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Screening report

Croatia

Chapter 27 – Environment

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I. CHAPTER CONTENT

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*.

II. COUNTRY ALIGNMENT AND IMPLEMENTATION CAPACITY

This part summarises the information provided by Croatia and the discussion at the screening meeting. Croatia indicated that it can accept the *acquis* concerning environment. According to Croatia's assessment difficulties with implementation of some parts of the *acquis* may be expected due to the high costs of the needed investments. Croatia informed also that the administrative structures in charge for implementation and enforcement are generally in place but will need to be strengthened in line with existing plans or those under preparation.

II.a. Horizontal legislation

Provisions of Directive 2003/4/EC on **public access to environmental information** have been partially introduced into Croatian law, notably into the Act on the Right to Access to Information (2003). The remaining provisions will be included in the new Environmental Protection Act whose adoption was scheduled for 2006¹. Croatia signed the Aarhus Convention in 1998 and planned to ratify it in 2006². Transposition will be completed with the adoption of amendments to the subordinate regulation. Croatia indicated that structures responsible for implementation of the Directive are already established both at national and local level, with a lead role for the Ministry of Environmental Protection, Physical Planning and Construction (MEPPPC) and the Croatian Environment Agency. However Croatia recognises that they need to be strengthened. In line with the provisions of the Directive, MEPPPC designated an information officer and established an information catalogue which may be requested by the public. Relevant information is also published on the web-site of MEPPPC, the Croatian Environment Agency and other administrative bodies.

Directive 2003/35/EC on **public participation** has been partially transposed into Croatian law, notably into the Environmental Protection Act and the Air Protection Act. Croatia envisages including the remaining provisions in the new Environmental Protection Act. The transposition will be completed by ratification of the Aarhus Convention. The existing law obliges MEPPPC and other relevant bodies to inform the public on environmental pollution and measures undertaken, as well as to consult the public on plans and reports. It also lays down procedures for such information and public consultations. Croatia indicated that structures responsible for implementation of the Directive are already established both at national and local level, with a lead role for the MEPPPC. However Croatia recognises that these structures need to be strengthened.

¹ According to recent information provided by the Croatian authorities, the adoption of the new Environment Protection Act is now envisaged in early 2007.

² The Act on the ratification of the Aarhus Convention was adopted by the Croatian Parliament on 8 December 2006.

As regards **environmental liability**, Directive 2004/35/EC has not yet been transposed into Croatian legislation, although some elements (obligation of legal and natural persons to restore the damage caused) already exist in the Environmental Protection Act and the Nature Protection Act. Croatia indicated that full harmonisation will be achieved with the adoption of the new Environmental Protection Act. Croatia informed that administrative structures designated for implementation of the Directive already exist (competent authorities and inspection), however they will need strengthening. A coordination mechanism between the ministries and inspection services will also be established.

Croatia explained that provisions of Directive 85/337/EEC on **Environmental Impact Assessment (EIA)** had been partially transposed into its legislation laying down procedures for EIA, establishing a list of projects requiring EIA and designating bodies in charge of implementation. Further harmonisation will follow with the adoption of the new Environmental Protection Act and of the implementing regulations (2007), as well as of amendments to the existing legislation. Croatia informed that 100-130 EIA were conducted in Croatia every year, while under the Espoo Convention (ratified in 1996) 7 EIA were conducted in cooperation with neighbouring countries. Croatia indicated that additional resources would be required for strengthening administrative capacity.

Directive 2001/42/EC on **Strategic Environmental Assessment (SEA)** has not been transposed yet. Croatia plans to do so through the adoption of the new Environmental Protection Act and of an implementing regulation (2007). Assistance in the implementation of the Directive is provided by an ongoing CARDS project. Its aim is to help strengthen the institutional framework and administrative capacity of the bodies involved and to facilitate selection of procedures and methodology for the SEA.

Directive 91/692/EEC on **reporting** has not yet been transposed. However, according to the information provided the obligation of monitoring and collecting of data in a number of sectors has been laid down in some laws (Waste Act, Water Act, Air Protection Act) and their subordinate legislation. On this basis, data on air and water quality, waste disposal, natural habitats and species is collected and processed by designated bodies and (if necessary) transferred to the Croatian Environment Agency which is responsible for coordination of work and reporting to the Commission. Croatia plans to complete the harmonisation of the legislation with the Directive by adoption of the new Environmental Protection Act and of implementing regulations (2007-2008). At the same time the system of existing and new data bases (e.g. on soil) will be developed.

Croatia has been cooperating with the **European Environment Agency (EEA)** since 2003 and submitting data to the European Environment Information and Observation Network (EIONET). It also plans to apply for EEA membership in 2007. The Croatian Environment Agency was established in 2002 to provide accurate information and data in the field of environment, to set up and develop the National Environment Information System (NEIS), to prepare reports, to share information with all stakeholders (including the public and NGOs) and to cooperate to that end with relevant bodies. Currently the Agency intends to improve its work and to broaden the scope of its activity related to operating the NEIS and its further development, as well as reporting. According to the assessment made by Croatia, this will require recruitment of new staff, provision of training for personnel, strengthening of the IT system and purchase of additional equipment.

Croatia is party to the Montreal Protocol and has ratified all the amendments to the Protocol. According to the information provided, a regulation adopted in 2005 reflects some provisions

of Regulation (EC) No. 2037/2000 on **substances that deplete the ozone layer (ODS)**. It prohibits the production of controlled substances, limits their import/export through issuance of licences, sets rules of recovery, recycling and reclaim of used controlled substances and establishes monitoring mechanisms for refrigerating and air conditioning equipment containing controlled or alternative substances. According to data provided, consumption of ozone depleting substances in Croatia fell significantly in recent years, so that in 2004 it represented only 16,8 % of that in 1990 (currently 95 % of consumption is due to maintenance or repair of refrigerating and air conditioning equipment). Steps are being taken to ensure that facilities will be available for the recovery and destruction of ODS from equipment such as refrigerators. MEPPPC acts as competent authority for the implementation of Montreal Protocol, whereas the Ministry of Economy, Labour and Entrepreneurship is in charge of issuing of import/export licences. Effective monitoring falls within the competence of environmental inspection.

Croatia indicated that Directive 2003/87/EC on **emissions trading** will be transposed in 2007 by the adoption of a regulation. Ongoing projects (to be completed in 2008) will enable Croatia to draft a National Allocation Plan, to identify relevant installations and to set up an emission allowance registry. They provide assistance in needs assessment with regard to strengthening of administrative capacity, help to draft technological and economic guidelines for individual sectors and to prepare implementation of monitoring mechanisms. The Croatian Environment Agency will be responsible for reporting and management of the registry. Other competent authorities will be designated in the regulation. Croatia indicated that the implementation of the Directive requires strengthening of the administrative capacity in terms of equipment, training and additional staff. Moreover, linking to the EU emission trading system before accession remains subject to the prior ratification of the Kyoto Protocol.

Croatia signed the **Kyoto Protocol** in 1999 and plans to ratify it in 2007 providing that the question of the base year for its emissions reduction is addressed in a satisfactory manner by the Conference of the UN Framework Convention on Climate Change Parties³. Croatia planned also to adopt in 2006 a regulation establishing a system of monitoring greenhouse gas emissions and of measuring their reduction⁴. The same document will also provide a legal basis for upgrading of administrative structures and improvement of mechanisms related to data collection, processing and verification, and to reporting.

According to the information provided, **civil protection** mechanisms in Croatia are based upon the Constitution and the Protection and Rescue Act, as well as accompanying legislation. A Civil Protection Act was planned to be adopted before the end of 2006 as were changes to the Fire Fighting Act⁵. The Authority responsible for civil protection in Croatia is the National Protection and Rescue Directorate (NPRD) which was set up in 2005. NPRD operates both at national and regional level through county offices. It is organised in three operational services at national level, namely the Civil Protection, fire-fighting sector and the emergency call (112 system) service. The single emergency number system was set up in January 2005. On the basis of the subsidiarity principle, municipalities and towns also have responsibilities for fire-fighting and civil protection through a system of locally based public fire brigades and volunteer fire brigades. A different set-up exists for addressing maritime pollution accidents. Protection and rescue systems are financed from both the state budget as

³ Following the decision by the UNFCCC Conference on the "Level of emission for the base year in Croatia" adopted in Nairobi, Croatia confirmed to the Commission its intention to ratify the Kyoto Protocol in the first half of 2007.

⁴ The regulation was adopted by the Croatian Government in 2006 and entered into force on 1 January 2007.

⁵ According to the recent information, adoption of both acts has been postponed until after the adoption of the Crisis Management Act, but no later than 2008.

well as local budgets. Local public fire brigades are co-financed from the state to ensure uniform level of protection for all citizens. A mid-term implementation plan for the equipping and developing of the NPRD (including the proper setting up of the “112 emergency number system”) has been prepared but not adopted yet. Under this draft plan, € 8.9 million are planned to be invested before 2009.

