

European Union Network for
the Implementation and Enforcement
of Environmental Law

IMPEL REVIEW INITIATIVE (IRI)

**“A voluntary scheme for reporting and offering advice
to environmental authorities”**

**Report on the IRI that took place in Riga
between 10 to 13 May 2011
at the State Environmental Service (SES)**

Introduction to IMPEL

The European Union Network for the Implementation and Enforcement of Environmental Law (IMPEL) is an international non-profit association of the environmental authorities of the EU Member States, acceding and candidate countries of the European Union and EEA countries. The association is registered in Belgium and its legal seat is in Bruxelles, Belgium.

IMPEL was set up in 1992 as an informal Network of European regulators and authorities concerned with the implementation and enforcement of environmental law. The Network's objective is to create the necessary impetus in the European Community to make progress on ensuring a more effective application of environmental legislation. The core of the IMPEL activities concerns awareness raising, capacity building and exchange of information and experiences on implementation, enforcement and international enforcement collaboration as well as promoting and supporting the practicability and enforceability of European environmental legislation.

During the previous years, IMPEL has developed into a considerable, widely known organisation, being mentioned in a number of EU legislative and policy documents, e.g. the 6th Environment Action Programme and the Recommendation on Minimum Criteria for Environmental Inspections.

The expertise and experience of the participants within IMPEL make the network uniquely qualified to work on both technical and regulatory aspects of EU environmental legislation.

Information on the IMPEL Network is also available through its website at:

www.impel.eu

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1. Executive Summary

In line with the Recommendation for Minimum Criteria for Environmental Inspections (RMCEI), this informal review of the State Environmental Service by a broad cross section of the IMPEL network, focuses upon the inspection, permitting and enforcement of the IPPC and SEVESO Directives and where relevant any other industrial processes that fall under the RMCEI.

Throughout, the IRI team have identified several examples of 'good practice' and 'opportunities for development', when considering the implementation of the above Directives during the review. Specifically, the review team have highlighted the following as particularly strong examples of this:

Good practices:

- The Ministry drafts a multi annual environmental policy strategy. This allows the development of longer term strategies aimed at solving challenging environmental problems. This high level plan allows clear line of sight of issues from all subordinated environmental organisations, NGOs, industry and members of the public.
- SES has developed a risk assessment tool with simple easy to collect evaluation criteria. This tool helps them to prioritise which sites to inspect in the current year and which sites to leave to subsequent years.
- SES work collaboratively with many other regulatory agencies and academia. This helps reduce administrative burden, the sharing of intelligence leading to better environmental outcomes and the development of solutions to technical problems.
- The development of the Latvian SEVESO commission has brought together several authorities and is a good example of collaboration. This has enabled the sharing of documents & information between authorities. Importantly only one report for SEVESO inspections is now produced with a single set of findings, recommendations and follow up measures.

Opportunities for development:

- Consider how priority tasks can be identified and achieved despite dropping resources. Develop ways to ensure there is resource available to ensure the most important tasks are prioritised and carried out.
- Currently SES do not routinely use standardised work load planning times (e.g. officer has X available work or X hours per inspection). This means that is difficult to calculate the amount of tasks an officer can carryout in a set period of time(resource planning) and how charges relate to tasks (cost recovery). It is thought that this latter point results in the under recovery of costs for some activities. Consider the use of standard times to more accurately calculate resource and to identify appropriate levels of charge.

- Limited amounts of training have taken place within SES during the last two years due to the financial crisis. Consider how competency can be maintained within the SES. This could include the development of training by internal members of staff rather than external parties or the development of simple e-training packages.
- SES makes good use of thematic inspections. Consider introducing clearer links to how these thematic inspections help you achieve SES outcomes – This could be achieved through the introduction of qualitative indicators to help demonstrate success/failure.

The review team considers that the objectives of the area of EC environmental law within the scope of the review of SES are being delivered in Latvia. Furthermore the arrangements for environmental inspection and enforcement are broadly in line with the RMCEI.

2. Introduction

2.1 The IRI Scheme

The IRI scheme is a voluntary scheme providing for informal reviews of environmental authorities in IMPEL Member countries. It was set up to implement the European Parliament and Council Recommendation (2001/331/EC) providing for minimum criteria for environmental inspections (RMCEI), where it states:

“Member States should assist each other administratively in operating this Recommendation. The establishment by Member States in cooperation with IMPEL of reporting and advice schemes relating to inspectorates and inspection procedures would help to promote best practice across the Community.”

2.2 Purpose of the IRI

The aims of the IRI are to:

- provide advice to environmental authorities seeking an external review of their structure, operation or performance by experts from other IMPEL member countries for the purpose of benchmarking and continuous improvement of their organisation
- encourage capacity building in environmental authorities in IMPEL member countries
- encourage the exchange of experience and collaboration between these authorities on common issues and problems
- spread good practice leading to improved quality of the work of environmental authorities and contributing to continuous improvement of quality and consistency of application of environmental law across the EU (“the level playing field”)

The IRI is an informal review, not an audit process. The IRI is intended to enable the environmental authority and review team to explore how the authority carries out its tasks. It aims at identifying areas of good practice for dissemination together with opportunities to develop existing practice within the authority and authorities in other IMPEL member countries.

2.3 Scope of the IRI in Latvia

The IRI uses a questionnaire to review the environmental authority against the requirements of the RMCEI. The IMPEL “Doing the Right Things” Guidance Book for planning of environmental inspections has been used to help structure the questionnaire and the review. The Guidance Book was developed to support Inspectorates in implementing the RMCEI and describes the different steps of the Environmental Inspection Cycle pursuant to the RMCEI.

The scope of the IRI in Latvia focussed on the work of the State Environmental Service (SES) primarily in relation to permitting and inspection. This covered a range of directives including IPPC and SEVESO II directives. The SES chose not to carryout a site visit as part of the review.

2.4 Structure

A pre-review meeting was held in Riga on 16 March 2011 in which details for the Review were discussed. The meeting comprised the team leader, rapporteur, and the hosts.

The review itself took place at the offices of the SES in Riga 10-13 May 2011. The findings were presented to the higher management team of the SES and representatives of the Ministry and the Parliament. The Review was structured according to the revised IRI questionnaire developed by the IRI review project during 2009. The IRI Review team consisted of:

| | | | |
|-------------------|---|-------------------|-------------|
| UK | Scottish Environment Protection Agency | Simon Bingham | Team Leader |
| IMPEL Secretariat | IMPEL | Michael Nicholson | Rapporteur |
| Estonia | Estonian Environmental Inspectorate | Himot Maran | Reviewer |
| Netherlands | Province of Utrecht | John Visbeen | Reviewer |
| Romania | National guard, Cluj | Costa Stanisav | Reviewer |
| Slovenia | Inspectorate of the Republic of Slovenia for Environment and Spatial Planning | Bojan Pockar | Reviewer |
| Sweden | Environmental and Public Health | Jari Hitula | Reviewer |

| | | | |
|--------------------------|--|---------------|----------|
| | Department of Municipality Östersund | | |
| Croatia | Ministry of Environmental Protection, Physical Planning and Construction | Tadija Penic | Reviewer |
| | | | |
| Project Leader | State Environmental Service | Vilis Avotins | Host |
| Assistant Project Leader | State Environmental Service | Judite Dipane | Host |



Review team and hosts outside SES, Riga

3. Main Findings

Part A – Defining the regulatory framework of environmental protection in the IMPEL member country.

Objective

To find out about the organisation of the environmental authority, the relevant legislation it complies with and relationships with the public, operators government and other countries.

Overview

The Republic of Latvia is a Parliamentary Republic. The President, as head of state, is elected by the Latvian Parliament, the *Saeima*. The Saeima consists of 100 deputies and is elected every 4 years. The president appoints a prime minister who, together with his cabinet, forms the executive branch of the government. The Cabinet of Ministers is the government of Latvia and its activities are established by the Constitution of the Republic of Latvia and the Cabinet of Ministers Law.

A series of thematic Ministries is dedicated to the implementation of relevant EU & domestic legislation with the Ministry of Environmental Protection and Regional Development overseeing the work of the reviewed authority: the State Environmental Service (SES).

This section gives an overview of the organisations that have a direct or indirect role with regard to environmental protection in Latvia. For the Ministry of Environmental Protection and Regional Development and SES a more detailed description is given. For the partner organisations of SES only a brief description is given.

Ministry of Environmental Protection and Regional Development

The Ministry of Environmental Protection and Regional Development is a government department whose mission is to define, implement and coordinate policy for the environment.

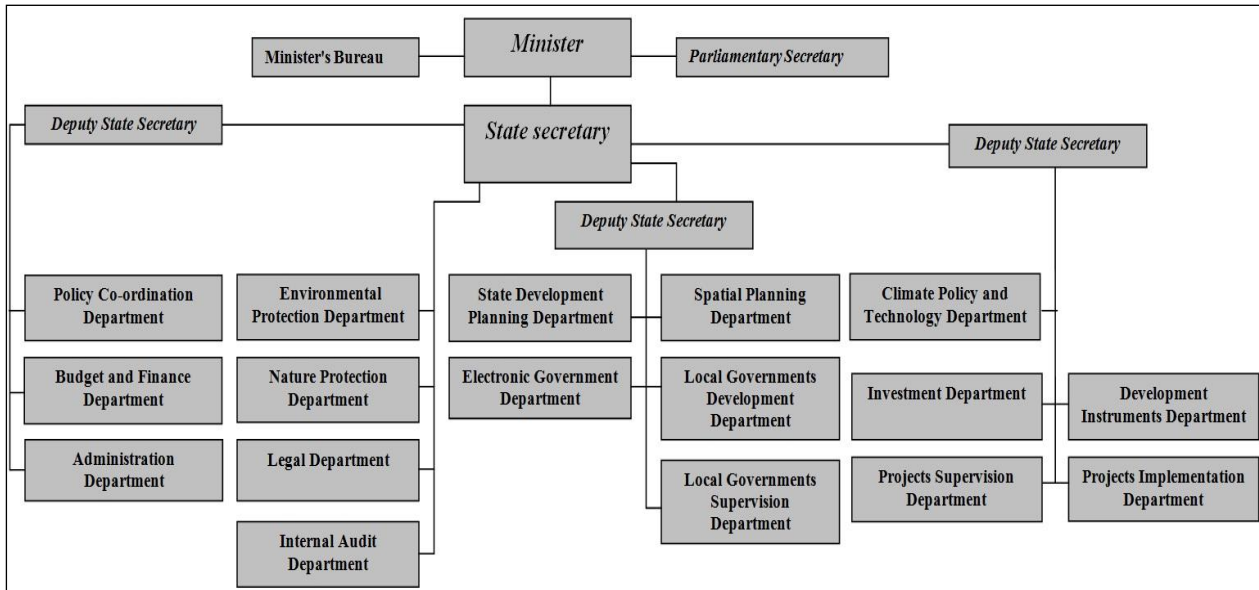


Figure 1: Structure of Ministry of Environmental Protection and Regional Development

The Ministry also oversees and is responsible for several other authorities. The SES is included in the list of 'supervised institutions' (see figure 2).

| Supervised Institutions | Subjected institutions | Companies |
|--------------------------------------|---|--|
| State Environmental Service | Administration of Latvian Environmental Protection Fund | Latvian Environment, Geology and Meteorology Centre |
| Environment State Bureau | Nature Protection Board | State Enterprise Latvian Environmental Investment Fund |
| Latvian Nature Museum | | State Enterprise "Vides Projekti" |
| National Botanic Garden of Latvia | | |
| Latvian Institute of Aquatic Ecology | | |
| State Regional Development Agency | | |

Figure 2: Authorities overseen by Ministry of Environmental Protection and Regional Development

- The responsibilities of the Ministry are:
- Environment protection
 - Nature protection
 - Climate policy
 - E-Government
 - State development planning (sustainable development)
 - Regional development
 - Investments in environment and local governments

Policy dissemination

The Ministry uses several planning documents to set out its policy on the environment and how it aims to achieve that target:

- Implementation surveillance of Environmental Policy Strategy 2009-2015
- Elaboration of ministerial action strategy
- Elaboration and control of ministerial action plan for implementation of government declaration
- Elaboration of new National Development Plan 2014.-2020
- Integration of environmental policy into other sectoral policies (Europa 2020, Cohesion policy un Common Agricultural Policy reform).

