
THE IMPACT OF DRIVING FORCES ON ENVIRONMENTAL COMPLIANCE AND ENFORCEMENT PROGRAMS - EXAMPLE OF POLAND

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1 INTRODUCTION

The political changes which occurred in 1989 set Poland on its transition to parliamentary democracy and a market-based economy. Since that time Poland has substantially transformed its economic system. Central planning has largely been replaced by market-oriented system. The private sector has expanded rapidly. In 1992 Poland returned to economic growth and in 1995 its Gross Domestic Product has increased by nearly 7 percent. Now, annual expenditures on environmental protection in Poland amount to about 1.3 per cent of Gross National Product (or roughly 1 billion USD a year), which is comparable to the percentage spent in the Organization for Economic Cooperation and Development (OECD) countries. Some 95 percent of the expenditures originates from domestic sources.

2 NATIONAL ENVIRONMENTAL POLICY

Protection of the environment was high on the agenda of the round-table negotiations held in 1989 which preceded the political changes. The negotiations and the political changes that followed shortly allowed the development in 1991 of the National Environmental Policy (NEP) which until now is the basic document in the field of environmental policy of the country. It is broadly based on the principle of sustainable development and identifies the following main priority tasks:

- Halt further degradation of the environment by the reduction of pollutant emissions.
- Increase public awareness and public participation in decision making processes.
- Introduction of cleaner technologies to all sectors.
- Protection and conservation of the nature and natural resources.

Weak compliance and lax enforcement are too well known facts from the period before 1989. Therefore the Policy declares law-abideness as one of the basic principles of the new environmental policy. This means the necessity of reconstruction of the legal system and the system of enforcement in such a way that each regulation will be strictly abided to, and that no opportunities will exist for circumvention of the law for reasons of "public interests" or "impossibility."

The other important principles contained in the Policy is the "Polluter Pays Principle." In the word of the Policy's strict implementation of the above principle means "placing full responsibility, including material liability, for the effects of pollution and other damages to the environment, upon the originator, i.e. subject utilizing the environmental resources."

To streamline implementation of the Policy and the Rio de Janeiro Agenda 21, the National Committee for Sustainable Development was established in 1994. The Committee consists of the representatives of the Central Government, Parliament and various NGOs. The Committee has reviewed various national policies including energy, transportation and industrial policies.

The National Environmental Policy formulates actions aimed at environmental improvements for various time horizons. Many actions since 1991 have led to achievements of short term goals (1991-1993). There are grounds to believe that environmental degradation in Poland has been halted and that in some areas there are even improvements. For instance the volume of untreated sewage decreased by 36 %. In 1980 Poland emitted 4.1 ml tones of SO₂ and now only 2.7 ml tones. These results were only partly due to economic recession at the beginning of the 1990s. After reaching, in 1994, the short-term horizon, the Implementation Program Through the Year 2000 was designed which envisages further environmental improvement.

3 INTERNATIONAL COMMITMENTS

International obligations assumed by Poland in the field of environmental protection is another strong driving force in compliance and enforcement. Since Poland is a party to some 40 international treaties, it has strengthened its environmental policies to enable it to fulfill its obligations especially as far as transboundary pollution is concerned. It is worthy to mention that Poland signed the Second Sulphur Protocol in 1994 and ratified the UN Framework Convention on Climate Change. In 1993 Poland introduced a CO₂ emission fee of 0.04 USD which will be gradually increased in the future. A great deal of the agents whose activities pollute air with a transboundary effect had to undertake abatement measures.

4 ACCESSION TO THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

From the very beginning of the 1989 political changes, Poland has pursued political and economic integration with western Europe and with other Organization for Economic Cooperation and Development Member States. An agreement defining principles of mutual cooperation was signed with this organization in 1991. One of the basic preconditions of Poland's membership is elimination of some gaps in Polish legislation by implementing of organizations Council Acts related to environmental health and safety. To change this situation, intensive drafting work was carried out on a Statute on chemical substances. In 1995 at the next Organization for Economic Cooperation and Development meeting Poland stated that it will adopt the Statute by the end of 1996.

