Coordinated Audit on Air and Ozone Layer Protection and Implementation of Related International Agreements
Participating Parties

Court of Audit of Austria

Supreme Audit Office, Czech Republic

Court of Audit of the Republic of Slovenia

Supreme Audit Office of the Slovak Republic – coordinator of the audit project
Time Schedule

SAO, CR and SAO SR started the national audits in January 2007 and finished in September 2007

Court of Audit of Slovenia started the national audit in September 2007 and finished in March 2008

Austrian Court of Audit started and finished in the year 2008

Communiqué was finalized and signed in September 2008

Coordinated Audit on Air and Ozone Layer Protection and Implementation of Related International Agreements
Working Meetings

- 1st working meeting held in Bratislava, Slovak Republic, April 2007

- 2nd working meeting held in Kutná Hora, Czech Republic, July 2007

- 3rd working meeting held in Častá Papiernička, Slovak Republic, January 2008

- 4th working meeting held in Strunjan, Slovenia, April 2008

Coordinated Audit on Air and Ozone Layer Protection and Implementation of Related International Agreements
Audit Mission and Objectives

Audit was aimed at the arrangements implemented in terms of International obligations in the area of air, climate and ozone layer protection in compliance with the international conventions, protocols and EU directives and guidelines.

Audit Criteria

Economical and environmental problems were assessed with regard to the compliance with national legislation and obligations settled in international conventions, protocols and EU directives and guidelines.
Different Approaches of the Participating SAIs

Supreme Audit Office SR
- management of funds spent for air and ozone layer protection and implementation of related international agreements
- implementation of commitments of the SHI in the field of monitoring and measuring air quality and limit values of air pollution, ozone and GHG emissions
- compliance with the stipulated conditions in granting air and ozone layer protection and use of these funds by selected beneficiaries
- objectives and principles of SR in the field of air and ozone layer protection
- emission trading system
- the audited period addressed the years 2005 and 2006
Different Approaches of the Participating SAIs

Court of Audit of Slovenia

- air protection and measures taken to reduce emissions of important pollutants
- ozone layer protection and measures taken to reduce emissions of ozone depleting substances
- measures taken to cope with climate change
- emission trading system
- the audited period addressed the years 2005 and 2006
Different Approaches of the Participating SAIs

Supreme Audit Office, CR

- management of finances levied and used in the field of air protection
- funds used for assistance in air protection by the beneficiaries of financial aid from the State Environmental Fund
- implementation of international agreements, EU law and fulfillment of limits and targets
- national strategies and action programs
- emission trading system

the audited period addressed the years 2003 to 2006
Different Approaches of the Participating SAIs

Austrian Court of Audit

- implementation of Kyoto Protocol commitments, i.e. climate change issues and the emission trading system
- GHG emissions in Austria
- the audited period addressed the years 2002 - 2007
Legal Scope of Audit

Convention on Long-range Transboundary Air Pollution (CZ/SK/SLO)
Vienna Convention for the Protection of the Ozone Layer (SK/SLO)
Montreal Protocol on Substances that Deplete the Ozone Layer (SK/SLO)
United Nations Framework Convention on Climate Change (A/CZ/SK/SLO)
Kyoto Protocol (A/CZ/SK/SLO)
EU directives and guidelines related to air protection, climate and ozone layer protection (A/CZ/SK/SLO)
Respective national legal regulations (A/CZ/SK/SLO)
Factual Scope of Audit

Purpose and Objectives

National legislative and international agreements & conventions

National legislative and EU legislative

Financing systems

Evaluation of efficiency

Implementation of taken measures

Emission trading

Designing of comprehensive policy

National strategies, programs and action plans

Coordinated Audit on Air and Ozone Layer Protection and Implementation of Related International Agreements
Common Topics

- Compliance with international agreements – meeting limits and targets

- Implementation for national conditions – system of responsibilities and obligations, measures, legislation, national strategies and action programs

- Emission trading system

- Financing system
Conclusions of the Participating SAIs

The Slovak Republic and the Czech Republic

- commitment to reduce GHG emissions by 8% compared to the year 1990 in the period 2008 – 2012
- achieved continuously and there are conditions created for the future achievement

SAO SR concluded that it is necessary to improve cooperation and communication among environment, energy and transportation with regard to the institutional cooperation. Environmental legislative and its fiscal instruments play an important role in assessment of possible emission development.
Conclusions of the Participating SAIs

