



Preliminary estimate of the strategic environmental assessment of Interreg VI-A – Estonia-Latvia Programme 2021-2027

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Introduction

In January 2019, the national responsible authorities of Estonia (Ministry of Finance) and Latvia (the Ministry of the Environmental Protection and Regional Development) agreed to initiate the programming process of the Interreg VI-A – Estonia-Latvia Programme 2021-2027 (the Estonia-Latvia Programme). The main decision-making body for the programming is the Joint Programming Committee (JPC) that includes the representatives of the ministries and regions of both countries, responsible for the programming and related decisions. JPC has decided that the State Shared Service Centre (SSSC) will continue as managing authority for the new programme 2021-2027.

SSSC has commissioned the contract with Hendrikson & Ko and Baltic Environmental Forum-Latvia as the sub-contractor to carry out the Preliminary estimate of the strategic environmental assessment of the Programme (the Preliminary Estimate).

The overall goal of the Preliminary Estimate is to give initial assessment (screening) whether the implementation of the Programme has potentially significant environmental impact and to enable to make a decision to initiate or to refuse to initiate the strategic environmental assessment in accordance with the 27 June 2001 European Parliament and Council Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment (SEA Directive) as well as of the requirements of Latvian and Estonian statutory regulations relative to Strategic Environmental Assessment.

This report includes the following content:

- Chapter 1 gives an overview of the Programme and planned activities;
- Chapter 2 explains the relation of the Programme to other planning documents;
- Chapter 3 gives a description of the environment of the programme area;
- Chapter 4 presents the assessment results of the environmental impact from the implementation of the programme;
- Chapter 5 gives a proposal and justification to initiate or not initiate the strategic environmental impact assessment of the Programme;
- Chapter 6 gives an overview of the consultation result and opinions of the authorities concerned.

1. Overview of the Programme and planned activities

The contents of Chapter 1 are guided by Latvian legislative requirements for SEA preliminary estimate and by Latvian practice of consultations with administrations (that are somewhat more detailed compared to the requirements and practice in Estonia).

1.1. A link of the planning document to the Annex I and Annex II activities of the Directive of Environmental Impact Assessment (2011/92/EU)

The European Directive of Environmental Impact Assessment (2011/92/EU, that has been amended by DIRECTIVE 2014/52/EU) sets the lists of:

- projects for which EIA is mandatory (Annex I of the Directive) and
- projects for which the national authorities have to decide whether an EIA is needed (Annex II of the Directive).

On a national level, these lists are transposed into Annex 1 and Annex 2 of the Latvian Law on Environmental Impact Assessment¹ and into § 6 sub-section 1 and sub-section 2 of Estonian Environmental Impact Assessment and Environmental Management System Act² (the list of sub-section 2 is further specified by 29.08.2005 regulation No 224 of the Government of the Republic).

The Estonia-Latvia Programme is middle-term cross-border development cooperation planning document.

Screening of the type of projects listed in the Annex I of the European Directive of Environmental Impact Assessment (2011/92/EU) reveals that the programme is not covering the projects listed in the Annex.

Screening the activities listed in the Annex II of the European Directive of Environmental Impact Assessment (2011/92/EU) reveals that the Estonia-Latvia Programme is not aimed to set a framework for future development consent of projects listed in Annex II, but has a potential link to the activities related to tourism and leisure (point 12, the Annex 2 of the Latvian Law; § 6 sub-section 2 clauses 12) and 19)).

1.2. Type of the planning document

The Estonia-Latvia Programme is the European territorial cooperation (Interreg) programme that aims at fostering cooperation between Member States inside the Union to promote integrated regional development.

¹ <https://likumi.lv/ta/en/en/id/51522-on-environmental-impact-assessment>

² <https://www.riigiteataja.ee/en/eli/509012020006/consolide>

1.3. Pre-conditions and basic requirements included in the planning document for the implementation of the intended activities, taking into account the choice of the place, the type, scope, conditions of the intended activity and the utilisation of resources.

The cooperation activities are implemented in the defined Programme area. It includes Hiiu, Jõgeva, Lääne, Põlva, Pärnu, Saare, Tartu, Valga, Viljandi and Võru counties in Estonia and Kurzeme, Pierīga, Rīga and Vidzeme regions in Latvia.

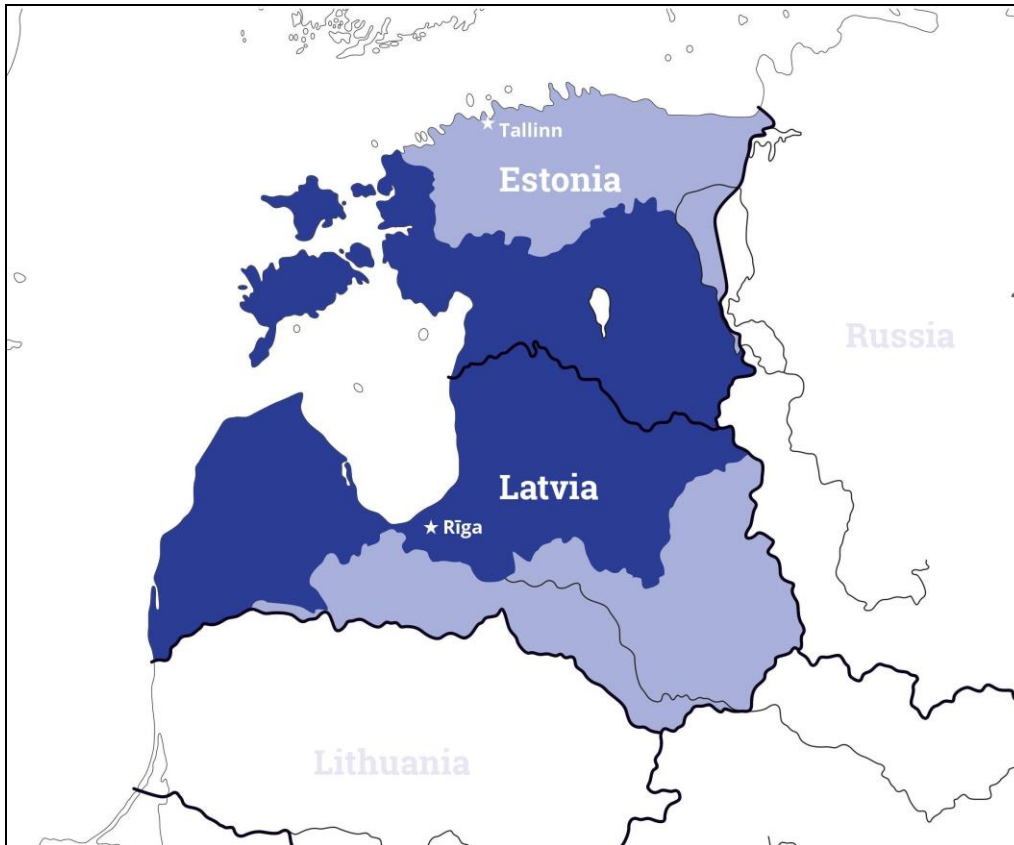


Figure 1. The Estonia-Latvia Programme area.

The overall framework (including the names of the policy objectives) of the Programme comes from the EU Cohesion Policy Regulations (see p 1.4 below). This programme is following the regulations, however, not all topics mentioned in the policy objectives are included in the programme.

The Joint programming committee that develops the Estonia-Latvia Programme has identified the **following policy objectives (PO-s), and Interreg Specific objectives (ISO's) and preconditions** for supporting cross-border cooperation between Estonia and Latvia. In the scope of PO, the Estonia-Latvia programme has selected **the specific objectives³** for which the projects will be granted. Below, it is also indicated which activities are probably included in the Programme (and which fall outside current Programme scope).

³ With a number in brackets

PO1 - A smarter Europe by promoting innovative and smart economic transformation
PO1 (iii) enhancing growth and competitiveness of SMEs.

Under this objective the projects will be focused on innovation and capacity building, product and/or service development, e.g. food testing in lab, creating IT platform, marketing, etc. The activities shall support capacity building of stakeholders through meetings, trainings, networking etc. The programme also will support organisation of promotion activities, e.g. trade fairs, market research, marketing materials etc.

PO2 - A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management

PO2 (vii) enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution.

The focus of the PO2 is on promoting investments in green infrastructure, to restore the health of ecosystems, ensure that natural areas remain connected together, and allow species to thrive across their entire natural habitat. The project under PO2 may also address the issues on reduction of pollution, e.g. from agricultural activities. Under this objective the projects may have possibility to finance various small-scale investments in green infrastructure and environmental solutions as well as developing joint strategic and site-specific solutions, conceptual and strategic documents, supporting the implementation of the strategies. The Programme will also support capacity building of stakeholders (meetings, trainings, etc.) and awareness raising of citizens.

Climate change will not be particularly addressed by the Estonia-Latvia Programme's activities. The same stands for waste management, circular economy issue and emissions from energy sector. The programme will also not cover Baltic sea issues and marine environment, except the terrestrial coastal areas. At the time of compiling this preliminary estimate, it is not expected that the Programme includes funding new infrastructure (e.g. green infrastructure or renewable energy).

PO3 - A more connected Europe by enhancing mobility and regional ICT connectivity

PO3 (iii) developing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility.

There will be no new roads built. Potential projects are targeted to better and safer cross-border mobility through black covering sections of prioritized gravel roads in the border area that have been identified as border area obstacles by the IGC.

PO4 - a more social Europe implementing the European Pillar of Social Rights

PO4 (v) enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation;

This priority aims at supporting activities enhancing the effectiveness of labour markets and access to quality employment through developing social innovation and infrastructure. The Programme will address this with the main focus on tourism, however, substantial investments are not expected.

Interreg Specific Objective - A better Interreg governance

ISO (ii) enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors and institutions, in particular, with a view to resolving legal and other obstacles in border regions.

ISO (iii) build up mutual trust, in particular by encouraging people-to-people actions.

1.4. Justification for the necessity of the planning document, if any, prescribed by laws and regulations

The Estonia-Latvia Programme is developed according to EU Cohesion Policy and proposals of the following legislative acts:

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument COM/2018/375 final - 2018/0196 (COD).
- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Regional Development Fund and on the Cohesion Fund COM/2018/372 final - 2018/0197 (COD).
- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments COM/2018/374 final - 2018/0199 (COD).

1.5. Time period for the development of the planning document

In 2019 the member states started the discussions on the legal background and general framework and structure of the Programme. The discussion on the policy objectives and specific objectives, i.e. the content of the programme, started in spring 2020. The preliminary estimate task was launched in parallel with those discussions.

1.6. Duration of the implementation of the planning document

The Estonia-Latvia Programme will be implemented for seven-year period: 2021-2027.

1.7. The intended manner of adoption of the planning document (an indication regarding the competent authority that shall take the decision)

The European Commission adopts a decision by means of an implementing act approving each Interreg programme no later than six months after the date of submission of that programme by the Member State hosting the prospective managing authority. The Estonia-Latvia Programme shall be also adopted by the Governments of Estonia and Latvia.

