

Regulatory approaches to support SMEs General Binding Rules for poultry sector of Georgia



A regional event - Greening SMEs in the Eastern Partnership (EaP)
countries

29 June 2021
Virtual event on the Zoom platform

Definition of SMEs

Definition of SMEs in Georgia		
Category	Number of employees	Average Annual turnover (GEL)
Small	<50	<12 000 000
Medium	51-249	12-60 000 000
Large	>250	>60 000 000

source: <https://www.oecd-ilibrary.org/sites/e69bb448-ka/index.html?itemId=/content/component/e69bb448-ka#component-d1e5966>



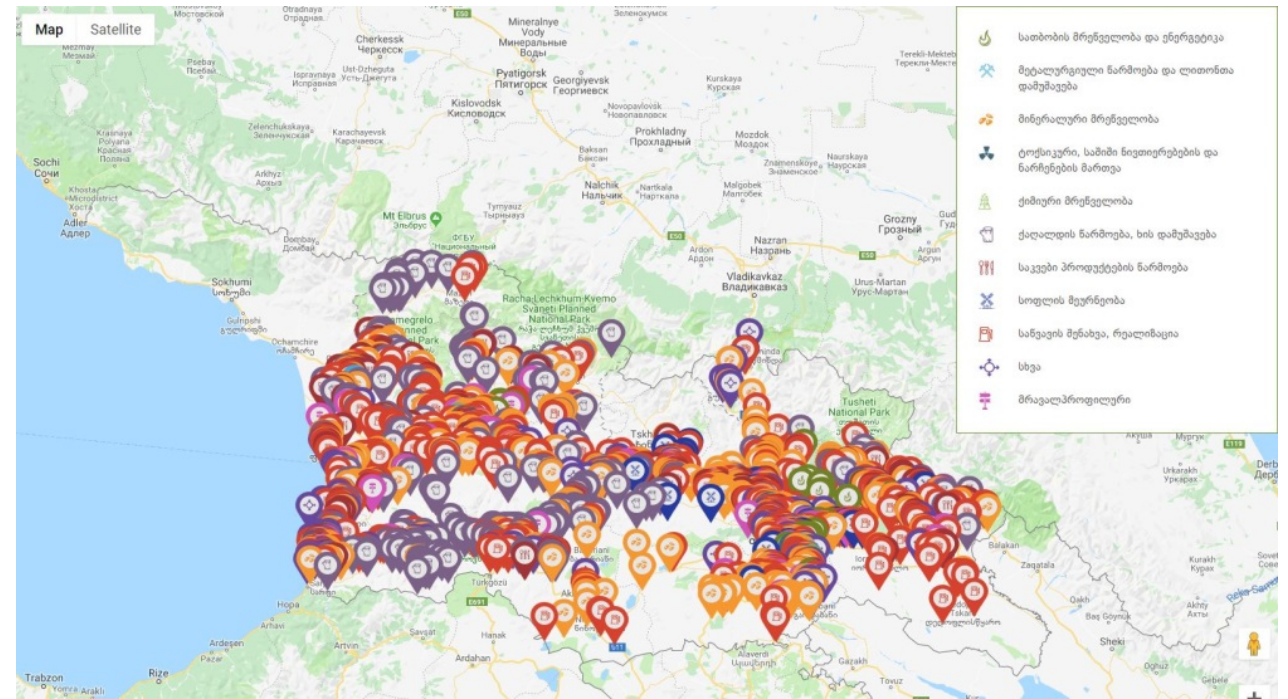
The Current Regulatory frame for SMEs

According to annual reporting data on air emissions:

- ▶ Number of IED objects – 200
- ▶ Number of small and medium size enterprises – 3500

Activities:

- ▶ Production of concrete
- ▶ Operation of petrol stations
- ▶ Wood processing
- ▶ Manufacture of furniture
- ▶ Bakeries
- ▶ Etc.



**Electronic Air Pollution Reporting System from Point Sources - 2020*

The Current Regulatory frame

According to the law of Georgia “Environmental Assessment Code*” the following activities shall be subject to an environmental impact assessment ('EIA'):

1. The activities provided for by Annex I to this Code
2. The activities provided for by Annex II to this Code, which will be made subject to an EIA on the basis of a screening decision

Screening is a procedure to determine the need to perform an EIA.

