

Order No. 138/2000 Coll.
Of Ministry of the Environment
of 7 April 2000

implementing the Act No. 69/1998 Coll. concerning the State Environmental Fund

The Ministry of the Environment of the Slovak Republic (hereinafter referred to as "Ministry") according to Article 8 of the Act No.69/1998 Coll. concerning State Environmental Fund (hereinafter "Act") constitutes:

Article 1
Subject of the regulation

This Decree shall regulate details on

- a) content and submission of application to provide the State Environmental Fund (hereinafter referred to as "Fund") resources;
- b) procedure and requirements for conditions of providing Fund resources;
- c) properties of contract between the Fund and applicant for Fund resources provision.

Article 2
Content of Application for provision of Fund resources

(1) The application for Fund resources provision contains:

- a) name or business name and domicile of applicant, his identification number, bank name and account number, if applicant is legal person;
- b) name and surname, permanent address, personal identification number, bank name and account number, if applicant is natural person; if applicant is an entrepreneur it is necessary to present his business name and identification number, if it was assigned;
- c) presentation of purpose, for which applicant applies for Fund resources provision together with place and time of activity realization, including month and year of beginning and end of realisation, and brief activity characteristic;
- d) amount of requested resources;
- e) amount of total budgeted costs of activity;
- f) amount of activity costs expended to the date of application submission;
- g) reasoning of activity advantage from the point of its environmental value and compliance with priorities and objectives of strategy of state environmental policy;
- h) financial sources of the activity.

(2) For the purpose of this Decree

- a) investment activity is the activity or its part licensed according to separate legislation¹;
- b) non-investment activity is the activity not referred to under point a).

(3) Annex to the application for Fund resources provision for non-investment activity is

- a) activity project according to the nature of activity together with presentation of aim of its solution;
- b) calculation of activity costs and their specification.

(4) Annex to the application for Fund resources provision for investment activity is

- a) selected part of project documentation, summary budget, summary technical report and situation plan;
- b) notification, building permit or other permit, if it is necessary according to special regulation¹;
- c) resources syndication contract, if it was concluded;
- d) evaluation of actual situation, proposal of perspective state from technical and economical aspects, expected activity costs and documents on expected financing guaranty of the activity.

(5) Apart from documents according to paragraphs 3 and 4, annex to the application for provision of resources from the group of Fund resources assigned for returnable financing (hereinafter only "group of returnable financing") is

¹ Articles 54 to 74 of the Act No. 50/1976 Coll. concerning territorial planning and building order (Building Act) as amended.

- a) characteristic of requested loan or credit (hereinafter only "credit") and approach proposal by which the applicant assures loan and interests installment during following years;
- b) detailed characteristic of activity, for which applicant applies for a loan;
- c) review of applicant's creditworthiness to the date of application submission;
- d) documents or their certified copies confirming data according to Article 2(1) point a) and b);
- e) document or its certified copy confirming the fact, that person acting on behalf of the applicant is statutory body of the applicant, if the applicant is a legal person.

(6) Apart from documents according to paragraphs 3 to 5, annex to the application for provision of resources from group of returnable financing for credit provision by founding a real estate lien is

- a) land certificate applicable for legal acts on such real estate, that is subject of lien for loan provision not older than two months to the date of application submission;
- b) expert's testimonial on real estate, which is proposed as subject of lien not older than two months to the date of application submission;
- c) insurance document on real estate, which is proposed as subject of lien;
- d) declaration of real estate owner on acceptance of lien establishment in order to provide a loan, if applicant is not real estate owner.

(7) Apart from documents according to paragraphs 3 to 5, annex to the application for provision of resources from group of returnable financing for credit guaranty by chattel mortgage (hereinafter only "subject of mortgage") is

- a) document or its certified copy confirming applicant's ownership of the subject of mortgage together with its technical or other identification card, if it was issued;
- b) expert's testimonial for the subject of mortgage not older than two months to the date of application submission;
- c) document confirming insurance of the subject of mortgage.

(8) Apart from documents according to paragraphs 3 to 5, annex to the application for provision of resources from group of returnable financing by other means of credit guaranty is

- a) characteristic of the subject of guaranty;
- b) document or its certified copy confirming applicant's ownership of the subject of guaranty or document confirming the existence of applicant's ownership of the subject of guaranty to the date of application submission, if the nature of the subject of guaranty allows it;
- c) future guarantors written approval of guarantee and documents proving his capacity to guarantee, if applicant proposes a guarantee for credit provision;
- d) letter of guaranty in the case of bank guarantee;
- e) document proving insurance of the subject of provision, if the nature of provision subject allows it;
- f) other documents relating to proposed guarantee necessary to make decision of the Fund on its approval.