II.b. Air quality

Croatia informed that the **Ambient Air Quality Framework Directive** 96/62/EC had been transposed through the Air Protection Act and subordinate regulations, and the transposition of the daughter directives is almost complete. The full alignment is planned by the end of 2007 through the adoption of additional implementing regulations. MEPPPC has been designated as a competent authority responsible for the implementation of the Directive with local and regional bodies designated to regulate, organise, finance and upgrade local air quality monitoring and protection activities. The information system for monitoring and reporting on air quality from stations in state and local networks will be established by early 2009 by the Croatian Environment Agency. At the moment, only data on summer ozone level from a few selected monitoring stations is communicated to the Commission and the EEA. There is currently no monitoring data from Croatia in the Airbase database. Croatia plans to adopt in 2007 a division of the state territory into zones and agglomerations (linked to the assessment of air quality), as well as a plan for the protection and improvement of air quality. At present, air quality is being measured at 102 locations and 31 urban centres in total, but not all monitoring is compliant with the requirements of the *acquis*. Croatia intends to complete by mid-2009 the state network for monitoring air quality in inhabited and protected areas and for monitoring transboundary pollution, complying with the assessment requirements. Croatia is party to the Convention on Assessment of Environmental Impact in a Transboundary context and the Convention on Long Range Transboundary Air Pollution (LRTAP).

Directive 2001/81/EC on **national emissions ceilings** has not yet been transposed. According to the information provided, the National Plan for Protection and Improvement of Air Quality will be adopted in 2007. It will set updated objectives for 2010 and 2020 respectively. The Plan will also present an assessment with regard to needs in terms of capacity building and of financial resources as well as time required for the implementation. Thus a framework for a Regulation on national emission ceilings will be established, paving the way for harmonisation of Croatian legislation with the Directive in 2007. Croatia informed that ratification of the Gothenburg Protocol to LRTAP Convention was planned for 2008. Croatia also intends to improve its national emission monitoring system. The guidelines for reduction in emissions of individual substances and for measures to be taken to that end are provided by the National Strategy for Environmental Protection and the National Environmental Action Plan.

Croatia stated that the provisions of Directives 98/70/EEC and 99/32/EC on **quality of petrol and diesel fuels** and on the **sulphur content of certain liquid fuels** have been fully transposed in the Regulation on quality standards for liquid oil fuels (entered into force in 2006). Taking account of the programme of modernisation of refineries, this regulation authorises the Government to establish (in a transitional phase until the end of 2008 and with regard to sulphur content by the end of 2009) on an annual basis, the amount of liquid oil fuels which can be placed on the domestic market even though they do not meet the envisaged limit values. It provides for petrol and diesel fuels placed on the Croatian market as of 01.01.2009 and for gas oil, heavy fuel oil and marine fuels placed on the Croatian market as of 01.01.2010 to comply with EU standards (Directive 2003/17/EC amending Directive 98/70/EC). As of 01.01.2006 placing of leaded motor petrol on the market is prohibited in

Croatia. Monitoring of fuel quality will be delegated to the economic inspectors of the State Inspector's Office.

Croatian legislation on **CO₂ emissions** from new passenger cars has not yet been aligned with the *acquis*. According to information provided, provisions of Directive 99/94/EC will be transposed into an Ordinance foreseen for adoption in 2007. The implementation of Decision 1753/2000/EC establishing a monitoring scheme for CO₂ emissions from new passenger cars will require amendments to existing Croatian legislation. The revised version will designate the Ministry of Interior and the Croatian Vehicle Centre as bodies responsible for collecting and processing of required data. These two institutions already manage a database into which technical parameters of every car are introduced at the registration and at time of annual obligatory tests. Croatia indicated that the system will be brought in line with the *acquis* in the course of 2008 so that the data would be collected in 2009 and sent to the Commission as of 2010. Croatia assessed, there was a need to further strengthen the administrative capacity with regard to data processing and its submission to the Commission.

Croatia stated that some elements of Directive 94/63/EC on **volatile organic compound (VOC) emissions** from storage of petrol and its distribution from terminals to service stations have been transposed into Croatian legislation in the Ordinance on stations for supply of vehicles with fuel. The remaining provisions will be transposed by the adoption of implementing legislation in 2007. It will establish technical measures to reduce the loss of petrol during storage, loading/unloading and transport, as well as the methods and frequency of measurement and analysis determining the mean concentration of vapours from terminals. Within ongoing projects, an assessment is being carried out on the situation of existing storage facilities and service stations and cost of their adjustment to the requirements of the Directive. This will serve as a basis for determining the schedule of the implementation of technical measures required by the Directive. Croatia indicated that neither effective inspection nor enforcement system for mobile containers have been established yet.⁶

Croatia informed that the Directive 2004/42/EC on limitations of emissions of volatile organic compounds (**VOCs due to the use of organic solvents in certain paints and varnishes and vehicle refinishing products**) has not yet been transposed. The new Environment Protection Act to be adopted in early 2007 will serve as the legal basis for the adoption of implementing legislation transposing this directive in 2007. MEPPC will be the competent authority for the implementation of this directive.

II.c. Waste management

Croatia indicated that most of the provisions of the **Waste Framework Directive 75/442/EEC** have been introduced into the Waste Act and its amendment in 2006. It lays down definitions and principles regarding prevention and reduction of waste generation as well as encouraging waste recovery through recycling and other methods. It also designates MEPPPC as a competent body for the implementation of the Directive, regulates the way of waste disposal, establishes a network of disposal installations, provides for the legal basis for waste management plans and describes a system of permits issued for operators of waste disposal / recovery undertakings (state administration offices in counties issue permits for management of municipal waste whereas MEPPPC for management of hazardous waste and incineration). The waste management information system has also been set up and is run by

⁶ In January 2007 Croatia informed that the inspection system for mobile containers had been established following the adoption and entrance into force in December 2006 of the Regulation on technical standards of environmental protection from volatile organic compound emissions by storage of petrol and its distribution.

the Croatian Environment Agency.⁷ The remaining provisions of the Directive will be transposed by the adoption of implementing legislation. In 2005, Croatia adopted the Waste Management Strategy, according to which 21 regional waste management centres will be built until 2025. It also foresees the closure of all island landfills and transport of waste collected there to the chosen ports. The Croatian authorities assessed that administrative structures for the implementation of the Directive and inspection are established both at national and local level. Croatia expects no problems with transposition of the remaining provisions of the Directive, however, some difficulties in the implementation phase, due to high costs of investment needed (notably establishment of waste management centres). Croatia estimates that a total of €3.250 billion will be required to comply with the waste *acquis*. As regards reinforcement of the administrative capacity, the MEPPC Waste Management Department has been increased to 10 employees with the recruitment of three additional staff in 2006.

According to the information provided, existing Croatian legislation covers only a few basic elements of Directive 2006/21/EC on management of **mining waste**. An Ordinance transposing the whole Directive will be passed in 2007. The draft National Strategy for Mineral Resources Management will include provisions on the basic objectives and measures related to the management of mining waste. Croatia does not expect any difficulties in transposition and implementation of this Directive. Croatia also informed that the administrative structures are already in place, though they need to be strengthened.

According to Croatia's assessment, Directive 91/689/EEC on **hazardous waste** has been almost entirely transposed in the Waste Act and its subordinate legislation. The remaining provisions will be included into an Ordinance and a set of amendments to the Waste Act envisaged for adoption in 2006⁸. The Waste Management Strategy foresees that drafting of Hazardous Waste Implementation Plan will be completed by the end of 2006, whereas the Plan will serve as a framework for similar plans to be prepared by all bigger waste producers. According to the existing legislation, all waste producers and subjects involved in the waste management are obliged to prepare, keep, and transfer records on type and flow of waste to the competent authorities. Croatia plans to recruit additional MEPPC staff.

Croatia informed that some parts of Directive 75/439/EEC on **waste oils** have been transposed, including definitions, obligations of persons authorised to collect, recover or dispose waste oils, requirement of recovery of valuable properties from waste oils, list of categories of waste oils, obligation to run a register on the waste origin and flow, issuance of permits, inspection. The remaining provisions will be included in the Ordinance on waste oils planned for adoption in 2006⁹ (the only exception being Articles 8(2), 10(2), 10(3) and 10(4) to be transposed in 2008). MEPPC has been designated as a competent authority for implementation of the Directive, notably for issuance of permits. Croatia indicated that the administrative capacity of inspection services and the Croatian Environment Agency will need strengthening. According to the Waste Management Strategy, one or two centres for management of hazardous waste will be established equipped for the purpose of acceptance and treatment of waste oils from all holders thereof.