2. Relation to other planning documents

Estonian and Latvian national and regional policies and planning documents address multiple challenges covering all main dimensions of sustainable development in the countries and regions. The Estonia-Latvia Programme is a funding programme that can support addressing the common and cross-border challenges thus contributing also to implementation of the national and regional planning documents in both countries. During the development of the preliminary estimate many national **sectoral** planning documents after 2020 are in preparation and not yet publicly available for the analysis. e.g. Estonian national transport policy 2021-2030, Estonian forestry development policy 2021-2030, Latvian environmental policy strategy 2021-2027. The chapter presents those planning documents that topically relevant for the priority objectives and specific objectives selected for the Estonia-Latvia Programme. In general, this funding programme **contributes positively** on the implementation of other national or regional policy documents.

2.1. Estonia

Table 2.1. Overview on links between policy objectives and Estonian national policy documents (see abbreviations in the text below)

Policy objectives of Estonia-Latvia-Programme	SE21	Estonia 2030+	EES 2030	NECP 2030	GPCP 2050	NCAP 2030	EESDP 2030	CDS	RBMP MS& PoM
PO1	x	x	x	x		x	x	x	
PO2	x	x	x	x	x	x	x	x	x
PO3	x	x	x	x	x			x	
PO4	x	x		x		x		x	
ISO (ii) public administration cooperation	x	x	x		x	x		x	x
ISO (iii) people-to-people	x	x						x	x

2.1.1 Sustainable Estonia 21 (SE 21)⁴

Sustainable Estonia 21 is long-term national and social development strategy (until 2030), the aim of which is to combine the economic development necessary for maintaining global competitiveness with the principles of sustainable development, while preserving Estonia's traditional values. SE21 sets 4 long-term goals - viability of the Estonian cultural space, growth of welfare, coherent society, ecological balance.

Most of the objectives of the strategy are also relevant for the Estonia-Latvia Programme. Among other for example economic growth through networking, supporting enterprises and foster spin-offs, technological development (the transition from an investment-oriented economy to an innovation-oriented economy), education and training using modern learning technologies, coherent society and social inclusion, regional balance, institutional development and public-private partnerships, biological balance by sustainable use of natural resources, reduction of pollution, preservation of biological diversity and natural areas.

⁴ https://www.riigikantselei.ee/sites/default/files/content-editors/Failid/s_aastev_eesti_21.pdf

2.1.2 The National Spatial Plan “Estonia 2030+” (Estonia 2030+)⁵

The National Spatial Plan “Estonia 2030+” is a plan prepared for the entire territory of the Estonian state and it defines the principles and trends of sustainable and balanced spatial development of the state. The plan provides guidelines for settlement, mobility, national technical infrastructure and regional development in a way that takes into account the specificities of the environment. The Estonia-Latvia Programme has links to following objectives of “Estonia 2030+”: a diverse living and economic environment that takes into account the design of the existing settlement structure (keeping sparse areas and border regions populated), competitiveness of the country and its different regions, prevention of climate impact, higher share of renewable energy in energy supply, coherence of the green network and preservation of landscape values, fast and comfortable mobility (connections to other countries and between Estonian main centres).

2.1.3 Estonian Environmental Strategy 2030 (EES 2030)⁶

Estonian Environmental Strategy 2030 is a development strategy that is the “umbrella strategy” for all sub-sectoral development plans in the field of the environment, which shall be guided by the principles set out in the environmental strategy. The aim of the strategy is to define long-term development directions to maintain the good state of the natural environment, while respecting the links between the environmental sphere, economic and social spheres and their effects on the surrounding natural environment and to humans.

The Estonia-Latvia Programme has links to the following aspects of the Estonian Environmental Strategy 2030:

- Sustainable use of natural resources and reduction of waste (on a more general level, the Programme does not include specific activities regarding circular economy and waste)
- Soil and land use
- Preservation of landscape and nature diversity
- Climate change mitigation and air quality
- Energy consumption
- Security and protection of the population.

2.1.4 Estonia’s 2030 National Energy and Climate Plan (NECP 2030)⁷

Estonia’s 2030 National Energy and Climate Plan is a policy document that has been drawn up to meet the requirement laid down in Article 3(1) of Regulation (EU) No 2018/1999 on the Governance of the Energy Union and Climate Action, according to which each Member State is to prepare and submit to the Commission its national Energy and Climate Plan every ten years. The key objectives of NECP 2030 are as follows:

- Achievement of an 80% reduction in GHG emissions by 2050 (including 70% by 2030).
- Achieve a 13% reduction of GHG emissions by 2030 compared to 2005 levels in the sectors falling under the scope of the Shared Effort Regulation (transport, small-scale power, agriculture, waste management, forestry, industry).
- The share of renewable energy in total final consumption must be at least 42% by the year 2030.
- In 2030, final energy consumption must remain at 32-33 TWh.
- Reduction of primary energy consumption to 14% (compared to the peak of recent years).
- Ensuring energy security by keeping the rate of dependency on imported energy as low as possible.

⁵ https://www.rahandusministeerium.ee/sites/default/files/Ruumiline_planeerimine/eesti2030.pdf

⁶ https://www.envir.ee/sites/default/files/elfinder/article_files/ks_loplil_riigikokku_pdf.pdf

⁷ https://ec.europa.eu/energy/sites/ener/files/documents/ee_final_necp_main_en.pdf

- Meeting the minimum criteria for interconnectivity of electricity grids.
- Use of research and development and innovation in measures to retain the competitiveness of the economy.

2.1.5 General Principles of Climate Policy until 2050 (GPCP 2050)⁸

General Principles of Climate Policy until 2050 is a vision document, in which the principles and policies set in the future will be implemented in the renewal of sectoral development plans. The vision and national goal for 2050 is that Estonia will have a competitive and low-carbon economy - gradually transforming the economic and energy system into a more resource-efficient, productive and environmentally friendly one by developing innovative technologies, products and services reducing the emission of greenhouse gases, adapting resource-efficient circular economy etc. Estonia, among other developed countries, contributes to the cross-border mitigation of climate change and adaptation to its effects within the framework of development cooperation, including, if possible, the best know-how of the country. The existing and future flexible mechanisms will be implemented to increase the cost-efficiency of climate targets. Cross-border cooperation plays an important role in implementing climate policy.

2.1.6 The National Climate Adaptation Plan 2030 (NCAP 2030)⁹

The National Climate Adaptation Plan 2030 is an action framework is presented on the basis of which the vulnerability of the Estonian state to the effects of climate change can be reduced. The development plan identifies the impact of climate change on priority areas and adaptation measures to be implemented in the short term until 2030. The main goal of the development plan is to increase the readiness and capacity of the national, regional and local levels to adapt to the effects of climate change. Among others areas are addressed that link to the Estonia-Latvia Programme such as international relations and cooperation, managing the opportunities and risks of climate change in the best possible way, mitigating the risks associated with the adaptation of cities and coastal areas (development of green spaces and urban greenery).

2.1.7 The Estonian Energy Sector Development Plan until 2030 (EESDP 2030)¹⁰

The Estonian Energy Sector Development Plan until 2030 describes the objectives of the Estonian energy policy until 2030, the vision of the energy sector until 2050, the general and sub-objectives and the measures to achieve them. The main objective is to ensure energy supply to consumers at market-based prices and availability, which is in line with the long-term energy and climate policy goals of the EU, while contributing to improving Estonia's economic climate and environment and long-term competitiveness.

The sub-objectives, that also have common aspects with Estonia-Latvia Programme, are

- security of supply: A continuous energy supply is guaranteed in Estonia
- more efficient use of primary energy: Estonia's energy supply and consumption is more sustainable

2.1.8 Development strategies of counties

The defined Programme area includes in Estonia Hiiu, Jõgeva, Lääne, Põlva, Pärnu, Saare, Tartu, Valga, Viljandi and Võru counties. They all have valid development strategies that mostly have been updated over the last few years¹¹.

⁸ https://www.envir.ee/sites/default/files/low_carbon_strategy_until_2050.pdf

⁹ https://www.envir.ee/sites/default/files/kliimamuutustega_kohanemise_arengukava_aastani_2030_0.pdf

¹⁰ https://www.mkm.ee/sites/default/files/enmak_2030.pdf

¹¹ Pärnu county: <http://arenduskeskus.parnumaa.ee/wp-content/uploads/2018/09/P%C3%A4rnumaa-arengustrateegia-07.09.2018.pdf>

County development strategies cover a long period of time - mostly until 2030 and beyond. All these strategies have been prepared taking into account the national development strategies and sectoral development plans and their implementation plans, which creates close links between the national development strategies, the county development strategies and this Estonia-Latvia Programme. The main objectives and measures are set at the county level in the following thematic areas:

- human development (incl. education, development of various organizations, civil society, etc.);
- economic development (promotion of entrepreneurship, innovative location-based production, etc.);
- infrastructures and connections (incl. transport and related public transport, energy, information technology infrastructure);
- environmental protection and awareness (incl. environmentally friendly solutions, circular economy, biodiversity).

2.1.9 River basin management plans (RBMP) and Marine Strategy (MS) & Programme of Measures (PoM)

The river basin management plans for the period 2015–2021 were established in April 2016. Estonia is divided into three river basins: East-Estonian river basin district (eastern part of Estonia), West-Estonian river basin district (western part of Estonia) and Koiva river basin district.

River basin management plans¹² have been prepared for the planning of measures for the protection and use of water and have been prepared in accordance with the objectives and requirements set out in the Water Framework Directive of the European Parliament and the Council (2000/60/EC) and the Water Act. The water management plans outline the most important water problems, measures to solve them and to achieve the ultimate goal – a good water status. Similar process and ambition are also applied for marine waters where ultimate goal is to achieve good environmental status with support of implementation of the Marine Strategy¹³ and Programme of Measures. The Marine Strategy Programme of Measures is currently being updated. The new action plan must be completed in 2021.

The Estonia-Latvia Programme will likely contribute to achieve the goals of the RBDMP and PoM.