Engaging with the public

The Ministry engages directly with the public via several communication channels:

- The management of an internet homepage – www.varam.gov.lv
- Distributing public information through mass media and answering public questions
- Setting out a yearly overview of ministerial work

Relationship with State Environmental Service

The Ministry is directly responsible for the State Environmental Service. The Director General of SES reports directly to the Minister. The SES interacts with several departments within the Ministry but works closely with the Environmental Protection Department on a frequent basis. Drafts of legislation, rules and practices are circulated amongst SES for comment on a routine basis. The Ministry devolves authority to sign documents and papers where applicable. The SES annual plan is discussed with and approved by the Minister, State Secretary and others in the Ministry. This is not publicly available. The priorities in the annual plan are translated into annual objectives for the Regional Environmental Boards (see page 15).

Environment State Bureau (ESB)

The ESB is a state institution under supervision of the Ministry of the Environment and Regional Development. The ESB is responsible for: environmental impact assessment, risk assessing accident potential, managing appeals against decisions made by the SES and is the competent body for Eco-management and audit scheme (EMAS) and eco-labelling. The ESB reports directly to the Ministry.

Legislation

Environment State Bureau is responsible for EIA in Latvia:

Law “*On Environmental impact assessment*” (in force since 13/11/1988, 8 amendments, based on directives 85/337/EEC, 97/11/EC, 2003/35EC, 92/43/EEC, 2009/147/EC, 2001/42/EC)

The Cabinet of Ministers Regulations:

- *Procedures for Environmental Impact assessment* 25/01/2011
- *Procedures for technical (environmental) conditions* 17/02/2004
- *Procedures for strategic EIA* 23/03/2004
- *Procedures for Natura 2000 assessment* 19/04/2011
- *Procedures for acceptance of proposed development* 26/03/2011
- *Statutes of the Environment State Bureau* 06/01/2004

Trans-boundary context:

- *Convention on Environmental Impact Assessment in a trans-boundary Context* (1991/Espoo Convention), in force since 01/07/1998
- *Agreement between The Government of Latvia and the Government of the Republic of Estonia on Environmental Impact Assessment in a trans-boundary Context*; signed on 14/03/1997

State Environmental Service (SES)

The SES is responsible for inspection and control, permitting and management of emergency situations.

The SES is split into 8 regional (geographical) units called Regional Environmental Boards; the Radiation Safety Centre; Marine and Inland Waters Administration, Licences Division; and has one central, coordinating unit based in the capital Riga with the Director General and supervision, administration and legal departments. A significant portion of the permitting and inspection activity takes place in the Regional Environmental Boards (REBs). The central departments based in Riga have a strong coordinating and quality assurance role.

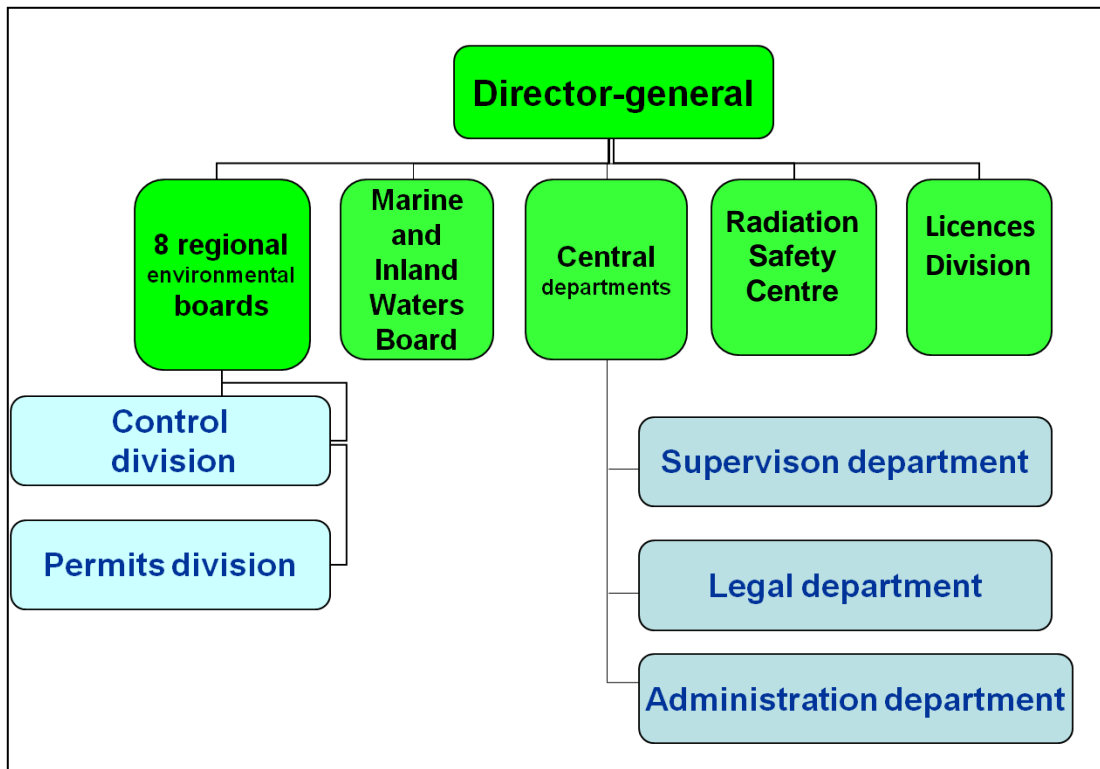


Figure 3: Structure of State Environmental Service

Staffing

The number of staff in May 2011 was 299:

- Management – 14

- REB inspectors – 93
- Fishing and control – 53
- Experts – 81
- Support staff – 58

Not all staff in the SES are civil servants. Most permit writers and inspectors, for example, are civil servants though support staff generally are not.

Main tasks and functions

Environmental control and permitting in the frame of the implementation and enforcement of state requirements in the field of:

- environmental protection
- pollution control and prevention, e.g. waste management
- use of natural resources
- nuclear safety
- to take part in management of emergency situations (e.g. Pollution with oil products river Daugava in 2007)
- to provide environmental information to public

The areas of activity are:

- the territory of Latvia
- continental shelf, economic zones of the Baltic Sea and the Riga Gulf
- territorial waters and inland waters
- North Atlantic (regulating fishing vessels)

Installations and activities

Category A activities

IPPC installations (94 installations)

Category B activities

Installations (~2500 installations) under threshold of IPPC installation which have to apply cleaner production principles

Category C activities

Other industries (~8000 installations) for which permits are not required but which will have the obligation to monitor and report to State Environment Service on activities and processes

In addition there are 32 lower tier and 31 upper tier SEVESO installations.

State Environmental Service's activities at European and international level:

- Regional cooperation with Lithuanian and Estonian colleagues (annual inspectors meetings, annual directors meetings)
- National Authority of IMPEL Network

- National Authority of Chemical Weapons Convention
- Represented in Administrative Board of European Community Fisheries Control Agency
- National representative in the Baltic Sea Environmental Protection Commission's (HELCOM) Maritime and Response groups
- Competent Authority of Trans-frontier Waste shipments
- Cooperation and training with other EU countries to improve qualifications of staff

Funding

In 2011, the budget of the SES was 3 million LATS (approximately 4 million EUR).

The Latvian State budget funds the Ministry who in turn fund the SES. The SES then decides how to distribute this amongst its constituent parts (Regional Environmental Boards, Radiation Safety Centre, Marine and Inland Waters Administration etc) taking into account the annual plan and demands placed upon it by the Ministry.

The SES does not charge fees for permitting though this is will change in September 2011 when fees will be introduced for:

- waste management permits
- A and B IPPC categories
- use of water resource permits
- permits for extraction of mineral resources
- trans-frontier shipment of waste permits.

Fees are also charged by the SES for performing Initial Environmental Impact Assessments and technical specifications and this is paid into the State budget.

To implement the Polluter Pays Principle and to enforce environmental law, there are several additional instruments in place to help protect the environment:

- Natural resources tax
 - Applied on the extraction and use of natural resources in Latvia or for environmental pollution within the amounts specified by legal limits. 60% of these taxes go to the special environmental protection budget of the municipality where the activity takes place and 40% goes to the State budget
 - Applied on the use of radioactive substances. 100% goes to the municipality budget of where the activity takes place.
 - Tax payments for goods harmful to the environment, packaging, vehicles, for emitted greenhouse gas from installations, for illegal extraction of natural resources. 100% goes to the State budget
- Fine payments for violations of Natural Resource Tax Law are be paid into the State budget.
- Compensation in case of environmental damage (linked to Environmental Liability Directive)

The money generated from the Natural resources tax, fines and compensation principally go to the State Budget. The State then, in turn, finances an Environmental Protection Fund via a subsidy. This fund is placed under the direction of the Ministry of Environmental Protection and Regional Development and is used to pay for actions and projects related to environmental protection, for example: air, water protection, natural resources restoration, conservation of biological diversity, waste management, monitoring, education on environmental protection, research in the field of environment, capacity building of state authorities, compensation to citizens. The SES can apply to this fund in cases where environmental remediation is required and owners of installations cannot or will not pay.

A similar system called the Fish Fund is managed by the Ministry of Agriculture. Fines for illegal fishing or angling, incomes from the sale of confiscated equipment or fish, compensation for damage to fish stocks caused by illegal activities and the rental of fishing rights to the public all contribute to the State budget. The State budget, then in turn, provides a subsidy that is equal to the income above to finance actions and projects related to fish protection, fish restocking (in public waters and in water where fishing rights are the property of the State), scientific research concerning fish resources and informing the public of the importance of managing fish stocks effectively.