⁷ Until otherwise indicated, MEPPC has been designated as the competent authority for the implementation of the *acquis* in the waste management sector. The environmental protection inspectors are in charge of enforcement, whereas the Croatian Environment Agency is responsible for collecting and processing of data, and for reporting to the Commission. Information on Croatian needs with regard to administrative capacity is provided separately for each part of the *acquis*.

⁸ In January 2007 Croatia informed that the amendments to the Waste Act had been adopted in 2006.

⁹ In January 2007 Croatia informed that the Ordinance had been adopted in 2006.

Directive 96/59/EC on disposal of **PCB/PCT** has been partially transposed. Croatia planned to complete the process by adoption of amendments to Waste Act by the end 2006¹⁰ and passing of a Regulation on disposal of PCB/PCT in 2008. According to the information provided, the Waste Management Strategy adopted in 2005 defines as one of its main objectives a total withdrawal from use of equipment containing PCB (by 2025). As Croatia does not have adequate capacities for the disposal and treatment of waste containing PCB, all such waste is currently exported to the EU. A preliminary inventory of equipment containing PCB has been prepared encompassing data on quantity, age, territorial distribution and status (in/out of use) of this equipment. Croatia will prepare in 2007 an Action Plan for gradual phasing out of equipment with PCBs, including estimate of the financial costs. According to the existing legislation, two types of inspection services (inspection for labour, occupational health and safety issues and environmental protection inspection) are in charge of monitoring and enforcement depending on whether the said equipment remains in use or not. Furthermore, all subjects involved either in production or management of waste are obliged to keep records on the waste flow and to submit to competent authorities reports on yearly basis. Croatia informed that financial resources would be required for the elimination of PCBs from existing equipment.

Croatia informed it was party to the **Basel Convention** and implemented Basel rules and procedures. However, it has not ratified yet the Basel ban amendment. With regard to this Convention and to Regulations No. 259/1993 and 1420/1999 on **shipment of waste** Croatia informed that the existing national legislation and a draft Regulation envisaged for adoption in Croatia in 2006 would provide for a framework enabling the implementation of both Council Regulations¹¹. According to those provisions, subjects carrying out activities related to export, import and transit of waste have to be either registered by MEPPPC or to have for each shipment a special permit issued by the Ministry. Moreover, exporters of hazardous waste (import of this kind of waste is prohibited) need to submit either an insurance or a bank guarantee allowing to cover the cost of waste treatment or of a remedy in the case of an accident. The legislation also lays down conditions for inspection including checks of documents, waste, facilities etc. Croatia informed on its plans to employ additional staff for inspection services. All subjects involved in transport and treatment of waste are obliged to submit annual activity reports to MEPPPC. These reports are transmitted to the Croatian Environment Agency.

Croatia assessed that Directive 1999/31/EC on the **landfill** of waste has been partially transposed. The remaining provisions concerning manner and conditions of waste disposal, categories of and conditions for landfills, types of waste which may not be disposed, and conditions for issuance of landfill permits were to be included into the Ordinance on landfills envisaged for adoption in 2006¹². In Croatia, the Waste Management Strategy defines national priorities relating to waste management, including goals for a gradual reduction in the quantity of biodegradable waste deposited on landfills for the period 2005-2025. The Strategy provides a detailed plan for rehabilitation of landfills, whose implementation started in 2004 and should be completed in 2009. MEPPPC along with local authorities have been designated as competent bodies for the purpose of the implementation of the Directive. Environmental protection inspectors carry out controls of landfills. Croatia estimated that the number of inspectors should be increased by 50 % and, after the establishment of regional waste

¹⁰ See footnote 8.

¹¹ Croatia has informed recently that the Regulation on Transboundary Movement of Waste was adopted in 2006.

¹² According to the recent information, Ordinance drafting is at the final stage and the adoption envisaged for early 2007.

management centres, special training should be provided for inspectors with regard to the use of new technologies.

According to the information provided, Directive 86/278/EEC concerning the use of **sewage sludge** in agriculture has been partially transposed. The remaining provisions will be transposed in two stages, in 2006 and 2007 with adoption of amendments to the Ordinance on limit values for indicators of dangerous and other substances in waste waters and passing of the Ordinance on the method and requirements for handling sewage sludge used in agriculture¹³. Croatia indicated that administrative structures responsible for the implementation of the Directive are already in place, where MEPPPC and the Ministry of Agriculture, Forestry and Water Management (MAFWM) act as competent authorities. Three types of inspection services (water, environmental and agricultural inspection) are in charge of enforcement in their respective fields of competences. All subjects involved in production and/or management of waste (incl. sewage sludge) are obliged to fill in and keep (for 5 years) records on waste origin and flow, and to transfer them to the Croatian Environment Agency.

Croatia plans to complete the transposition of the Directive 2002/96/EC on **waste electrical and electronic equipment** (WEEE) by the end of 2006 with the adoption of an Ordinance on waste electrical and electronic devices¹⁴. It would lay down conditions for collection and recovery of WEEE, propose a financial instrument to cover costs of waste management and determine obligations of producers with regard to information to be provided to consumers. Croatia informed also that the Waste Management Strategy adopted in 2005 sets targets for collection of waste, its recovery and recycling until 2015. Croatia informed also that, since the first project concerning separate collection and recovery of WEEE was implemented in Zagreb in 1998, an increasing number of economic operators have been collecting and storing WEEE. Permits related to all stages of waste management are issued by MEPPPC which, along with administrative bodies at local level, acts as the competent authority.

Full transposition of Directive 2002/95/EC on **restrictions of hazardous substances** in electrical and electronic equipment was envisaged in 2006 with the adoption of the Ordinance on waste electrical and electronic devices¹⁵. The existing legislation designated MEPPPC as the competent authority to be supported by environmental protection inspectors empowered to impose penalties provided for by the Waste Act. Croatia estimated that the administrative structures responsible for implementation and enforcement of Directive were already in place and of sufficient capacity.

Croatia informed that Directive 91/157/EEC on **batteries and accumulators** would be transposed in 2006 by passing of an Ordinance laying down detailed requirements concerning marking, disposal and recycling of batteries and accumulators¹⁶. According to information provided, waste batteries and accumulators have been collected in Croatia (separately from other types of waste) since the beginning of the 1990s in shopping centres and recycling yards respectively.

Existing Croatian legislation addresses the issue of hazardous waste in general terms. However, there are no specific provisions concerning management of waste from **titanium dioxide** as covered by Directive 78/176/EEC. According to the information provided by Croatia, the first steps with regard to transposition were to be taken in 2006 by an amendment

¹³ According to the recent information, the transposition of the remaining provisions will take place in 2007.

¹⁴ According to the recent information, drafting of the ordinance is in its final stage and its adoption is envisaged for early 2007.

¹⁵ See footnote 12.

¹⁶ In January 2007 Croatia informed that the Ordinance had been adopted in 2006.

to the Waste Act laying down a legal basis for issuance of a subordinate legislation¹⁷. The transposition would then follow by end 2008 when a regulation on prevention, reduction and elimination of pollution caused by the waste from titanium dioxide would be passed. Croatia informed that administrative structures responsible for implementation of the Directive already existed. At the moment, no titanium dioxide is produced in Croatia.

According to information provided, Directive 94/62/EC on **packaging and packaging waste** has been fully transposed by the Waste Act, the Waste Management Strategy and the Ordinance on packaging and packaging waste which entered into force in November 2005. In line with their provisions, collection, recovery and recycling system for packaging waste has been established linking producers, sellers, consumers, and undertakings responsible for provisional disposal and recycling/recovery of waste. According to the "polluter pays" principle each manufacturer is obliged to transfer to FEPEE (Environmental Protection and Energy Efficiency Fund) a special fee for disposal or return of packaging (the latter one is then forwarded to the seller who in turn pays the consumer for the return of packaging). The existing legislation also sets collection and recycling targets to be met by the end of 2008 and 2015 respectively. It requires that products are marked and information on the possibility of return of packaging is visibly displayed in the points of sale. Croatia assessed the new system to be effective as in 2006 more packaging waste had been collected in the course of 3.5 months than during the whole 2005.

Croatia indicated that Directive 2000/53/EC on **end-of-life vehicles** had been partially transposed, whereas a full harmonisation would be achieved in 2006 with an Ordinance¹⁸. It will lay down requirements concerning information on ways of treatment of end-of-life vehicles, establish a de-registration system, set technical standards for storage and treatment of end-of-life vehicles, foresee co-operation of economic agents with designated authorities and determine modalities for charges in line with the "polluter pays" principle. According to the Waste Act, each producer and subject involved in waste management is obliged to fill in and keep for five years records on characteristics of the waste, and to transfer them to the Croatian Environment Agency.