5 INTEGRATION WITH THE EUROPEAN UNION

Poland's willingness and determination to accede to the European Union is probably the strongest multi-aspect driving force behind compliance and enforcement programs in the country. Therefore it seems justified to present this development in more detail.

In 1991, "The European Agreement, establishing an association between the Republic of Poland, on the one part, and the European Communities and their Member States, on the other part" established a framework for the progressive development of free trade in goods, services and capital. In 1994, after entry into force of the European Agreement, Poland applied for membership in the European Union. It is expected that negotiation on Poland's accession to the European Union will start in 1998. As the European Union attaches a great importance to environmental protection, Poland has already undertaken a great number of steps to fulfill requirements for the membership.

The European Agreement confirmed the importance of the principle of sustainable development. Article 71.2 which provides that "Policies designed to bring about the economic and social development of Poland, in particular policies relating to industry including the mining sector, investment, agriculture, energy, transport, regional development and tourism should be guided by the principle of sustainable development. This entails ensuring that environmental considerations are fully incorporated into such policies from the outset". The European Agreement says also that cooperation shall seek to promote Community participation in Poland's efforts in both public and private sectors to modernize and restructure its industry, which will effect the transition from a centrally planned system to a market economy under conditions which ensure that the environment is protected (Article 72.1). In addition, cooperation in the field of energy includes the environmental impact of energy production and consumption as well as the promotion of energy saving and energy efficiency (Article 78.2).

5.1 Approximation of laws

The European Agreement provides that the major precondition for Poland's economic integration into the European Community is the approximation of the country's existing and future legislation to that of the Community (Art. 68). The approximation of laws includes also the environment (Art. 69). Approximation of Polish legislation extends over a period of 10 years, once the European Agreement came into force. It seems worthy to mention that the *acquis communautaire* in the field of environment counts some 200 legal acts.

An important step towards European Community membership is approximation of some of Poland's environmental standards to levels presently existing in the European Community. Poland, like other Central and Eastern European countries, however, has some environmental standards which are similar or even more stringent than the European Community's or its member countries' comparable standards. The stringency of Poland's standards often does not correspond with the country's economic capabilities and therefore these standards are not always adequately complied with or enforced.

The harmonization process might offer a good opportunity to adopt feasible, realistic and enforceable environmental standards. As the realization of these standards cannot be achieved overnight, this process may be accomplished gradually with European Community standards as the ultimate goal.

Harmonization of environmental standards has become one of the central tasks for the Ministry of Environmental Protection. This task is aided by the EC PHARE Program, mainly by its sector devoted to institutional strengthening of environmental management.

5.2 The approximation infrastructure

To develop a strong basis for the approximation process, the following steps were taken:

- a. A project on publication in Polish of the 9-volume collection of the European Union legislation on environmental protection has been launched. This work, to be completed in 1996, will reflect the state of European Union legislation up to the end of 1993. The four first volumes of this publication are already available on the market. Publication of the work, containing also "5th Environmental Action Program for 1993 - 2000", will eliminate one of the hindrances hampering the integration process, namely the language barrier. The removal of this barrier will ensure wide access to the European Union legislation for politicians, decision makers, scientific and research centers as well as business circles.

- b. A project on the development of methodology for the evaluation of environmental protection costs was undertaken. A part of the project addresses costs of harmonization and implementation of European Union legislation in Poland. Here, a general conclusion can be made: without a thorough knowledge of harmonization costs and funding sources, it is difficult to draft in a responsible manner, legal acts that are supposed to express time horizons for attainment of environmental quality defined in the European Union standards.
- c. Another important project, already completed and also funded by PHARE, dealt with examination of law and practice in the Union and a few member countries (Spain, Portugal, the Netherlands and Germany), in terms of creating the so called adjustment programs for the requirements of environmental protection for the environmentally-unfriendly sectors of the economy, and to transfer the functioning European Union solutions to Polish law and practice.
- d. Enhancement of environmental management in Poland is a project which is still being implemented. It should result in detailed critical analysis of the existing state of environmental management in Poland and propose amendments to the existing environmental management system, mainly a comprehensive set of goals, tasks, competencies, procedures and economic instruments in the field of environmental protection leading to enhancement of environmental management in Poland. The proposed amendments, influenced also by respective European Union legislation, should include the most rational division (allocation) of tasks and competencies between various administrative authorities and their levels.