The Republic of Slovenia

- commitment to reduce GHG emissions by 8% compared to the year 1986 in the period 2008 – 2012
- difficulties detected in creation of comprehensive policy on climate change
- the GHG emission mitigation principles were not incorporated into other key sectorial policies (e.g. agriculture, transport and energy)

Court of Audit of Slovenia recommended establishing a responsible body on the governmental level to ensure forming comprehensive policy on climate change and to carry out continuously sectorial measures.
Conclusions of the Participating SAIs

Austria

- commitment to reduce GHG emissions by 13% compared to the year 1990 in the period 2008 – 2012
- development of emissions in the sectors housing, industry and traffic made the Kyoto target unlikely to be achieved

Austrian Court of Audit recommended taking additional measures to meet the targets of the period 2008 - 2012, as well as commitments for the period after 2012. The first period of the national emission trading system showed no significant benefit for the environment, but enabled the participants of the system to start well prepared into the second period.
Common Conclusions & Recommendations

- **Measures** to fulfill the directives relating to ambient air quality assessment and management should be **elaborated**.

- Implementation of measures taken to meet objectives and targets relating to international regulations on air and ozone layer protection should be **regularly revised** by responsible bodies to meet set targets.
Common Conclusions & Recommendations

- All sectors involved in mapping all programs and projects for which funds are provided should cooperate closely.

- National measures for the mitigation of GHG emissions must have priority over buying certificates in the system of the flexible Kyoto mechanisms.
- There is a need for harmonization of the allocation process on the European level.

- The national emission trading systems should pay regard to the state of the art and energy efficiency of individual plants during the allocation process.
Communiqué & Annexes

Table on Achievements of Objectives and Time Limits

Table on Emission Trading System

National Audit Reports

Audit Preparation & Development
Table 1: The objectives and time limits to achieve the set objectives to reduce emissions of important pollutants to protect the ambient air, the ozone layer and manage climate changes

<table>
<thead>
<tr>
<th>International agreement/ European Union directive</th>
<th>Harmful substance</th>
<th>Time limit to achieve the set objective</th>
<th>Slovak Republic</th>
<th>Slovenia</th>
<th>Czech Republic</th>
<th>Austria</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Assessment of achieving/possibility to achieve set objectives</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Set objective</td>
<td>Assessment of achieving/possibility to achieve set objectives</td>
<td>Set objective</td>
<td>Set objective</td>
<td>Set objective</td>
</tr>
<tr>
<td>The Gothenburg Protocol, Directive of the EP and Council 2001/81/EC on National Emission Ceilings for Certain Atmospheric Pollutants</td>
<td>Nitrogen oxides</td>
<td>2010</td>
<td>130 thousand tons per year</td>
<td>high possibility</td>
<td>45 thousand tons per year</td>
<td>low possibility</td>
</tr>
<tr>
<td></td>
<td>Volatile organic compounds</td>
<td>2010</td>
<td>140 thousand tons per year</td>
<td>high possibility</td>
<td>40 thousand tons per year</td>
<td>high possibility</td>
</tr>
<tr>
<td></td>
<td>Sulphur dioxide</td>
<td>2010</td>
<td>110 thousand tons per year</td>
<td>high possibility</td>
<td>27 thousand tons per year</td>
<td>high possibility</td>
</tr>
<tr>
<td></td>
<td>Ammonia</td>
<td>2010</td>
<td>39 thousand tons per year</td>
<td>high possibility</td>
<td>20 thousand tons per year</td>
<td>high possibility</td>
</tr>
<tr>
<td></td>
<td>Permitted daily values and alert thresholds for concentrations of sulphur dioxide</td>
<td>2005</td>
<td>350 micrograms per cubic metre per hour; 125 micrograms per cubic metre per hour**</td>
<td>yes</td>
<td>yes</td>
<td>/</td>
</tr>
<tr>
<td></td>
<td>Permitted daily values and alert thresholds for concentrations of particulate matter (PM 10)</td>
<td>2005</td>
<td>50 micrograms per cubic metre per day**; 40 micrograms per cubic metre per day**</td>
<td>no</td>
<td>no</td>
<td>/</td>
</tr>
</tbody>
</table>
Table 1: The objectives and time limits to achieve the set objectives to reduce emissions of important pollutants to protect the ambient air, the ozone layer and manage climate changes