(9) If the applicant is the commune or city, annex to the application for provision of resources according to paragraphs 5 to 8 is

- a) current year budget, where requested credit is already incorporated in the income and installments of credit and interests are incorporated in expenditures, approved by community council;
- b) decision of community council extract, in which it is decided on credit acceptance;
- c) decision of community council extract, in which commune or city obliges to incorporate credit and interest installments to the budgets for budget years during credit repayment;
- d) decision of community council extract, in which the arrangement of credit guaranty on the behalf of the Fund was decided;
- e) statement of incomes and expenditures for last three years before the year of application submission;
- f) statement of incomes and expenditures for last quarter of the current year before of loan application submission;
- g) balance sheets for last three years before the year of application submission;
- h) budget of community using the bank form.

(10) If the applicant is business entrepreneur, annex to the application for resources provision according to paragraphs 5 to 8 is

- a) extract from companies' register or extract from traders' register not older than three months² or other document justifying applicant's activity performance, if the applicant is not listed in companies' register nor traders' register;
- b) balance sheet, statement of profits and losses, and summary of financial flows, if the applicant keeps double-entry bookkeeping, or statement of incomes and expenditures, if the applicant keeps single-entry bookkeeping; these documents shall be attached from financial statements for last three calendar years of applicant's business activity or for whole business period, if applicant undertakes for shorter period, controlled by an auditor, if separate legislation³ requires audit of financial statements;
- c) balance sheet, statement of profits and losses, and summary of financial flows or statement of incomes and expenditures for precedent quarter of calendar year before application submission;
- d) summary of receivables and liabilities according to the structure of maturity date for the current year, which is not older one month to the date of application submission, their classification according maturity dates up to 30 days, up to three months, over three months, and summary of bad debts;
- e) applicant's financial plan at least for period of credit installment including the plan of financial cash-flows
- f) brief characteristic of applicant's activity and development of his business activities from beginning of the current year.

(11) If the applicant is legal person, who is not entrepreneur, commune, nor city, annex to the application for provision of resources according to paragraphs 5 to 8 is primarily

- a) balance sheet and statement of profits and losses, if the applicant keeps double-entry bookkeeping, or statement of incomes and expenditures, if the applicant keeps single-entry bookkeeping; these documents shall be attached from financial statements for last three calendar years of applicant's business activity or for whole business period, if applicant undertakes for shorter period, controlled by an auditor, if separate legislation³ requires audit of financial statements;
- b) balance sheet, statement of profits and losses, or statement of incomes and expenditures for precedent calendar quarter before application submission;
- c) summary of receivables and liabilities according to the structure of maturity date for the current year, which is not older than one month to the date of application submission, their classification according to maturity dates up to 30 days, up to three months, over three months, and summary of bad debts;
- d) budget for the current year, where requested credit is already incorporated in the income and installments of the credit and interests are incorporated in expenditures, approved by entitled body of the applicant, if the applicant is obliged to prepare a budget according to special regulations;
- e) applicant's faithful declaration to incorporate credit and interest installments into budgets for years during credit repayment if the applicant is obliged to prepare a budget according to separate legislation;
- f) brief characteristic of applicant's activity.

(12) If the applicant is natural person, who is not entrepreneur, the annex to the application for Fund's resources provision according to paragraphs 5 to 8 is primarily

- a) summary of incomes confirmed on bank form;
- b) summary of financial liabilities not submitted according to paragraph 5 point c), and especially those resulting from concluded contracts and valid decisions of the courts;
- c) applicant's declaration that he/she is not under execution of a judgement, nor execution proceeding according to separate legislation.⁴

(13) Apart from documents according to paragraphs 3 and 4, the annex to the application for provision of resources from the group of Fund resources assigned for non-returnable financing (hereinafter only "group of non-returnable financing") is

- a) detailed characteristic of the activity, for which applicant requests Fund resources;
- b) documents according to paragraph 5 points d) and e);
- c) documents according to paragraph 10 point a), if the applicant is business entrepreneur;

² Article 27 of the Commercial Code, Article 60 of the Act No. 455/1991 Coll. concerning small business enterprise (Act on small business) as amended by the Act No.132/1994 Coll. of the National Council of the Slovak Republic

³ The Act No. 563/1991 Coll. concerning accounting as amended.

⁴ For example The Civil Procedure Code, the Act No. 233/1995 Coll. of the National Council of the Slovak Republic concerning judicial executors and execution activity (the Execution Code) and on amendments of other acts as amended.

d) documents according to paragraph 11 point a), if the applicant is legal person, who is not business entrepreneur, commune nor city.

(14) Application for provision of Fund resources in order to prevent rise and extension of accident endangering or deteriorating the environment and elimination of its consequences⁵ (hereinafter only "application in the case of accident") contains

- a) applicant's identification;
- b) description of accident, proposal of measures to prevent its rise or extension, assumption of its consequences and possibilities of its elimination;
- c) preliminary quantification of damage and expenses necessary for realization of proposed measures;
- d) opinion of working group, if it was established⁶;
- e) amount of requested Fund resources;

Article 3

Submission of applications for provision of Fund resources

(1) Except application in the case of accident, applications for Fund resources provision shall be submitted to the Fund.

