

Integrated reduction of pollution in large farms

Are the best available techniques implemented in animal husbandry?

National Audit Office's report to the Riigikogu, Tallinn, 21 September 2009

Summary of audit results

By the end of 2007, large animal holdings had to obtain an integrated environmental permit, a prerequisite to which is the use of best available techniques (BAT).

BAT comprises modern techniques available to operators, the use of which is economically acceptable for manufacturers, thus ensuring the best fulfilment of environmental requirements. The audit analysed whether the state, upon granting investment aids to animal holdings, has considered the importance of BAT and need for integrated reduction of pollution, and guided businesses to use the best technological solutions available.

In 2001-2009, the state, with the help of EU funds, has supported animal husbandry with EEK 1.9 billion. Investments contributed to the construction and reconstruction of production buildings as well as to the acquisition of machinery and equipment and upgrading of technology. Since 2006, the obligations of large enterprises upon reducing pollution have become significantly stricter and animal holdings must spend a further EEK 2 billion in addition to current investments. Part of necessary expenses will be covered by support, which is why it is important to use this money properly, helping to improve human environment and ensuring the sustainable development of production.

According to the National Audit Office, the activities of the Ministry of Agriculture and Ministry of the Environment regarding the integrated reduction of pollution in large farm have not been successful. BAT is only used in half animal husbandry installation, and because of this several enterprises found it difficult to obtain the integrated permit or fulfil the requirements laid down in it.

These problems have been caused by manufacturers' insufficient capacity in upgrading the techniques as well as scant cooperation between Ministries, due to which the checking of fulfilment of duties and need for entering animal holdings' investment aids into reducing pollution faded into the background.

Main observations:

- The state failed to bring into force the Pollution Directive (96/61/EN) in a timely manner. Pursuant to this directive, all pig and poultry farms, and pursuant to relevant Estonian law also bovine farms, must operate on the basis of an integrated permit as of the end of 2007. In terms of bovine farming, Estonia has established even stricter requirements for the obtainment of integrated permit than the rest of the European Union but these requirements are yet to be implemented. One fourth of installations, mostly bovine farms, still operate without an integrated permit.
- Integrated permits have been issued to entrepreneurs who do not use BAT. Although the state has issued integrated permits for 74 % of entrepreneurs engaging in animal husbandry, 66 % of silage storage facilities, 45 % of fuel storage facilities and 31 % of manure storage facilities

did not comply with the requirements.

- Integrated permits are processed too slowly. Generally, the Environmental Board is not able to issue an integrated permit within the prescribed six-month term and the exceptional term of one year. Therefore, integrated permits were mostly issued to existing installations later than the term required by the Directive and Pollution Act (30.10.2007). Currently there are 29 applications for integrated permits in process that were submitted prior to 2007, mostly by the installations of Lääne-Viru County.
- The state grants agricultural support to persons who, pursuant to law, should not be in operation due to the absence of the integrated permit. By granting support, the state favours offenders and damages the competition of agricultural holdings, as the enterprises without an integrated permit do not have to incur additional expenses for saving natural environment.
- Efficient protection of a nitrate sensitive area has not been ensured. Several large installations that have trouble fulfilling the necessary environmental requirements operate in Lääne-Viru County's Pandivere Upland and in Järva County. Old cowsheds and manure and silage storage facilities that do not comply with requirements pollute surface and ground water. Although stricter requirements should apply to agricultural production in nitrate sensitive areas, these have not been implemented in integrated permits.
- State authorities do not have a reliable overview of agricultural holdings that have to have an integrated environmental permit for production. National environmental permits register (KLIS) records data for issued integrated permits and checks regarding the fulfilment of requirements established by permits in an insufficient manner. Errors in the environmental permits register make it more difficult to check the existence of an environmental permit and monitoring of the requirements established by it.
- Rural development plans and other national strategy papers do not pay attention to the issue of how to improve the use of BAT, and the need for the timely implementation of such techniques has not been taken into account when planning measures for development plans.

Responses of the Minister of the Environment and Minister of Agriculture

The Minister of the Environment admits that the sub-area of intensive bovine breeding was, for the time being, left in the background only because of the heightened priority of the Directive establishing requirements for pig and poultry farming. Now that integrated permits have been issued to all installations falling into the scope of application of the Directive, actions in the area of bovine breeding will become more intensive. According to the Ministry, special attention shall be paid to ensuring the quality of permits; this will be achieved by yearly inspection and checking of permit requirements. The Ministry of the Environment has drawn up a draft activity plan, the measures of which help improve the quality of work carried out in the area of integrated permits and reduce the risk of pollution.

The Minister of Agriculture finds that the Ministry has paid enough attention to how the topic of how to improve the use of best available techniques, and that the need for the timely implementation of such techniques has been taken into account upon planning measures for development. In its letter the Ministry explains that theoretically and technically it could have been possible to meet the requirement of timely and full implementation of BAT by allocating the first granted EU supports (SAPARD, national development plan, rural development plan 2004–2006) mostly for bringing just one sector of economy, livestock sector, into accordance with the requirements, but this would have jeopardized the support of balanced development of rural regions and because of this, the problems of

the current program period would be more acute.

Similarly to the Ministry of the Environment, **the Director General of the Environmental Board** admits that upon processing integrated environmental permits the issuers of permits considered the installations falling into the scope of application of the Directive 96/61/EU, which is why addressing bovine breeding as an only nationally governed area was less relevant. However, permit applications of all installations falling into the scope of application of the abovementioned Directive have been processed by now, and decisions have been made on whether to issue a permit or not. Thus the shortcomings that served as a basis for the potential initiation of an infringement procedure have been eliminated.

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