

Statement

Integration of Environmental Considerations into the Operational Programme

The Estonia – Latvia Programme (hereafter referred to as the “Programme”) is being developed to support cross border co-operation between the border regions of Estonia and Latvia during the programming period 2007-2013. The overall objective of the Programme is to promote the sustainable development and economic competitiveness of the co-operation area by achieving an integrated approach to economic, social and environmental development in ways which involve local people and communities. To achieve the set objective, the Programme has defined three thematic priority axes: (1) Increased cohesion of the Programme area; (2) Higher competitiveness of the Programme area; and (3) Active, sustainable and integrated communities. Each priority axis covers several directions of support.

The Final SEA Report of the Programme underlines the importance of the fact that the Programme specifically outlines the importance of all three pillars of sustainable development: economic, social and environmental development, therefore concluding that the Programme shall bring positive influence on implementation of environment policy in the countries concerned.

The Final SEA Report concentrates on analysing the current situation and potential positive or negative effects of the Programme on different aspects of environment which have been defined as important environmental objectives by Estonia and Latvia in the national strategic documents: air quality, climate change, maintenance of the biodiversity, water pollution and waste management.

All the proposals of the Final SEA Report (outlined below) have been taken into account when preparing the Programme.

The Final SEA Report conclusions

In general, the priorities of the Programme are assessed as **positive** towards reducing water pollution, improving waste management and the climate change issue. Two priorities deal with improvement of public services which would also lead to reduced pressure on the environment.

The Programme is assessed in general as **neutral** towards the air quality since the Programme activities are not focused on localities facing air quality problems. The report foresees even a **possible positive impact** of the Programme on the air quality when the improvement of public transportation related activities, especially in the cities, will be supported.

The Final SEA Report remains **uncertain** about the cumulative effect of the Programme on the maintenance of biodiversity. According to the report,

implementation of **some directions of support might bring along positive effects** on the environment, on the other hand, **some activities might cause environmental pressure for a shorter or a longer time.**

The Final SEA Report underlines that the **attention shall be put on Priority 2 “Competitiveness of the Programme area”**. According to the report, there is **uncertainty** with regard to effects of this priority, as it might have **potentially some negative effects** on the Programme area. Nowadays, higher competition can be achieved with high productivity which means less resource used for the same output and thus also better for the environment. The report draws attention to the fact that this is not pointed out by the Programme. The report **recommends** the Programme to highlight that the activities which will be supported are required to consider also environmental measures, and advises to promote and require that supported business activities apply energy saving schemes or use renewable energy sources when possible, require establishing proper infrastructure to guarantee waste collection when supporting tourism infrastructure development, promote waste sorting and further recycling. Also some risk is associated with the infrastructure investments to be supported under Direction of support 1.1. “Reducing isolation through improved internal and external connectivity of the Programme area”. The Report **recommends consulting** a nature conservation expert or a relevant authority before granting support in the areas of protected habitats and other possibly endangered areas.

The Final SEA Report **concludes** that the Programme foresees regular monitoring and reporting, including the effects of the measures on the environment.

Commitment to integrate environmental considerations into the OP

The Programme hereby commits itself to integrate the environmental considerations into the operational programme. Integration will be guaranteed by introducing several measures during the implementation of the Programme.

The Programme wishes to protect the environment and promote different environment-friendly solutions during its implementation.

Possible negative impacts of the projects on the environment will be avoided by supporting the projects with only positive or neutral impact on the environment. The project selection criteria are defined in the Programme Manual. All projects applying for funding will be assessed among other criteria on their effect on the environment: either it is positive, neutral, or negative. The Monitoring Committee may approve projects only with the assessment of positive or neutral effect on the environment. **None of the projects proposals with a potentially negative effect on the environment will be approved.** The JTS is entitled to consult an environmental expert when there is doubt during the assessment of the projects on their potential environmental effects.

All infrastructure investment projects will be checked during the assessment procedure on whether the planned investments would have an effect on the Natura 2000 areas. **If the project is not obligated by national legislation to provide the environmental impact assessment (very minor investments), the Monitoring Committee may still request the project to carry out the assessment** if it considers

this necessary to be able to take a decision on the project. In order to guarantee that only projects which do not harm the environment are selected for funding from the Programme, the **representative of the Estonian Ministry of the Environment shall be appointed to the Monitoring Committee of the Programme**. Also, **at least one of the representatives of the socio-economic partners in the Monitoring Committee will be from an environmental organisation**.

In case unforeseen negative effects on the environment occur, the Estonian and/or Latvian authorities must apply appropriate remedies.

The applicants are encouraged in the Programme Manual to apply environmental-friendly technologies and solutions in the projects. The project partners are required to report on the applied measures during regular reporting. Examples of environmental-friendly measures to be applied to projects (e.g. application of energy saving schemes; use of renewable energy; waste prevention and sorting; environment-friendly publications) are given in the Programme Manual.

The monitoring system of the Programme foresees that in addition to the indicators defined in the OP, the projects should establish additional indicators adjusted to their specific needs and targets. To identify at an early stage unforeseen adverse effects, and to be able to undertake appropriate remedial action, the **relevant operations shall monitor their environmental impact on the environment**. The relevant operations which shall be required to monitor their environmental impact will be identified by the Monitoring Committee while selecting the operations for funding.

Each such operation must establish the most adequate environmental indicators for itself, and monitor these regularly. **The Monitoring Committee may require establishing additional environmental indicators to the selected operations** besides what has been outlined in the Application Forms of operations when applying for funding.

The negative environmental effects of the Programme on the eligible area will in large part be avoided also by applying national legislation in Estonia and Latvia. National legislation requires providing an Environmental Impact Assessment of all planned investments with a potentially adverse environmental effect. The types of the investments are listed in the legislation. Thus, **if national legislation is applied correctly, it is very difficult if not impossible to finance from the Programme operations with a negative environmental effect**, because this will be identified prior the decision making stage of such operations. Also, the Programme is a small cross-border programme which supports mainly co-operation projects and which total grants amount to **38,23 MEUR** - thus having **no scope to support large infrastructure investments with potential significant negative effects on the environment**.

The recommendations of the Final SEA Report and other measures to monitor the environment will be applied during the implementation of the Programme – during the assessment of project proposals, making of the financing decisions, carrying out the project activities, reporting, and monitoring the implementation of the projects.

The Programme shall also monitor the context of the environment where it operates. Adequacy of the Programme strategy will be monitored by 10 context indicators, including among others the changes in the share of waste recycling and in the area of protected territories of the Programme area, as compared to data from 2007. **Any decrease in the above indicators would be interpreted as a warning sign also for the Programme, which might require redirecting some of its directions of support.** Also the changes in some other context indicators might require follow-up activities, such as a significant increase in the number of visitors in the Programme area (also aimed at by the Programme) would require to monitor whether this has not been accompanied by e.g. poorer waste disposal practice at the tourism sites, or increase in the number of enterprises per inhabitants (similarly aimed at by the Programme) might require to monitor e.g. whether energy efficiency in the Programme area has not dropped. The monitoring of the environmental indicators will be based on the existing data of the Environmental Registers of both countries, which monitor the changes in environment annually.