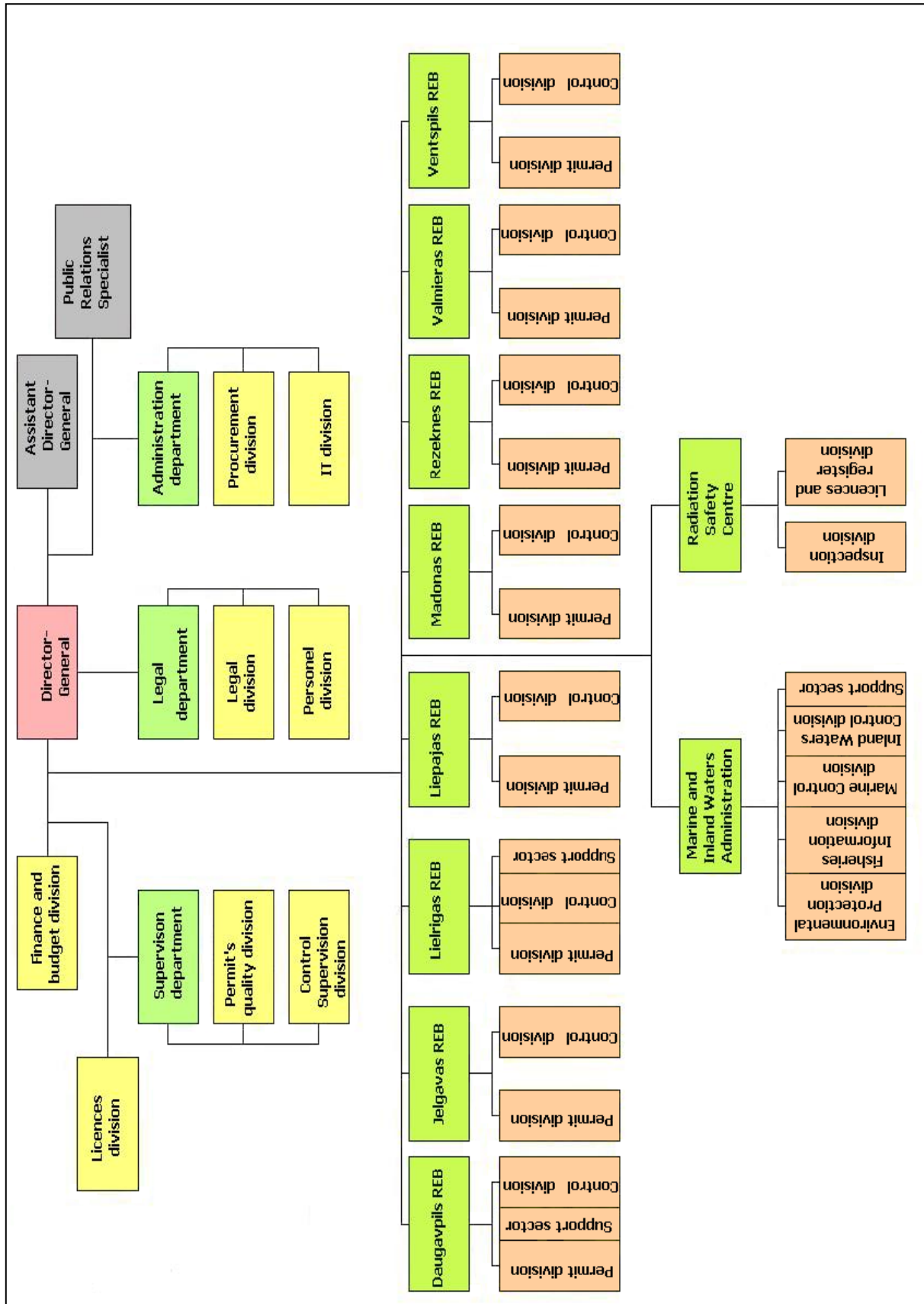


Figure 4: Structure of State Environment Service vis a vis Regional Environmental Boards

Regional Environmental Boards

There are 8 Regional Environmental Boards in Latvia (see figures 4 & 5). The REBs have the responsibility to permit and inspect the installations within its geographical area. The State Environmental Service Ventspils Regional Environmental Board (situated in the north west of Latvia) is a good example of how the REB's are structured generally:

Structure

A Regional Director supervises a Department of Permits, Department of Control and support staff. Please see figure 4 (previous page).

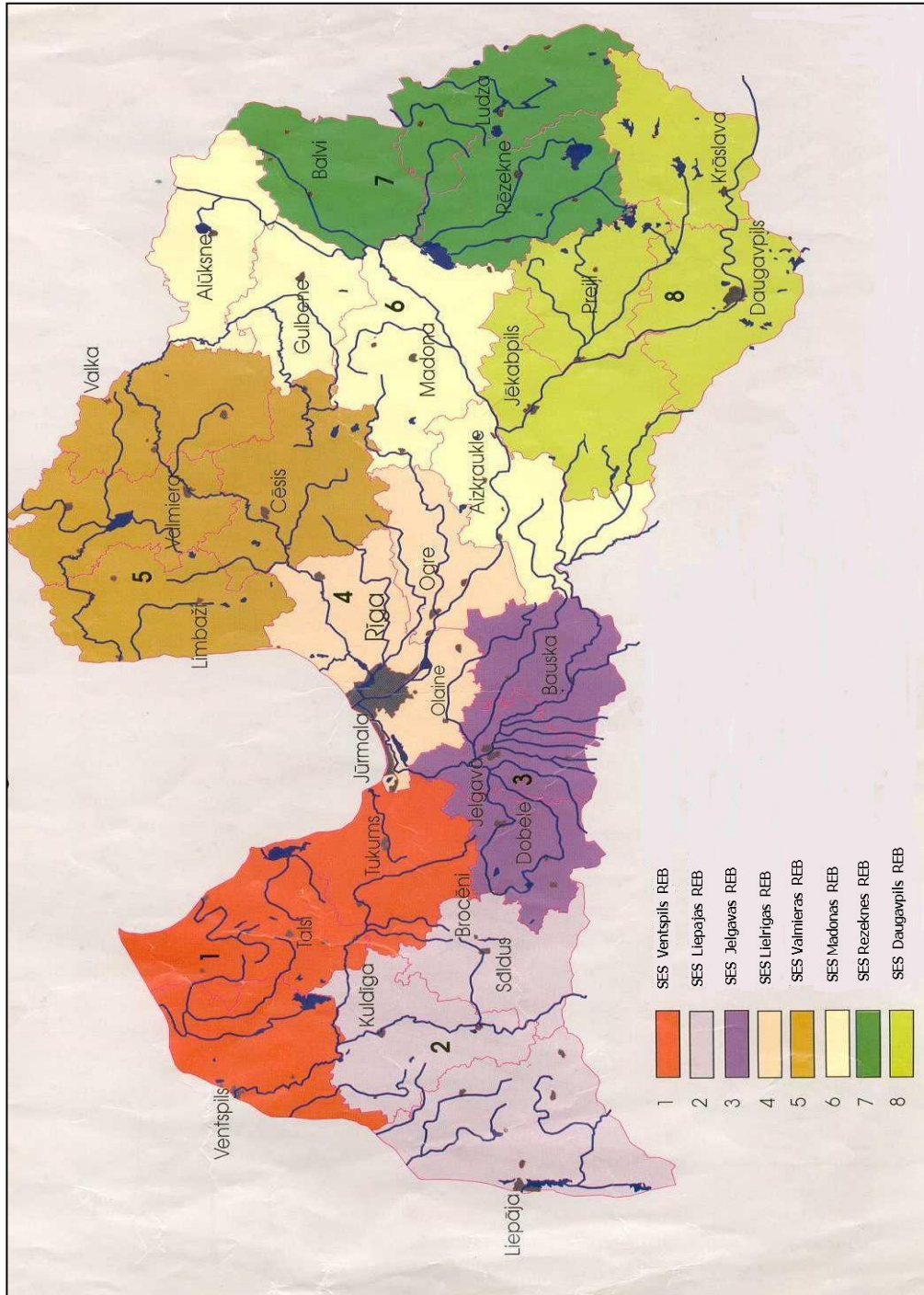


Figure 5: Map of Regional Environmental Boards

Number of installations in Ventspils region:

- Category A - 6 (IPPC)
- Category B - 251
- Category C – 463 (installations are linked to the tax system so the REB know precisely how many Category C installations there are)
- Others – 200 (waste management, packaging, WEEE)
- Sand and gravel pits – 80

Department of Permits:

Five civil servants work as permit writers in this region. They have responsibility to:

- Issue permits for companies
- Issue the initial environmental impact assessment
- Elaborate the technical requirements for construction design
- Elaborate terms for the planning of land use

The issued administrative acts can be challenged at an appeal body. The Appeal body in this case is the Director-General of SES.

Department of Control:

There are 9 inspectors (all civil servants) in Ventspils region. Inspections are usually carried out in tandem on Category A and sometimes Category B sites. Their responsibility is to:

- control conditions of permits
- control the usage of natural resources
- control limits for environmental pollution
- control the observation of requirements for utilization and protection of flora, fauna and land use
- control the storage, transportation and use of hazardous waste, toxic materials, pesticides and other chemicals
- control landfilling operations
- control the natural resources tax and pollution tax. (REBs monitor that sites are calculating effectively the level of the tax and that they are paying it)
- control observation of limits for air pollution and observance of air protection requirements
- control emission of pollutants
- impose penalties (through the administrative court, the inspector will decide the level of penalty)

The control process is managed by using a list of all the companies and objects under control and a manual for environment inspectors, based on the minimal criteria for inspections made by the IMPEL Network (IMPEL 1999 – Minimum Criteria of Inspections: Planning & reporting) This is used across the SES:

- For planning inspections
- For preparing inspections
- For inspecting
- For processing results and supervising
- For managing quality

The rights of inspectors:

- Work under the administrative procedure
- The right to freely access and inspect all territories
- The right to issue orders (though these orders can be challenged at an appeal body)
- The right to stop an illegal act
- The right to demand and acquire all information required for the inspection

Planning of inspections:

- A list of all the companies under control
- Polluting activities of category A, B and C as set in Latvian legislation
- Frequency of inspections depends on the category of the activity
- Inspectors' working plan for the periods of a year, a month and a week

Marine and Inland Waters Administration of Latvia

The Marine and Inland Waters Administration of the State Environmental Service controls the implementation of law requirements of environment protection, fishing in inland waters and at sea; issues fishing licences and fishing log-books; ensures twenty-four hours satellite observation of fishing vessels and control of landings in the Latvian ports. General management of the fisheries sector is in the competency of the Ministry of Agriculture. It provides the documents of national policy and strategy, as well as elaborates laws and regulations in the fisheries sector.

Responsibilities:

- Fishery state control (Marine and Inland Control Divisions)
- Information collection on fish catches within the waters of Latvia
- Licences and logbooks for fishing
- Environmental protection and state control (marine waters and ports)
- Control on dredging and dumping

Inland waters

Fishing rights in inland waters are laid down in:

- Civil Law,
- Fishing Law,
- Regulations on Commercial Fishing in Inland Waters of the Republic of Latvia

- Angling Rules

To be authorised to fish in inland waters citizens must have either:

- an angling card (According to 2010 data: 120,000 cards were sold raising 300,000 Latvian LATS (approximately € 430,000)
- a licence, to engage in fishing using fishing gear for commercial purposes (applies to about 3000 people)

There are 30 inspectors involved in the control of inland fishing in the REBs plus 6 inland waters control sectors of Marine and Inland Waters Administration (MIWA). Fines in 2010 were approximately €100,000. There is a significant threat posed by illegal fishing especially through the use of electrical devices. As a result there is close cooperation with the Police and the Water Guard. There are also some public volunteers for inspection. These are trained and certified by the SES.

Radiation Safety Centre (RDC)

The RDC is the national regulatory authority in the field of radiation and nuclear safety. According to the Law on Radiation Safety and Nuclear Safety, it has licensing, supervisory and control functions and maintains relevant databases. Together with representatives from other institutions and professional associations, the RDC deals with certification of radiation and nuclear safety officers and recognition of radiation and nuclear safety experts. As laid out in the European Atomic Energy Community foundation treaty (EURATOM) Article 35, the Radiation Safety Centre also provides air, water and soil radioactivity control.