II.d. Water quality

Croatia informed that the transposition of the **Water Framework Directive** 2000/60/EC had advanced through the adoption of amendments to the Water Act and the Act on Financing Water Management and would be completed by the end of 2008. The process is supported by two on-going CARDS projects. The Ministry of Agriculture, Forestry and Water Management (MAFWM) has been designated as the competent authority for the implementation of this directive. The Ministry is in charge of the overall water policy of Croatia.¹⁹ The Water Act establishes, under the authority of the Ministry, the State Water Agency Hrvatske Vode which is responsible for the preparation and implementation of draft river basin management plans and water management plans as well as the register of protected areas. Four river basin districts have been identified though full adjustment of the boundaries in line with the requirement of the Directive will be undertaken only in 2007. Croatia informed that the Water Management Strategy has been forwarded to parliamentary procedure and is scheduled to be approved in 2006²⁰. This strategy represents the basic document for alignment of the

¹⁷ See footnote 8.

¹⁸ In January 2007 Croatia informed that the Ordinance had been adopted in 2006.

¹⁹ Until otherwise indicated, MAFWM has been designated as the competent body for implementation of the *acquis* in the water sector.

²⁰ Croatia informed that due to the process of public consultation, adoption of the Strategy would take place in the 1st half of 2007.

legislative framework for water and the development of river basin management plans. Within the strategy a preliminary analysis and a map of protected areas according to Article 6 of the Directive has been undertaken. As regards monitoring requirements, Croatia informed that these are not fully aligned with the requirements of the Directive and transposition will take place only in 2008. To this effect a two-year national programme has been launched. Delivery of water and wastewater services is organised through regional and local water companies. Croatia estimates that the total costs for compliance with the Water Framework Directive will amount to approx. €5 billion.

According to the information provided, transposition of Directive 79/923/EEC on **shellfish waters** will be completed in 2008 when the subordinate legislation to the Water Act will be passed. MAFWM is responsible for the implementation of the Directive and monitoring of water quality (tests are conducted in accredited laboratories of the Institute of Oceanography and Fisheries – which is also in charge of data collection - and of the Croatian Veterinary Institute). The Ministry of Sea, Tourism, Transport and Development has been authorised to issue licences for shellfish farms. With regard to the latter, subordinate legislation has been passed designating shellfish waters, identifying sampling points, laying down methods and frequency of water quality monitoring and setting water quality standards (partially in line with the Directive). Croatia indicated the need to increase the number of scientific institutions involved in monitoring of water quality and to strengthen administrative capacities, with a particular focus on the local level and tasks related to monitoring and inspection.

Croatia informed that Directive 78/659/EEC on **fish water** had been partially transposed. The remaining provisions will be transposed in 2008 when the subordinate legislation to the Water Act will be passed. It will take account of the foreseen integration with the Water Framework Directive and envisage the establishment of a monitoring system meeting the requirements of both Directives. Croatia assessed that the administrative structures responsible for the implementation were already in place both at national and local level however they would need strengthening. There were also a sufficient number of laboratories in charge of testing water quality. Croatian Waters is responsible for monitoring activities. Data on fishing areas have been kept since 2004 and will provide a basis for the designation of further fishing zones in line with the requirements of the Directive. Current data base on monitoring and water quality will be developed to serve the purpose of establishing of a pollution reduction programme to be prepared by 2009.

Croatia indicated that some elements of Directive 80/68/EEC on **groundwater** were reflected in its legislation, although the Directive as such had not been transposed yet (this would be done by the end of 2008). MAFWM, along with Croatian Waters, act as competent bodies, the prior being in charge of water management while the latter being responsible for issuance of permits for discharges into groundwater, monitoring of quality and quantity of water and taking measures to prevent or eliminate water pollution. The State/County Water Inspection Service and environmental protection inspectors will ensure an effective enforcement of the Directive. Croatia informed also that other systems and mechanisms required by the said Directive were currently under development. The same applied to inventory of permits which for the time being existed only in a modest version and in the future would constitute an integral part of the Water Information System (to be established in 2008). With regard to protocols with the Member States, Croatia entered into agreements with Hungary and Slovenia.

According to the information provided, Directive 76/464/EEC on **dangerous substances** has been partially transposed. The remaining provisions will be included in a revised version of

Regulation on Hazardous Substances in Water envisaged for adoption in 2006²¹. MAFWM is in charge of the issuance of permits for discharges of waste water and monitoring of water quality with regard to List I and II substances. Croatian Waters is responsible for upgrading of the information system covering a data base on monitoring of groundwater and surface waters. Croatia informed that, due to its domestic prohibition of discharges of List I substances into water, no system of prior authorisation of such discharges had been established yet. Croatia recognises that further work on pollution reduction programmes is required, which will be prepared after an ongoing analysis on pollution sources is completed. Croatia indicated the need to support existing laboratories in terms of equipment and training for staff.

According to the information provided, some elements of Directive 91/676/EEC on **nitrate**s are reflected in the Croatian legislation. However, the Directive as such has not yet been transposed (this will be done in 2008). Vulnerable zones are scheduled for designation in 2007, which will be followed by the establishment of action programmes for those zones. Programmes for monitoring nitrates in freshwaters and groundwaters, programmes for monitoring eutrophication and limits for application of fertilisers will also be established in this context. This in turn implies adjustments to the existing enforcement and inspection system to be implemented after consultations and in co-operation with the agricultural sector. With regard to protocols on co-operation with Member States, Croatia stated it had signed such agreements with Hungary, Slovenia, and Bosnia and Herzegovina.

Croatia informed that parts of Directive 91/271/EEC on **urban wastewater treatment** would be introduced into an amended version of the Ordinance on limit values of indices, hazardous and other substances in waste water envisaged for adoption in 2006²². Full transposition is envisaged for 2008. Croatia informed that sensitive areas as defined in Annex II would be designated in 2007. Currently, the Water Management Strategy provides for a framework for future investments in urban waste water collection and treatment systems including estimation of costs and identification of financial sources (e.g. increase in water price). The water quality is monitored by laboratories authorised by the MAFWM. Reports on the water sector are prepared by Croatian Waters, MAFWM, MEPPPC and municipal water utility companies on the basis of collected/monitored data (this will be improved with establishment of a single Water Information System encompassing all types of data required for this sector). They are forwarded to the Croatian Environment Agency.

According to Croatia's assessment, Directive 98/83/EC on **drinking water** has been essentially transposed by the Ordinance on sanitary quality of drinking water adopted in 2004. The few remaining elements will be included into a new Ordinance so that the transposition may be completed in 2008. Croatia informed that the remaining problems are the standard related to arsenic concentration and increased turbidity of water as the compliance will require additional investments in a new technology of water treatment. The responsibility for water supply is shared by MAFWM, Croatian Waters (both in charge of issuance of permits), Ministry of Health and Social Welfare (monitoring of quality of drinking water carried out by the Croatian National Institute of Public Health and its accredited laboratories) and local authorities. The established inventory and the monitoring system cover a vast majority of water suppliers with exception of a few small ones not linked to the public supply system. The mechanism of providing information to consumer will need further improvement. Croatia indicated that an effective implementation of the Directive would require strengthening of administrative capacity and considerable investments.

²¹ Croatia informed that work on the Regulation continued and its adoption was envisaged for 2007 (1st half).

²² Croatia informed that work on the Ordinance continued and its adoption was envisaged for 2007 (1st half).

Croatia informed that elements of the Directive 76/160/EEC on **bathing water** are reflected in its legislation whereas full transposition is envisaged for 2008. The existing acts (only partially aligned with the Directive) designate coastal bathing areas, determine the length of the bathing season, authorise MEPPPC, MAFWM and local authorities to act as bodies competent for management of bathing water and establish sampling and analysis protocols. According to the information provided, provisions concerning identification of measures to be taken to ensure bathing waters conformity to standards, establishing mechanisms to investigate upstream/ambient conditions for bathing waters and identification of discharges which lower the quality of bathing water have not been transposed yet. The inspection of MEPPPC is in charge of enforcement for coastal bathing waters and the Sanitary Inspection for inland bathing waters. Croatia indicated the need to strengthen administrative capacity both at national and local level. Croatia also informed that it had ratified the Barcelona Convention as amended and its relevant protocols.

II.e. Nature protection

According to Croatia, all provisions of Directive 79/409/EEC on the conservation of **Wild Birds** have been transposed into Nature Protection Act and the corresponding subordinate legislation, whereas provisions related to hunting were incorporated in the Hunting Act. The lists of protected birds are in line with Annex I to the Directive with the only exception: *Alectoris graeca saxatilis* (Croatia added that for some other plant and animal species the current protection status under its legislation also differed from the one stipulated in the *acquis*. Some of them could form later the basis for negotiating possible geographic restrictions as allowed in the Habitats Directive.) The alignment of the legislation and establishment of required mechanisms will be completed before the end of 2008 with the adoption of the subordinate regulations and designation of special protection areas for birds as parts of the network NATURA 2000. At the moment the birds in Croatia are strictly protected in 22 ornithological reserves, 8 national parks and 4 Ramsar sites important for migrating birds.²³

Croatia indicated that the provisions of **Habitats** Directive (92/43/EEC) have been transposed into the Nature Protection Act and subordinate ordinances, while provisions related to hunting were incorporated in the Hunting Act. The alignment of the legislation and establishment of relevant mechanisms will be completed by the end of 2008 with the adoption or amendment of subordinate regulations and ordinances, including setting up of national ecological network and designation of sites for the NATURA 2000 network. Management plans for national and nature parks should be adopted by 2010. Monitoring required by Art.11 has been established for three species (wolf, lynx and brown bear) while a broader system is being developed within the framework of projects under LIFE III and CARDS.

