STANDARD SUMMARY PROJECT FICHE

1. Basic Information

1.1 Désirée Number: 2004/016-710.03.01
Twinning SI04-EN-01

1.2 Title: Integrated Pollution prevention and control (IPPC)

1.3 Sector: ENVIRONMENT

1.4 Location: SLOVENIA

2. Objectives

2.1 Overall Objective(s):
The objective is to assist the Ministry of Environment, Spatial Planning and Energy (MESP) of the Republic of Slovenia in the process of implementation of the Acquis in the field of industrial pollution prevention and control.

2.2 Project purpose:
The project is targeted to implement the IPPC Directive (Council Directive 96/61/EEC concerning integrated pollution prevention and control) in particular at establishing information database of IPPC installations and writing pilot environmental (IPPC) permits for test installations. The Ministry is the only competent authority responsible to issue integrated environmental permits.

2.3 Comprehensive Monitoring Report
In the CMR the following text justifies the project’s objective: “Implementing legislation on the permitting procedure for installations subject to the rules on integrated pollution and prevention control (IPPC), need to be transposed by accession. Administrative capacities are in place and function but following the delay in transposing the IPPC Directive; the capacity to issue permits for new IPPC installations and to ensure compliance with them by accession needs to be enhanced. As regards existing IPPC installations, permits need to continue to be issued and complied with until October 2007. Arrangements must be made for stakeholder participation in the licensing procedure. As regards IPPC, transitional arrangements until 30 October 2011 have been agreed for certain installations in Slovenia.”

2.4 Acquis communautaire
Art. 5 of IPPC Directive requires issuing of environmental permits for existing installations by 31 October 2007. The project will contribute to speed up this process by training the core team of governmental officials thus providing for a quick and efficient launching of permit procedure.
Art. 6 of IPPC Directive defines the content of applications to be submitted by the operators. The existing application forms of Member States (MS) will be scrutinized and applied to selected installations through the implementation of the project.
Art. 9 of IPPC Directive determines the conditions to be quoted in the permit. The project will result in pilot permits where concrete conditions will have to be fixed according to the provisions of Directive.
3. Description

3.1 Background and justification:
Investment part:
MESP is the responsible body for overall harmonisation and implementation of IPPC legislation.
The IPPC team that was formed on the Ministry in 2003 consisted of representatives of the Ministry of Environment, Spatial Planning and Energy (MESP), Environmental Inspectorate (IRSESP) and Environmental Agency (EARS). The team is responsible for screening the installations and form a special database on IPPC installations giving emphasis to the use of electronic media. Consequently, the need to install a capable IT system exceeding current administration standard arose. The project is aimed at overcoming this shortcoming by acquisition of portable computers with video equipment and projection devices. The electronic equipment is needed for the field work in installations (presentations of permit conditions and video documentation of important details like emission sources and outlets) as well as public hearings on draft permits in local communities.
In parallel, an upgrade of existing database containing all details on companies to new hardware is also needed. It is envisaged to establish a complete electronic processing of applications and permits. Software upgrade will be provided by service contract.
IT hardware and software will be used by the 4 institutions participating in IPPC team.

Capacity building part:
Basic provisions concerning issuing environmental permits are laid down in new Environmental Act. Special provisions (list of IPPC activities, application form, requirements for obtaining the permit, content of permit, time schedule etc.) will be adopted by secondary legislation, which has yet to be drafted. There are some 150 existing IPPC installations in Slovenia for which the permit has to be issued by October 2007. Consultations between individual companies and authorities aiming at defining Best Available Techniques (BAT) derived emission and consumption limit values and other requirements are resulting in a kind of a company adjustment plan comprising a timetable of corrective measures which have to be realized before submitting application. The best way to prepare executive legislation and to inform the industry as well as permit writers about the content and form of the permit is learning by doing. The project is going to benefit from the existing experience in MS in writing integrated environmental permits.