Põlva county:

<https://www.polvamaa.ee/documents/876469/21522492/P%C3%B5lvamaa%2Barengustrateegia%2B2035%2B.pdf/9b17d038-cdc8-4fac-a599-d26504031f98>

Tartu county:

http://www.tartumaa.ee/failid/dokumendid/2019/projektid/tartumaa_2040_arengustrateegia.pdf

Valga county:

<https://valgamaa.ee/userfiles/valgamaa/Strateegia%202035+/VALGA%20MAAKONNA%20ARENGUSTRATEEGIA%202035+.pdf>

Viljandi county: https://www.riigiteataja.ee/aktilisa/4040/1201/9015/m62_Lisa2_arengustrat.pdf#

Hiiu county:

<https://maakonnaplaneering.ee/documents/2845826/18605510/Hiiumaa+arengustrateegia+2020+.pdf/e70c7e20-8a1a-420f-9ae2-56626832bc72>

Saare county:

<https://www.saaremaavald.ee/documents/17113760/20409801/Saare+maakonna+arengustrateegia+2019-2030+veebi.pdf/512a928b-0018-4a47-84b8-f1fb52a6ec4f>

Jõgeva county: https://www.riigiteataja.ee/aktilisa/4020/3201/9004/J6gevaVVK_m76_lisa.pdf#

Lääne county: https://www.riigiteataja.ee/aktilisa/4010/2201/9002/HaapsaluLVK_m33_lisa.pdf

Võru county: https://www.riigiteataja.ee/aktilisa/4050/1201/9089/SetomaaVVK_27122018_m34_L.pdf#

¹² <https://www.envir.ee/et/eesmargid-tegevused/vesi/veemajanduskavad>

¹³ <https://www.envir.ee/et/eesmargid-tegevused/merekeskkonna-kaitse/merestrategie>

2.2. Latvia

Table 2.2. Overview on links between policy objectives and Latvian national and regional policy documents (see abbreviations in the text below)

Policy objectives of Estonia-Latvia-Programme	Latvia 2030	NDP 2027	NECP 2030	NCAP 2030	APCE 2027	Kurzeme PR SDS 2030	Vidzeme PR SDS 2030	Riga PR SDS 2030	RBMDP	MS& PoM
PO1	x	X			x	x	x	x		
PO2	x	X	x	x	x	x	x	x	x	x
PO3	x		x			x	x	x		
PO4	x		x			x	x	x		
ISO (ii) public administration cooperation	x		x		x	x	x	x	x	x
ISO (iii) people-to-people		X				x		x	x	x

2.2.1. Sustainable Development Strategy 2030 (Latvia 2030)¹⁴

The highest (in hierarchical context) national long-term strategic development planning document, adopted in 2010 by the Parliament. It containing the state sustainable development guidelines as well as spatial perspective. All the further developed strategic and development planning documents are composed according to the goals and priorities set within this strategy.

The Estonia-Latvia Programme has links to the following objectives of the Latvia 2030:

- Innovative and eco-efficient economy;
- Renewable and Safe Energy;
- Sustainable Management of Natural Values and Services
- Improvement of Accessibility
- Innovative government and public participation

2.2.2. National Development Plan 2027 (NDP2027)¹⁵

NDP2027 is Latvia's main medium-term development planning document. It envisages the strategic objectives, priorities and measures for sustainable and balanced development of Latvia for the next seven-year planning period to achieve the Latvian Sustainable Development Strategy 2030 (Latvia2030), the UN Sustainable Development Goals and to improve the quality of life in Latvia over the next seven years. NDP2027 four strategic objectives are: Productivity and Income, Equal Opportunity, Social Trust, and Regional Development. Six NDP2027 priorities for achieving the four strategic objectives are: Strong Families, a Healthy and Active Population, Knowledge and Skills for Personal and National Growth; Business Competitiveness and Material Well-being; Quality Living Environment and Regional Development; Culture and Sports for an Active Lifestyle and - A United, Open, Safe and Secure Society. Each priority consists of several directions for key policies.

The Lat-Est Programme has links to the following directions of the key policies of the NDP2027:

- Business Competitiveness and Material Well-being
- Improving the living environment for balanced regional development;
- Nature and the environment - the Green Deal
- Cohesion of society

¹⁴ https://www.pkc.gov.lv/sites/default/files/inline-files/LIAS_2030_en_1.pdf

¹⁵ https://www.pkc.gov.lv/sites/default/files/inline-files/NAP2027_ENG_3.pdf

2.2.3. The national energy and climate plan 2030 (NECPs)¹⁶

This is a new national policy document developed to comply with the EU Regulation on the governance of the energy union and climate action (EU)2018/1999. The NECP outlines how the Latvia will address energy efficiency; renewables; greenhouse gas emissions reductions; interconnections and research and innovation and to support meeting the EU's energy and climate targets for 2030.

The Estonia-Latvia Programme has links to the following aspects of the NECP:

- CO2 emission reduction targets;
- increase in renewable energies, energy efficiency,
- Technological environment and services
- Together, the people of Latvia and public authorities create a better society and good governance. People enact their legal rights, and the public administration in all branches of power has become more professional - open, modern, effective and efficient. There is increased satisfaction with the state and trust in the public administration, as well as the judicial and law enforcement systems.

2.2.4. The National Climate Adaptation Plan 2030 (NCAP)¹⁷

The National Climate Adaptation Plan is developed as a national level long-term development planning document. The plan proposes adaptation measures that are based on risk and vulnerability assessment and in six areas: landscape planning and tourism, biodiversity and ecosystem services, civil protection and emergency aid, construction and infrastructure planning, health and well-being, agriculture and forestry. The selected sectors are the most vulnerable to climate change in Latvia.

The Estonia-Latvia Programme has links to the following objective of the NCAP:

- To reduce the vulnerability of Latvia's people, economy, infrastructure, buildings and nature to the effects of climate change and to promote the use of the opportunities created by climate change.

2.2.5. The Action Plan towards Circular Economy 2020-2027 (APCE)¹⁸

The plan aims to facilitate the transition of the economy to a circular economy, while contributing to the European Green Deal and to achieving the global goals of sustainable development. The aim of the circular economy is to prevent the generation of waste by ensuring the long-term and rational use of resources. The plan will require involvement of multiple sectors and actors, all ministries and municipalities.

The Estonia-Latvia Programme has links to the following direction of works of the APCE:

- improving resource productivity in all sectors of the economy by promoting research and innovation;
- creating preconditions for the re-use of goods;
- facilitating the transition from purchasing goods to services;
- improving the management of materials, processes and waste in priority sectors;
- strengthening the role of local governments in the implementation of the principles of the circular economy, as well as public involvement, information and education.

¹⁶ https://em.gov.lv/lv/nozares_politika/nacionalais_energetikas_un_klimata_plans/

¹⁷ <https://likumi.lv/ta/id/308330-par-latvijas-pielagosanas-klimata-parmainam-planu-laika-posmam-lidz-2030-gadam>

¹⁸ <https://likumi.lv/ta/id/317168-par-ricibas-planu-parejai-uz-aprites-ekonomiku-20202027-gadam>

2.2.6. Sustainable development strategies 2030 (SDS) of Kurzeme, Vidzeme and Riga planning regions (PR)

The Estonia-Latvia Programme has links to the following issues of Kurzeme PR SDS:

- Smart development – focused on the change of thinking and behaviour, which can be achieved by investments in education, science, creative industries, as well as by changing public environment and developing entrepreneurial thinking.
- Energy resources and energy efficiency – from low resource processing to high resource processing, from energy consumption to energy saving – making more with fewer resources.
- Global connectedness and openness – focused on openness and the use of global opportunities by the region, place and individuals, which can be achieved by establishing cooperation-driven management.
- “Vital” areas – from orientation to service to orientation to people/social orientation.
- Cooperation and competitiveness – from competition to mutually beneficial cooperation.

The Estonia-Latvia Programme has links to the following issues of Vidzemes PR SDS:

- Sustainable business and innovation environment;
- Sustainable and energy-efficient economy;
- Maintenance and development of Vidzeme’s unique cultural space;
- Improvement of Vidzeme Region’s accessibility, approachability and attractiveness;
- Sustainable and well-functioning Vidzeme urban network based on mutual cooperation and complementarity principles.

The Estonia-Latvia Programme has links to the following issues of Riga PR SDS:

- Globally competitive areas; Smart development
- Sustainable living environment
- High-quality transport and logistics
- Municipalities – driving force of development
- Communities and self-sufficiency

2.2.7. River basin district management plans (RBDMP) and Marine Strategy (MS) & Programme of Measures (PoM)

Both water policy implementation plans are developed according to EU water framework directive and marine strategy framework directive. There are 4 RBDMP in Latvia (Gauja, Venta, Daugava and Lielupe) and currently the plans are covering period till 2016-2021, but the plans will be revised to foster the achievement of the ultimate goal of the EU water policy – to achieve good water status. Similar process and ambition is also for marine waters where ultimate goal is to achieve good environmental status with support of implementation of the marine strategy and programme of measures. The Estonia-Latvia Programme will contribute to achieve the goals of the RBDMP and PoM.

3. Description of the environment of the programme area

The programme area covers the southern and south-western parts of Estonia and the northern and western parts of Latvia, covering a total amount of territory of 65 968 km² (26 668 km² in Estonia and 39 300 km² in Latvia). Estonia and Latvia share a 343 km- long land border and a 214 km-long sea border. The programme area has a coastline of 1,139 km in the west (of which 497 km is within Latvia and 642 km is within Estonia), including 1,418 islands and islets (with an approximate total coastline of 1,283.5 km), all of which are within the Estonian section, and only thirteen of which are permanently populated.

The aim of this chapter is to characterise major environmental issues in Estonia and Latvia and as far as possible to highlight the situation in the Estonia-Latvia Programme area. As many data are collected at national scale or in another assessment units (e.g. river basin), therefore the chapter presents information at the relevant scale. The report includes various data sets. The intention was to use common data sets, where possible, to ensure direct comparison and assessment of the two countries. Such data are collected by European institutions according the standardised methodology and data sets (e.g. European Environment Agency (EEA), Eurostat, HELCOM). This approach is very relevant in the stage of preliminary estimation of the potential significant impacts.

In order to focus the information and subsequent assessment, the potential interactions between environmental issues and selected programme specific objectives were explored. The Table 3 presents an overview about the qualitative relationships based on the Estonia-Latvia Programme's description presented in the chapter 1. The following sub-chapters describe the environmental aspects according to main categories – Nature, Use of resources, Emissions and Cultural aspects. Climate change will not be the major issue covered by the Estonia-Latvia Programme.

Table 3. Interactions between policy and specific objectives of the proposed programme with key environmental issues (*The environmental issues presented in the table are in line with the requirements of the Latvian and Estonian legislation on SEA*).

	Nature			Use of resources		Emissions					Climate change	Cultural aspects		
	Species (flora & fauna)	Habitats	Protected areas (Natura 2000)	Water use	Land use	Noise	Vibration	Air pollution	Waste	Waste water discharges		Landscapes	Baltic Sea & Gulf of Riga coastal zone	Heritage
PO1														
PO2	x	x	x	x	x					x		x	x	x
PO3						x	x	x						
PO4	x	x	x									x	x	x
ISO (ii) public administration cooperation														
ISO (iii) people -to-people														

3.1. Nature

Nature is one of the key environmental components. This chapter shows the status of species and habitats as well information on protected areas in Estonia and Latvia. The nature aspects are monitored and assessed at national scale, according to EU methodology determined by Habitats and Birds directives.