5.3 The organization of the approximation process

The approximation process of Polish environmental legislation is regulated by two Decisions of the Council of Ministers: Decision 16/1994 and the Decision 133/1995.

The approximation process, commenced already in 1991, was dramatically accelerated after the Council of Ministers adopted on March 29, 1994 Decision No 16, on additional procedures to bring draft government legal acts in line with European Union legislation. Pursuant to the Decision 16/1994, the draft legal acts, prepared by the members of the Council of Ministers, heads of central offices of government, central administration and voivodes [heads of provinces] are subject to review in terms of their compliance with the European Union legislation. The review procedure includes preliminary and final opinions. Both of them should discuss the following issues:

- The scope of adjustment of a draft legal act to European Union legislation.
- Draft provisions that are not in line with European Union legislation.
- Envisaged procedures and dates of ultimate adjustment of provisions not in line with European Union legislation or discussion in favor of retaining temporarily discrepancies in this respect.

The Council of Ministers Decision No 133, adopted on 14 November 1995 aims at implementation of the European Commission "White Paper on the preparation of the Associated Countries of Central and Eastern Europe for integration into the Internal Market". In fulfillment of the Decision requirements, the various legal instruments listed in the White Paper have been allocated for transposal and implementation amongst appropriate ministries and other central authorities. It is interesting to note, that out of some 60 legal instruments contained in chapter 8

“Environment”, only 7 are allocated to the Ministry of the Environment as coming within the sphere of its competence (lead ministry). In case of many other instruments mentioned there, the Ministry has the status of a cooperating ministry. Therefore, cross-sectorial cooperation becomes indispensable.

It is clearly stated in the White Paper that Environmental Policy is an essential component of the creation of the Internal Market. The White Paper stresses the importance of product-related environmental standards. Under this heading comes a substantive number of community legal acts on chemicals (restrictions on marketing, classification and labeling, environmental control of existing and new substances, ozone-depleting substances), Genetically Modified Organisms, product-related noise, transfer of waste etc. Some of them have been poorly regulated, if at all, as for instance chemicals or Genetically Modified Organisms. It is only now that these areas are being covered by the national legislation. However, as it is emphasized in the White Paper, equally important for undistorted functioning of the Internal Market is factual compliance and enforcement of the legislation. Any substantial failure to apply the common rules in any part of the internal market puts the rest of the system at risk and undermines its integrity.

6 NEW LEGISLATION

As described above, any new legal regulation has to take into account European Union legislation. For example it was the case of the three regulations of the Minister of the Environment issued in the 1995 in the area of environmental impact assessment: Regulation on the impact of local land use plans on the environment (of 9 March, 1995); Regulation on Investments harmful to the environment and human health and on environmental impact assessment (of 13 May, 1995); Regulation on environmental impact assessment of highways on the environment, agricultural lands, forests and protected cultural heritage (of 5 June, 1995). The above regulations, with the exception of public participation requirement, comply with the Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment.

To speed up the approximation process, the Ministry launched in June 1995 a project, sponsored by PHARE, on the preparation of a Draft Framework Act on the environment. Sectorial approach to regulating environmental protection, that has recently occurred in Poland, makes it difficult for effective transposal of certain European Union solutions of a more general nature, such as participation of the public in decision making process, or introduction of integrated pollution control (draft Directive on IPPC).

