that it can be imported in Serbia without obstacles. Then the works will be carried out so that the first automated monitoring station will be installed in Beli Brod.

The surface water (SW) experts have been working on the development of the General Strategy for the redesign of the SW monitoring program in Serbia.

The groundwater (GW) experts have done some work referring the development of the Field Handbook for the GW sampling and sample transport and treatment.

As for the seminars, several have been already delivered:

- Seminar/Workshop on economic analysis;
- Seminar on GW pressures and impacts analysis
- Seminar on GW body delineation
- Seminar on SW body delineation and typology
- Seminar on SW IMPRESS analysis
- Seminar on SW Monitoring accompanied by the presentation of General Strategy of the redesign of the SW monitoring program in Serbia.

The STE Mr. Löffler was also here to perform the training of the laboratory staff (it took place during one week as day-after-day training with the laboratory staff of the Hydromet).

Valentina informed the present of the broader scope of current activities of Directorate for Water of relevance for the Twinning JWG. Firstly, interim reports from three EAR managed and EU funded projects are coming being: Project on Hot Spots, Master Plan for South Morava WWTP 5000 p.e. and WMIS. In the context of twinning activity 1.3.4. she pointed out that according to the art. 9 of WFD /cost recovery some of the results are present from the Master Plan for South Morava WWTP 5000 p.e.in terms of tariffs consideration and cost recovery of water services and water prices. Further results would be expected as well from this project and of relevance for the 1.3.4. twinning activity: Financial plan. The results regarding the WFD requirement on environment and resource costs and benefits are to be expected in a short while due to the small fraction of the WMIS project devoted to the economic and financial analysis of the improvement of water management in the context of WMIS. Particular attention are expected from the project and of relevance for the costs required by the WATECO guide on Economics and Environment and as well as to the provisions of WFD, benefits and costs of agricultural production, health, fishery and tourist benefits as well as costs and benefits in the contexts of floods due to the improved WMS. She informed that she participated at the ICPDR workshop on Economics and WFD last week in Ljubljana – the topic was the reporting on economic analysis for Danube river basin according to the WFD requirements. Representatives there from the European Commission said that economic part was the least developed part in national reporting of EU according to the art.5 of WFD and that in that respect no difference could be observed between the old and new member states. The presentation of the French consultant was given on the matter of affordability analysis in the selected river basin in France. Thanks to the devoted and determined EAR project manager, and “good luck” in terms of selection of the topic Valentina presented affordability analysis on the river basin scale from Serbia, which was complimented. She said that it is worth mentioning that regarding the 1.3.4. activity a lot of side by activities as well as results from other projects are to be expected that could be of a use for this particular twinning activity. In that context completed Sava-CARDS Economic Analysis for Kolubara river basin according to the regionally agreed methodologies for the Sava river, should help further developing this and other related topics.

Valentina in the context of the financial plan activity 1.3.4. also informed the colleagues about Slovenian twinning project on Financial Instruments according to the WFD requirements between the Federal Ministry of Germany and Slovenian Ministry in charge of waters which could be beneficial in this context. She sent the presentation of German RTA in Slovenia to our RTAs to get more in detail acquainted with the idea of exploring synergy between the projects i.e. particularly between our activity 1.3.4. and Slovenian project. The RTA and counterpart agreed that cooperation between the Slovenian, Croatian and Serbian Twinning should be explored if possible.

Concerning the legal matters of component 1 particularly in the context of updating present members of JWG, Valentina informed that Dragana Milovanovic and Mr. Prodanovic, the newly appointed director of WD, were attending the meeting regarding the EU stabilisation and association process chaired by vice-minister Mr. Djelic. The adoption of new Water Law is expected to be in the 2<sup>nd</sup> quarter of 2008.

Arpad had some comments regarding the – as he says – “so called” economic analysis of the Sava CARDS, meaning that the document produced should more likely be marked as a pure water balance result, than economic analysis. There are no words about the cost efficiency in any sense, nor about the investments, cost effectiveness etc.

Valentina supported Mr. Arpad but consider the economic analysis under the Kolubara as a good starting point for further on analysis, adding complementary economic analysis with more demanding methodology has been done for the project concerning waste water treatments in the basin of Juzna Morava and is very useful. The authors are using further on the model of financing water investments FEASIBLE, which was used in the Region in Bulgaria for example in the context of their association and stabilisation negotiations with the EU and in other regions CASCAIUS as well. It will be used here in Serbia for the first time

She expressed the wish to share the information of relevance for the water management issues with the JWG, the issues to be discussed at ordinary meeting of ICPDR in December, one being restoration of the wetlands in the Danube catchments area, the other being problem of the sturgeon which is held up in the Danube by the Iron Gate and not returning to Germany. Last but not the least was the notion that Serbia along with the EU Members and other non EU members will be able to treat waste water for the agglomeration above 10.000 inhabitants by the 2015 according to this document. All the topics she mentioned are in the context of heavy investment activities.