3.1.1. Status of species and habitats

The ultimate aim of the nature and biodiversity protection policy is to have species and habitats in good conservation status. Assessment of the status is implemented for six year’s periods, the most recent one - 2013-2018. The figures 3.1.1.a and 3.1.1.b show the proportion of each assessment category of the conservation status. The data shows that in Estonia 54% of species listed in the Habitat directive are in good conservation status whereas in Latvia the share was even lower – only 39%. In EU as a whole, the share was even lower – 23%. With regard to the habitats the situation is very different between the two countries: 56% of the habitats are assessed in good status in Estonia whereas on 10% in Latvia. Both countries belong to the boreal biogeographic region. The latest assessment shows that 21.8% of assessed habitats were in good (favourable) status in the boreal biogeographic region which is rather negative sign for nature conservation policy and its implementation in the region. The common characteristic for both countries is that forests and grasslands are among the ecosystems that are having the lowest share in good conditions.

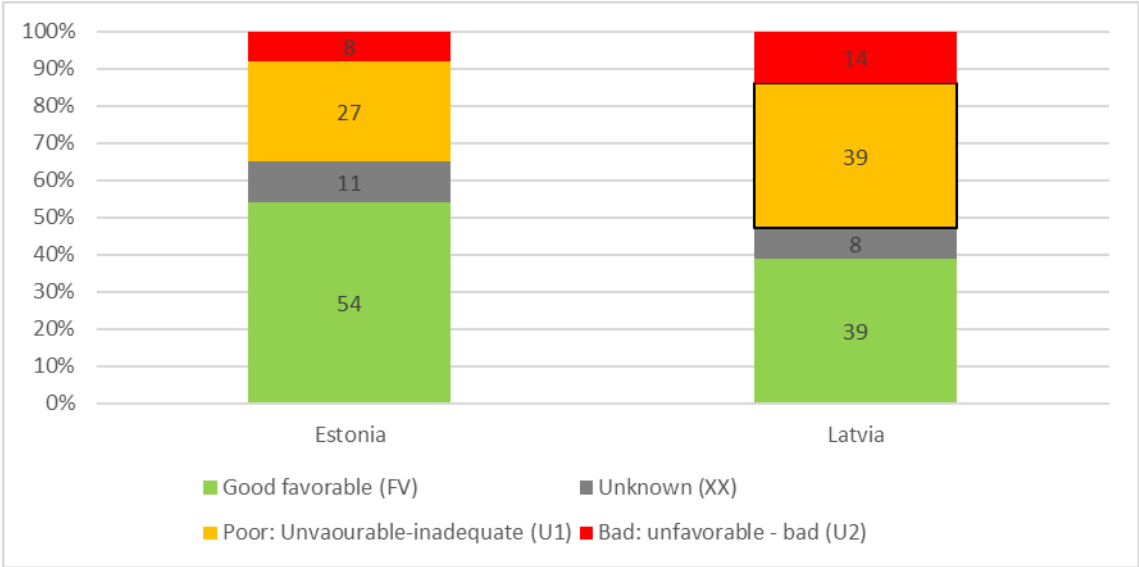


Figure 3.1.1.a. Status of the species of EU importance in Estonia and Latvia, based on reporting period 2013-2018 (source: EEA)

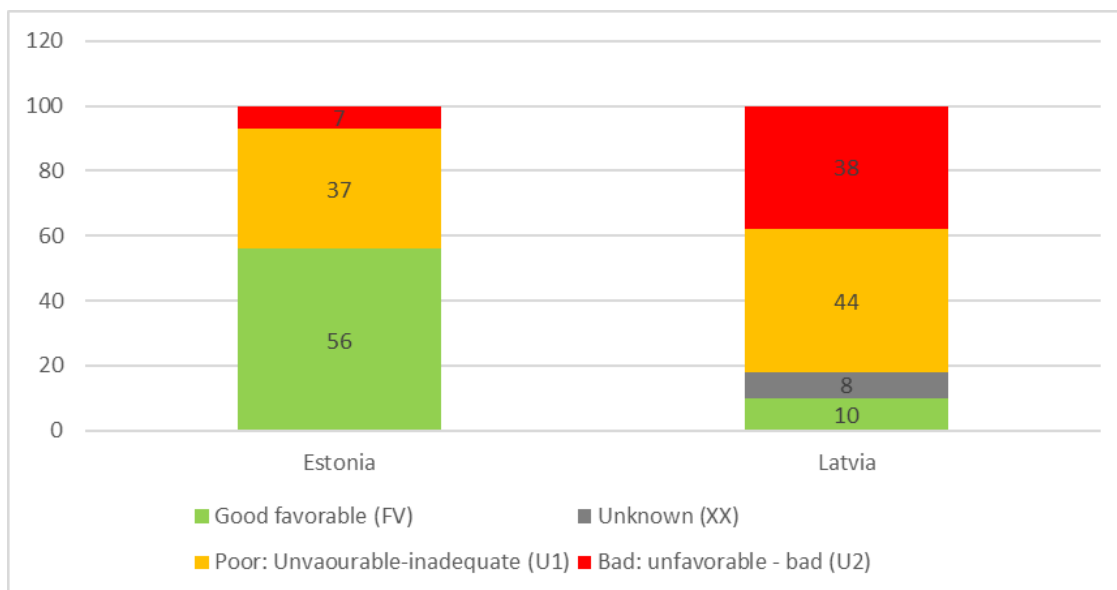


Figure 3.1.1.b. Status of the habitats of EU importance in Estonia and Latvia, based on reporting period 2013-2018 (source: EEA)

3.1.2. Common farmland bird index

Common farmland bird index is widely recognised index that integrates the population abundance and the diversity of a selection of common bird species associated with specific habitats. The figure 3.1.2. shows the trend with species deemed to be dependent on agricultural, open landscape habitats for feeding and nesting. In total these are 39 species that are common in farmlands. Unfortunately, the graph indicates declining trend since 2000, particularly significant decline is observed in Estonia.

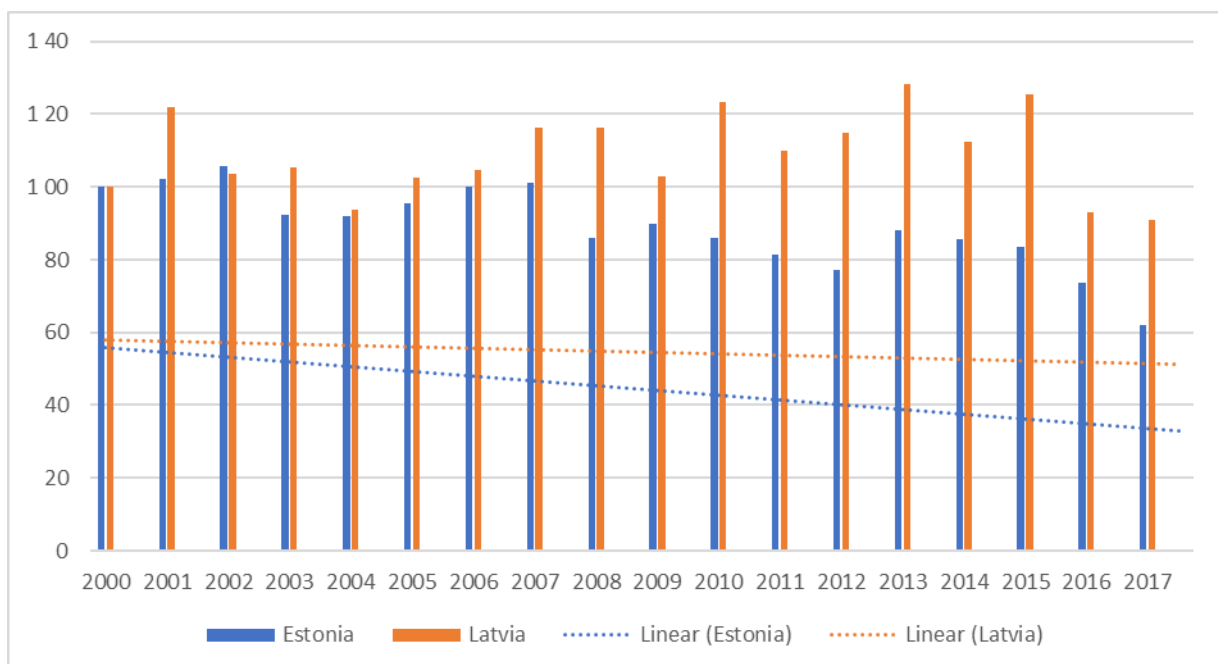


Figure 3.1.2. Common farmland index. 2000=100. (Source: OECD, BirdLife)

3.1.3. Nature protected areas

Estonia and Latvia as EU member states have designated nature protected areas which belong to Natura 2000 network. It stretches across all EU countries, both on land and at sea. The aim of the network is to ensure the long-term survival of Europe's most valuable and threatened species and habitats, listed under both the Birds Directive and the Habitats Directive. Estonia has designated 567 sites and Latvia has designated 333 sites for Natura 2000. The sites covered correspondingly 14 861 km² of Estonian territory (terrestrial and marine) and 11 834 km² of Latvian territory (terrestrial and marine). Terrestrial sites occupy 18% of Estonian land and 12% of Latvian land.

The protection of Natura 2000 values needs to be incorporated also into national law. In Estonia, the Natura 2000 values are protected by designating either “protected areas”, “limited-conservation areas”, “species’ protection sites” or “individual protected natural objects”, regulated by Nature Conservation Act. The Nature Conservation Act also gives the framework to protect additional natural objects (including protected areas; protected species and fossils; species’ protection sites and individual protected natural objects) that are not a part of Natura 2000 network but are protected on national or local level.

For Latvia, national nature protected areas are established by the Law on Specially Protected Nature Territories. The law establishes the following categories of protected territories: strict nature reserves; national parks, biosphere reserves, nature parks, nature monuments, nature reserves, marine protected areas, protected landscape areas. Depending on the category and importance, the Parliament, Government, or local municipality is establishing the adequate protected areas. For example, nature reserves, nature parks and nature monuments that are of significance for the preservation of nature or cultural and historic heritage in the relevant territory may be established also by local governments, whereas strict nature reserves, national parks and biosphere reserves shall be established by the Parliament. The Annex of the Law contains Latvian Natura 2000 - List of Protected Nature Territories of European Significance.

The figure below shows Natura 2000 areas, as well as additional natural areas protected on national level in the programme area.