With regard to Directive 99/22/EC on keeping of **wild animals in zoos**, Croatia informed that it had been transposed by the adoption of the Ordinance on conditions for the establishment and operation of zoos. Some parts were covered by the Animal Welfare Act²⁴, Nature

²³ The Ministry of Culture was designated as the competent authority in the area of nature protection. It is supposed to cooperate with MEPPPC, the Ministry of Agriculture, Forestry and Water Management with regard to hunting issues, the State Institute for Nature Protection, institutes at the county level, public institutions in charge of management of national parks, nature parks and other protected areas. In coming next years, state administration offices at the county level will also be created. To strengthen the administrative capacity, the number of staff in all the institutions mentioned will be increased (until 2010) with a particular focus on the county and local level.

²⁴ After the screening meeting the Animal Welfare Act was replaced by the Animal Protection Act.

Protection Act and subordinate ordinances to the latter. MAFWM was designated to implement the provisions of the Ordinance on conditions for establishment and operation of zoos and to issue licences for operating of a zoo. The Ordinance introduced a transitional period of 4 years for the existing zoos to adapt to new requirements. Controls will be performed by veterinary inspectors and inspectors designated by Ministry of Culture.

Provisions of the Regulation No. 3254/1991 prohibiting the use of **leghold traps** and of Decision 97/602/EC are reflected in the Nature Protection Act and in the Ordinance on transboundary movement and trade of protected wild species. In line with these, the Ministry of Culture issues certificates and import permits (for import of pelts of animals referred to in the Ordinance) to be presented at the border to the customs service. It is also stipulated that the Nature Protection Inspectorate will carry out inspections and impose sanctions if necessary.

Croatia informed that the same legal acts also transposed the provisions of Directive 83/129/EEC concerning importation of skins of certain **seal pups** and products derived thereof. In order to ensure effective implementation of the Directive, trainings for customs officers and an information campaign for the general public will be organised until the end of 2006. The Nature Protection Inspection Unit from the Ministry of Culture will be responsible for monitoring and empowered to impose sanctions in the case of a breach of the Ordinance provisions.

In 1999, Croatia ratified the **CITES Convention**. According to its assessment, by issuance of Ordinance on transboundary movement and trade of protected wild species in 2006, Croatia transposed into domestic law the provisions of Council and Commission Regulations related to the CITES Convention. On this basis, the Ministry of Culture acts as a competent body and is assisted by four scientific institutions. The Customs Office is responsible for checks on trade in species listed in Annexes to Ordinance, on accompanying documents and on conditions in which the specimen are transported. Also an inter-service Committee for implementation of the CITES Convention has been established with representatives of the Ministry of Culture, the Ministry of Interior (crime police), Ministry of Finance (customs office), phytosanitary and veterinary border inspectors, as well as scientific bodies. Since 2003, trainings and seminars on the implementation of CITES Convention have been organised and attended by nature protection inspectors, veterinary and phytosanitary border inspectors, border police, crime police and customs officers. The system of reporting to the Commission will be established upon accession, whereas Croatia has submitted annual and biennial reports to the Secretariat of the CITES Convention since 2000, as required by the Convention.

II.f. Industrial pollution and risk management

Directive 96/61/EC on **Integrated Pollution Prevention and Control (IPPC)** has not yet been transposed into Croatian legislation, though some of its elements are already applied on the basis of laws related to individual sectors. The main provisions of the IPPC Directive will be introduced into the new Environmental Protection Act. The remaining ones will be transposed into subordinate legislation to be passed by the end of 2008. MEPPPC will be designated as competent authority for issuing of permits. It will have to establish an effective system of consultations with the line ministries in charge of other sectors relevant to environmental pollution control. Croatia indicated that difficulties with the implementation of the Directive may be expected due to high costs of adjustment of the existing installations to the IPPC requirements. Within the ongoing projects, the exact number of IPPC installations

will be determined, as will the required administrative capacity in MEPPPC, line ministries and other bodies involved.

According to Croatia's assessment, its legislation is partially aligned with Directive 2001/80/EC on **Large Combustion Plants (LCP)**. Transposition of remaining provisions will be completed by the end of 2008 with the adoption of the new Environmental Protection Act and of subordinate legislation (2007/2008). A plan of adjustment of the existing facilities to the requirements of the Directive has been elaborated within a CARDS project. As regards emissions from the existing and new plants, the National Environmental Protection Strategy and National Environmental Action Plan determine a set of long-term measures supporting the reduction of air pollution from the LCP. The existing legislation provides for an obligation for the owner/user of a combustion installation to establish until 1 July 2004 a monitoring system for emissions and laid down the frequency of measurements and of reporting to the Croatian Environment Agency. MEPPPC is responsible for the implementation of the Directive. The environmental protection inspection will monitor the actual enforcement of its provisions and the Croatian Environment Agency will operate the information system. Croatia indicated that difficulties in the implementation of the Directive may be expected due to high costs of adjustment of the existing plants to meet emission limit values as set out in the Directive.

According to the information provided, Directive 87/217/EEC on the prevention and reduction of the environmental pollution by **asbestos** has been partially transposed. The remaining provisions will be transposed by the amendment to the Waste Act planned for 2006 and adoption of an Ordinance (2007). Croatia assessed that administrative structures responsible for implementation of the Directive and monitoring are established both at national and county level. Croatia informed that its legislation prohibits using and placing on its market asbestos fibres and other products containing them. Moreover, the only enterprise producing asbestos cement is currently undergoing bankruptcy procedures and will be closed down soon. Additional financial resources will be required for conducting the cleaning work in the factory and on its landfill.

Parts of Directive 2000/76/EC on the **incineration of waste** have already been transposed. Croatia informed that the remaining provisions and Annexes would be transposed by the end of 2006 with adoption of an Ordinance and amendments to regulations on protection of air and water²⁵. MEPPPC and the MAFWM have been designated as competent authorities for issuing permits and ensuring implementation of the Directive. Their inspection services are in charge of monitoring of the plants performing incineration and co-incineration of waste (Croatia indicated the need to strengthen their administrative capacity). The requirements for a plant to obtain a permit are laid down in the Waste Act which also stipulates that the permit should be reviewed and either prolonged or withdrawn after a maximum period of 5 years.

Croatia informed that parts of Directive 1999/13/EC on **solvents** have been transposed into the Air Protection Act and subordinate legislation. The remaining provisions will be transposed in 2007 into a subordinate legislation. It will set the emissions limit values, the methods and frequency of measurements, establish system of monitoring and reporting, as well as identify authorities competent for implementation and enforcement of the Directive. The number of installations falling within the scope of the Directive and costs of their adjustment are to be determined within a CARDS project to be completed in 2006. Croatia indicated that difficulties in the implementation of the Directive may be expected due to high costs of adjustment of the existing installations.

²⁵ According to the recent information, adoption of the Ordinance is envisaged for early 2007.

As regards the implementation of the **European pollutant emission register (EPER)**, Croatia identified 150 companies to which the IPPC Directive may apply. This preliminary inventory will be compared with other data bases of the Environmental Information System to create the final list of enterprises falling within the scope of Annex I to the Directive. Within the current system of the Environmental Emission Cadastre, the data on emissions provided by the operators is submitted to the state administrative offices at the county level where it is aggregated and where its preliminary assessment is carried out before the data is forwarded to Croatian Environment Agency. Croatia indicated the need to strengthen the administrative capacity at the county level and to increase the number of staff.

Croatia informed that a major part of the **Seveso II** Directive (96/82/EC) was implemented through the Environmental Protection Emergency Plan which determined the types of risks and hazards, procedures and measures used to reduce or to eliminate immediate harmful effects to the environment, identified parties involved, laid down their responsibilities and established a mechanism of coordination with measures applied under other laws. It also designated the competent authorities which were Eco-headquarters at the national and local level, emergency units (fire brigades, civil defence, emergency medical assistance teams and atomic, biological and chemical warfare defence units), an expert unit and a communication unit. Financial resources needed for the implementation of the Plan are provided by the state budget, county and local budgets and other sources foreseen in the law. The remaining provisions of the Directive will be transposed by the adoption of the new Environmental Protection Act and its subordinate legislation (2007/2008).