(2) If application does not contain requirements according to Article 2, the Fund shall invite applicant for its completion within defined period. The Fund shall not include the application for Fund resources provision, not completed within defined period by applicant, to the list of applications for Fund resources provision.

(3) The application for provision of Fund resources from the group of non-returnable financing within corresponding budget year shall be submitted to the Fund no later than December 31 of the precedent budget year or not later than May 31 of the current budget year.

(4) The application of Fund's resources provision from the group of returnable financing within corresponding budget year shall be submitted to the Fund continuously.

(5) Application in case of accident shall be submitted by district office⁷, which is competent for accident solution, directly to the Minister of the Environment of the Slovak Republic.

Article 4

Procedure and requirements for Fund resources provision

(1) The Fund reviews applications for Fund resources provision according to the groups of non-returnable financing and returnable financing along with classification of applications for provision of Fund resources of both groups to the following sections:

- a) section of air and ozone layer protection;
- b) section of protection and rational exploitation of waters;
- c) section of waste management and environmental risk factors;
- d) section of nature and landscape protection;
- e) section of territorial planning and green plantation in communities;
- f) section of other activities to support state environmental policy.

(2) Applications for Fund resources provision in particular sections according to paragraph 1 shall be sorted by priorities and objectives of strategy of state environmental policy⁸ projected for certain period into measures of national environmental action program adopted by the Government of the Slovak Republic.

⁵ Article 4(1) point e) of the Act No. 69/1998 Coll. concerning State Environmental Fund.

⁶ Article 14(2) of the Regulation No. 23/1977 Coll. of the Ministry of Forest and Water Management of the Slovak Socialist Republic concerning quality protection of surface and underground waters.

⁷ Item No. 43 of the Annex C of the Act No. 595/1990 Coll. of the Slovak National Council concerning state administration for environment.

⁸ Article 4(5) of the Act No. 69/1998 Coll.

- (3) Condition for Fund resources provision is
- a) provision of activity realization for which Fund resources are requested by contractor selected by applicant through an procurement according to separate legislation⁹, if activity is not merely provided by the applicant himself; this condition shall not be applied if applicant concluded with contractor a contract for this activity, based on which the activity was largely realized by contractor before submission of application for provision of Fund resources;
 - b) applicant's obligation that property acquired from Fund resources shall not be transferred to other person before full credit installment without precedent Fund's approval .
- (4) Condition for Fund resources provision from the group of returnable financing is also securing of credit and interest installments by the guaranty¹⁰ approved by the Fund.
- (5) Fund resources shall not be provided to the applicant, who is under liquidation proceedings or his property is under bankruptcy proceedings.¹¹
- (6) Provisions of paragraphs 3 to 4 and Article 2(1) to (13), Article 3(3) and Article 5(1) point c) and f) shall not apply for Fund resources provision in the case of accident.
- (7) Separate legislation¹² shall be applied for Fund resources provision that isa state aid.

Article 5

Requirements of contracts between the Fund and applicants for Fund resources provision

- (1) The contract on Fund resources provision contains
- a) identification of contract parties;
 - b) amount of requested Fund resources;
 - c) applicant's obligation to use for the activity its own resources in the scope presented in the application for provision of Fund resources;
 - d) purpose of Fund resources usage;
 - e) terms and conditions of resources drawdown provided by the Fund;
 - f) data on contractor selected according to Article 4(3) point a);
 - g) applicant's obligation to notify the Fund of all changes in presented items of this contract;
 - h) date of starting and finishing of the activity.
- (2) Apart from the requirements according to paragraph 1 the contract on Fund resources provision in the group of returnable financing contains
- a) terms and conditions of the credit installment;
 - b) interest rate p.a.;
 - c) consequences of violation of credit recipient's obligations;
 - d) applicant's obligation to comply with requirements according to Article 4(3) point b) and Article 4(4).

Article 6

Temporary provision

Decisions on applications for Fund resources provision from the group of non-returnable financing submitted to the Fund before this Decree's entry into force and for contract conclusions based on these applications are made according to previous legislation.

⁹ Articles 40 to 53 of the Act No.263/1999 Coll. concerning public procurement and on amendments of other acts as amended.

Articles 281 to 288 of the Commercial Code.

¹⁰ Articles 544 to 558 of the Civil Code as amended by the Act No. 509/1991 Coll.

Articles 299 to 323 of the Commercial Code.

¹¹ The Act No. 328/1991 Coll. concerning bankruptcy proceedings and property settlement as amended.

¹² The Act No. 231/1999 Coll. concerning the state aid.

Final provisions

Article 7

Decree No. 176/1992 Coll. of the Slovak Commission for Environment concerning requirements for provision and usage of State Environmental Fund resources of the Slovak Republic as amended by Decree No. 364/1996 Coll. and the Act No. 69/1998 Coll. are hereby repealed.

Article 8

This Order shall enter into force on May 1, 2000.

Laszlo Miklos, s.m.