Bosnia & Herzegovina

GDP real growth rate: 6% (2008)
GDP per capita: 6,600 \$ (2008 est.)
GDP per sector: Agriculture 10.2%,
Industry 23.9%, Services 66.0%
Human Development Index: 0.812 (rank 76)
Number of inhabitants (in 000's): 3,773
Major industries: Steel, coal, iron ore, lead, zinc, manganese, bauxite, vehicle assembly, oil refining, electrical appliances.

Description of the Status Quo SCP

Bosnia and Herzegovina has experienced sustained growth in recent years supported by reforms addressing the challenges of the war destruction that deeply affected the country's major infrastructure. The main problems are waste management, atmospheric pollution, low energy efficiency and access to safe water.

Energy:

Coal is a major energy source for heating characterized by low calorific power and high greenhouse gas (GHG) emissions. Moreover, the country registers intensive energy consumption, inherited from its communist history (shortage of meters, highly subsidized prices). A new Electric Energy law is one of many initiatives aiming to tackle such challenges.

Waste:

Waste management is one of the major problems. Only 40% of total collected waste is disposed of at municipal waste dumps, and lack of waste separation, means it contains hospital and hazardous waste. A Wastage Law addressing waste management, hospital and hazardous waste, is pending approval. There are currently no attempts to establish regulations on reuse, recycling or sustainable consumption.

Natural Resources:

The most pressing problems are access to safe water due to the lack of infrastructure, pollution of aquifers by untreated waste water, and the loss of agricultural land from uncontrolled construction, erosion, high acid-level contamination and anti-personnel mines buried during the war. Rapid deforestation is also a challenge, since wood is used for domestic purposes or construction.

Policies and Strategic Framework

In October 2008 Bosnia and Herzegovina adopted a Strategy for Environmental Protection. Major focus lies on waste-related measures, energy efficiency and the use of natural resources. The National Plan for Environmental Action supports cleaner production, as well as water, energy and resource efficiency. The country has also committed to a number of international conventions and is involved in several international programmes, particularly those related to the prevention of climate change.

The national strategy has adopted a series of multi-sector specific activities to support sustainable consumption and production, although still lacks an integrated approach, tackling issues such as subsidized energy and water prices or the calculation of environmental externalities. The next few years are fundamental to determine whether the government is successful in its implementation or if its strategy remains a declaration of intention.

Legal and Regulatory Framework

A series of laws and regulations have been outlined such as the Law on Environmental Protection. However the enactment of regulations based on the waste law among others, is still pending. Many existing laws have not been harmonised with EU regulations and standards.

An environmental permit application system is in place, yet the majority of companies have not taken steps to obtain corresponding permits. The situation reveals great scope for the promotion and strict application of measures to control and prevent pollution in industrial activities.

Economic instruments are insufficient for large-scale implementation of the concepts, and environmental externalities are still not included in financial analyses. Price calculation for resources such as water and energy is still not based on the real cost. Likewise the country lacks environmental taxes or financial mechanisms to facilitate SCP in companies and the application of "polluter pays" principles have not yet been implemented.

No initiatives related to Sustainable Public Procurement (SPP) are in place. Bosnia and Herzegovina is still ensuring the implementation of a public procurement system across the country, a precondition to implementing aspects of SPP.

Greening Industry and Society

Corporate Social Responsibility (CSR) remains a new concept and only a number of multinationals and big national companies incorporate CSR principles and practices. The first CSR-related initiatives have been developed by international organizations, such as UNIDO and the Global Compact. The Global Compact has established a permanent office, which contributes to the dissemination of CSR principles. The Ministry of Foreign Trade and Economic Relations has appointed a representative responsible for CSR.

NGOs are starting to address CSR. The most significant example is the Mozaik Foundation, focused on the promotion of CSR among top company executives that has organized an annual award for social responsibility among Bosnian entrepreneurs.

Sarajevo University has incorporated CSR in its curriculum.

Main Actors and Projects

The most important actor is the Centre for Environmentally Sustainable Development (CESD) promoting Cleaner Production, and projects related to the IPPC directive and educational programmes. The Regional Environmental Centre office for Central and Eastern Europe (REC) in Bosnia Herzegovina and the Centre for Energy, Environment and Resources (CENER 21) are also creating numerous initiatives for the promotion of SCP.

Major SCP-related projects promoted include CP in the food industry, capacity building for the implementation of IPPC principles, financial engineering for energy efficiency projects and energy auditing of buildings.