Environmental radioactivity pollution monitoring and activities, related to individual dosimetric measurements, are implemented by the state agency: "Latvian Environment, Geology and Meteorology Agency"

Structure of RDC:

- RDC consists of two divisions: Inspection Division and Division for Licences and Registers
- Early Warning Group is part of Inspection Division, responsible for emergency preparedness and monitoring
- Total number of operators – 987 (dentists, veterinary etc)
- Total number of employees – 16
 - Inspection Division – 11
 - Division of Licences and Registers – 5

Permitting and Control Advisory Council

The Council is made up of the following representatives and meets at least once each three months:

- Chair, Vice-Chair and Secretary (derived from the Supervision department, SES)
- Council members (representing each unit in the SES and REB)

When appropriate, the Council also invites the following to take part:

- Invited state institutions
- Invited environmental/technical experts
- Invited industry associations, NGOs

The Council's competencies are:

- to provide common understanding in the field of permitting within the State Environmental Service
- to evaluate specific cases in practice of permitting
- to coordinate knowledge exchange between permit writers
- to set up procedures and forms
- to set up priorities for permit writers training needs
- to participate in the elaboration of legal acts
- to submit SES order proposal
- control

The role of the Permitting Quality Division role is:

- Training of Regional Environmental Board permitters
- Manage compliance issues
- Supervise REB permitters
- Competent authority for TFS related permits
- Unique / unusual issues in ports for example

Main benefits of Council:

- Improvement in environmental legislation due to evaluation of legislation and we are suggesting improvements to our Ministry
- Procedures/templates created and improved on:
 - applications (available on website)
 - technical specifications - harmonisation of specifications amongst REBs
 - B category permit (fuel filling stations)
 - Initial environmental assessment
- A Common opinion is formed on:
 - conditions of monitoring of air and water
 - new activities (evaluations, discussion
 - on new permit conditions)

Legislative framework related to EU directives and regulations:

Main normative acts:

- Law on Pollution, 2001
- Regulation of CoM No1082 from November 30, 2010 ["Procedures by which Polluting Activities of Category A, B and C shall be Declared and Permits for the Performance of Category A and B Polluting Activities shall be Issued"](#) (ex. Regulation of CoM No 294 from July 9, 2002)

Legislation

The main pieces of legislation that the SES is responsible for to enforce in Latvia are:

- IPPC Directive
- SEVESO Directive
- LCPD Directive (*large combustion plants*)
- Water Framework Directive
- Urban Waste Water Directive
- Water Protection from Nitrate Pollution Directive
- Waste Framework Directive
- Air Quality Framework Directive
- Ozone Depleting Substance Regulation
- VOC's Directive
- Paint and Refinishing Vehicle Directive (*Paint Directive 2004/42 EC*)
- NEC Directive (*National Emission Ceiling, 2001/81 EC*)
- GHG European Trading Scheme Directive (*2003/87 EC; amendment 2009/29 EC as ETC Directive*)
- REACH Regulation
- CLP Directive
- EIA Directive
- Agriculture use of Sludge (from wastewater plant) Directive
- POP Regulation
- ELV Directive
- Cells and Accumulators Directive
- Landfill Directive
- GMO Directive
- TFS Regulation
- Incineration and Co-incineration Waste Directive
- PCB's Directive
- WEEE Directive
- Directive on port reception facilities for ship-generated waste and cargo residues

Part B– Permitting activities

Objective

Explore the permitting activities of the environmental authority.

Overview

As described in Part A, permitting rests with the SES, in both the REBs and the Central Supervision department. The Permitting and Control Advisory Council setup in 2005 also has a significant role to play in ensuring quality and consistency.

There are no specific educational requirements to be a permit writer at the SES though many of the current staff have been working for the SES for a long time and have significant technical qualifications. The SES also has a duty to train staff internally.

All environmental permits are an administrative act and can be appealed to the Environment State Bureau. There are written procedures for permitting. Templates are used for IPPC permits but templates for a specific industry sector or IPPC process are not used. Permits are stored in paper format though documentation can be submitted electronically with a valid electronic signature. SES is implementing an EU funded project to build an electronic register/database of existing permits. A register of permits is available at the State Environment Bureau for the public to view all details of IPPC permits in Latvia.

Types of permits/licences:

- Single permits/licences
- Integrated permits

Main areas of permitting:

- Nature protection (Licensing of commercial fishing and angling in inland waters / territorial waters)
- Use and protection of natural resources (Permits for the extraction of mineral resources, licences for use of resources at subterranean depths, permits for use of water resources (incl. Hydroelectric Stations Dams and Building of any Artificial Dams), permits for use of natural resources)
- Environment protection
- Chemicals management (Volatile Organic Compounds containing chemicals
- Use of ozone depleting substances (Special permit (licence) for activities with ozone layer depleting substances) Implementation of REACH requirements)

- Waste management (Waste Collection, Waste Reloading, Sorting, Storage, Waste transportation, Trans-frontier waste shipments)
- Integrated permits (Category A ((IPPC installations)) conditions include BAT/BREF requirements; Category B conditions include Cleaner production principles; Category C registration of small size polluting activities; Permits for emitting of greenhouse gases)
- Radiation safety (Permits for activities with ionizing radiation source)

Permitting of IPPC installations

The application for permitting of an IPPC installation is as follows:

- A classification of activity is established
 - within 14 days there will be an opinion of the REB concerned
- A preliminary consultation is available on the website
 - BAT/BREF information sources
- General information e.g. name of operator etc
- The processes and technologies used are established
- Data on raw materials, chemicals, use of energy and water is gathered
- Polluting characterisation assessment is made:
 - Air (emission modelling, odour assessment etc.)
 - Water (wastewaters)
 - Nature protection
 - Noise
 - Waste and waste management
- Proposals about monitoring should be included:
 - Air
 - Water
 - Soil
 - Noise
 - Waste
- Measurements in case of closure

The application should also include a summary of the application for public information. This includes:

- Operator, location
- Short overview of production (need for permit)
- Description of activity
- Water use
- Raw materials
- Use of hazardous substances (planning substitute)
- emissions to air and water
- Waste management
- Noise levels – there are some Cabinet of Ministers requirements on noise.

- Management of accidents
- Future plans e.g. improvements of technology

Acceptance of application:

- If the application has all the required information, the REB responds to the applicant within 20 days and acknowledges receipt of the application
- The SES can request a further 20 days to get additional information if they respond to the operator within 20 days

The operator can then expect the application to last 90 days for a typical Category A installation. If additional information at the first stage is not received then the REB/SES has the discretion to refuse the application.

Information of other stakeholders:

Details of the application are sent electronically to other stakeholders. The stakeholders can send comments and information to the SES to inform the permit conditions. Principal consultees include:

- State Environmental Bureau
- The Municipalities
- Health authority (responsible for noise conditions)
- Other institutions or NGOs where appropriate

Public information:

- The application is available on the SES website within 7 days (with a short summary for the public, this is drafted in 'plain language' and without technical terms)
- The State newspaper publicises all new laws
- A public hearing is commenced on all Category A and some Category B sites:
 - Comments and proposals are submitted to SES and forwarded to the operator for comments. They have two weeks in order to respond and send back their views/opinions on these comments to the SES

Reviewing a permit:

This process is usually initiated by the operator and the REB is responsible for making the decision to change the permit. If major changes are required e.g. there is a likelihood of a significant impact on the environment or an increase in the scale of the activity, then a new permit is required.

If the process is initiated by the SES (REB) it is usually due to the need for stricter permit conditions or because of the availability of new information on BAT. If the inspector considers the installation has a poor permit condition, then the inspector, in consultation with the

operator, can suggest changes. Minor changes to the permit can be processed in relatively short timescales.

Cancellation of permit:

A permit can be cancelled:

- If the installation is closed
- If the operator submits false or misleading information
- If there is a violation of permit conditions

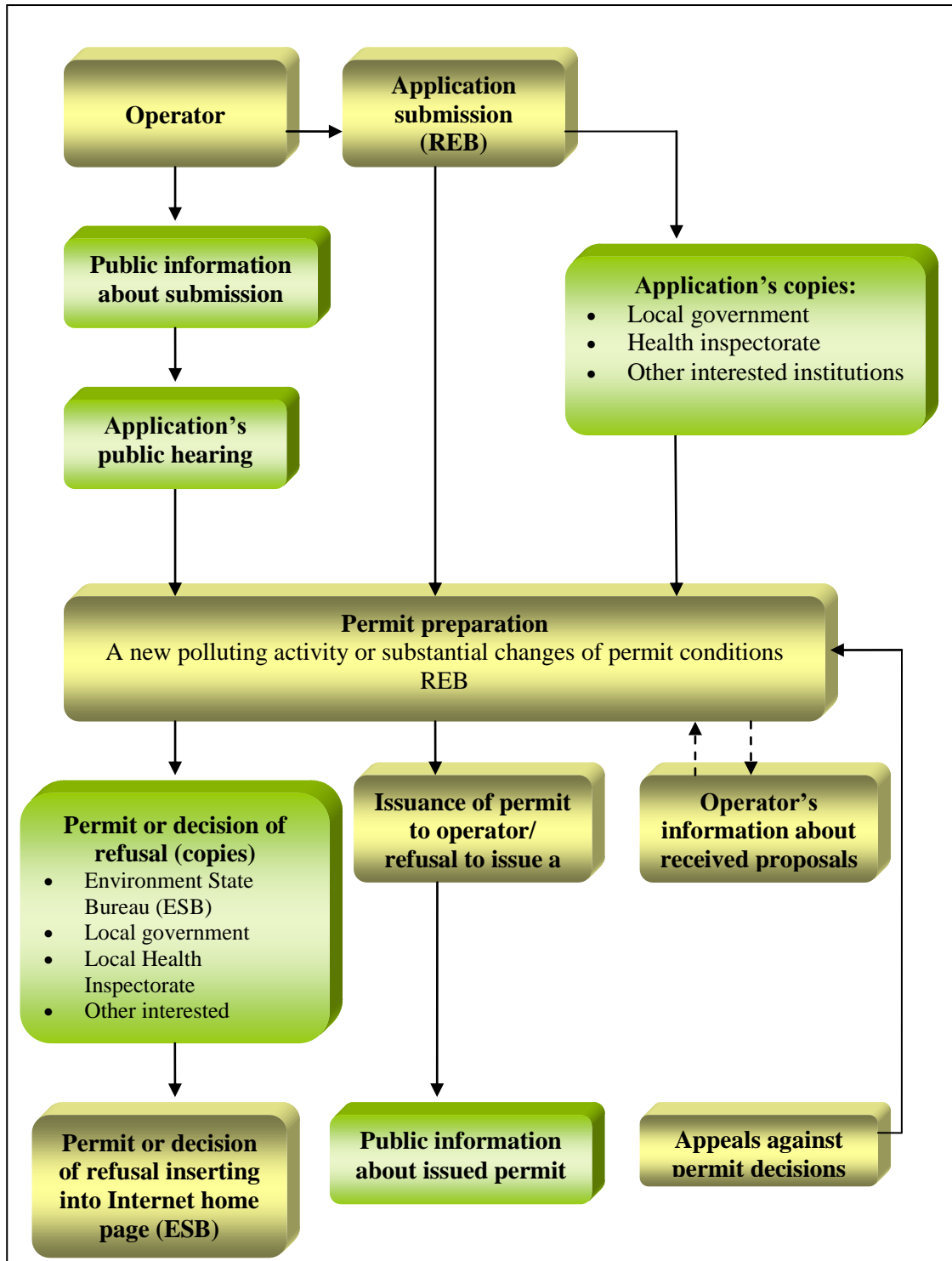


Figure 6: Permit application process

1. Planning of inspections

Objective

To find out the criteria and procedures for planning of inspections and how this is put into practice.

1a. Describing the context

Identifying the scope:

The information on tasks, responsibilities, legislation and installations can be found in part A.