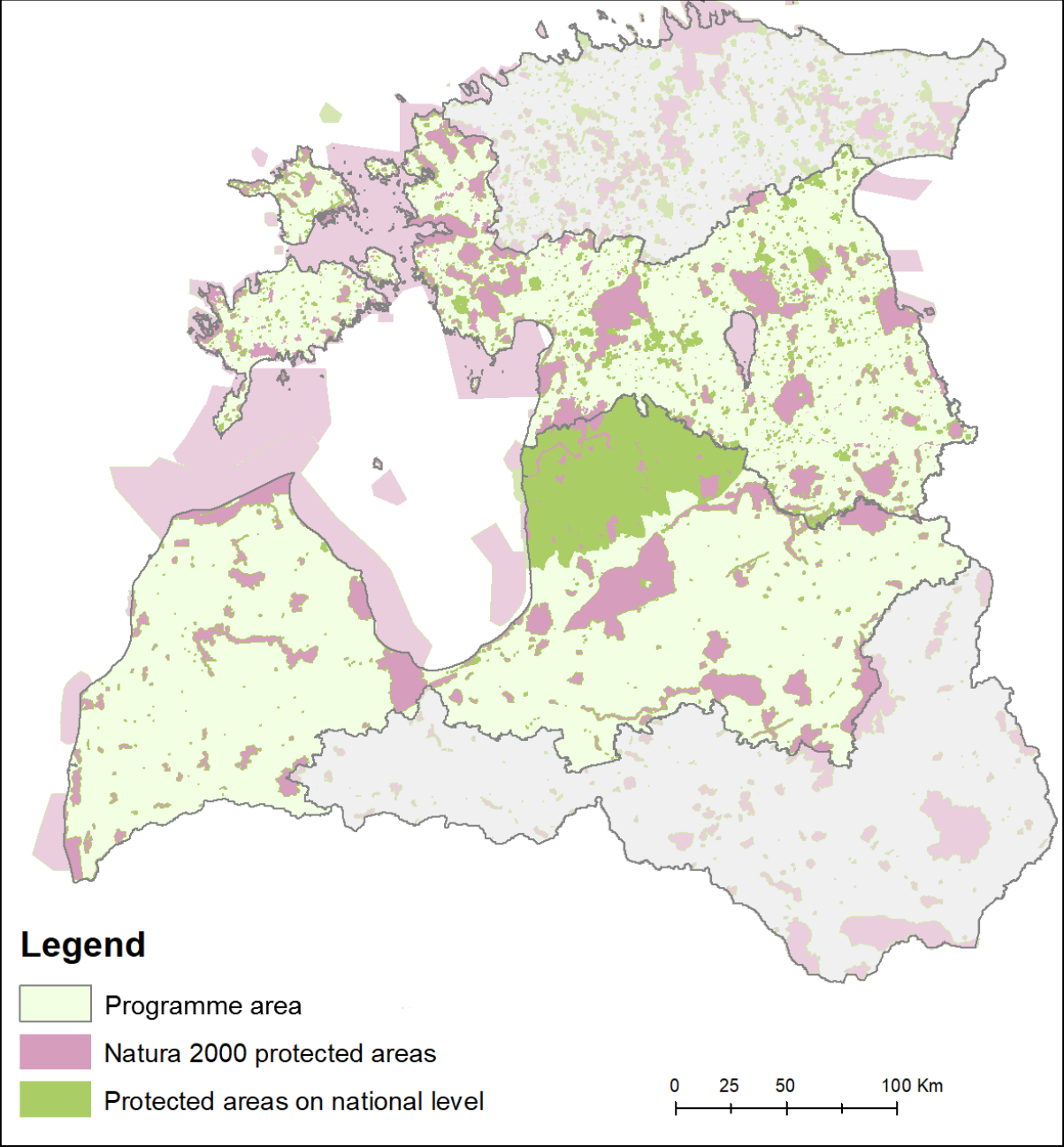


Figure 3.1.3. Spatial distribution of Natura 2000 areas and nationally protected areas

3.2. Use of resources

3.2.1. Water resources and use

Estonia and Latvia are among countries that are rich in available freshwaters. In Europe, whereas many countries experience water shortage or scarcity. Water exploitation index (WEI) as one composite indicator to illustrate the pressure on the renewable freshwater resources of a defined territory (country, river basin, sub-basin etc.) during a specified period (e.g. seasonal, annual), as a consequence of water use for human purposes. Values above 20 % indicate that water resources are under water stress, and values above 40 % indicate that water stress is severe and the use of freshwater resources is clearly unsustainable. According to EEA data between 2010- 2015, the largest WEI is observed in average Cyprus (70-80%), Greece (20-39%), Spain (15-25%), whereas for the WEI for Estonia is between 7.4 - 15.5% and Latvia below 1%¹⁹.

Water is abstracted from surface and groundwater. In 2017 in Europe²⁰, 61.9% of abstracted water was abstracted from rivers, 24.5% from groundwater and 12.1% from artificial reservoirs, 1.5% from lakes. According to the data from Estonian Environment Agency (EAE), in Estonia in 2019, 4,5% of water was abstracted from ground water and used for water supply, 8,9% was abstracted from mine, 9,3% from career, 0,2 % from sea and 77% from surface water (67% for Narva Power station cooling water – see further explanations below, 10% elsewhere). In Latvia in 2019, 48% of water was abstracted from surface waters and 52% from groundwater²¹.

In Estonia, the overall water abstraction and consumption is largely impacted by the extensive usage of water in power stations in Ida-Viru county (the usage of cooling water for the power plants in particular). Although the usage in Estonian power plants has rapidly decreased during the last couple of years, still the amounts of water abstraction are much larger in Estonia as a whole, compared to Latvia (see Figure 3.2.1.a below). In Latvia, since 2010 the trend in water abstraction is rather stable with minor fluctuations (see Figure 3.2.1.b).

When comparing the water abstraction (and usage) between different regions in the programme area, then in Latvia the biggest usage can be seen in Riga region (as the densest region), however, the amounts in Latvia are still quite comparable between regions. But in Estonia, most of the water is abstracted and used in Ida-Viru county by the power plants. When considering also the amount of cooling water, more than 89% of water abstraction in Estonia is taking place in Ida-Viru county, if we exclude the cooling water, 68% is abstracted in Ida-Viru county. So, the water abstraction in the programme area is very small compared to the amounts used for power generation in Ida-Virumaa (see Figure 3.2.1.c). Biggest usage in the programme area in Estonia can be seen around two bigger cities in Tartu and Pärnu counties (see Figure 3.2.1.e).

¹⁹https://www.eea.europa.eu/data-and-maps/daviz/water-exploitation-index-plus#tab-chart_2_filters=%7B%22rowFilters%22%3A%7B%7D%3B%22columnFilters%22%3A%7B%22pre_config_country%22%3A%5B%22Austria%22%5D%7D%7D

²⁰ <https://www.eea.europa.eu/data-and-maps/daviz/annual-and-seasonal-water-abstraction-6#tab-dashboard-02>

²¹ <http://www2.meteo.lv/varam/2015/>

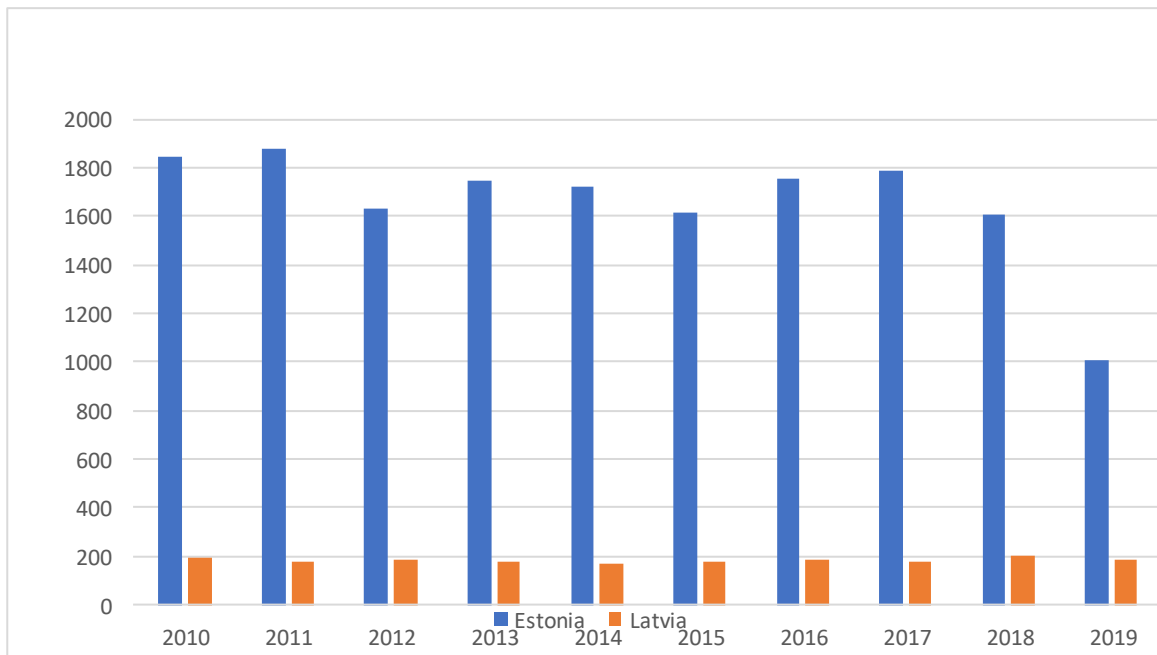


Figure 3.2.1.a. Water abstraction in Estonia and Latvia (million m³/year) (source for Latvia: LEGMC, source for Estonia: EAE)

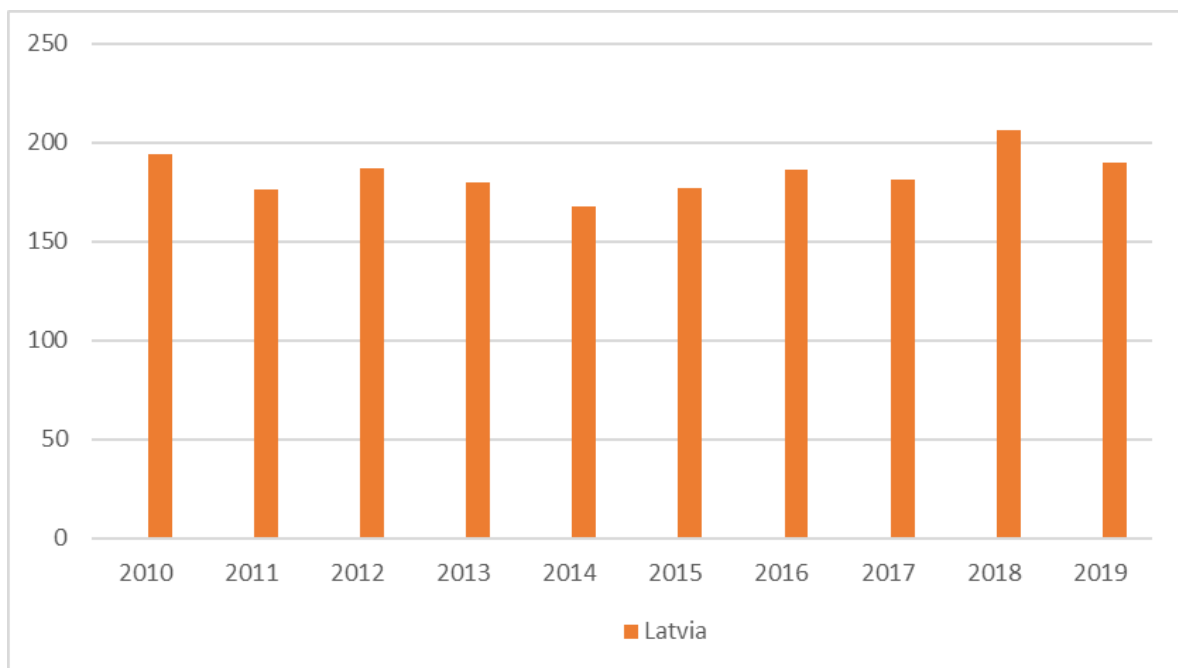


Figure 3.2.1.b. Water abstraction in Latvia (million m³/year) (source for Latvia: LEGMC)