Croatia informed that the new Environmental Protection Act and its subordinate legislation (2008) would allow for implementation of Regulation (EC) No. 761/2001 on **Community eco-management and audit system (EMAS)**. MEPPPC, Croatian Environment Agency and the Croatian Accreditation Agency will be responsible for implementation, registration and accreditation respectively. Enforcement will be ensured by Environmental Protection Inspection. Croatia indicated also that the Environmental Protection Act will foresee a possibility of tax relief and other incentives for organisations participating in EMAS, whereas at a later stage also a reduction of charges for applicants may be considered.

As regards the **eco-label award scheme** Croatia informed that it had its own national scheme which would form a basis for the implementation of the Regulation (EC) 1980/2000. It will be brought in line with the said Regulation by adoption of the new Environmental Protection Act and implementing legislation by the end of 2007.

II.g. Chemicals

Through the adoption of the Chemical Act in 2005, Croatia has partially transposed the **Dangerous substances** Directive 67/548/EEC. Subordinate regulations have been adopted in 2006 on completion of safety data sheets by manufacturers, importers and distributors and the list of dangerous chemicals whose placement on the market is prohibited or restricted. Croatia informed that it will fully transpose the directive into national legislation with the adoption of additional implementing regulations by end 2006 on classification, packaging and labelling; and on notification of new substances²⁶. Croatia has designated the Ministry of Health and Social Welfare as the competent authority with the Croatian National Institute of Toxicology as its advisory body. Croatia indicated that the assessment of the national chemical sector will

²⁶ In January Croatia informed that consultations on the legislation continued and its adoption was envisaged for 2007.

be carried out by end 2006. The designation of legal persons authorised to conduct assessment of new substances within the notification procedure will be published after the passing of the ordinance on notification of new substances. Inspection and enforcement activities will be carried out by the Directorate of Sanitary Inspection of the Ministry of Health and Social Welfare and the Sanitary Inspection within the State Administration Offices and the City Office in Zagreb.

Regarding the **evaluation and control of the risks of existing substances regulation**, transposition into national legislation will be completed by 2007 through the adoption of subordinate regulations to the Chemical Act of 2005 concerning assessment of substances within the notification procedure; the conditions to be fulfilled by the national authority competent for the assessment of substances; the conditions to be fulfilled by the national authority competent for the testing of dangerous chemicals and good laboratory practices. The competent authority is the Ministry of Health and Social Welfare, as well as the Croatian National Institute of Toxicology (the latter is in charge of performing and evaluating risk assessments of substances). Croatia informed that the administrative capacity related to risk assessment required strengthening in terms of recruitment of additional staff, training, and purchase of equipment. Currently, only three toxicologists are employed in the Croatian National Institute of Toxicology.

Croatia informed that the transposition into national legislation of the **Animal Experiments Directive 86/609/EEC** as amended by Directive 2003/65/EC is well advanced through the provisions of the Animal Welfare Act and subordinate regulation. Further alignment will take place when Croatia adopts by end 2006 the Animal Protection Act, which will also regulate conditions for registration for breeding and supplying establishments not yet covered by the existing legislation. According to the information provided, transposition will be completed in 2008. The State Veterinary Directorate within the MAFWM is the competent authority. A new Department for Animal Welfare was established in 2006. In 2005, the competent authorities approved 128 applications (out of 129) for experiments on living animals. According to the information provide, Croatia plans to reinforce the administrative capacity for animal welfare through recruitment of additional staff for the State Veterinary Directorate as well as the state and county veterinary inspection service. 20 additional positions of county veterinary inspectors are being advertised.

The **biocides Directive 98/8/EC** has been partially transposed through the adoption of the Chemical Act in 2005. Croatia informed that transposition will be completed by end 2006²⁷ with the adoption of subordinate regulations to the Chemical Act on the registration of active substances in biocidal preparations and the list of active substances approved for use in biocidal preparations; on the content of information and documentation to be submitted with the application for marketing authorisation for a biocidal preparation; and on management of biocidal preparations after the revocation of the marketing authorisation. The designated competent authority is the Ministry of Health and Social Welfare with the Croatian National Institute of Toxicology as its advisory body. Provisions relating to classification, packaging and labelling and establishing a system for safety data sheets are common to those for dangerous chemicals. As regards the provision of information to Commission, an implementing regulation will be adopted in 2007. Croatia informed that following adoption of the required subordinate regulations, seven additional staff will be recruited to ensure effective implementation. Additional expert training will be required including training for inspectors.

²⁷ In January Croatia informed that consultations on the legislation continued and its adoption was envisaged for 2007.

Whilst MEPPC has been designated as the competent authority as the competent authority for the implementation of Regulation (EC) 850/2004 on **Persistent Organic Pollutants (POPs)**, the control, production, placement on the market, and use of substances under this regulation are within the competences of several ministries depending on their sector of competence as follows: MEPPC (reduction of POPs in the air and waste sector), MAFW (monitoring of POPs in waters and management of plant protection products), Ministry of Health and Social Welfare (restrictions on PCBs and PBBs), Min. of Economy, Labour and Entrepreneurship (handling, labelling and occupational safety measures related to PCBs and PCTs), Ministry of Interior (transport of dangerous substances). Croatia has signed the Stockholm Convention on POPs in 2001 and plans to ratify it by end 2006²⁸. An Action Plan for the gradual phasing out of PCBs will be developed in 2007. Subordinate legislation regulating PCBs use and waste will be adopted in 2007-2008. Croatia informed that legislation regarding prohibition of POPs pesticides will be adopted in 2006²⁹ with an Action Plan for their monitoring to be developed in 2008.

With regard to Regulation EC/304/2003 on **export and import of dangerous chemicals**, Croatia has not yet appointed the Designated Competent Authority. At present, tasks relating to the import and export of dangerous substances are carried out by the Ministry of Health and Social Welfare (issuing of licenses for the import of dangerous chemicals, border inspection through its Border Sanitary Inspection service), the Ministry of Economy, Labour and Entrepreneurship (issuing of prior export notification/certificate for the import of pesticides and industrial chemicals) and the Croatian National Institute of Toxicology which acts as advisory body to the Ministry of Health and Social Welfare. Croatia plans to ratify the Rotterdam Convention on the Prior Informed Consent Procedures for certain Hazardous Chemicals and Pesticides in international trade in 2007. Croatia informed that implementation of an export notification system, implementing arrangements for explicit consent and establishment of a mechanism for issuing guidance to exporters will be enacted after ratification of the Rotterdam convention. As the monitoring and enforcement capacity needs to be strengthened, Croatia informed that it intends to recruit additional staff for the Ministry of Health and Social Welfare in 2007.

II.h. Genetically Modified Organisms (GMOs)

Directive 90/219/EEC on **contained use of genetically modified micro-organisms (GMOs)** has been largely transposed through the 2005 Act on Genetically Modified Organisms as well as subordinate regulations adopted in 2006. Transposition will be completed with the adoption of additional subordinate regulations in 2006³⁰ and 2007. The designated competent authority is the Ministry of Science, Education and Sports. The competent authority will issue regulations in 2006 concerning the content of the notification procedure as well as the content and scope of the risk assessment to be carried out. The Committee for the Contained Use of GMOs which provides its opinion during the notification procedure will be set up in 2007. Croatia informed that that an inspection service will be set up within the competent authority by the end of 2007. Croatia indicated that additional resources will be required for strengthening administrative capacity.

Croatia informed that Directive 2001/18/EC on **deliberate release into the environment of GMOs** has been partially transposed through the 2005 Act on Genetically Modified

²⁸ According to the information provided, the Croatian Parliament adopted the Act of ratification of the Stockholm Convention in November 2006.

²⁹ In January Croatia informed that the respective legislation would be adopted in 2007.

³⁰ According to the information provided, four Ordinances were adopted in July 2006.

Organisms. Croatia plans to complete transposition through the adoption of subordinate regulations in 2006-2007. According to the information provided by Croatia, the responsibility of competent authority is shared amongst different ministries: Ministry of Science, Education and Sports (contained use of GMOs), Ministry of Culture (deliberate release into the environment), MAFWM (placing on the market of GMOs as animal food, as reproductive material in agriculture, forestry and veterinary medicine and substances for protection of plants), Ministry of Health and Social Welfare (placing on the market of GMOs as food and for using GMOs in cosmetics, pharmacy and health services for people). The Ministry of Culture will be responsible for reporting to the Member States and the Commission. The State Inspector's Office is responsible for the inspection supervision of labelling of GMOs but the Inspection service of each ministry undertakes inspection activities according to its field of responsibility. Scientific and expert bodies providing expert advice to the Competent Authorities will be set up in 2007. The procedure for submitting applications and issuing the approval for deliberate release of GMOs into the environment is not yet operational. The Croatian National Institute of Public Health in Zagreb is at present the only authorised GMO testing laboratory since 2004 before entering into force of the 2005 Act on GMOs. New implementing regulations relating to conditions to be fulfilled by GMOs testing laboratories are planned to be passed leading to the authorisation of GMOs testing laboratories in 2007. A system of penalties is in place for infringement against the provisions of the regulation. Croatia informed that administrative capacity for GMOs in the competent authority is very limited. Currently, there is only one dedicated staff member for GMOs both within the Ministry of Health and Social Welfare and Ministry of Culture. Further recruitment is planned in 2007 in both ministries. Croatia informed that additional administrative capacity at national and local levels and financial resources for education and training would be secured by 2008.