Information gathering:

The SES requires that inspectors are competent with the principles of the technological process used at the installation. The data concerning the operation of the installation is gathered from the installation. The following is collected:

- copy of installation's registration card, copy of tax payer certificate
- information on the structure of an installation, and the responsible persons
- site plan of an installation
- description of production process technologies
- reports of previous inspections
- permits/licences and orders issued by Regional Environmental boards (REB) and other environmental bodies
- materials issued by an installation, for example, planning of new technologies, programme of pollution reduction, technical descriptions
- information on emergency situations
- elimination programme of industrial accidents or safety report (according to Regulation No.532 of the Cabinet of Ministers, 19.07.2005.)
- information on self-monitoring
- information delivered by mass media and public

The SES uses a checklist to ensure all necessary information about an installation has been collected prior to inspection.

This information is stored in the installation's file at the relevant SES department. Further information about an installation can be found at:

- the relevant municipality
- Statistical information system

- monitoring data base
- by requesting it from the installation directly

The SES actively cooperates with other authorities to search for information regarding production processes and technologies:

- organisations of relevant industries (trade associations)
- Environment State Bureau
- research establishments
- other regional environmental boards

1b. Setting priorities

Overview:

With reference to the Ministry's Environmental Policy Strategy 2009-2015, the annual plan is initiated by the SES. To help frame these discussions, the Ministry's priorities and yearly budget is taken into account plus the previous year's final end year report indicating quantitative outcomes and risk criteria for installations. Typically, this process begins in May and is completed in December ready for the following year. The central division proposes SES priorities and then this is sent out for consultation to the REBs. The REBs send back their comments and proposals. This is then checked and approved by the central division in consultation with the Ministry and then the State secretary signs off the annual plan.

The SES uses a 'General Control Mechanism' to determine the frequency of inspections at both central and regional level. The general guidelines, e.g. the frequency of inspections of different polluting activities (A, B, C category permits) are set up at the central level and are recommended to be:

- A category (IPPC installations) – are inspected once per year,
- B category – either annually or every second year,
- C category – once in 2-4 years.

At regional (REB) level further consideration is given to:

- the impact of the installation on the environment (an integrated inspection is carried out)
- the branch of industry (thematic inspections are carried out)
- size of installation (follow up inspections are carried out)

To help determine inspection frequency, the SES uses a paper based risk assessment calculator as shown in annex 2. The risk assessment calculator is made up of the following evaluation criteria:

- date of the last inspection/control
- whether data returns have been submitted
- validity of permit (expiry date)
- environmental incidents/accidents

- compliance history

These evaluation criteria (or risk factors) contain primarily likelihood factors. The review team suggested that further criteria (especially consequence factors) could be considered related to a sites location. It was also suggested that criteria could include if a company is taking steps to reduce its impact upon its neighbourhood like investing in environmentally sound equipment or by developing a communication plan.

Resources and time allocation

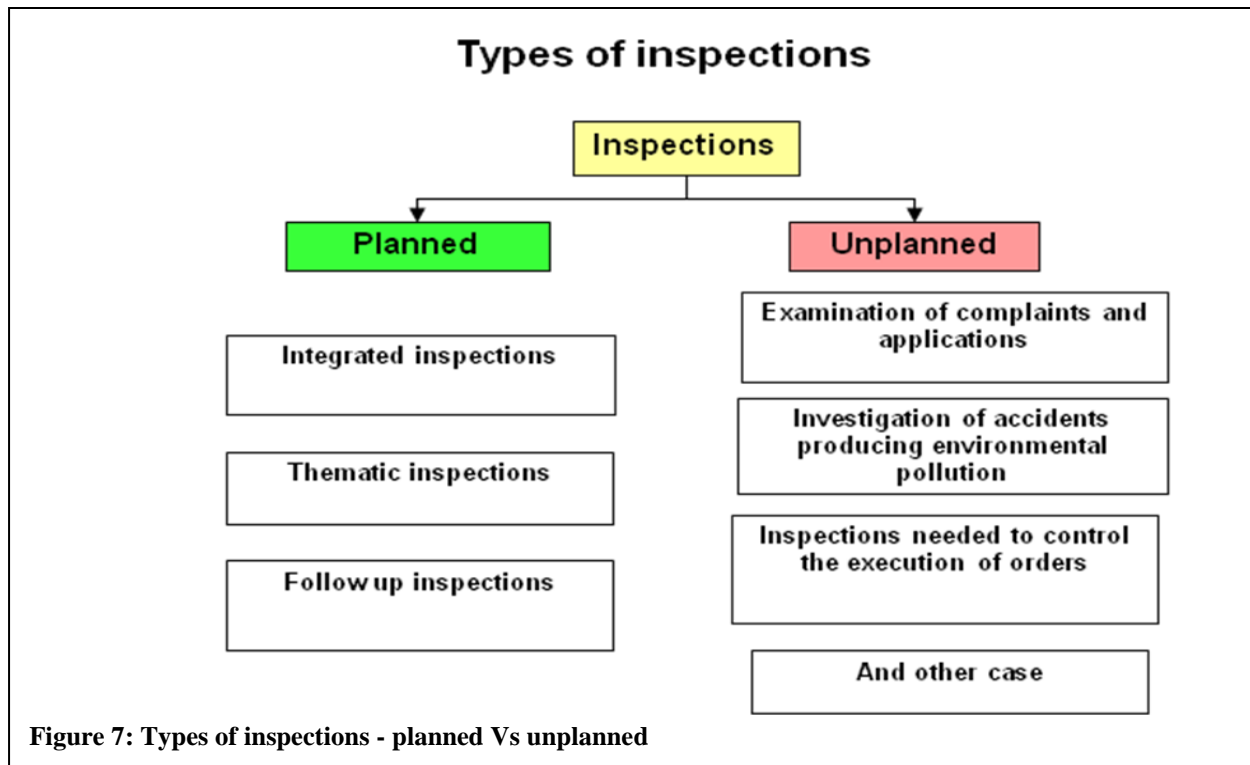
The SES calculates that it usually takes approximately 1 day to inspect an IPPC inspection, 2 days for a SEVESO inspection and 3 hours on a small installation. However, the SES does not calculate the number of hours there are per inspector to carry out the SES' yearly inspection target/plan.

Routine and non-routine inspections

The ratio between planned and non-planned inspections set at the start of each year is:

- 70/80% Planned inspections
 - Integrated inspections
 - Thematic inspections
 - Follow up inspections
- 20/30% Non-planned inspections
 - Examination of complaints and applications
 - Investigation of accidents
 - Inspections to control orders
 - Other

The SES stated that their priority is on accidents and complaints and consequently increasing amounts of resource is going towards unplanned inspections. This is not just for regulated sites but unregulated sites as well.



1c. Defining objectives and strategies

Overview:

The SES uses several methods of intervention strategy to ensure compliance including integrated, thematic and follow up inspections.

In 2010 there were 2800 thematic inspections. These are often, but not always based on priorities sent to SES from the Ministry. They are carried out in the following ways:

1. By dividing the amount of work into several branches within large installations in order to have the full amount of information inspected in the installation
2. By inspecting many small installations of the same branch at one go, it is possible to identify the specific problems of that branch. By carrying out thematic inspections regularly, for example, once in three years, it is possible to follow the development of a particular branch
3. By inspecting a specific territory and identifying problems in one or several branches of the environment, for example, illegal dumping of waste within a specific administrative area

Some examples of recent thematic inspections are:

- Greenhouse effect gases are controlled in accordance with Directive 2003/87/EK
- Chemicals in accordance with REGULATION (EC) No 1005/2009 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 September 2009 on substances that deplete the ozone layer

- VOC in accordance with Directive Nr.2004/42/EK
- SEVESO II enterprises in accordance with Directive Nr.96/82/EK and Nr.203/105/EK requirements
- REGULATION (EC) No 1013/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2006 on shipments of waste
- REGULATION (EC) No 407/2009 of 14 May 2009 amending Council Regulation (EC) No 338/97 on the protection of species of wild fauna and flora
- Marine and Inland Waters Control
- Radiation Safety Control
- Protection of earth works

1d. Planning and review

The SES produce monthly reports of how many inspections are carried out per region, by installation category and by inspector. The SES revise their work planning based on actual inspections carried out and where resource is needed to ensure the original annual plan is satisfied. These figures are also used to show where human resources are required because data on the number of inspections per inspector are gathered.

The review team noted that there appears to be an unusually biased ratio towards reactive unplanned inspections and that the SES could possibly revise the way in which planned and unplanned inspections are categorized as it is likely that many inspections should be classified as planned. Examples would include inspections verifying the execution of orders or the checking of permit applications. Being more pro-active with planned inspections could possibly reduce complaints and accidents. The review team also noted that the information gathered does not provide SES Management with information about how many hours staff have available to carry out inspections and consequently there is no information about how long a task takes.

2. Execution framework

Objective

To find out what provisions, instructions, arrangements, procedures, equipment etc, are in place to enable inspectors and other staff to carry out inspection activities on the ground.

Inspector's duties:

Inspectors have a wide spectrum of duties. They include:

- Inspecting at any time all installations that can generate environmental pollution;
- Applying civil sanctions (penalties) to individuals and companies;
- Completing and submitting (to prosecutors) dossiers regarding possible criminal violations of the law;
- Requesting other authorities support (for example, Police, State Labour Inspectors, Health Inspectors, Environmental State Bureau).

Equipment:

Inspectors were historically provided with cars and uniforms to perform their inspection tasks, however, budget cuts have put pressure on the ability to provide these. Inspectors are expected to wear an identification badge and SES uniforms when carrying out their official duties. They also have the following equipment:

- Inspector's certificate;
- A folder of documents (stationery and paper, inspection report forms and other forms);
- The necessary documentation for inspection:
 - Previous inspection report;
 - Orders issued to the enterprise;
 - Legislative acts;
- Personal protection equipment according to type of the enterprise (boots, sight protecting glasses/goggles, gloves, helmet, rainwear) in cases to inspect leakages caused by accidents;
- Camera or video equipment (photographs and video materials are essential means when collecting evidence for investigation of accidents).

Environment Inspector's Manual:

A manual for environment inspectors based on the minimum criteria for inspections produced by the IMPEL network provides SES staff with information about the: planning of inspections, preparing inspections, inspection, processing results and supervising and managing quality.

Qualifications:

SES staff are required to have at least a degree level qualification to work at the SES. The SES is planning on accrediting its staff to perform sampling tasks but at present the State Limited Company: "Latvian Environment, Geology and Meteorology Centre", carries out this task.

Ethics:

For all inspectors, there are procedures in place to help them avoid compromising situations and to avoid corruption. The SES has an internal code of ethics and this stipulates what can and cannot be accepted as gifts, for example, diaries/pens etc with company logos can be accepted. Gifts of a more commercial value cannot be accepted.

The REBs do not rotate their staff between regions or the sites that an individual inspector visits. The Review team suggested that SES could consider introducing some form of rotation to avoid issue-blindness and over-familiarity.

Training:

Recent financial constraints have meant that SES staff has not received formal training over the past two years. The review team said that it is crucial to retain competency and high quality staff and especially at a time when companies might be tempted to reduce costs to their regulatory obligations in the economic downturn. It was suggested that instead of outsourcing training from external providers much of it could be delivered by key individuals within SES. Where there is no alternative than to outsource it is suggested that limited people be sent on a course and that they then cascade this to their colleagues using a train the trainer technique.

3. Execution and reporting

Objective

Find out how routine and non-routine inspection activities are carried out and reported and how data on inspections carried out, their outcomes and follow-up is stored, used and communicated.

Overview

Both planned and unplanned inspections may be announced or unannounced. Two weeks' notice is usually given for announced inspections. General binding rules are applied for some category C installations. Inspections are divided into 5 main stages:

- Preparatory meeting,
- Inspection of a territory of installation,
- Inspection of equipment and facilities,
- Inspection of documentation (of different inventory and registration logbooks),
- Summary of inspection.