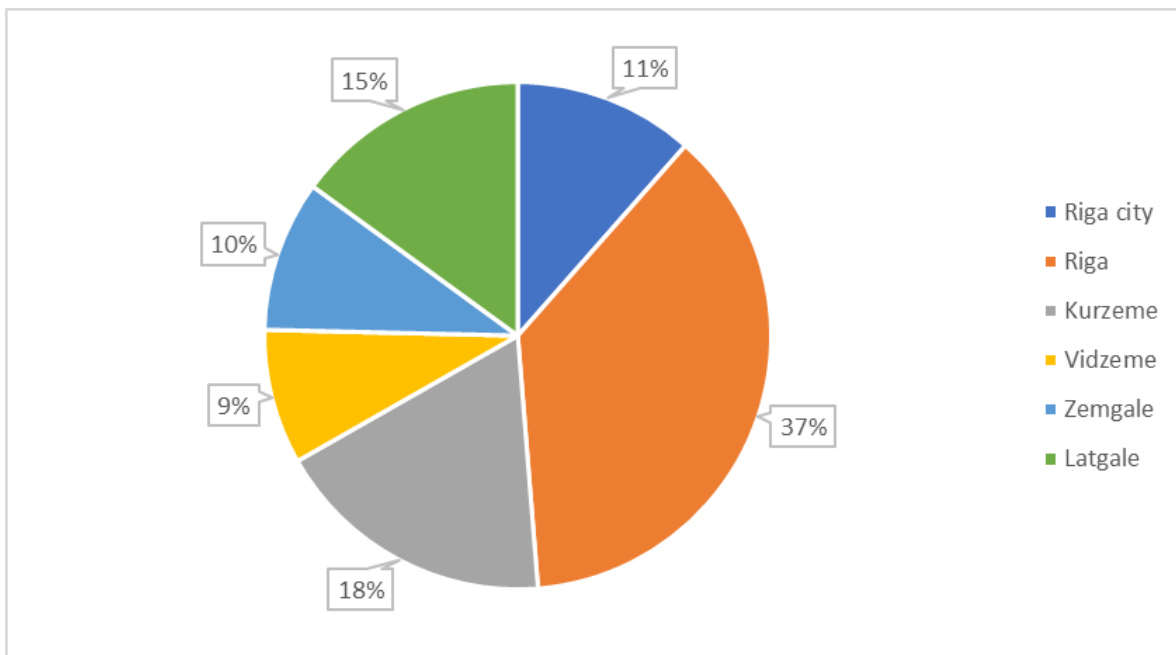


Figure 3.2.1.c. Share in Water abstraction in Latvia per region in 2019 (source for Latvia: LEGMC)

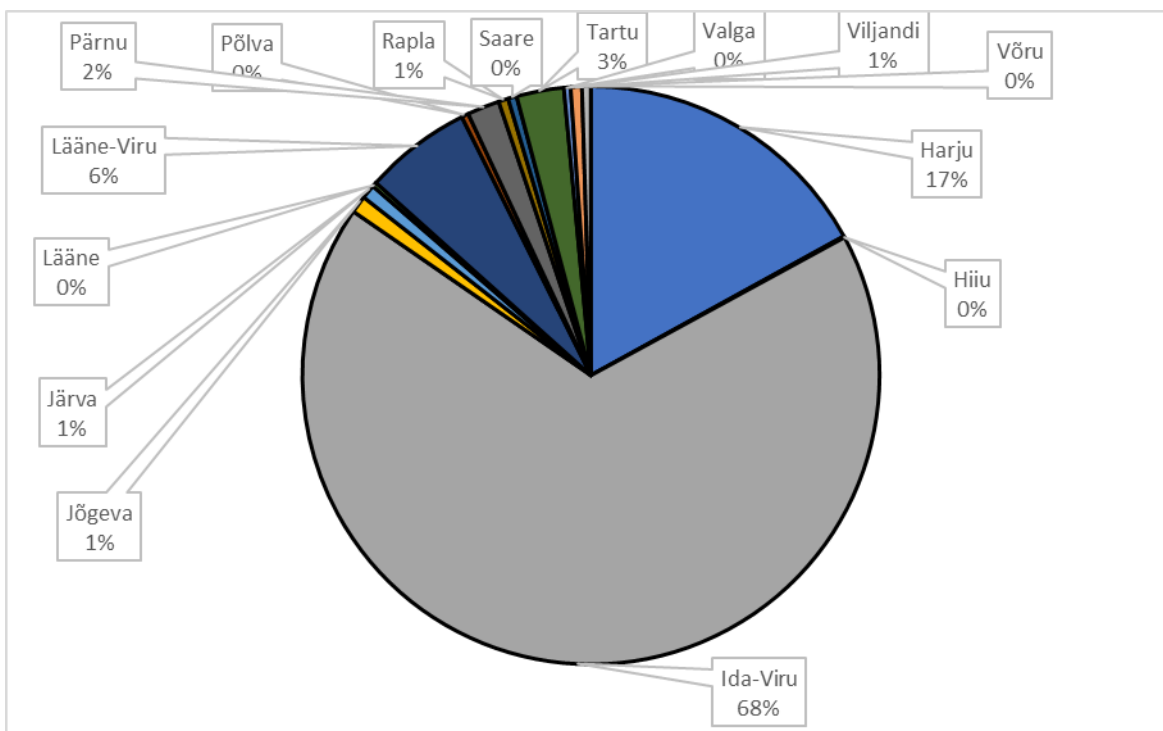


Figure 3.2.1.d. Share of Water abstraction in Estonia per county in 2019 (without cooling water abstracted for Narva power stations) (Source: EAE)

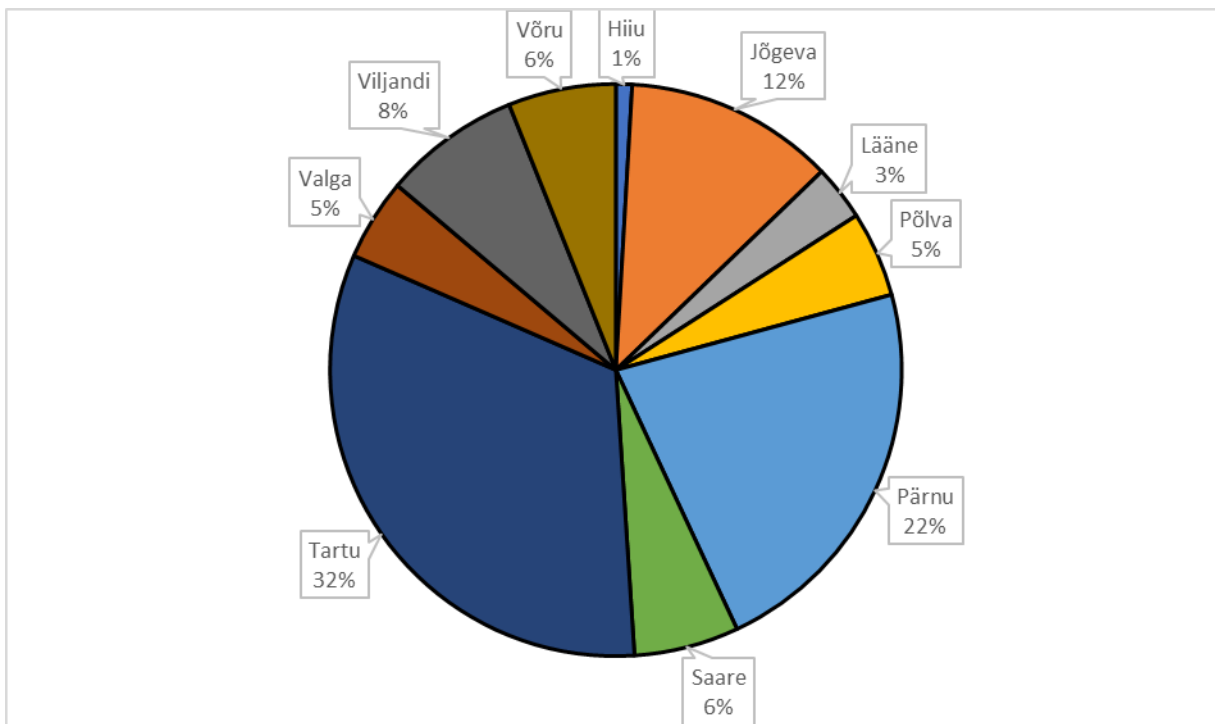


Figure 3.2.1.e. Share of Water abstraction per county in Estonia in the project area in 2019 (Source: EAE)

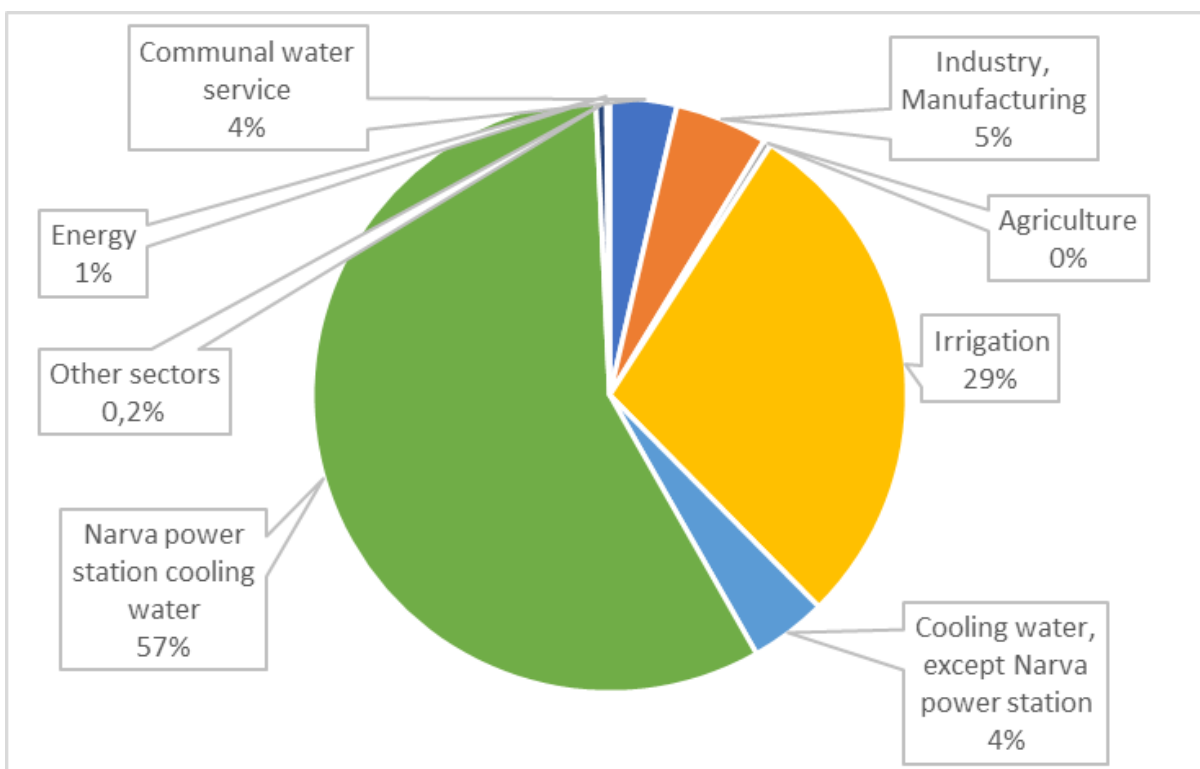


Figure 3.2.1.f. Water usage per sector in Estonia, in 2019 (Source: EAE)