According to the Terms of Reference, the Framework Act should adopt appropriate principles, legal institutions, terminology and definitions of notions contained in the European Union legislation such as the Maastricht Treaty, Europe Agreement and framework acts of the secondary European legislation. Taking into account dynamic changes in the European Union environmental law, draft European Union legal acts should also be considered, including draft Directive on Integrated Pollution and Prevention Control (COM/93/423) and draft Directive on Air Quality Assessment and Management (COM/94/109). It is required that the European Union acts of “soft law” nature are taken into account as well. These include “5th Environmental Action Program for 1993 - 2000” and “A Community Strategy for Waste Management”. For the sake of consistency of Polish environmental legal system, the Framework Act should also take into account the Organization for Economic Development’s legislation and all other international treaties to which Poland is a party. It is planned that the drafting work will be completed in the Ministry by the end of 1996.

7 PRIVATIZATION

The 1990 Privatization Act of State-Owned Enterprises (hereinafter the "Privatization Law") is void of any express environmental considerations or requirements. Because of pressure from the Ministry of Environment and some investors' concern for potential environmental compliance and cleanup obligations, the Ministry of Privatization has begun to execute environmental audits of companies in the process of capital privatization. In 1993, to strengthen their cooperation, the Ministries of Privatization and Environmental Protection signed a Memorandum of Understanding creating an Inter-ministerial Environmental Unit to address environmental issues arising in the process of capital privatization. The Memorandum was renewed in 1995 and the Unit was empowered to extend its activities on other paths of privatization. The Unit is under joint supervision of the Director of the Department of Capital Privatization in the Ministry of Privatization and the Director of the Enforcement Department of the State Inspectorate for Environmental Protection.

The main task of the Unit is to develop practical solutions to environmental issues emerging in privatization transactions, such as the allocation environmental liabilities and implementation of pollution control equipment. The Unit has improved communication between the Ministry of Privatization and the Ministry of the Environment and introduced standard procedures for obtaining information on environmental compliance. The Unit requires the management of privatized companies through capital privatization to complete a detailed environmental survey and returned it to the Ministry of Privatization. In addition, the Unit consults local environmental authorities and obtains their evaluations of the environmental problems of individual companies. After evaluating the data collected, the Unit may conduct its own evaluation of the company or commission an environmental audit. The Unit analyzes all available environmental information, assists in the preparation of informal memoranda, compares the impact on the environment of offers received, and negotiates environmental provisions and related investment commitments in sale contracts. The activities of the Unit proved to be useful for the privatization process, compliance of the privatized companies and protection of the environment.

Lack of any cleanup standards for the polluted lands or water was considered as a serious obstacle in the privatization process. To eliminate this deficiency and make the cost of cleanup more transparent, the State Inspectorate for Environmental Protection issued in 1994 Methodological Guidelines for the Assessment of the Level of Pollution of Lands and Groundwater by Chemical Substances in the Process of Remediation. In addition, the EBRD recently completed a Soil and Groundwater Contamination Standards Project, financed through the PHARE program, which developed strategies for establishing soil and groundwater contamination standards, estimated the costs of these strategies, and made recommendations as to how these standards could be implemented within the existing institutional framework.

In 1994, the State Inspectorate for Environmental Protection assessed the level of compliance with environmental requirements of 220 privatized companies. The general conclusion resulting from the assessment is that the privatization has a positive effect on the compliance of the assessed companies and the protection of the environment.

8 ECONOMIC INSTRUMENTS

The fees for the use of the environment and fines for violation of environmental requirements, mainly the terms of a permit, which are the most popular economic instruments in Poland, have existed in Poland since the 1970's, but they were ineffective for more than a decade. The main reasons for their ineffectiveness were a lack of free market stimuli, lax enforcement, and lavish state subsidies (the latter ones, in various forms, were virtually discontinued in 1991).

Between 1989 and 1992, the Government's policy toward environmental fees and fines policy was substantially reformed. The fees and fines were dramatically increased and the rate of inflation has been included in the fee rate. Some of the fees, such as the fees for SO₂ emissions which amount to US \$80 per ton of emission, have already provided strong incentives for abatement although they are still much lower than the marginal cost of abatement. Therefore the system serves mainly to raise revenue rather than to reduce pollution.