If the planned activity is not provided for by Annexes, or the Ministry decides, after the completion of the screening procedure, that the planned activity shall not be subject to an EIA, the applicant shall comply with the requirements established by the environmental technical regulations and environmental standards applicable in Georgia.

**Entered into force on 1 January 2018*



The Current Regulatory frame

Activities that
require
Environmental
Impact Assessment
(EIA)

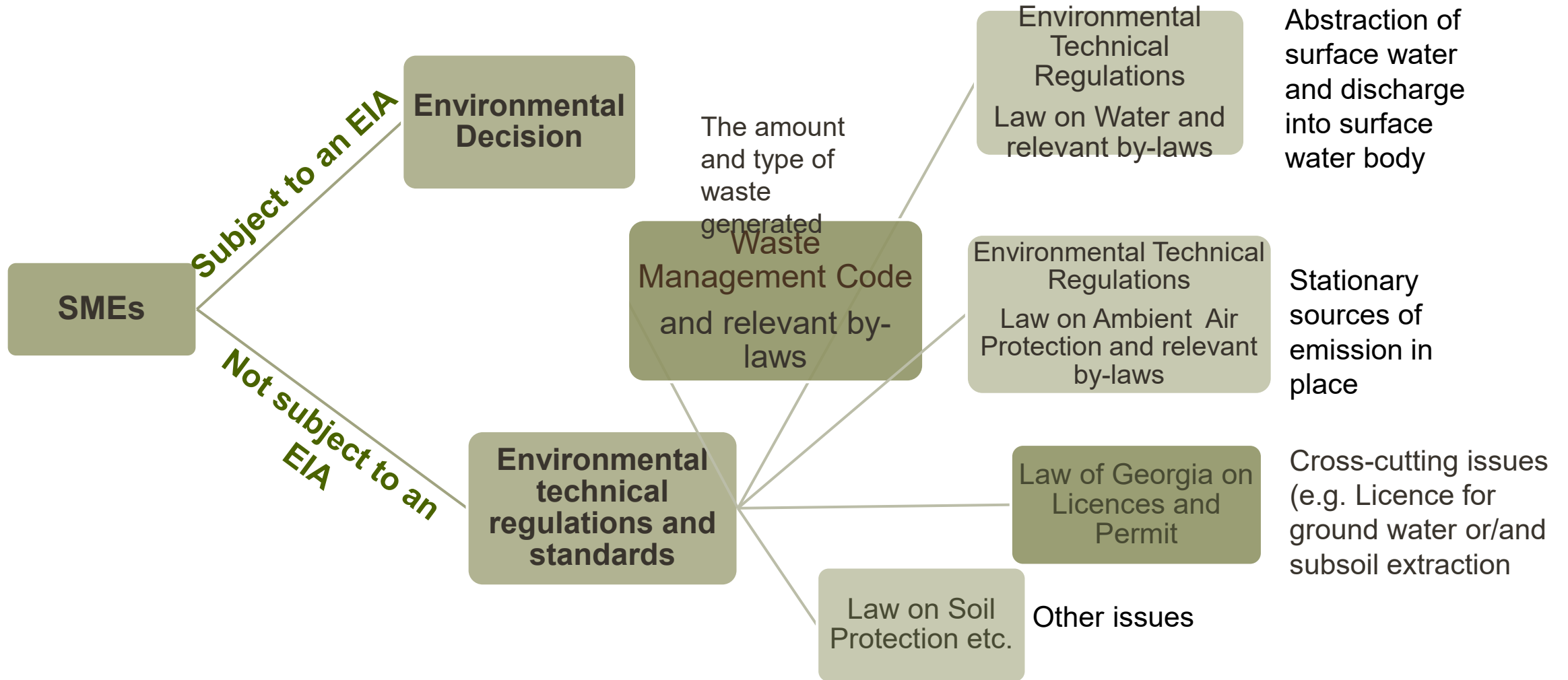
- Information on potential adverse effects and emissions should be provided
- Emission Limit Values (ELV) are set
- Waste management plan (depending on the amount and type of waste generated)
- Monitoring requirements
- Reporting

Activities that do not
require
Environmental
Impact Assessment
(EIA)

- Technical Conditions (Air emissions, Surface water consumption)
- Annually reporting obligations on Air emissions, Surface water consumption
- Emission Limit Values (ELV) are not set out
- Registration procedure (depending on the amount and type of waste generated)
- Keep a record of waste and to report to the Ministry