3.2 Linked activities:
Past activities:

- PHARE Project SLO-112: Implementation of the IPPC Directive and the BAT Concept for Slovenia, September 1999
- TWINNING PROJECT SL 98/IB/EN/01: The project aimed at supporting the institution building needs of the Ministry of the Environment and Spatial planning. The new project will address areas of high priority interest for the Ministry, which, were not covered during the Twinning project SL 98/IB/EN/01.
- TAIEX Seminar on Industrial Pollution and Risk Management (REG 2807), 19 - 20. September. 2001
Existing activities

At the moment, intense exchange of information between the competent authority and individual companies is taking place. High level management of the companies and representatives from the Ministry, Environmental Agency and Inspectorate both agree on conditions (taking into account BAT and local circumstances) that will be contained in the future permit. Companies are required to prepare implementation plan with timetable of eventual measures to comply with agreed consumption and emission limit values together with effects achieved and which can be followed by the Inspectorate. All activities are summarized on national IPPC web site.

In 2003 Europe Commission Directorate General for Environment decided to launch a project aimed at improving the implementation of Directive 96/61/EC (IPPC) and Directive 97/11/EC (EIA). The project was initiated in December 2003 and is expected to end in June 2005. It is implemented and managed by a Consortium comprising 4 international consulting companies (Carl Bro, COWI, DHV and Milieu) assisted by national companies in the 10 Phare-countries. The objective of the project is to strengthen the capacity among regional and local authorities through training of employees dealing with Environmental Impact Assessment (EIA) and Integrated Pollution Prevention and Control (IPPC).

Slovenia collaborates within the project named “Capacity Building in Implementation of the Environmental Acquis at the local and Regional Level, ref. No EuropeAid/116215/C/SV/PHA”.

3.3 Results:
The immediate result of the project will be 4 integrated environmental permits for selected companies, to be agreed upon in the inception phase.

General result will be the capacity building of civil servants and indirectly experts in-and outside companies in preparing applications for the permit. The use of BREFs (Recommendation for best available technique application) will be demonstrated to Slovenian competent authority and chosen industrial sectors by the MS experts on case-by-case basis.

The following results are expected too:
- Systems in place for data and information collection, processing and dissemination to all relevant actors requirements (i.e. permitting authorities, industry, public, European Commission), including all monitoring requirements in relation to IPPC,
- Industry is informed on their obligations regarding the implementation of the integrated permitting procedure,
- Increased communication among all the parties involved in the implementation of the IPPC Directive.

3.4 Activities:

TWINNING:
Activities will be implemented through twinning.

The Resident Twinning Adviser (RDA) will spend 12 months in Slovenia, starting as soon as possible.

The PAA will possess the following qualifications:

- Experience in implementation of the Acquis in the field of industrial pollution prevention and control and preparing applications for the environmental (IPPC) permits,
- Experience in use of BREFs and BAT in relation to issuing the permit,
- Experience in the management of professional training of all relevant actors requirements (i.e. permitting authorities, industry, public) in relation to IPPC,
- Good command of English;

Results:

- Description of the methodology of collection, processing and dissemination of data, including all monitoring requirements in relation to IPPC,
- guidelines for integrated environmental permit application and the decision making procedure, the usage of the BAT for the selected branches of industry,
- elaboration of training programmes for the staff of the responsible institutions dealing with the implementation of the IPPC Directive;

Participation of 4 experts per permit skilled in permit writing in its own country is anticipated (each competent for a specific environmental theme (air, water, waste, energy) and one of them being responsible for overall elaboration of the permit). To maintain continuity it is of necessity that for each permit the experts from the same MS are engaged. On the other hand it is preferable to involve experts from various MS to work on different installations. It is anticipated 6 man/months of MS expert work per permit (in total 24 man/months for 4 permits).

Inception phase:
Selection of 4 pilot installations from the list of installations, which agree to participate in the project will be proposed by the beneficiary. Alternatively the official permit for one new installation can be elaborated. Final selection will be done by the MS experts, together with the Slovenian experts. Preference should be put on industrial activities for which BAT Reference Document exists.

First phase:
Elaborating of application forms (combining existing forms from MS and national draft for each of selected installations and translation in Slovenian language. Preparation of applications and accompanied documentation by companies and Slovenian experts and its translation in English. Visits of MS and Slovenian experts in companies.