Provisions of Regulation (EC) 1830/2003 concerning the **traceability and labelling of GMOs and the traceability of food and feed products produced from GMOs** are incorporated in the 2003 Food Act (labelling) and the 2005 Act on GMOs (traceability). A system of penalties is in place for infringement against the provisions of the regulation. Croatia informed that structures for the implementation of the regulation will be established at national and local level in 2008 and that additional administrative capacity and financial resources for education and training would be secured by 2008.

Croatia informed that introduction of the Regulation (EC) 1946/2003 on **transboundary movement of GMOs** into national legislation has been nearly completed through the ratification of the Biosafety Protocol to the Cartagena convention, the Act on Genetically Modified Organisms and the Food Act for Regulation (EC). Provisions relating for export of GMOs as defined in Chapter II of the regulation will be transposed by 2008. The Ministry of Culture is the competent authority for the implementation of the Protocol. Insufficient administrative capacity has constrained Croatia's capacity to participate in international exchanges of information. Croatia has designated a national focal point for the Biosafety protocol within the State Institute for Nature Protection but not yet those for notification of unintentional transboundary movements (in 2007). A system of penalties is in place for infringement against the provisions of the regulation. Croatia informed that structures for the implementation of the regulation will be established in 2008 and that additional administrative capacity and financial resources for education and training would be secured by 2008.

II.i. Noise

Croatia indicated that Directive 2002/49/EC relating to the **assessment and management of environmental noise** had been partially transposed into the Noise Protection Act (2003) and

the Ordinance on the maximum permitted noise levels in an environment in which people work and live. The transposition of the remaining legislation was foreseen in 2006 by the adoption of implementing regulations to the Noise Protection Act³¹. Competent authorities have been designated. The Ministry of Health is responsible for the overall implementation of the Directive whereas counties, towns and municipalities are responsible for the preparation of noise maps and actions plans. The areas for which it is necessary to make up strategic noise maps and action plans have been partially determined. Some work has been done on noise maps in selected cities. No timetable has been provided for completion of the work on strategic noise maps and action plans.

II.j. Forestry

As regards **forestry**, work is ongoing concerning incorporating in the sector provisions relating to the *acquis*. The MAFWM is the competent authority as regards forestry issues. Croatia informed that the employment of additional seven inspectors is planned by end 2007.

III. ASSESSMENT OF THE DEGREE OF ALIGNMENT AND IMPLEMENTING CAPACITY

Croatia has achieved a satisfactory level of legislative alignment with the *acquis* in the environment chapter. It has taken concrete steps in all fields within the chapter to prepare for the transposition of the remaining parts of the *acquis*. Croatia plans to complete the legislative alignment by the end of 2008. Croatia has already prepared or - in some fields - is currently preparing, a detailed analysis of remaining gaps and resources needed for an effective implementation. Current assessments outline that a substantial amount of work remains to be done across the chapter.

In general, the institutions responsible for implementation and enforcement are already in place at national, county and local level, though they need to be strengthened. To that end, Croatia should ensure an adequate number of staff, provision of training and purchase of equipment and that the timetable for reinforcement of administrative capacity is coherent with the plan for legislative alignment. As the costs of adjustment of the existing installations to the requirements of the *acquis* will be high, Croatia should ensure that adequate financial resources will be at its disposal and that there is coherence between the financial resources made available and the timetable for legislative alignment. Croatia has indicated that the reinforcement and provision of financial resources will take place but without providing a plan with set targets and timescales.

The division of responsibilities for operational aspects of environmental protection amongst many different ministries and bodies at central and local level (including inspection activities) may impact negatively on effective implementation, monitoring, enforcement and reporting in this chapter.

III.a. Horizontal legislation

At the current stage, the Commission considers that the Croatian legislation in this area is partially in line with the *acquis*. A significant step forward in this regard may be taken with the adoption of the new Environmental Protection Act as it would transpose a major part of remaining provisions. Afterwards Croatia will have to ensure a proper and timely implementation of the legislation and procedures stemming thereof, notably related to the

³¹ In January Croatia informed that the respective legislation would be adopted in 2007.

Environmental Impact Assessment and Strategic Environmental Assessment. Croatia also needs to speed up the ratification procedure for the Kyoto Protocol and to ensure its effective implementation, as obligations arising thereof constitute an integral part of the *acquis*.

Croatia has taken concrete steps to prepare for the transposition of the remaining *acquis* provisions and to identify the needs with regard to administrative capacity so to ensure the effective implementation. To that end, a clear table outlining the resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance (for the Commission and for Croatia). Croatia is also well advanced in some areas of this sector, notably in public access to the environmental information and public participation in the decision making process. Steps have also been taken to ensure that the Croatian Environment Agency fulfils tasks related to collection and processing of data and for reporting to the Commission.

However, challenges remain both with regard to the transposition, as well as with implementation of the *acquis*. A particular attention should be paid to the SEA and to Environmental Liability Directives as they have not yet been transposed into the Croatian legislation. With regard to Directives on public access to environmental information and public participation Croatia will need to ensure that the provisions on access to justice are transposed and implemented.

With regard to the Reporting Directive Croatia needs to further develop its capacity in collection and processing of data, as well as introduce uniform procedures to that end. Croatia will also need to ensure for all interested bodies an access to the data base and to establish an effective system of information/data sharing between governmental institutions and the Croatian Environment Agency. For cost-efficiency and coherence of the monitoring and reporting system, it is recommended that Croatia develops NEIS in line with European Shared Environmental Information System and INSPIRE Directive of November 2006.

With regard to the *acquis* on climate change, Croatia should identify relevant installations, prepare technical and economic guidelines for individual sectors, set up effective monitoring mechanisms, establish emission allowance register and improve existing inventory of greenhouse gas emissions.

Croatia should accelerate the adoption of the mid-term implementation plan for the equipping and developing of the NPRD and the mobilisation of resources required for its implementation. In order to participate in the activities of the Community Civil Protection Mechanism Croatia would need to communicate the competent authority and identify the operational contact point, available on a 24/7 basis, and the national correspondent/Committee member. Arrangements for dealing with marine pollution aspects would also need to be further clarified.

III.b. Air quality

Croatia has achieved recently significant progress in this area with transposition of the Ambient Air Quality Framework Directive and the transposition of the daughter directives (the latter nearly completed). In addition, some implementing legislation has been adopted. The development of the national network for monitoring air quality continued with the addition of two new stations to the six existing stations in urban and industrial areas. The Directives on quality of petrol and diesel fuels and on the sulphur content of certain liquid fuels have also been transposed. Moreover, the data base on the passenger cars developed and

managed jointly by the Ministry of Interior and the Croatian Vehicle Centre may serve as a good basis for a database required by the *acquis*.

Croatia will have to pursue the process of alignment of its legislation with the *acquis* in this area as the transposition of Directives on national emissions ceilings, on VOC and on CO₂ labelling of passenger cars has essentially not taken place yet. With regard to the LRTAP Convention Croatia should ensure that the ratification process of the Gothenburg Protocol is completed as envisaged in 2008 and that other protocols to this Convention (notably the 1988 NO_x Protocol, the 1991 VOCs Protocol, the 1998 Heavy Metals Protocol and the 1998 POPs Protocol) are ratified. Croatia needs also to determine zones and agglomerations and adopt plans on protection and improvement of air quality, as well as start their implementation without delay to ensure that the limit values are met within the set deadlines.

The major effort will have to be made at the stage of implementation as this will require large scale investments, notably related to reduction of air pollution, meeting emission limit values and modernisation of refineries. With regard to the latter, Croatia should make efforts to ensure that the process continues in line with the established time tables and that an effective monitoring system on quality of different types of fuel is established and works.

Further strengthening of administrative capacity will be also necessary. A clear table outlining the resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance to that end. The existing monitoring system and structures being in charge of collection and processing of data, and of future reporting to the Commission also require reinforcement.

III.c. Waste management

Croatia is well advanced in the transposition of some parts of *acquis* in the area of waste management (Waste Framework Directive and directives on hazardous waste and on packaging and packaging waste). A substantial progress in this regard is planned for 2006 with full transposition of seven other directives envisaged by the end of the year. The 2005 Waste Management Strategy provides a good framework for further steps in the implementation of the *acquis*. Some progress in this direction has been achieved with the start of landfills rehabilitation and establishment of systems of separate collection of specific types of waste (electric and electronic equipment, batteries and accumulators, as well as packaging).