At the preparatory meeting prior to an inspection an inspection plan is created. The plan lists all of the information that the inspection is due to check, what issues are to be discussed and which processes and equipment are to be inspected. The agenda of the preparatory meeting includes the following:

- Meeting with the manager of the installation and acquainting them with the aim of inspection and the planned actions
- Assessment of execution of orders of the previous inspection and complaints
- Assessment of results of self-monitoring
- New enterprise initiatives, productions and changes of processes, discussion of new plans, about up-to-date technologies
- Procedure of inspection of specific equipment.

After finishing an inspection, the inspector informs the manager of the installation about the inspection results.

For SEVESO inspections - The SES uses a guidance document called: "Guidelines of the control of the SEVESO II establishments", to assist it in carrying out SEVESO inspections. At the end of each year, the SES prepares an inspection programme that sets out where inspections are to take place:

- 1) at least once in a calendar year at each establishments that are required to draft up a safety report (Seveso Upper Tier) and,
- 2) at least once every three years at other establishments (Seveso Lower Tier)

The SES then informs the SEVESO II establishment about the date and time of the inspection.

The SES leads an Inspection Commission including the State Labour Inspectorate (SLI), Consumer Rights Protection Centre (CRPC), State Fire-fighting and Rescue Service (SFFRS), Municipalities and outside experts where necessary. A representative from both the REB and Central division of the SES goes to each installation.

The Inspection Commission has an inspection procedure for SEVESO II installations and a complex inspection examines the following:

- 1) Technical conditions of an installation
- 2) Organisational issues (especially of the safety system)
- 3) Documentation
- 4) The operation of equipment
- 5) The compliance with regulations regarding the use and storage of dangerous substances
- 6) Compliance with fire safety regulations
- 7) Emergency readiness
- 8) Work safety and protection
- 9) Civil protection requirements
- 10) Dangerous equipment

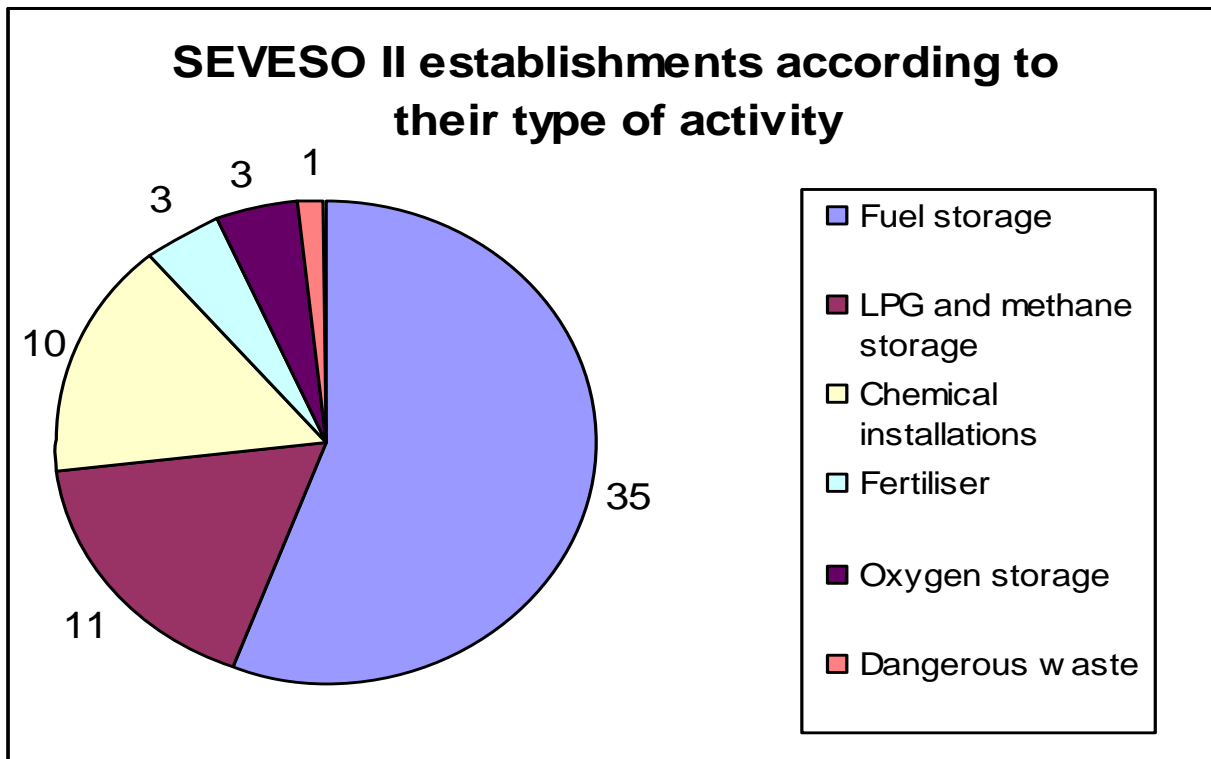


Figure 8: SEVESO II establishments in Latvia by activity

The State Environmental Service prepares a joint inspection report regarding each performed examination, which is then signed by all members of the Inspection Commission. The Inspection Commission inspects approximately 45 SEVESO II installations each year.

For IPPC inspections - The following steps are taken to plan for an IPPC inspection:

- Prepare inspection plan
- Prepare inspection:
 - Document screening
 - Examination of installation file/folder
 - Documents submitted by installation to authorities (There is a routine for reports to be sent to SES from other authorities e.g. reports on noise from health authorities)
 - Analysis of complaints
- Communication with:
 - Installation representatives
 - Municipality, etc

When on-site, there is:

- A meeting between the inspection team and the installation's manager

- A visual inspection of:
 - Territory and premises
 - Production lines (equipment, level of maintenance etc)
 - Waste management
 - Chemical management etc
- Document screening:
 - Data of monitoring
 - Registers of used resources etc.
- Finalising of on-site inspection
- An inspection report:
 - Discussion with installation about main findings
 - Agreement on future activities (tasks, time-limit etc.)

The final report is an Administrative Act and assesses the current situation of the installation in view of its permit conditions and sets up measures and a time schedule in cases of non-compliance with permit conditions. The operator has the opportunity to write in the report their comments e.g. that they may disagree with a particular point made by the inspector. The inspection report is signed by operator to acknowledge receipt of the inspection.

There is also a multi stage appeal process against the decisions made by the inspector. The first level of appeal is the Director General of the SES; the second level is the ESB; and the third level is the court. The appeal process is written on the inspection form so operators can clearly understand the process. The Director General of the SES also has the authority to alter the sanction given by the inspector concerned.

Applying sanctions

The Administrative Violation Code (AVC) consists of the following penalties:

- 1) Warning
- 2) Fine
- 3) Confiscation of tools of offence
- 4) Suspending or cancellation of special rights (driver`s licence, shooting licence)
- 5) Suspending or cancellation of licensed activities
- 6) Administrative arrest

The administrative fine system has several steps:

1. An on-site inspection is made and violations are recorded in the inspection report including specifying what violation of permit conditions have been made and which legal acts this contravenes and the time of the offence. Other evidence is also gathered, for example, photographs, video and samples analysis.
2. Make administrative violations report
3. Examine past administrative violation cases

4. Impose administrative fines based on the cases specified in the Administrative Violation Code (prepare the Decision of administrative violation case). The fine should be between 70 and 10,000 Ls (approximately 13,000 Euro).

The SES legal team determines the level of administrative fines. There are no specific criteria for the level of the fine.

The operation of an installation shall be suspended if:

- The necessary Category A or B polluting activities permit or the greenhouse gas emission permit has not been obtained
- The necessary permit has been obtained, but:
 - 1) Due to the unlawful acts of the operator the installation has caused or may cause environmental pollution, which incurs or may incur significant harm to the environment or human health; and
 - 2) In operating the installation, enactments or administrative acts of environment protection are repeatedly violated and orders of State institutions are not implemented;
 - Within a specified time period the installation has not submitted a safety report or an industrial accident prevention programme
 - The measures performed by the responsible person of the operator for industrial accident risk and the reduction of the seriousness of the consequences of accidents have significant deficiencies
 - The pollution is caused not by the whole installation, but only one of its parts, only the operation of such part, which causes pollution or industrial accident risk shall be suspended

The operation of an installation or the parts thereof shall *not be suspended* if the suspension may cause the environment, human health or animal welfare greater harm than the pollution caused by the installation.

To renew operations of an installation, an operator shall submit to the State Environmental Service a submission in which it is indicated that the violations regarding the suspension of operation of the installation have been rectified and the tasks imposed have been fulfilled. The operator should submit all relevant documents to certify this. The State Environmental Service then has five working days to examine the rectification of the violations indicated and the fulfilment of the tasks imposed. The General-Director of the State Environmental Service makes a decision regarding the full or partial renewal of the operation of the installation or a refusal to renew the operation of the installation. The decision of the General-Director of the State Environmental Service may be appealed at the Environment State Bureau. The decision of the Environment State Bureau may be appealed in a court.

There is no written sanctions strategy.

Complaints

Managing complaints from the public are regulated by Law. Complaints submitted to SES should be signed and include the name and address of the complainant. When receiving a complaint, the SES registers this in logbook and has to make one of the following decisions:

- 1) An application or proposal should be sent to the relevant competent authority within 7 days and the complainant should be informed about this action explaining why it is not within the competence of the SES
- 2) If an additional inspection and additional information is not necessary for the examination of the complaint, the SES has to respond to the complainant within 1 month
- 3) If an additional inspection or information is necessary and the 1 month period is not enough then SES will notify the complainant.

Communication with other inspecting authorities

Prior to an inspection, inspectors consult with the following state and municipal authorities, their departments and non-governmental organisations to ensure they have the latest and most relevant information:

1. With the staff issuing permits:

The permit is issued by a relevant department in the Regional Environmental Boards. The inspector reviews the permits and the application materials in order to negotiate with the permit officer. Some important issues that are discussed with the permit officer are:

- useful information not included in the permit or application materials
- discussions with installation manager about general environmental issues, discussion about permit conditions during the permit's production

2. With laboratory / sampling staff:

In case the sampling and monitoring is carried out by external staff or laboratory within the enterprise, it is advisable to listen to their experience concerning the enterprise. Monitoring results should be discussed with the person who has carried out the monitoring

3. With the Health Inspector or State Labour Inspector:

It is useful to know whether an enterprise has any serious problems concerning labour protection or security. For example, if an enterprise plans to introduce technologies, which may have an influence on human health and security. It may impede the introduction of planned activities

4. With State Fire and Rescue Service:

A unified action in assessment of fire security and elimination of causes and consequences of accidents is crucial

5. With other Regional Environmental Boards:

In case other inspectors of Regional Environmental Boards are experienced in inspection of some of the specific productions, it should be useful to obtain such information prior to inspection:

- experience with that type of production
- places to seek for further information with regards to production or possibilities for cleaner technologies

6. With Environment State Bureau (ESB):

Such cooperation is crucial because ESB may do the following:

- provide consultations for REBs
- examine notices of appeal with regards to permit conditions
- collect information about the best technical methods

7. With municipalities:

Prior to inspection, contact is made with the relevant municipality about potential problems with an installation.

8. With the public and non-governmental organisations:

During the negotiation process between an environmental authority and the installation, the views and opinions of the public and non-governmental organisations are taken into account.

Data management

SES manages an electronic database for inspection reports and findings though this is not for public viewing. This is for internal SES use only.

4. Performance monitoring

Objective

Find out how the environmental authority assesses its performance and the environmental and other outcomes of its activities.