Second phase:
Review of applications by the MS and Slovenian experts. Completion of applications by the pilot companies if necessary.
Third phase:
Writing of pilot permits by MS and Slovenian experts.

Fourth phase:
Deliberation of permits and discussion and explanation of technical and legal principles in permit writing to Slovenian officials and administration in a form of work-shop. Presentation of practical solutions of public participation and/or nongovernmental organisations in MS (participation of representatives from other MS is possible).

SERVICE CONTRACT 1 – Software for the IPPC permit procedure

The following database software (MS Access) will be upgraded:

- Database providing specific information on IPPC installations (data on operator, administrative documentation, emissions and consumptions, etc.)
- Database providing information on best available techniques and their application in the integrated environmental permitting
- Database for handling applications, EPER register and Commission questionnaire in a uniform way.

The IPPC database should enable electronic management between Ministry, Environmental Agency, Inspectorate and IPPC installation. Also public could get information through this databases.

SUPPLY CONTRACT 2 – Hardware

The following equipment will be used outside the offices during the implementation of the project. It is anticipated that two notebooks per participating institution and two sets of video equipment (video camera with projector) for work in parallel are sufficient.

<table>
<thead>
<tr>
<th>Hardware</th>
<th>Cost per unit</th>
<th>Total cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 notebooks</td>
<td>2,750 EUR</td>
<td>16,500 EUR</td>
</tr>
<tr>
<td>2 digital cameras</td>
<td>1,650 EUR</td>
<td>3,300 EUR</td>
</tr>
<tr>
<td>2 portable LCD</td>
<td>3,000 EUR</td>
<td>6,000 EUR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25,800 EUR</td>
</tr>
</tbody>
</table>

3.5 Lessons learned:

- PHARE Project SLO-112: During the project review of the IPPC directive and Slovenian legislation was carried out. The current practices were evaluated and implementation programme was proposed. The costs for industry and the administration were estimated.

- TWINNING PROJECT SL 98/IB/EN/01: Regarding the OMAS report and Monitoring Report No M/SL/ENV/01002 most of the expected results agreed upon in the covenant were achieved within the duration of the project. Project was divided into 4 fields: Air Sector, Water Sector, Sector"
Information & Reporting Systems and Monitoring & Enforcement Sector. Some general recommendations and conclusions have been given based on the experiences EU Member States Austria, France and Germany to provide assistance for the implementation and enforcement of EU directives. In the air sector, proposals were developed to create an efficient air quality management system, an implementation strategy for the emission sector and a basic methodology and exemplary application for a strategy concerning the reduction of green house gases. In the water sector, proposals for methodology for river basin management and action plans were developed (as required by the water framework directive).

For environmental monitoring and enforcement, the Twinning project resulted in specific proposals and strategies to restructure the environmental administration to allow for the full implementation of EU directives.

- TAIEX Seminar on Industrial pollution and Risk management (REG 2807): General objectives of the workshop were providing information and advice on:
  1. Relevant EC legislative measures in industrial sector (IPPC Directive);
  2. Experience of EU Member States in applying and enforcing EC Environmental legislative measures at regional and local level.

- TAIEX Action on IPPC (IND/EXP 4667): Presentation of the legal framework in Slovenia (EPA, EIA, SEVESO II, EMAS, land use and building legislation), information on experience with IPPC Directive and standards of permitting process in Germany and some other relevant Member States and Candidate Countries provided and the state of transposition of the IPPC in Slovene legislation discussed.

- AC-IMPEL Project, REAP (EP 00.15.01/AC) The general objective was to provide support to the AC-IMPEL network of candidate country environmental inspectors in its bid to ensure that national environmental management systems can respond to EU obligations (recommendations on identifying and using the synergies between four EC instruments (IPPC, EIA, EMAS, SEVESO), mainly concerning the field of application of the instruments and their environmental management implications in the candidate countries

4. Institutional Framework

The competent authority for the implementation of IPPC directive is Environmental Agency of the Republic of Slovenia, the body within the Ministry of Environment, Spatial Planning and Energy where pre-permitting activities regarding IPPC permits are taking place.
5. Detailed Budget