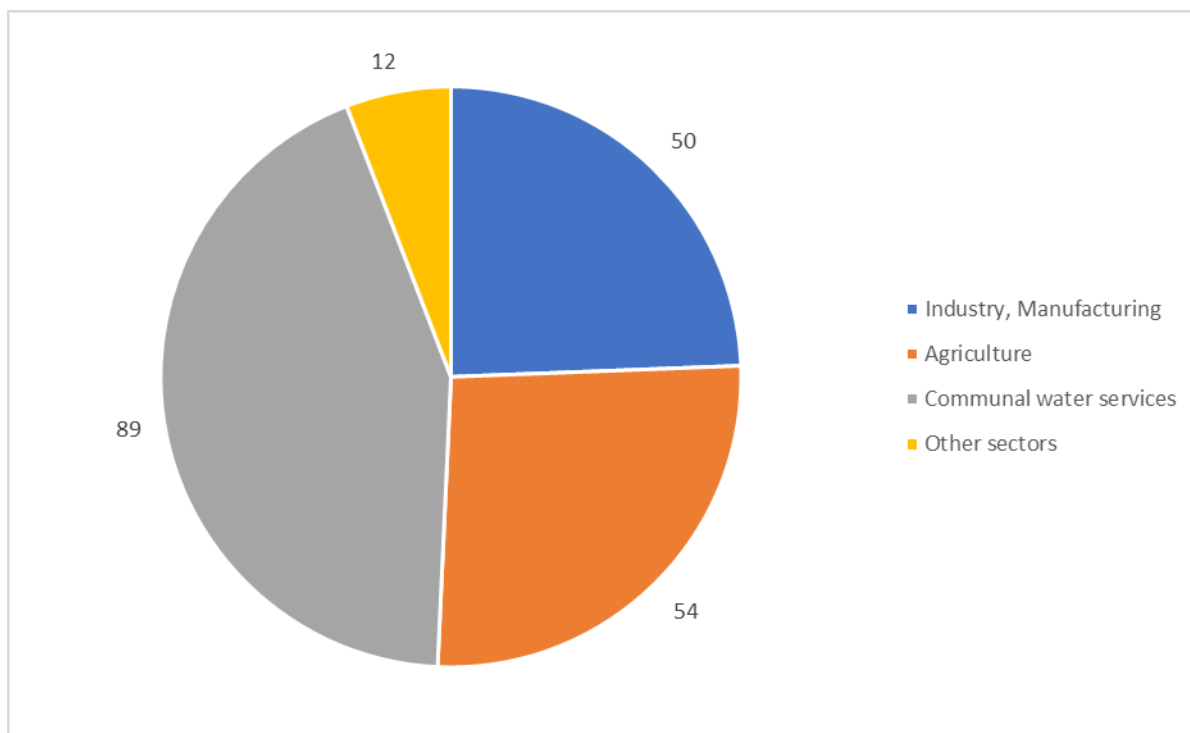


Figure 3.2.1.g. Water abstraction per sector in Latvia in 2019 (source for Latvia: LEGMC)

3.2.1.2. Bathing waters and their quality

Bathing (swimming) is significant use of surface waters, especially the Estonia-Latvia Programme area has long coastal zone and plenty of inland waters. However, not all locations that are accessible for people are designated as bathing areas. Bathing waters are legally designated areas that comply with certain quality criteria and are established for implementation of the EU Bathing water directive 2006/7/EC. In 2020, in the Programme area there are 113 official bathing areas: 49 – in Latvia²², 64 – in Estonia²³.

Monitoring of bathing waters is performed by the competent authorities – Health Inspectorate in Latvia and Health Board in Estonia. An interactive map and water monitoring results are published on their webpages.

European Environment Agency also has developed an interactive online map that covers all EU waters. The map below shows locations of the bathing waters in Estonia and Latvia. The water monitoring and assessment of waters in 2019 reveals that all Latvian bathing waters were in good or excellent quality. In Estonia, as of 2020, some of the beaches (Mai rand, Raeküla rand and Vana-Pärnu rand in Pärnu bay area; Rahinge paisjärv in Tartu county) are experiencing bathing water quality problems – the bathing waters are assessed as poor quality, this means that the owner or possessor of the bathing site must implement quality management measures to ensure the quality of the bathing water.

²² <https://www.vi.gov.lv/lv/peldvietu-udens-kvalitate>

²³ <https://www.terviseamet.ee/et/keskkonnatervis/inimesele/suplus-ja-ujulavee-ohutus>

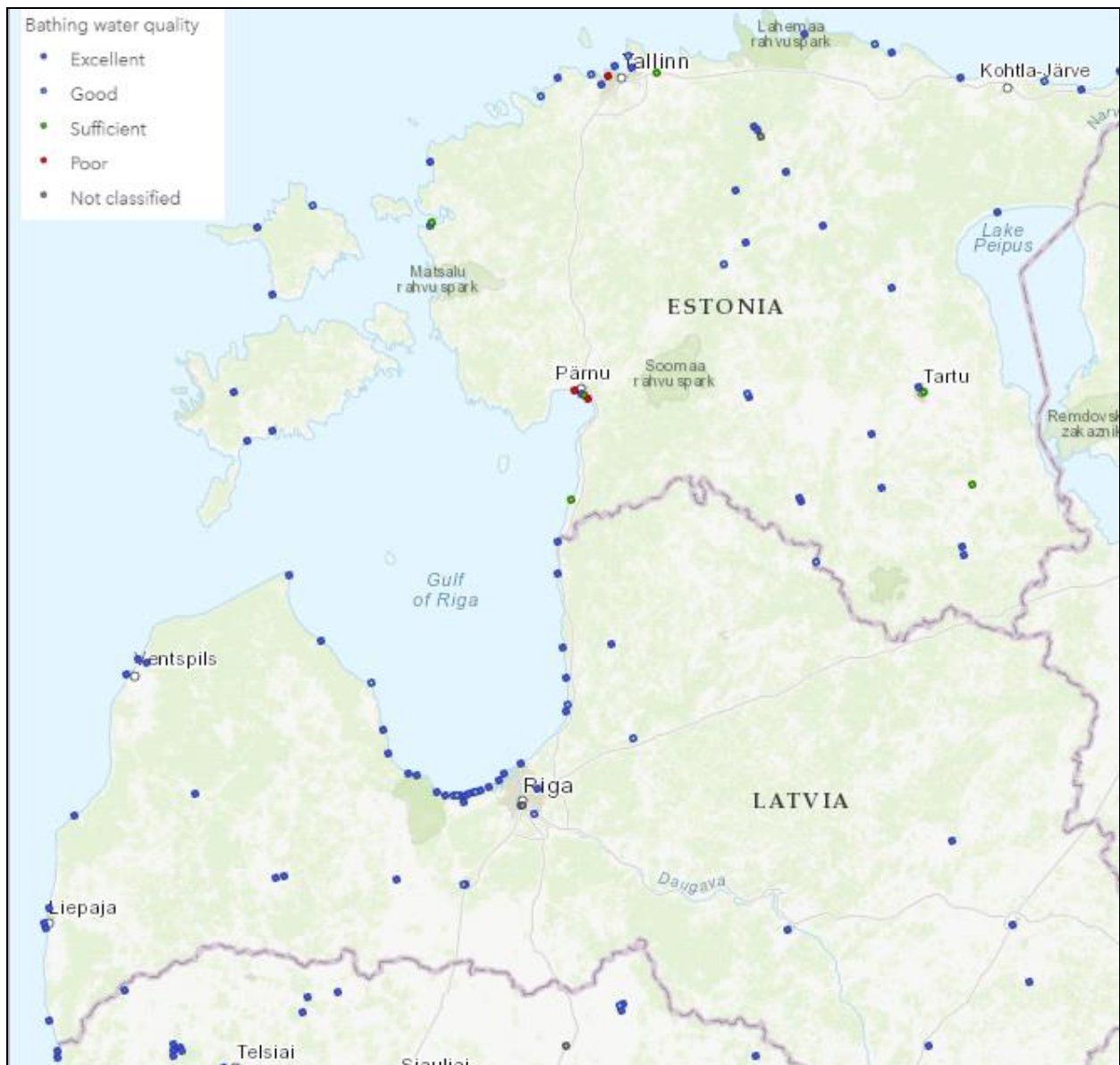


Figure 3.2.1.2. Map of officially designated bathing areas in Estonia and Latvia in 2019 (Source: EEA)²⁴

3.2.2. Land and soil

The land take indicator addresses the change in the area of agricultural, forest and other semi-natural land taken for urban and other artificial land development. Land take includes areas sealed by construction and urban infrastructure, as well as urban green areas, and sport and leisure facilities. The land taken by urban areas and infrastructure is generally irreversible and such process happens also in Estonia and Latvia. Converting land to artificial surfaces reduce the potential of ecosystems to provide important services such as the regulation of the water balance and protection against floods. Land occupied by man-made surfaces and dense infrastructure also fragments the

²⁴ <https://discomap.eea.europa.eu/Bathingwater/>

landscapes. The figure below the presents the process in the last 2012-2018, the data are derived from the CORINE land cover data series.