Overview

The SES compiles a monthly report where they require all authorities and REBs to send data in to the Supervision department of the SES. They collect information such as:

- The number of complaints
- The number of inspections carried out by region
- The number of inspections carried out per inspector (used to help plan human resources by region)

- The number of inspections carried out by category of installation
- The number of different category installations there are per inspector

A reporting template has been developed to improve the efficiency of this process. After the information has been collated and summarised, this data is published on the SES website. The SES produces an annual report that provides the public with quantitative data of the state of the environment in Latvia. The SES also compiles a statistical report each year:

- On the accident situations related to environmental pollution
- For violations of environmental and nature protection
- Of high activity sealed sources in Latvia (for the HASS directive)

Part D – Site visit

A site visit can be a useful way to confirm the Review team’s understanding of the regulatory system and work of the environmental authority. It is not compulsory and will add an extra ½ day to the review but previous reviews have shown it to be a useful addition.

Objective

To gain an understanding of the relationship between the environmental authority and industry and how this works in practice.

Overview

During the IRI no site visits were performed.

Good practice

Part A

- A central (Latvian Government) website has been established as a single source for all environmental legislation. This contains consolidated legal acts both at a national level and from the nine city municipalities.
- The Ministry drafts a multi annual environmental policy strategy. This allows the development of longer term strategies aimed at solving challenging environmental problems. This high level plan allows clear line of sight of issues from all subordinated environmental organisations, NGOs, industry and members of the public.
- An annual priorities plan is developed by the State Environmental Service (SES) targeting key issues. This gets approval by the Ministry.
- SES including REBs are arms length from both Governmental and local municipality political issues. This enables the SES to operate with a good level of autonomy and is largely able to take decisions free from political influences.
- There are good communication channels between the SES and the Ministry with good examples of collaborative working e.g. sharing drafts of legislation for comment.
- The SES has a written scheme of governance clearly identifying who has the power to sign each type of document e.g. permit.
- Substantial change to legislation: noise levels and environmental quality parameters are all specified in law so it is clear what you need to do to achieve it.
- The permitting and inspection functions are carried out by different sections in the same agency. This has helped deal with issues of regulatory blindness. Importantly the level of communication between the two sections is very good making changes to permits (& renewing permits) very straightforward.
- An Environment Protection Fund has been created with funds coming from environmental taxation e.g. landfilling or natural resource use such as gravel extraction or water use.

Part B

- A procedure is in place to demonstrate reduction in capacity at a site to trigger a change in permit category between a complex permit (Category A) and a simple permit (Category B)
- Permits are only valid for a set time period. If a site has an EMAS certification the permit is valid for 10 years; 7 years for ISO 14000 and 5 years for sites with no certified management system. If a certified site has a pollution incident this affects the permit life.

- SES applies different permitting processes whilst permitting to manage different types of permit. Low volume speciality areas are permitted in the central office by the Supervision Department whereas more routine permits are handled by the Regional Environmental Boards.
- The permitting procedure contains good examples of public participation e.g. Public hearings for all Category A and some Category B permits.
- The SES website is used to good effect to share and communicate information. Applications and summary of applications are easily accessible on the website.
- SES has developed the use of quantitative data on performance down to municipality level. It was noted that more management information could be extracted from this.
- The permitting process allows the level of submitted information to be evaluated prior to permitting (20 day pre-check). This has enabled a smoother faster permitting process.
- REACH requirements have been included into integrated permits reducing regulatory bureaucracy.
- There are high levels of stakeholder involvement in the permitting process (state newspaper, public hearings, and municipality level discussions).
- A permitting control advisory council has been established that brings together many bodies including industry and NGOs. The advisory council has created common understanding and principles.
- The SES has developed multiple templates for permits. This has increased consistency and contributed to a more level playing field for operators.
- The SES has a streamlined procedure for issuing new permits following a review. This is used where there have been no changes at the company. An SES inspector verifies the situation to identify if the streamlined procedure may be used. This reduces the administrative burden for both the operator and SES.

Part C

Execution framework

- A standard level of competence is set for recruitment of staff prior to joining SES. All Staff are required to have at least a first degree.
- Good ethical practice is promoted in both SES and as a civil servant. Both SES & the civil service have a clear code of ethics.
- A National inspector's manual has been created to drive consistency throughout Latvia.
- A standard inspection template form has been developed to aid consistency.

Execution and reporting

- The SES and the Regional Environmental Boards (REBs) collaborate with a wide range of other agencies:
 - Whilst carrying out its duties SES works with the Police, Coast Guard, Customs and many other organisations. Further opportunities exist to enhance this practice further for instance with the State Veterinary Service with respect to animal by-products issues. The SES demonstrates practical collaboration beyond

- Latvia's International boundaries. For example SES holds regular meetings with its Baltic neighbours to develop skills to solve common problems.
- The REB check the figures used in payments made to the environmental tax system during inspections of sites. This is done on behalf of the tax authorities and is a good example of partnership working and reducing regulatory burden by reducing overall numbers of inspection visits.
 - The SES works with Riga Technical University on technical issues.
- Advanced technological solutions are in place for some processes e.g. Operators can submit applications electronically provided they are signed with e-signatures. Latvia is working on the development of e-Government.
 - Latvia and the SES have developed a multi stage appeal process (internal, then Bureau then courts) that is transparent and well publicised.
 - The SES are exploring opportunities to share resources with other agencies. A multi agency portal web portal is currently in development. This will have the benefit of efficiency savings and increased accessibility.
 - There are clear procedures in cases of environmental pollution or SEVESO accidents.
 - The regulatory burden of both operators and SES has been reduced through the introduction of general binding rules (GBRs) for some activities.
 - The development of the Latvian SEVESO commission has brought together several authorities. This has enabled the sharing of documents & information between authorities. Importantly only one report for SEVESO inspections is now produced with a single set of findings, recommendations and follow up measures.
 - Site inspections are also carried out at the time of permitting to ensure the permit is as current and as factual as possible
 - The system in use for calculating losses for environmental damage was easy to understand. Where environmental damage has occurred municipalities are compensated directly from the environmental fund. This ensures those that are affected are compensated helping prevent environmental blight / justice issues.

Performance monitoring

- The SES use the results of inspections from other authorities to help plan their own inspections.
- The SES has developed a simple set of evaluation criteria to assess the risk of each site. It is thought that this positive development could easily be developed further by converting to excel (or similar) to allow extraction of performance information.
- The General Director holds monthly meetings with Directors and annual meetings with all REB staff allowing clear transfer of goals and targets.

Opportunities for development

Part A

- Consider making the annual (priority) plan publicly available.
- Consider the development of better / more collaboration / cooperation with customs and police in TFS of waste. For example, by working together on risk based approach according to waste management violations.
- Explore how municipalities could be more active in local issues e.g. in waste management issues.
- Consider how to develop the use of Environmental Management Systems during inspection.
- Consideration should be made to the development of multi-annual priorities plan where required. The realisation being that it is often difficult to resolve complex environmental problems in just one year.

Part B

- Consider introducing general binding rules for more low risk activities instead of permits to reduce the level of workload of the SES. This would allow the SES to concentrate on higher risk activities. In general more use could be made of GBRs to help SES and reduce regulatory burden to the operator.

Part C

Planning of inspections

- The development of the Multi Annual Strategic Plan should be linked with the activities of SES and the thematic activities of SES inspections.
- SES Management appear to have little information about how many hours staff have available to carry out inspections. Currently SES does not measure how long a task takes. Consider calculating standard task times for more effective workload planning.
- Consider how priority tasks can be identified and achieved despite dropping resources. Develop ways to ensure there is resource available to ensure the most important tasks are carried out.
- The staff availability calculation currently includes all staff (e.g. administration staff & inspectors) rather than those specific to doing the job of inspecting. Take out all non-inspecting type roles.
- Consider adding extra criteria to the risk assessment system to make it more responsive.
- The ratio between planned and unplanned inspections is unusually biased to reactive unplanned inspections. Explore how SES categorise planned and unplanned inspections as it is likely that many inspections should be classified as planned.

Execution framework

- Limited amounts of training have taken place within SES during the last two years due to the financial crisis. Consider how competency can be maintained within the SES. This could include the development of training by internal members of staff rather than external parties or the development of simple e-training packages.
- A system should be put in place to keep the National Inspector's manual current by enabling the manual to update and adapt to legislative changes and good practices e.g. to bring on board the new Industrial Emissions Directive.
- Explore opportunities to streamline the EIA process for example, reducing the number of steps of approval/assessment by, for example, taking out the initial management check.
- Consider the development of clear, standardised requirements for employment in terms of entry requirements / qualifications required etc.
- Ways to improve the operation of any agency often come from within. Consider ways to facilitate this at SES such as the development of an internal improvement scheme.
- Consider flexible movement of resource / inspectors possibly between and within REBs. This could include virtual deployment using existing IS systems to facilitate this. Flexible deployment of resource takes on more importance during times of financial constraint.
- Consider rotating inspectors to prevent issue blindness and regulatory capture. The IMPEL reference book suggests changing the sites an inspector visits approximately every 4 years.

Execution and reporting

- Consider how you could make public information contained within SEVESO reports (or summaries) available to the public.
- SEVESO inspections are by their nature specialised. Consider the added value of including REB inspectors on these visits.
- The SES use administrative fines. Further development could be made to aid transparency such as the addition (with the fine) of the criteria for the fine in terms of how the fine amount is derived.
- Consider the use of pre-determined pre-specified fines for different infringements. An example would be a pre-defined fixed amount for non-submission of data.
- Explore opportunities to recover costs in line with the polluter pays principle.
- A high level of collaboration with other authorities was observed during the IRI. It is thought this could potentially be further enhanced through for example the state vet service or health service on odour/noise issues respectively.
- Consider further the fees related to the EIA process to further embed the polluter pays principle e.g. The EIA currently requires up to 40 days of work but incurs minimal cost to the operator. Consider how to make fees more related to activity time.
- The development of an electronic database for reports and inspections carried out would make data analysis easier. Consider what data it is important to have easily accessible and how an IS solution could be best achieved.

- Currently SES responds to every pollution complaint. Whilst it is important to quantify the source and extent of pollution, once this has been established, consider the development of procedures to save inspectors time, in situations regarding multiple complaints regarding the same site e.g. a site with temporary odour issues and an agreed improvement plan.
- Consider how operators could be encouraged to develop their own communication plans in cases where SES receives a large number of complaints against a site. This could help improve public opinion and reduce complaints and also emphasise the responsibility of operator instead of SES.

Performance monitoring

- Consider the use of IT tools for enhanced workload planning.
- SES makes good use of thematic inspections. Consider introducing clearer links to how these thematic inspections help you achieve SES outcomes – This could be achieved through the introduction of qualitative indicators to help demonstrate success/failure.
- Being more pro-active with planned inspections could possibly reduce complaints and accidents. Data analysis by SES could prove beneficial to management.
- Performance information can be used to enable the SES to be more proactive. Consider the development of more freeloader campaigns based on analysis of your own data.
- Numbers of violations has remained at a similar level since data capture began. This data could be analysed more to gain added value such as the identification of trends.

Conclusions

It is clear that the State Environmental Service has performed to an acceptable standard during exceedingly challenging times. Staff numbers have fallen by about 40% since 2007 and there has been limited or no training throughout this period. This has placed extra demands upon the SES and has necessitated more efficient working processes. Any future changes in budget and resources will require careful prioritisation to ensure the environment is not harmed & Directive requirements are met.