<table>
<thead>
<tr>
<th>TF Support</th>
<th>Million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>Institution</td>
</tr>
<tr>
<td>Support</td>
<td>Building</td>
</tr>
<tr>
<td>Twinning</td>
<td>0.88</td>
</tr>
<tr>
<td>Service Contract 1</td>
<td>0.07</td>
</tr>
<tr>
<td>Supply Contract 2</td>
<td>0.0258</td>
</tr>
<tr>
<td>Total</td>
<td>0.0958</td>
</tr>
</tbody>
</table>

All the amounts in the table above are indicated net of VAT. The project is jointly co-financed by Transition Facility and Government resources. The ratio between the Transition Facility and national amount is binding and has to be applied to the final contract price.

6. Implementation Arrangements

6.1 Implementing Agency

CFCU, Ministry of Finance
Beethovnova 11
1000 Ljubljana.
Responsible person: Mr. Peter Škofič, PAO.
Tel.: +386 1 478 6994, fax.: +386 1 478 6204
E-mail: peter.skofic@mf-rs.si

6.2 The Implementing Authority

Ministry of the Environment, Spatial Planning and Energy of the Republic of Slovenia (MESP)
Dunajska 48
1000 Ljubljana
Slovenia

Responsible person: Mr. Marko Slokar, State secretary, European Affairs and International Co-operation Department
Tel.: +386 1 478 7452, fax.: +386 1 478 7419
E-mail: marko.slokar@gov.si

Contact person: Ms. Tea Glažar, Head of Office for European Affairs
Tel.: +386 1 478 7333, fax: +386 1 478 7419
E-mail: tea.glazar@gov.si

Project Manager: Ms. Alenka-Mojca Gornik, Senior Adviser, Office for European Affairs
Tel ++368 1 478 7413       Fax: +386 1 478 7419
E-mail: mojca.gornik@gov.si

Beneficiary

Ministry of the Environment, Spatial Planning and Energy of the Republic of Slovenia (MESP)
6.3 Non-standard aspects (none)

6.4 Contracts
MESP will be the Contracting Authority for this project. There will be Twinning for Institutional Building part and two contracts for investment part:

<table>
<thead>
<tr>
<th>Contract Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning</td>
<td>880,000 €</td>
</tr>
<tr>
<td>Service Contract 1,</td>
<td>70,000 €</td>
</tr>
<tr>
<td>Supply Contract 1,</td>
<td>25,800 €</td>
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</tbody>
</table>

7. Implementation Schedule

7.1 Start of tendering/call for proposals
Fourth quarter 2004

7.2 Start of project activity
First quarter 2005

7.3 Project Completion
Fourth quarter 2005

8. Equal Opportunity

Participation will be open to both: female and male personnel. Records of staff participating in training and other project activities will reflect this statement.

9. Environment (Not applicable)

10. Rates of return (Not applicable)

11. Investment criteria

11.1 Catalytic effect:
TF support will enable quicker introduction of IT in administrative permitting procedure and public participation activities

11.2 Co-financing:
Financing of software development is long-term activity already earmarked in national budget.
11.3 Additionality: (Not applicable)

11.4 Project readiness and Size: (Not applicable)

11.5 Sustainability:
From the project obtained IT equipment will be depreciated and maintained together with other assets

11.6 Compliance with state aids provisions
(Not applicable)

11.7 Contribution to National Development Plan
(Not applicable)

12. Conditionality and sequencing

Acquisition of IT equipment will be made all at once by public invitation for tenders according to national rules on budgetary expenditures in the first phase of the project. The IPPC directive will be fully transposed by 1. May 2004.
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format (compulsory)
2. Detailed implementation chart (compulsory)
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory) - to be included later
### LOGFRAME PLANNING MATRIX FOR

**Project:** Integrated pollution prevention and control (IPPC)

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Date of drafting May 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires 31/12/2006</td>
<td>Disbursement period expires 31/12/2007</td>
</tr>
<tr>
<td>Total budget: €1.0008 mil.</td>
<td>TF budget: €0.9758 mil.</td>
</tr>
</tbody>
</table>

#### Overall objective

- The overall objective is to assist the Ministry of Environment, Spatial Planning and Energy of the Republic of Slovenia (MESP) in the process of implementation of the Acquis in the field of industrial pollution prevention and control.

