

## **Summary of the report on the use of the finances for the maintenance of the Ministry of Ecology and Natural Resources and on the formation and use of finances of the National Ecology Fund in 2005**

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The National Ecology Fund (NEF) was approved by the Law on state budget for 2005 in order to finance implementation projects for the environment protection strategies, programmes and national plans.

Of the four sources of formation of the NEF revenues, the receipts for the pollutant emissions from mobile sources that use gasoline (ethylene, non-ethylene), fuel for airplanes or diesel oil accounted for a considerable share (68.2%), followed by payments for the goods which in the process of use cause environmental pollution (22.7%). The responsibility for such payments was attributed to the State Ecology Inspectorate (SEI) in common with the Customs Service.

Following the verifications carried out by the Court of Accounts, divergences were revealed between the data of the SEI, Customs Service and Ministry of Ecology and Natural Resources (MENR) in what regards the payments calculated to under this chapter, stating that these authorities lack a common database and control mechanism for the accumulations in the NEF.

The revenues of this fund in 2005 increased, however the areas for priority funding have not been defined clearly; the transitory funds of the NEF and LEF, which constantly grow, are insufficient for funding environment projects in the priority areas; the project outcomes and impact were not always assessed.

The controls of the Court of Accounts stated some irregularities such as:

- The approved environment protection projects were not fully carried out (responsibility falls on the MENR);
- The low cooperation with the local public authorities with a view to assess projects in terms of specific territorial environment activities requiring funding;
- During 2005, no control was carried out over the intended use of the funds appropriated by the NEF.
- The NEF's Board of Directors continues to practice the modification of the project intention after the transfer of the funds from the NEF;
- The control of the intended use of the funds appropriated from the NEF revealed cases of funding for the publishing works that have nothing in common with ecology, and the content of which contravenes the objectives of the state programmes.