Today, the fine which is paid from the profits of the enterprise, poses a heavy burden for the polluter. The existing law, however, allows for some flexibility. If the polluter commits to eliminate the source of the fined pollution, the fine can be calculated into the amount of money spent by the polluter on the appropriate pollution control measures. According to the State Inspectorate this policy has appeared as an extremely effective measure of enforcement.

Stronger enforcement and market signals (as desire to increase competitiveness) caused that there is a big demand of the polluters for financial resources. The resources collected from fees and fines, debt-for environment swaps and international assistance (PHARE, World Bank, bilateral help) are managed by a unique "green" financial infrastructure whose role in environmental investment in Poland cannot be overstated. This financial infrastructure consists of:

- National Fund for Environmental Protection and Water Management.
- Regional and Community Environmental Funds.
- Bank for Environmental Protection.
- ECOFUND.

The main task of the environmental funds is to support implementation of the NEP goals. After a period of implementing mainly "end of pipe" projects, The National and Regional Funds are focusing on support of cleaner production technologies. The main criterion for projects to be financed by environmental funds and the Bank for Environmental Protection is expected environmental effect.

Soft loans are a basic form of financing by the National and Regional Funds. The National Fund is able to support up to 50%, or in a case of local administration projects - up to 70%. The ECOFUND provides financial support only in the form of non-repayable grants which basically encompass 10-30% of a project cost. The main form in which the Bank for Environmental Protection supports projects for environmental protection is preferential credit. It is noteworthy that the demand for this sort of financing is much higher than available capital of the funds and the Bank.

9 VOLUNTARY MEASURES

In addition to command and control measures and economic instruments, there are emerging now various types of voluntary measures mainly eco-audit, eco-label and environmental agreements. The goal of these schemes is to promote and enhance compliance with environmental requirements. By adhering to them, individual companies or industrial sectors would be able to improve their compliance record and therefore their brand image, credibility and competitiveness.

At the European Community level, the Council of Ministers has adopted Regulation EEC/880/92 on a Community eco-label award scheme. The main idea of the Regulation is to promote production, sale and use of products with the least harmful effects to the environment

throughout their life cycle. The regulation seeks to allow the consumers to be better informed about the effects of products on the environment. Under specified conditions producers can be awarded with a green label.

The other voluntary measure adopted by the Community is Regulation 1836/93 on the eco-management and audit scheme (EMAS). In distinction from the eco-label scheme, the EMAS does not focus on product but rather on industrial production processes and activities. Under specified conditions (as compliance with environmental requirements) companies participating in the scheme can be awarded a special logo of a company friendly to the environment which can be utilized on brochures, reports, letterheads, information sheet, etc.

Although neither eco-label nor EMAS legislation has been enacted in Poland yet, there is a surprisingly high interest on the side of the industry in having them incorporated in Polish legal system. There is a growing believe that products awarded in Poland with eco-label and recognized on the European Union market could be much more competitive than others. A great number of big Polish companies would like to participate in EMAS because they expect that their partners from European Union countries can sooner or later demand of them "green image."

10 PUBLIC AWARENESS, ACCESS TO ENVIRONMENTAL INFORMATION AND PARTICIPATION IN DECISION MAKING

According to various public opinion polls held by the Institute for Sustainable Development (Warsaw) in 1993, environmental awareness in Poland is growing steadily. The polls showed that, together with mounting crime and other social aberrations, environmental pollution is regarded as the main threat to Poland and its citizens. The polls indicated that provincial and local authorities are considered to be the organizations which most efficiently protect the environment. Over the last year, provincial and local authorities gained the largest share of positive scores in public opinion polls.

It is interesting to note that most of those interviewed had not heard about NGOs operating in their local commune or province. Those who were aware of such activities considered their efficiency negligible.

