

Chapter 27: Environment

EU environment policy aims to promote sustainable development and protect the environment for present and future generations. It is based on preventive action, the polluter pays principle, fighting environmental damage at source, shared responsibility and the integration of environmental protection into other EU policies. The *acquis* comprises over 200 major legal acts covering horizontal legislation, water and air quality, waste management, nature protection, industrial pollution control and risk management, chemicals and genetically modified organisms (GMOs), noise and forestry. Compliance with the *acquis* requires significant investment. A strong and well-equipped administration at national and local level is imperative for the application and enforcement of the environment *acquis*.

Good progress has been made in the areas of air quality and waste management and some progress in the water quality sector. Limited progress has been made in other areas.

Regarding **horizontal legislation**, limited progress can be reported. There is no development concerning the ratification of the Kyoto Protocol. Further efforts are needed to limit the growth of greenhouse gas emissions in order to meet Croatia's Kyoto target for the period 2008-2012. The transposition and implementation of the Emissions Trading Directive and the Linking Directive are at the core of cost effective climate actions to be implemented in Croatia. To implement new actions and limit growth of greenhouse gas emissions within the stringent timeline, the coordinating role of the Ministry of Environmental Protection, Physical Planning and Construction will have to be strengthened and the technical capacity of the responsible policy unit within the ministry will have to be reinforced.

Elements of a number of horizontal directives in the area of environment, such as provisions related to public participation in environmental decision making, are transposed through existing Croatian legislation but none of the regulations are currently fully in line with the *acquis*. Revisions continue to be needed to bring Croatian legislation in line with the *acquis* on Environmental Impact Assessment. No particular progress can be reported on the implementation of the *acquis* on Strategic Environmental Assessment.

The National Protection and Rescue Directorate came into being on 1 January 2005 rationalising the various services responsible for civil protection under one organisation.

In relation to **air quality**, good progress can be reported. The Air Protection Act, adopted in November 2004, transposes a substantial part of the Ambient Air Quality Framework Directive. This act has also given rise to partial transposition of a number of other directives in the sector. The development of the national network for monitoring air quality continued with the addition of two new stations in Zagreb to the four existing stations.

Good progress can also be reported concerning **waste management**. Transposition has advanced regarding the horizontal legal framework (Waste Framework Directive and Hazardous Waste Directive) through the adoption of the Waste Act in December 2004 and a regulation transposing the European waste catalogue and the list of hazardous

wastes in April 2005. The national waste management strategy has been adopted. However, an action plan to implement the strategy needs to be urgently adopted. The newly established Environmental Protection and Efficiency Fund focussed on remediation of official municipal waste landfills to EU standards in its first year of operation.

As regards **water quality**, progress can be reported as the transposition of the Drinking Water Directive was completed in 2004 through the adoption of an ordinance on drinking water quality. Croatia continues to play an active role in the Danube-Black Sea (DABLAS) Initiative and hosted the annual meeting of the Danube-Black Sea Task Force.

Whilst transposition of the acquis in the field of **nature protection** is already relatively advanced, completion of the alignment process has encountered delays and limited progress can be reported on the 15 legislative measures foreseen in the 2004 national programme for the integration of the Republic of Croatia into the EU, only one of which was adopted within the timescales foreseen by the programme. The Wild Animals in Zoos Directive is fully transposed but will not be fully implemented until 2009. Whilst the Ministry of Culture is the competent authority for nature protection, responsibilities for different aspects are scattered amongst various ministries. In 2004 the budget of the Directorate for Nature Protection was reduced to one sixth of its 2003 level. Although this was doubled in 2005 it remains one third of its previous level. One visible result of these budgetary constraints is that there is hardly any ongoing monitoring of nature protection in Croatia.

Croatia needs to ensure that activities and developments in potential Natura 2000 sites do not damage the natural assets of those sites, in line with the principle that in candidate countries, new investment must be in line with the environmental acquis. There are indications that this is not currently the case and that the impacts of construction on the environmental assets of such sites are not being assessed.