Croatia should ensure that transposition of the remaining provisions follows in line with time tables set in the National Programme for Integration with the EU. With regard to Directive on sewage sludge a particular attention should be paid to establishment of limit values for heavy metals in soil and sludge in accordance with Annexes to the Directive.

A major effort will have to be made at the stage of implementation as this will require large scale investments (notably related to establishment of waste management centres) and further strengthening of administrative capacity at national, regional and local level (the same applies to Croatian Environment Agency). A clear table outlining resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance to that end. Croatia should continue work on the waste management plans (including a plan for hazardous waste) at national and regional level (the latter where appropriate). It should also make efforts to ensure that a separate collection system and disposal facilities for specific types of waste meeting the requirements of the *acquis* are fully established (or the existing ones adjusted) and a financing scheme developed. With regard to the PCB/PCT Directive a particular effort will have to be made for the disposal of PCB containing equipment.

III.d. Water quality

Croatia has achieved some progress in alignment with regard to the Water Framework Directive, the Directive on dangerous substances and the Directive on drinking water. However, it will have to make significant efforts to align its legislation with the *acquis* in this area as the transposition of a number of Directives is only at an initial stage. Moreover, Croatia should ensure that the set time tables are observed and implementation phase launched without delay, as the transposition of a major part of the related *acquis* is foreseen only for 2008. Otherwise it may be difficult to achieve a sufficient level of implementation in the medium term.

In particular, Croatia needs to establish a register of protected areas, prepare draft river basin management plans and harmonise monitoring requirements in order to advance with the implementation of the Water Framework Directive. With regard to Directive on dangerous substances, Croatia will need to complete alignment of its legislation with List I and List II and to prepare pollution reduction programmes. Croatia should also designate sensitive areas as defined in Annex II of the Directive on urban waste water treatment, identify waters affected by nitrate pollution and designate vulnerable zones, as well as action programmes for them in line with Directive on nitrates. Furthermore, Croatia should ensure that bathing waters will be designated and quality standards established according to Directive 76/160/EEC and that the remaining provisions are transposed and implemented. The same applies to specific fish zones and their quality standards as defined in Directive 78/659/EEC.

A major effort will have to be made at the stage of implementation as this will require large scale investments, notably related to construction or modernisation of urban waste water collection and treatment systems, as well as to introduction of a new technology of water treatment linked to the drinking water Directive. Further strengthening of administrative capacity at national, regional and local level will be necessary. Due attention needs to be paid to planning, administration and management of financial resources to ensure timely implementation of Directive 91/271/EEC. A clear table outlining resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance to that end. The existing monitoring system and structures charged with collection and processing of data, as well as future reporting to the Commission should also be strengthened.

III.e. Nature protection

Croatia is well advanced in alignment of its legislation with the *acquis* in this area. Through the adoption of the Nature Protection Act and subordinate ordinances, as well as the Hunting Act, a good level of transposition has been reached as regards the wild birds and habitats directive. The directives on wild animals in zoos and seal pups have also been transposed, whereas provisions of the Regulation and Decision on leghold traps have also been reflected in the Croatian legislation.

Croatia will have to continue the work on transposition of the remaining provisions and ensure their effective implementation. In particular Croatia will need to designate Special Protection Areas under the Birds Directive, as well as compile the national list of Sites of Community Importance under the Habitats Directive, making up the NATURA 2000 ecological network. Croatia will also need to start collecting scientific information for possible proposals of amendments to annexes of the birds and the habitats Directives. Work will have to be pursued on the management plans for protected areas. A special effort needs to be made to ensure an effective cooperation and flow of information between institutions at the

national and county level involved in the implementation of the *acquis*. Croatia will have to continue providing information and training for inspectors and services performing controls on border check points or responsible for border surveillance. Designated border crossing points will need to be equipped with facilities allowing for clearance of specimen of wild flora and fauna and for keeping confiscated plants and animals on a temporary basis and in adequate conditions. With regard to Directive on seal pups the measures actually in place in Croatia go beyond the *acquis* while prohibiting the import of products of all seals. Croatia will need to ensure that the measures implemented are in line with the *acquis*, as well as with EC's and Member States' international obligations (WTO).

Croatian administrative capacity at national, county and local level will have to be strengthened. A table outlining resources needed, financial commitments and a schedule of implementation would provide a good guidance to that end. Work will also have to continue on establishment of a monitoring system of habitats and species as required by the habitats Directive.

III.f. Industrial pollution and risk management

Croatia will have to make effort to accelerate the pace of alignment of its legislation with the *acquis* in this area as the transposition of some Directives, notably IPPC Directive, has not started yet or is at an initial stage and in some other cases essential elements are still missing. In particular, Croatia should determine the number of installations falling within the scope of the IPPC, LCP and Solvents directives. The mechanism of issuance of permits will also have to be brought in line with the *acquis*. Furthermore, with regard to LCP Directive due attention should be paid to preparation of the national plan on the reduction of emissions. With regard to the Seveso Directive, Croatia should establish a competent body responsible for drawing up of external emergency plans.

A major effort will have to be made at the stage of implementation as this will require large scale investments notably linked to adjustment of the existing installations to the requirements of the *acquis*, construction or modernisation of the waste incineration or co-incineration plants and the cleaning work in the factory producing asbestos cement and its landfill. Further strengthening of administrative capacity will also be necessary. A table outlining resources needed, financial commitments and a schedule of implementation would provide a good guidance to that end. An effective mechanism of exchange information and co-ordination of work between all bodies involved should also be established.

III.g. Chemicals

Through the adoption of the 2005 Chemical Act, Croatia has significantly well advanced the alignment with the *acquis* in the chemical sector. With the exception of Regulation EC/304/2003, all competent authorities have been designated.

However Croatia will have to vigorously pursue the process of alignment through the adoption of the required implementing regulations in 2006-2007 in order to start implementation. It is particularly pressing that the planned regulations on classification, packaging and labelling; and on notification of new substances are passed without delay as well as that the designation of legal persons authorised to conduct assessment of new substances takes place soon thereafter. The assessment of the national chemical sector needs to be completed as planned by end 2006. As regards the export and import of dangerous chemicals, Croatia should not delay ratification of the PIC convention envisaged for 2007 and proceed to appoint the Designated Competent Authority. With regard to Directive on

Biocides, the designated competent authority will need to start inventory the biocidal products on the Croatian market in order to keep up with the review programme of the Directive.

A major effort will be required in terms of strengthening of the administrative capacity for the implementation of the *acquis* in this field in the short-term. Administrative capacity relating to risk assessment requires substantial strengthening through the recruitment and training of additional toxicologists and in particular eco-toxicologists. A clear table outlining the resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance to that end.

III.h. Genetically Modified Organisms (GMOs)

Croatia has take good steps in terms of alignment with the *acquis* on GMOs through the adoption of the 2005 Act on GMOs particularly as regards Directive 90/219/EEC on contained use of genetically modified micro-organisms (GMOs). Competent authorities have been designated and there is an authorised GMO testing laboratory within the Croatian National Institute of Public Health in Zagreb. Though new implementing legislation on authorisation of laboratories still has to be passed, the experience gained by the Zagreb laboratory is a good basis to build upon.

However implementation is at an early stage. As regards Directive 90/219/EEC, notification procedures, as well as the content of the risk assessment have not yet been established. Setting up of the Inspection of the Ministry of Science, Education and Sports and the Committee for Contained Use for GMOs should proceed as planned. Particular attention needs to be paid to the transposition of provisions concerning the phasing out of antibiotic resistance markers in GMOs. Transposition of Directive 2001/18/EC needs to be accelerated, prior notification procedure for deliberate release and GMO register have to be established and the advisory bodies to the competent authorities set up.

A major effort will be required in terms of strengthening of the administrative capacity for the implementation of the *acquis* in this field. Current resources and structures are inadequate and need to be reinforced as a matter of priority to ensure that implementation can be carried out once the subordinate regulations are adopted as planned by end 2006 and 2007. A clear table outlining the resources needed, financial commitments, as well as a schedule of implementation would provide a good guidance to that end. Though the Ministry of Culture is overall responsible for reporting on Directive 2001/18/EC, the spread of responsibilities between four different ministries designated as competent authority makes co-ordination a challenge. No information has been provided on how interministerial co-ordination will take place to ensure homogenous application of this directive.

III.i. Noise

Croatia has only partially aligned to the *acquis* in this area and should accelerate efforts to complete the legislative alignment. Croatia should step up efforts in identifying areas for which it would be necessary to prepare strategic noise maps and action plans and provide a timetable for when maps and plans would be finalised.

III.j. Forestry

Croatia has taken good steps in this sector and should continue its efforts. In 2005, 2,323 inspections were performed. 96 administrative measures, 560 misdemeanours and 8 criminal

charges were submitted because of violation of the Forest Act. It indicated that the system of inspection is an active.