The percentage of individuals who regard the protection of the environment as worthwhile even at the cost of increased unemployment as a result of closure of factories which cause a particular threat to the environment has declined. Thus, these opinion polls provide information that the public in general is ready to support environmental protection but not at the expense of severe economic hardship.

There is an abundance of environmental information in the form of statistical data, official reports, etc. However, access to information on planned or existing industrial activities likely to harm or harming the environment is still limited. This indicates that the present law should be redesigned so as to ease access to and strengthen the influence of NGOs in administrative and legal actions. A mounting pressure from NGOs and the necessity to approximate Polish legislation to European Union legislation will result in transposal of the Council Directive 90/313/EEC on the freedom of access to information on the environment and other directives dealing with public participation in environmental decision making. Appropriate provisions transposing the relevant European Union directives have already been drafted within the work on the Framework Law on the Environment.

11 CLEANER TECHNOLOGY

The cleaner production movement is mushrooming now in Poland. It could not happen without a genuine interest of the industry. The movement is based on the Cleaner Production Declaration and on the letter of intent on cooperation in this field signed by the Minister of the Environment and the Minister of Industry and Trade. The movement was strongly reinforced by the fact that the III World Seminar on Cleaner Production was held in Poland in 1994. Within a program sponsored by the Norwegian government, 800 individuals from 500 industrial plants were trained in the field of cleaner production. Demonstration Cleaner Production projects were implemented in 200 of these plants. Recently, the World Environment Center established three Pollution Prevention Centers in Poland which have undertaken vigorous activity in various sectors of the economy.

In the future Cleaner Production Centers and Pollution Prevention Centers could be of some help for applicants asking environmental funds for financing of their projects. Mainly, they could help evaluate alternative technologies. A similar help could be extended to the funds themselves.

12 ENHANCEMENT OF THE ENFORCEMENT CAPACITY OF THE STATE INSPECTORATE FOR ENVIRONMENTAL PROTECTION

The most important development which has occurred since 1989 for the enhancement of enforcement in Poland was the enactment of the Law on the State Inspectorate for Environmental Protection in 1991. The fundamental change that the State Inspectorate Law introduced was the separation of responsibility for enforcement from the regional authorities' decision-making functions. Until 1991, the same regional authority was responsible for both issuing permits and licenses and enforcing them. In addition, the same body was, and still is, responsible for economic development of the region and employment. Therefore, not surprisingly, the environmental requirements were not enforced strictly. Prior to 1991, the State Inspectorate for Environmental Protection, as a "toothless" creature, was virtually ineffective. Presently, being independent from regional and local state or municipal authorities, the State Inspectorate carries out its tasks much better.

The main tasks of the State Inspectorate include:

- Enforcing compliance with the laws and regulations on protection of the environment and rational utilization of natural resources.
- Enforcing compliance with permits and licenses.
- Participating in sitting proceedings.
- Overseeing implementation of a new installations which are likely to have adverse impact on the environment.
- Controlling the proper functioning of the pollution control equipment.
- Halting activities which violate environmental requirements.
- Cooperating with other enforcement organs, self-governing authorities and NGOs.
- Establishing and running the state environmental monitoring system and assessing the state of the environment.
- Designing and implementing analytical and sampling methodologies.
- Establishing conditions necessary to prevent environmental emergencies and to restore the environment to its proper state.

The inspectors of the State Inspectorate are empowered to:

- Enter at any time an area of real estate, installation or their parts where economic activity is carried out accompanied by experts and with any necessary equipment.
- Inspect the state of the environment and assess it in the light of applicable environmental legislation and compliance of the site with the terms of permit.
- Evaluate use of technical equipment on the site.
- Assess the performance of pollution control equipment installed on the site.
- Request information necessary to assess the state of the site.
- Obtain access to documents and data related to the inspection.

The management of the installation under inspection must allow the inspector to perform its duties. When the inspection is completed, the inspector writes a protocol which is also delivered to the management of the installation.