Regarding **industrial pollution and risk management** no substantial developments can be reported on the transposition of the acquis. The level of transposition remains low and Croatia faces a major challenge in aligning with the acquis in this sector. Croatia has been operating a permitting system for a number of years and though it is not compliant with the requirements of the acquis, it nevertheless provides a good foundation upon which to build.

In the field of **chemicals and genetically modified organisms**, the revised 2004 Chemicals Act did not come into effect on 1 July 2005 as foreseen, since the government proposed to postpone the adoption of the amendments to the law in parliament. This revised act would partially transpose a number of directives. In its absence, no particular progress on transposing the acquis can be reported in this sector. A number of acts were adopted that partially transpose the directives on genetically modified organisms.

There has been limited progress in transposing the acquis in the **noise** sector. Certain national noise indicators were defined by an ordinance on maximum permitted noise levels in human living and working environments that entered into force in September 2004.

As regards **forestry**, administrative capacity has been provided and work is ongoing on drafting legislation with a view to approximation to the *acquis*.

With regard to administrative capacity in the environmental sector, following the reorganisation of the Ministry of Environmental Protection, Physical Planning and Construction the number of staff has increased by 14. Reorganisation of the Directorate for Inspection has resulted in a small increase in staffing levels. The Agency for Environmental Protection (established in 2002) is now operational and currently has 15 staff members. Whilst many institutions have staff who are knowledgeable of the *acquis* there remain resource constraints that affect their ability to implement environmental law. Of particular concern are staffing levels in local authorities responsible for issues such as municipal waste collection and disposal. The distribution and fragmentation of responsibility within the administration is hampering efforts to align with the *acquis*. The relative weakness of the Ministry of Environmental Protection, Physical Planning and Construction in relation to other ministries weakens the influence of environmental protection in Croatia and jeopardises its ability to fully implement the requirements of the environmental *acquis*.

The basic requirements of an inspection and enforcement system are in place but its effectiveness varies from sector to sector. The water inspection system works well whilst the industrial inspectorate is too small and poorly resourced to perform its current tasks let alone those required in order to implement the Integrated Pollution Prevention and Control (IPPC) Directive. At local level the situation remains poor with many waste facilities rarely inspected. The level of fines for breaches of environmental law do not offer an adequate deterrent and collection rates remain low. There is little evidence that the judicial system is sufficiently supportive of enforcement of environmental law.

Regarding financial resources, 0.46% of the 2004 State budget was allocated for environmental protection (administrative and salary expenditure not included). The 2005 State budget provides for a similar level of expenditure. In addition, counties and local self-government units have their own revenues that are used, amongst other things, for environmental protection. An Environmental Protection Fund was established and became operational in 2004. The fund has allocated grants for co-financing remediation of 151 municipal waste landfills.

Conclusion

Good progress has been made in the areas of air quality and waste management. Some progress has been made concerning water quality whilst limited progress has been made in the other sectors. Overall progress is slower than envisaged in the 2004 National Programme for the Integration of the Republic of Croatia into the EU. An overall timetable for transposing the environmental *acquis* has yet to be drafted. The implementation and enforcement of new laws lag some way behind.

Most of the problems highlighted in the Commission Opinion on Croatia's application for EU membership remain present and continue to pose a threat to successful implementation of the *acquis*. The Opinion's conclusion that Croatia needs to make considerable and sustained efforts in the environmental sector does not appear to have led to any significant change in the overall importance attached to environmental protection by the Croatian government.

The Ministry of Environmental Protection, Physical Planning and Construction has responsibility for many areas of environmental protection without being given the corresponding authority to ensure delivery on these responsibilities. The comparative weakness of the Ministry of Environmental Protection, Physical Planning and Construction compared to other ministries, coupled with the division of responsibilities for operational aspects of environmental protection, continues to hamper progress in approximation, implementation and enforcement.