It is also the question what kinds of programs of measures should be adopted for the Danube, since the various Danube countries have invested different means into its protection, which still doesn't mean that those who have invested more in monetary terms have obtained better results than those whom invested less in monetary terms due to the difference of wages for example along the river basin.

Arpad has mentioned also that averagely 16 000m<sup>3</sup> of water per second come with Danube into Serbia and it is somewhat more complex and expensive to control the events occurring in our downstream part of the Danube. Therefore the expertise elaborations are necessary for every issue before Ministry of Foreign Affairs signs something of relevance for water sector.

Milica has given the example about Serbian "habit" not to be able to protect its own interest – couple of years ago, Serbia has signed the agreement to make possible the navigability of Sava river through Serbia, whereby Serbia should pay quite the amounts to actually *provide* this navigability. It was clear from the start it is not feasible, and Sava is still not navigable. On the other side, nobody has brought up the question about the problems concerning the water supply facility in Makis on Sava river too, which is supplying the whole Belgrade with water.

Claus agreed that there are many problems in formulation of the economic analysis document for water issues in any country. Especially, the problem might be that in Serbia there is not enough expert knowledge available in the administration to tackle this problem. There is not much experience also in other countries in terms of costs of navigation, of hydropower plants etc. The Slovenian twinning project definitely "deserves" this name, since both sides can really learn something from each other and exchange experiences. Claus proposed the involvement of the new expert who is free lance, not really in any state administration, but can provide the knowledge needed for the formulation of the correct economic analysis for water issues in Serbia. But as far as we have space inside of the project, he could help formulating a *draft* of such a paper and nothing further.

Arpad supported the idea of engaging the expert in this field – someone who should show how the correct economic analysis should be performed in terms of the WFD. It might be shown on some basic issue, perhaps more connected to the water quality issues, but later our experts should be able to also apply to other problems.

Claus also brought up the formulation of the addendum for the Twinning contract. He mentioned several reasons for the addendum. First of all, the new water director has agreed to be also the new project leader on Serbian side. That is the main point of the addendum, and also the prolongation of the project – which means, instead of the 23<sup>rd</sup> May, it would last until the 23<sup>rd</sup> August – some delays occur that can not be healed in other way. However, even if Serbian and German side agreed with this, we should also obtain a final "yes" from Brussels and the EAR. The occasion is now convenient to dedicate some days/missions which unused for some planned activities (the success of which is not to be expected) to some other missions/activities, which the team might find more appropriate, treating the problems which might need more attention.

The more difficult task, if it is mentioned in the addendum at all, is to coordinate the 3 twinning projects (Slovenian, Croatian and Serbian). All three projects must tell to the EAR for example that they want it and still there are open questions – i.e. who would organise and finance the joint meetings, and how often would they take place.

Arpad said that if Germany is the partner of all 3 Twinning projects, German RTAs must see the common points, then it should be the German problem, how to organize and finance the meetings!

Claus pointed out that Germany is anyway planning such a meeting. But there might be some benefits for all of the experts, not only the German ones, in linking the 3 Twinning projects and this needs maybe further coordination and meetings. This will be out of the scope of Germany.

As for addendum of our twinning contract, Claus emphasised some details to be mentioned: there is intention to merge the activities 1.4.1 and 1.4.2 into one, and therefore we should introduce a change of the benchmarks in the addendum. It concerns the core team of the HR department – we cancel the core team, we will train the heads of departments and directors instead. The addendum will be finished by Friday (by Claus and Christian), by Tuesday the German management will check it and than it will be given to Serbs and later to the EAR, and the plan is to do it all in this month.

Valentina suggested that there might be some ideas already existing among the Serbian colleagues, which could be shared before the EAR actually seals the addendum.

Arpad has mentioned also that there is a problem concerning the bilateral cooperation with Croatia in terms of flood protection issues – and also with Hungarians, since there is no such thing as a bilateral/trilateral agreement between the countries, so they have many formal problems when they have to tackle some problems arising on operative level (such as protection from floods, e.g.) The operative units of all countries are ready to cooperate, but there must exist also the political will to formally arrange the activities.

Milica has proposed that there should be more stress given on the activity concerning the team work, i.e. the coordination and cooperation between the experts in institutions in Serbia. We have seen in this project that the German colleagues can cooperate with each other, although they are coming from different institutions, administrations and states. It would be useful to have some guidelines, some training how to establish such a coordination also in Serbia, i.e. “networking” among the individual experts in our institutions.

Claus has agreed with these ideas and the twinning team will try to include the communication among and inside of the institutions in the scope of shifting activities in the contract.

It is agreed that the next meeting of the JWG will be on January 29<sup>th</sup>, 2008, at 10 am. Claus proposed that the meeting could be held in Novi Sad, if possible, but at the moment it is open.