<table>
<thead>
<tr>
<th>International agreement/ European Union directive</th>
<th>Harmful substance</th>
<th>Time limit to achieve the set objective</th>
<th>Slovak Republic</th>
<th>Slovenia</th>
<th>Czech Republic</th>
<th>Austria</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Montreal Protocol with accompanying amendments and the Regulation of the EP and Council 2003/2000/EC on Substances that Deplete the Ozone Layer</td>
<td>Halons and hydrochlorofluorocarbons, other fully halogenated hydrochlorofluorocarbons, halons, carbon tetrachloride, 1,1,1-trichloroethane, and partially halogenated hydrobromofluorocarbons</td>
<td>1996 and following</td>
<td>Prohibition on production, imports, use and marketing</td>
<td>yes</td>
<td>Prohibition on production imports, use and marketing</td>
<td>yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Controlled capture</td>
<td>yes</td>
<td>Controlled capture</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Climate change management</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Kyoto Protocol</td>
<td>Greenhouse gases</td>
<td>2008 - 2012</td>
<td>Reduction of annual emission quantities by 8 percent according to the base year</td>
<td>high possibility</td>
<td>Reduction of annual emission quantities by 8 percent according to the base year</td>
<td>low possibility</td>
</tr>
</tbody>
</table>


**Legend:**
- Hourly concentration may be exceeded 24 times per year.
- Daily concentration may be exceeded 3 times per year.
- Daily concentration may be exceeded 35 times per year.
- The base year for Slovak Republic, Czech Republic and Austria is 1990 for all greenhouse gases, whereas for Slovenia for carbon dioxide, methane and dinitrous oxide the base year is the year 1988, and for hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride the year 1990.

---

1. The list of harmful substances in national legislation might be broader.
2. Greenhouse gases are carbon dioxide, methane, dinitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Due to comparability all greenhouse gases are expressed by the carbon dioxide equivalent obtained by multiplying the quantity of a greenhouse gas with its global warming potential.
### Table 2: ETS

<table>
<thead>
<tr>
<th></th>
<th>Slovak Republic</th>
<th></th>
<th>Slovenia</th>
<th></th>
<th></th>
<th>Austria</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of participants:</strong></td>
<td>175</td>
<td>178</td>
<td>97</td>
<td>96</td>
<td>197</td>
<td>220</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share of EA allocated to energy sector:</strong></td>
<td>-</td>
<td>-</td>
<td>71 %</td>
<td>70 %</td>
<td>38 %</td>
<td>36 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share of EA allocated to industry sector:</strong></td>
<td>-</td>
<td>-</td>
<td>29 %</td>
<td>30 %</td>
<td>62 %</td>
<td>64 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Difference allocated EA – verified emissions, total:</strong></td>
<td>2005: +17.2 %</td>
<td>2006: +16.2 %</td>
<td>-</td>
<td>-</td>
<td>2005: + 4.8 %</td>
<td>2006: -1.7 %</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Difference in industry sector:</strong></td>
<td>-</td>
<td>-</td>
<td>2005: +7.2 %</td>
<td>2006: + 1 %</td>
<td>2005: +3.5 %</td>
<td>2006: + 2.9 %</td>
<td>2005: + 5.3 %</td>
<td>2006: + 6.0 %</td>
</tr>
<tr>
<td><strong>Difference in energy sector:</strong></td>
<td>-</td>
<td>-</td>
<td>2005: +3.5 %</td>
<td>2006: + 2.9 %</td>
<td>2005: +3.5 %</td>
<td>2006: + 2.9 %</td>
<td>2005: + 5.3 %</td>
<td>2006: + 6.0 %</td>
</tr>
<tr>
<td><strong>Method of distribution:</strong></td>
<td>100 % free of charge / 0% auctioning</td>
<td>100 % free of charge / 0% auctioning</td>
<td>100 % free of charge / 0% auctioning</td>
<td>100 % free of charge / 0% auctioning</td>
<td>100 % free of charge / 0% auctioning</td>
<td>100 % free of charge / 0% auctioning</td>
<td>98.7 % free of charge / 1.3 % auctioning</td>
<td>-</td>
</tr>
<tr>
<td><strong>Share of the biggest participant in ETS</strong></td>
<td>31 %</td>
<td></td>
<td>53 %</td>
<td></td>
<td></td>
<td>13 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share of the smallest 25 % of participants in ETS</strong></td>
<td>0.7 %</td>
<td></td>
<td>1.2 %</td>
<td></td>
<td></td>
<td>0.4 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share of GHG emissions covered by ETS</strong></td>
<td></td>
<td></td>
<td>56 %</td>
<td></td>
<td></td>
<td>36 %</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) related to verified emissions

---

Thank you for your attention