On the basis of the inspection, the inspector has the power to:

- Issue a post-inspection order to the inspected installation.
- Issue an administrative order.
- Undertake enforcement action, if such obligation results from binding law or an applicable administrative order.

Article 13 of the State Inspectorate Law enumerates the State Inspectorate's greatest powers. It provides that the inspector may:

- Impose an obligation to remove the cause of environmentally harmful activity in prescribed time.
- Impose a fine.
- Halt activity which violates environmental protection requirements.

12.1 The special case of the "80" heaviest polluters

In 1990 a list of the 80 heaviest polluters in Poland was prepared by the State Inspectorate in close cooperation with regional environmental authorities. The following criteria were applied: frequency and gravity of the violation of environmental requirements, level of concentration of toxic pollutants, location of the polluter and territorial range of polluter's harmful impact.

The main goal of the list was to bring the "80" into compliance with applicable environmental requirements. To achieve this goal, regional authorities issued administrative orders by which they bound each of the polluters to install or modernize pollution control equipment and to undertake the appropriate changes of technology and other necessary measures. The orders were preceded by environmental audits which provided necessary information about the environmental performance of the polluters. Financial and economic viability were taken into account and the polluters themselves had to prepare and submit programs for achieving compliance.

The State Inspectorate has been entrusted with the special responsibility for enforcing this process by frequent, almost daily, inspections and tough application of enforcement instruments designed for each individual case. The enterprises which were not able to present feasible programs had to stop their operations partly or totally.

The 1994 report on the implementation of the program by the "80," describes notable progress in the abatement of pollution emitted or discharged by the "80," despite many economic hardships resulting in delays. The most important is a decrease of emissions of suspended particulate by 67 percent, gases 44 and wastes 42 percent. These results can only partly be attributed to economic recession and closure of the worst of the "80." In the reporting year the list of the "80" has been left by 14 companies which achieved compliance with the environmental requirements and 5 other ones were added. It is expected that 16 other companies should be in compliance by the end of 1996. It is worthy to note that similar programs have been adopted towards 800 companies at the regional (voivodship) level.

12.2 Strengthen organizational authority and institutional capacity for the State Inspectorate

There is a general consensus that an autonomous status of the State Inspectorate adopted in 1991 have substantially strengthened its the enforcement activities. The State Inspectorate, in its efforts to increase its efficacy, is looking for experience sharing with other enforcement authorities or their organizations. One of them is the European Union Network of Environmental Enforcement Authorities.

The organization and activities of the network was extensively presented by Mr. David Slater of the HMIP at the 1994 Third International Conference on Environmental Enforcement. Mr. Slater said that the network served as a very practical forum for informal exchange of ideas and experience among those at the working face of environmental regulation. Since European Union environmental legislation is steadily growing as a part of the Polish legal system, therefore shortly after the Conference Poland showed an interest in having some links with the body as an observer. Unfortunately, a reaction on the European Union side was not very encouraging at that time. It is believed that two years later all obstacles which existed in 1994 have already disappeared. We believe that what Mr. Slater stated in conclusion of his statement is also valid for Poland: "One thing is very clear. The problems associated with protecting the environment from industry activity are common to most if not all countries. Sharing experience through well organized but largely informal network can help each of us do our job much better."

13 CONCLUSIONS

Transition to parliamentary democracy and a market-based economy, sound economic growth, privatization and many stimuli from the free market are very important driving forces behind enhanced compliance and enforcement. Poland's international commitment, efforts to join OECD and integrate with the European Union are the basic causes of the fundamental reform of Polish legal system and new approach to enforcement. The harmonization process might offer a good opportunity to adopt feasible, realistic and enforceable environmental standards. To operate within the Internal Market, Polish companies will have to comply with the same standards as the European Union companies. A consistent harmonization will result in further democratization of the Polish legal system. This could broaden public participation in environmental decision making and its larger involvement in the enforcement process. Close relations of the State Inspectorate with the European Union Network of Enforcement Authorities could contribute to the strengthening of its enforcement efficacy.