The Current Regulatory frame for SMEs



Challenges and needs

- ▶ Absence of “One window” principle to promote unified sectoral regulation
- ▶ Large amount of regulatory acts
- ▶ Lack of experience in development of General Binding Rules (GBR) for the activities that are subject to the technical conditions (cement concrete production, petrol station etc.)
- ▶ Absence of information on environmental regulations of SMEs in EU countries
- ▶ Lack of capacity against large number of SMEs
- ▶ High level of the bureaucratic burden, as well as time and operating costs both for SMEs and for the Ministry
- ▶ Absence of manuals for determination the amount of the surface water that should be abstracted for different economic activities
- ▶ Development of a catalog on modern dust and gas filters and wastewater treatment facilities



The preliminary view and aim for

- ▶ Development of the General Binding Rules (GBR) for the activities that are subject to the technical conditions
 - ▶ A set of rules of operation, norms and measures to protect against potential impacts that will bring all sectors of the industry on an equal footing and promote unified sectoral regulation.
 - ▶ This system of regulations will exempt small and medium-sized enterprises (SMEs) from development and agreement of the technical conditions.
 - ▶ This will significantly reduce the bureaucratic burden, as well as time and operating costs both for SMEs and for the Ministry
- ▶ Development of the manuals for determination the amount of the surface water that should be abstracted for different economic activities
- ▶ Development of a catalog on modern dust and gas filters and wastewater treatment facilities



EU-Georgia Association Agreement (AA)

EU-Georgia Association Agreement (AA):

- ▶ Integrated permit system implementation – by 01.09.2020
- ▶ BAT implementation – by 01.09.2026

The draft law on Industrial Emissions and relevant draft by-laws have been prepared in line with the provisions of the IED 2010/75/EU in the scope of EU founded Twinning project

List of draft by-laws:

- ▶ On special provisions for combustion plants
- ▶ On special provisions for waste incineration and co-incineration plants
- ▶ On Conditions for installations producing titanium dioxide
- ▶ On Conditions for installations and activities using organic solvents



Draft Law of Georgia on Industrial Emissions

- ▶ AIM – to prevent, reduce and control emissions from the polluting industrial activities to air, water and soil, as well as prevention of waste generation;
 - ▶ The Law encompasses issuance of Integrated Permit for the activities that fall under Annex I (including, energy production, mining, chemical industry, waste management, etc.), as well as combustion and waste incineration/co-incineration plants;
 - ▶ For activities that need Integrated Permit - The draft law sets specific requirements and the emission limit values on the basis of the BAT;
 - ▶ The competent authority – Ministry of Environmental Protection and Agriculture of Georgia
-
- ▶ *Due to COVID-19 situation the process of approval has been postponed*



General Binding Rules (GBR)

According to the draft law on Industrial Emissions (fully in line with IED):

“General binding rules” means emission limit values or other conditions, at least at sector level, that are adopted with the intention of being used directly to set permit conditions.

Article 9. General Binding Rules

The Government of Georgia is authorized to establish general Binding rules, which ensure an integrated approach and a high level of environmental protection equivalent to that achievable with individual permit conditions.

General binding rules shall be based on the best available techniques, without prescribing the use of any technique or specific technology.

General binding rules shall updated to take into account developments in best available techniques



General Binding Rules for poultry sector

- ▶ In the framework of EU4Environment assistance the preliminary draft document on General Binding Rules (GBRs) for the poultry sector has been prepared by the OECD with support from the Clean Technology Centre at CIT, Ireland.
- ▶ The draft GBRs consist of a preliminary **set of simple binding guidelines** for the Georgia's poultry sector in terms of certain practices and procedures to help reduce the environmental impact of small and medium farming operations while encouraging improved efficiency.