**Objectively verifiable indicators**

- The Ministry of Environment capable to manage the permitting process

**Sources of Verification**

- CMR Report

#### Project purpose

- Competent authority (MESP) has to issue about 170 integrated environmental permits to existing installations (Art. 5 of the IPPC Directive 96/61/EEC). To enhance permitting process a twinning programme resulting in 4 pilot IPPC permits for selected installations and an investment in IT hard- and software is anticipated.

**Objectively verifiable indicators**

- Administrative capacities are in place and function

**Sources of Verification**

- CMR Report
- Official Gazette of the RS
- Official Journal

**Assumptions**

- Capability of MS officials to prepare pilot IPPC permit on the basis of translated information and surface visits
- Mutual co-operation between twinning partners
<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • Information system in IPPC department improved  
• Capacity building of civil servants in preparing application forms, permits and public information (IPPC staff equipped and trained to meet implementation tasks)  
• Capacity building of industry in preparing information (applications) to permit writers  
• 4 pilot permits | • MESP information system improved (Third Quarter 2005)  
• IPPC web site developed (Third Quarter 2005)  
• Final Application form developed (Fourth Quarter 2005)  
• Elaborated applications by companies (Third Quarter 2005)  
• Pilot permits (Fourth Quarter 2005) | • RDA reports  
• Monitoring reports for the preparation of Joint Monitoring Committee  
• Country reports to Information Exchange Forum under IPPC Directive | • Project targets achieved |
| Activities | Means | Assumptions |
| • Purchase of IT equipment and upgrade of database software  
• Selection of pilot installations  
• Translation of application forms into Slovenian language  
• Preparation of applications and accompanied documentation by companies and Slovenian experts  
• Translation of information received by operators (fulfilled application forms and other requested information) in English language  
• Visits of MS experts in companies and completion of applications  
• Preparation of pilot permits by MS and Slovenian experts (civil servants)  
• Deliberation of permits and discussion and explanation of technical and legal principles in permit writing to Slovenian civil servants and administration in a form of workshop | • Twinning covenant (12 short term experts)  
• Supply Contract (purchase of hardware)  
• Service Contract (software development) | • Co-operation of management in pilot installations |

**Preconditions**
• Consent of pilot companies for participation in project
• Twining arrangement completed and finalized before project commencement.
Annex 2: Implementation time chart

<table>
<thead>
<tr>
<th>2003</th>
<th>2004</th>
<th>2005</th>
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Annex 3: Contracting schedule (sheet 1)

<table>
<thead>
<tr>
<th>Name and Number of program</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPPC – Pilot Permitting</td>
</tr>
</tbody>
</table>

CUMULATIVE CONTRACTING SCHEDULE  (EUR million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td></td>
<td>0.9758</td>
</tr>
</tbody>
</table>

NB: all contracting should normally be completed within 6-12 months and must be completed within 24 months of signature of FM
Annex 3: Disbursement schedule (sheet 2)

Name and Number of program

*IPPC – Pilot Permitting*

<table>
<thead>
<tr>
<th>CUMULATIVE DISBURSEMENT SCHEDULE  (EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

NB all disbursements must be completed within 36 months of signature of the FM.
Annex 3: Contracting and disbursement schedule (sheet 3)

<table>
<thead>
<tr>
<th>Name and Number of program</th>
<th>IPPC – Pilot Permitting</th>
</tr>
</thead>
</table>

**CUMULATIVE CONTRACTING and DISBURSEMENT SCHEDULE (EUR million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracted</td>
<td>0.9758</td>
<td>0.9758</td>
<td>0.9758</td>
</tr>
<tr>
<td>Disbursed</td>
<td>0.1</td>
<td>0.5</td>
<td>0.85</td>
</tr>
</tbody>
</table>

NB: 1. All contracting should normally be completed within 6-12 months and must be completed within 24 months of signature of FM
2. All disbursements must be completed within 36 months of signature of the FM