The SES has developed a good, practical style of working with partner organisations evidenced through the SEVESO Commission and the Permitting Advisory Council. Initiatives with E-Government have begun and this is leading to less regulatory burdens for business. Further development in this area can lead to savings for the SES too for example by developing electronic databases for reports and inspections carried out. This can also lead to more informed analysis in terms of environmental outcomes and hence better planning in the future.

It is evident that the SES is staffed by hard working individuals who are committed to their job. Relatively low cost solutions are available to maintain and develop their quality, experience and morale. This would ensure that the SES retains the right people for the job.

The Review team's broad conclusions are that the objectives of the area of EC environmental law within the scope of the review of SES are being delivered in Latvia, and that arrangements for environmental inspection and enforcement are broadly in line with the RMCEI.

Lessons learnt from IRI process

Lessons learnt from this IRI process are:

- Involving many people from the host organisation in the meetings as active participants enabled a wider and more thorough sharing of ideas about good practices and opportunities for development. It also helps embed ownership of the final report within the host organisation.
- The hosts gave a quick power point presentation at the start of each topic which gave a good introduction and still maintained a good opportunity for discussion.
- Rather than carry out a site visit (with associated time issues) the hosts 'walked a process' through SES taking us through the pre-permit and permit writing process. This was very useful both for the review team and for the hosts.
- There was a discussion among review team members about examples of good practice and opportunities for development at the conclusion of each day.
- The preparation of key documents and presentations by the host enabled the review team to prepare in advance of the review.
- There was an active participation from all review team members. This contributed to a full, lively and balanced picture of different regulatory practices in the Member States.

TERMS OF REFERENCE FOR IMPEL PROJECT

| No | Name of project |
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| | IMPEL Review Initiative (IRI) on the State Environmental Service of Latvia |

1. Scope

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| 1.1. Background | <p>The IRI scheme is a voluntary scheme providing for informal reviews of environmental authorities in IMPEL Member countries. It was set up to implement the European Parliament and Council Recommendation (2001/331/EC) providing for minimum criteria for environmental inspections (RMCEI), where it states:</p> <p><i>“Member States should assist each other administratively in operating this Recommendation. The establishment by Member States in cooperation with IMPEL of reporting and advice schemes relating to inspectorates and inspection procedures would help to promote best practice across the Community.”</i></p> <p>The potential benefits of the IRI include:</p> <ul style="list-style-type: none"> • providing advice to environmental authorities seeking an external review of their structure, operation or performance by experts from other IMPEL Member Countries • encouraging capacity building in environmental authorities in IMPEL Member Countries • encouraging the exchange of experience and collaboration between these authorities on common issues and problems • spreading good practice leading to improved quality of the work of environmental authorities and contributing to continuous improvement of quality and consistency of application of environmental law across the EU (“the level playing-field”) <p>The IRI scheme has recently been revised to make it easier to follow and more appealing to member countries. The questionnaire was updated and the inspection part aligned to the Doing the right things project. The new scheme was first used in Portugal in October 2009.</p> <p>The IRI in the State Environmental Service of Latvia will be done under new scheme and using the new questionnaire. The key element of the project is to improve organisational scheme for providing inspection of IPPC and other installations covered by RMCEI including with the new model of planning inspections, taking into account the IMPEL Guidance book on inspection planning »Doing the rights things«.</p> |
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| <p>1.2. Link to MAWP and IMPEL's role and scope</p> | <p>ART. 3.3.2. of MAWP 2007-2010, among the key priorities and legislative areas of IMPEL activities mentions that: »IMPEL's key priorities for the period 2007-2010 are to continue the work on the tasks given to IMPEL by the Recommendation on Minimum Criteria for Environmental Inspections (RMCEI) and to fulfil its mandate under the 6th Environment Action Programme (6th EAP).«</p> |
| <p>1.3. Objective (s)</p> | <p>To undertake an IRI review of the State Environmental Service of Latvia as described under point 1.2.</p> <p>The benefits of the project are:</p> <ul style="list-style-type: none"> - the State Environmental Service of Latvia will benefit from an expert review of its systems and procedures with particular focus on conformity with the RMCEI, - the participants in the review team will broaden and deepen their knowledge and understanding of environmental inspection procedures - other Member States will benefit through the dissemination of the findings of the review through the IMPEL network. <p>The State Environmental Service of Latvia will in particular benefit from an expert review of the risk based planning of the IPPC installations which currently developed taking into account the criteria in the RMCEI and the IMPEL Guidance book on inspection planning »Doing the right things«</p> |

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| <p>1.4. Definition</p> | <p>The IRI would focus on industrial pollution control of all permitted installations as well as waste management related to the polluting activities</p> <p>This particular IRI would include the following aspects:</p> <ul style="list-style-type: none"> - the legal and constitutional setting of the inspectorate, - structure and managerial organisation, including funding, staffing and lines of authority and responsibility for regulatory and policy functions, - workload, - qualifications, skills and experience of inspection staff, - procedures for the execution and reporting of routine and non-routine inspections, - procedures for assessment of training needs and provisions for training and maintaining current awareness, - procedures, criteria and guidance for the development and revision of inspection plans and inspection schedules, - setting the priorities for IPPC installations: the evaluation aspects, the risk assessment and classifications of risk, - performance monitoring: evaluation of the output and where feasible environmental outcome of inspection activities. The arrangements for internal assessment of the quality of inspection performance and for improvement if appropriate, - arrangements for reporting on inspectorate activities. <p>A review team will be set up to consider the topics above. This will facilitate the identification of both good practice and opportunities for development. The assessment may involve examination of documentation related to the inspection of a number of IPPC permitted facilities.</p> |
| <p>1.5. Product(s)</p> | <p>In addition to the benefits listed in Section 1.1, tangible products will include:</p> <ul style="list-style-type: none"> - A written report of the review for the State Environmental Service of Latvia; - Relevant extracts from the review report, as agreed with the State Environmental Service of Latvia, for dissemination to IMPEL members and the EC, - Training and Educational material on “lessons learnt” and on examples of good practice for incorporation into training schemes of Member State inspectorates. |

2. Structure of the project

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| <p>2.1. Participants</p> | <p>The review team will consist of a review team leader, rapporteur and 5 other experts from different Member States. The nomination of the team members will be decided upon in agreement with the State Environmental Service of Latvia work closely together with the project manager and assistant project manager of the State Environmental Service of Latvia, Vilis Avotins and Judite Dipane.</p> |
| <p>2.2. Project team</p> | <p>See 2.1.</p> |

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| 2.3. Manager Executor | <p>Vilis Avotins (project manager) and Judite Dipane (assistant project manager).</p> <p>It is proposed that the review takes place in Riga in the spring 2011 and that the final report will be submitted for approval to the autumn 2011 IMPEL General Assembly. A preparatory meeting is planned to take place in Riga in February 2011.</p> |
| 2.4. Reporting arrangements | <p>The results of the Review will be reported by the Team leader and a report will be submitted to the General IMPEL Assembly for approval.</p> |
| 2.5 Dissemination of results/main target groups | <p>Target audience:</p> <ul style="list-style-type: none"> - IMPEL members - The State Environmental Service of Latvia <p>Dissemination of the result of the project:</p> <p>IMPEL: The report will contain review background, participants and expenditure and recommendations on its dissemination and follow up.</p> <p>For dissemination the new communication strategy of IMPEL will be used as well.</p> |

3. Resources required

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| 3.1 Project costs | <p>The project will include the following steps and events;</p> <ul style="list-style-type: none"> • A preparatory meeting of the Review Team Leader and Review Rapporteur to discuss the review questionnaire and the preparation of the organisation of the review including meeting with the Review Rapporteur with the Latvian contact persons to finalise the organisation, scope and timing of the review. • Preparation of information on the State Environmental Service of Latvia and its activities by the Latvian contact persons (after a previous contact with the Review Team Leader in order to establish the relevant and needed information) and circulation to Review Team members. • Review to take place over a period of 3 days (and in addition to this travelling days). <p>Meetings and written documents will be conducted in English and no interpretation is required.</p> <p>Preparatory meeting: covered by IMPEL: - travel for team leader and rapporteur - accommodation for team leader and rapporteur - total = 1600 EUR</p> <p>covered by Latvia: - daily transport from hotel to meeting place - catering - meeting venue - total = 500 EUR</p> <p>Project meeting:</p> |
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| | <p>No of Participants 7 covered by IMPEL: - travel for 7 participants - accommodation for 7 participants (3 evenings) - meeting facilities for the project - lunch for the participants (3 days) - total = 9800 EUR</p> <p>covered by Latvia: - daily transport from hotel to meeting place - meeting venue - total = 1100 EUR</p> <p>We estimate that the total costs for the IRI review would be 13 000 EUR Personnel costs from the candidate inspectorate are not included in this assessment.</p> |
| 3.2. Fin. from IMPEL budget | 11 400 EUR |
| 3.3. Fin. from MS (and any other) | Costs of time plus a contribution towards the costs of subsistence of participants in the review team. |
| 3.4. Human from MS | None required. |

4. Quality review mechanisms

Progress monitoring and quality assessment will be carried out by IMPEL Cluster 1. Cluster 1 will appoint a contact person for this project.

5. Legal base

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| 5.1. Directive/ Regulation/ Decision | The European Parliament and Council Recommendation on Providing Minimum Criteria for Environmental Inspections in Member States (300/331/EC) |
| 5.2. Article and description | Recommendation 2001/331/EC is a substantial element of IMPEL' MAWP. |
| 5.3 Link to the 6th EAP | ART. 3.3.2. of MAWP 2007-2010 (as well as MAWP 2011-2015) following , among the key priorities and legislative areas of IMPEL activities mentions that: »IMPEL's key priorities for the period 2007-2010 are to continue the work on the tasks given to IMPEL by the Recommendation on Minimum Criteria for Environmental Inspections (RMCEI) and to fulfil its mandate under the 6th Environment Action Programme (6th EAP).« |

6. Project planning

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| 6.1. Approval | By IMPEL General Assembly, November 2010 |
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| (6.2.Fin. Contributions) | |
| 6.3. Start | Work on composing the Review team can commence after approval. The review itself is planned for march 2011 with a pre-review meeting to be held in February 2011. |

Annex 2

| Evaluation criteria of company control | | | | | | | | | | |
|--|-------------|------------------|---------|--------------------|-----------------------------|----------------------|--------------------------------|--------|--|--------------|
| Nr. | The company | The last control | results | Validity of permit | Emission in the environment | The action of permit | Reviews of monitoring per year | points | Calculated frequency of tests per year | Next control |
| 1 | | 1 | 1 | 1 | 1 | 1 | 1 | 6 | reduced | 2012 |
| | | | | | | | | 0 | | |
| | | | | | | | | 0 | | |

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| <p>Last control:</p> <p>0-1 year- 1 1-2 year - 2 2-3 year -3 3-4 year - 4 points</p> | <p>Results:</p> <p>Company accord - 1 partly accord (have found small violations) - 2 do not accord (significant repeatedly violations in the instituting administrative proceeding) - 3 points</p> | <p>Validity of permit:</p> <p>5-10 year - 1 3-4 year -2 1-2 year - 3 less than one year - 4 points</p> | <p>Emissions in the environment:</p> <p>is not exist excess or accidents, spills -1 exists excess - 2 were polluting accidents, spills, accidents, excesses - 3</p> |
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| <p>The actions of permit:</p> <p>1-2 actions - 1 3-5 actions - 2 6 and more - 3</p> | <p>Presented review of monitoring:</p> <p>is presented - 1 point is not presented - 2 points is not necessary - 0 point</p> |
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| <p>Calculated frequency of test:</p> <p>6 - 8 points - reduced; 9 - 11 points – one time per year 12 - 19 points – increased (2 or more test per year)</p> |
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