General Binding Rules for poultry sector

Type of poultry operation	Number of farms (by size of flock)		
	Small (<10000 birds)	Medium (10000-40000 birds)	Large (>40000 birds)
Laying hens	15	17	12
Broiler production	4	14	7

- ▶ The poultry sector in Georgia mostly consists of smaller farms, with the majority below the 40,000 place capacity threshold for used in the European Union (EU) Industrial Emissions Directive (IED) (Table 1). IED – Industrial Emissions Directive (70 farms)
 - ▶ *There are many smaller farms not accounted for in this list*
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General Binding Rules for poultry sector

- ▶ Apply to all poultry operators
 - ▶ Focuses to the key environmental pressures of the poultry sector of Georgia
 - ▶ Consist from the “softer” elements from EU and Member State best environmental practice for the poultry sector that is commensurate with the generally smaller nature of the Georgian poultry farms
 - ▶ Not overburdening the sector with unaffordable, disproportionate, or unnecessarily complex regulatory requirements.
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- ▶ *The OECD-Georgia web-meeting was held with involvement of representatives from the Georgian poultry sector on 28 July 2020, where the sector's main challenges were discussed and preliminary draft on GBRs was presented.*



General Binding Rules for poultry sector

- ▶ The flexibility of the approach is preferable for an industry of SMEs and will help to ease the transition to IED-based regulation
- ▶ Optimisation of the environmental enforcement capacity
- ▶ *The outcome envisaged is an improvement in the environmental performance of the sector with a minimum regulatory burden on the industry*



Elements of the General Binding Rules

- ▶ Handling and storage of wastes
- ▶ Land-spreading of poultry manure
- ▶ Register of environmental complaints
- ▶ Records of waste movements to third parties
- ▶ Record of water abstractions and discharge
- ▶ Air Emissions
- ▶ Reporting requirements



General Binding Rules for poultry sector

Handling and storage of wastes

- ▶ Poultry manure
- ▶ Water used for cleaning poultry houses
- ▶ Dead birds management



General Binding Rules for poultry sector

Land-spreading of poultry manure

- ▶ Keep a buffer zone in accordance with the Georgian legislation
- ▶ Do not land-spread if:
 - ▶ Heavy rain is forecast within 48 hours
 - ▶ The land is waterlogged, flooded, or likely to flood
 - ▶ The land is snow-covered or frozen.
 - ▶ The ground slopes steeply and there is a risk of water pollution (e.g. considering surface runoff pathways, the presence of land drains, the absence of hedgerows to slow surface flow, soil condition and ground cover.)
- ▶ Additional recommendations



General Binding Rules for poultry sector

Register of environmental complaints

- ▶ A simple written record (hand or electronic) must be maintained of all environmental complaints received by the operator from members of the public, neighbours, NGOs, etc. This should include any environmental related complaint like odour, dust, noise, waste, litter, water pollution, etc.
- ▶ Should record: date, name of complainant, nature of complaint, and action taken.
- ▶ Register must be open to inspection by environmental enforcement authorities.
- ▶ Register must be open to view by members of the public during specified hours.



General Binding Rules for poultry sector

Records of waste movements to third parties

- ▶ Keep a written record (hand or electronic) of all poultry manure movements off the farm, as well as of dead birds.
- ▶ Should record: date, name and address of person waste transferred to, and approximate amount.
- ▶ Records are open to inspection by environmental enforcement authorities.



General Binding Rules for poultry sector

Record of water abstractions and discharge

- ▶ Technical conditions for water abstraction from surface water body - approved by the Ministry
- ▶ A map of the immediate area with the point abstractions and discharges noted on the map.
- ▶ Keep these onsite and available for inspection by environmental enforcement authorities.



Elements of the General Binding Rules

Air Emissions

- ▶ Technical report on inventory of point sources and harmful substances emitted through them - approved by the Ministry.
- ▶ Keep this onsite and available for inspection by environmental enforcement authorities.



Elements of the General Binding Rules

- ▶ Reporting requirements
 - ▶ Annual summary report to the Ministry on water use and discharges.
 - ▶ Use this existing annual reporting mechanism to also provide summary numbers on complaints received and waste movements, if this is deemed warranted.
 - ▶ Annual summary report to the Ministry on air emissions, in line with existing bylaws (include summary numbers on production in terms of bird/egg numbers)
 - ▶ Chemical disclosure: Disclosure of chemicals used to sanitise houses, to ensure that they are not toxic/having an adverse environmental impact.
 - ▶ Energy tracking: track energy used per year (kWh electricity and gas and litres of oil as appropriate) and water use per year (m³).



Further steps

- ▶ Further revision and clarification of developed GBR document for poultry sector in terms of Correspondence with Georgian legislation
- ▶ Incorporate GBRs into existing regulatory acts
- ▶ Development of the General Binding Rules (GBR) for other sectors (concrete production, petrol stations, wood processing etc.)





THANK YOU FOR ATTENTION

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