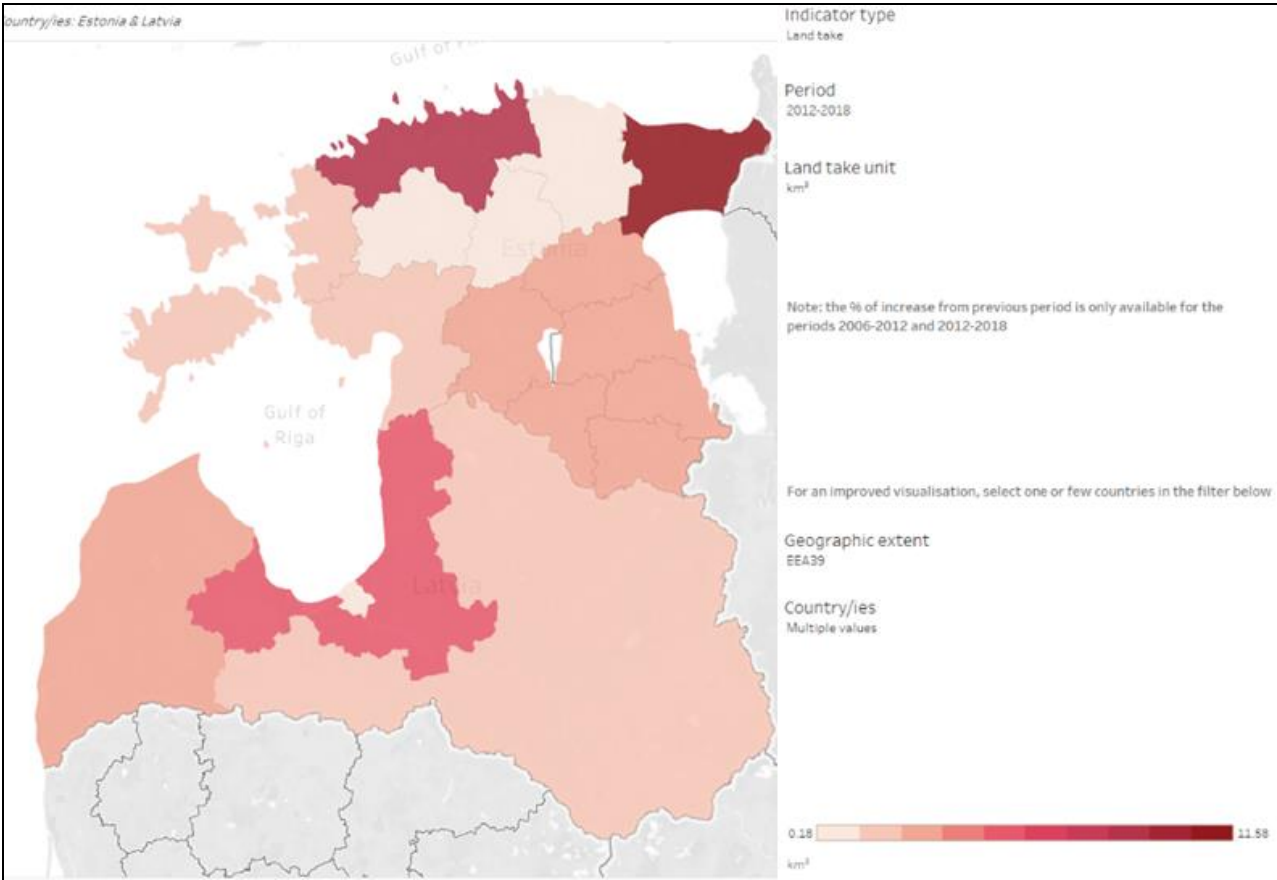


Figure 3.2.2: Net land take 2012-2018 in km² (source: EEA)

3.3. Emissions

3.3.1. Water

Emissions into water bodies are discharged directly from point sources (mainly from waste water treatment plants) and from diffuse sources (e.g. run-off from agricultural land, managed forests). These different sources all cause pressure to water bodies and impact their status. The overall aim of the water policy in Latvia and Estonia as well as in EU is to achieve good water status for all water bodies in accordance to water Framework directive (WFD) and to have good environmental status of all marine waters in accordance to Marine Strategy Framework Directive (MSFD). The WFD establish the water management framework according to the river basin approach. The Estonia-Latvia Programme area is located in all river basin districts of Latvia and Estonia: Daugava, Gauja (Koiva), Lielupe, Venta, Eastern Estonia and Western Estonia. Both countries are sharing the marine ecosystem – the Baltic Sea and particularly the Gulf of Riga.

3.3.1.1 Status of water bodies

The status of water bodies is assessed according to the defined criteria and parameters. Ecological status is determined based on biological quality elements (phytoplankton, macrophytes, phytobenthos, benthic invertebrate fauna and fish) and supporting physico-chemical (nutrients, oxygen condition, temperature, transparency, salinity and river basin specific pollutants (RBSPs) and hydromorphological quality elements. The WFD specifies which elements are to be assessed for each water category and requires that biological and supporting quality elements achieve at least good status. The actual status assessment results are published when river basin management plans are updated or revised. Last comprehensive assessment was on 2014-2015 and it includes information from the 2nd River Basin Management Plans (RBMPs) reported by EU Members States according to article 13 of the Water Framework Directive. Assessment is carried out for each water body – smallest water management unit. The water quality is assessed according to five classes: high, good, moderate, poor, bad.

According to the latest confirmed comprehensive data (2nd RBMPs, EEA WISE), water ecological status assessment reveals that surface waters are in better condition in Estonia compared Latvia (see figures 3.3.1.a and 3.3.1.b). 61% of river water bodies and 67% of lake water bodies are at good or high ecological status in Estonia. In Latvia these numbers are 20% and 22%, respectively. The overall assessment at river basin scale shows difference between river basin districts in Latvia (see figure 3.3.1.c). The worst conditions are in Lielupe river basin district where 89% of water bodies fail to achieve good status, followed by Venta basin – 84%, Daugava basin – 79%. In Estonia, these numbers are close to 40%, except Koiva basin where 27% of water bodies fail to achieve good status.

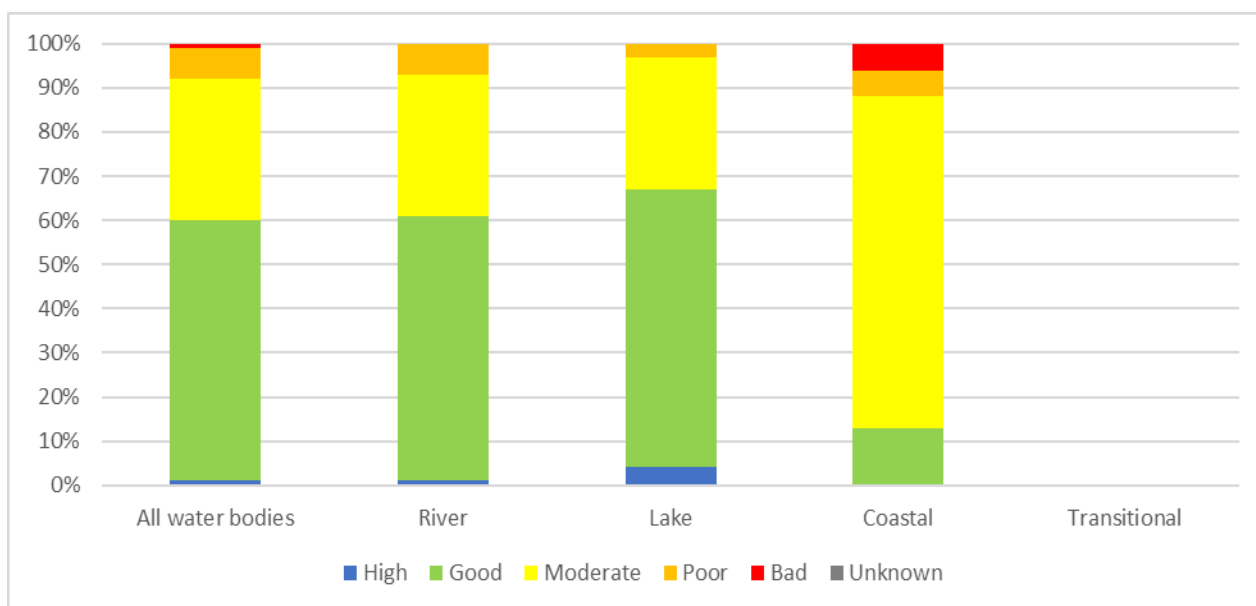


Figure 3.3.1.a Ecological status of the water bodies in Estonia (Source: 2nd RBMPs, EEA WISE)

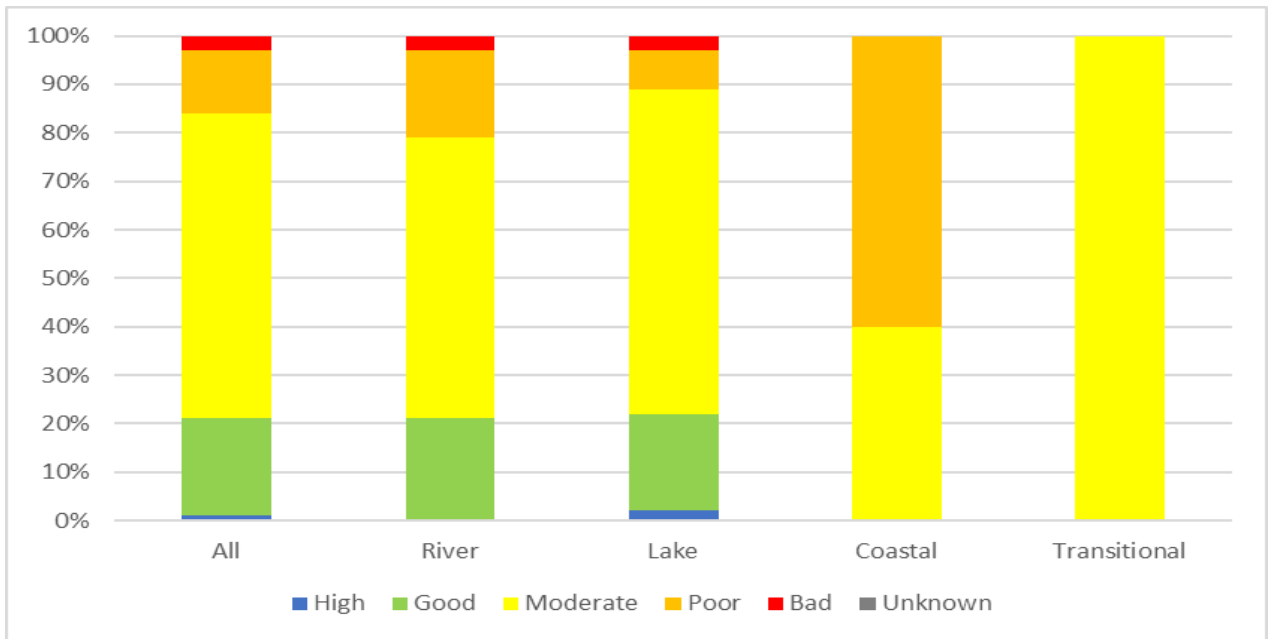


Figure 3.3.1.b Ecological status of the water bodies in Latvia (Source: 2nd RBMPs, EEA WISE)

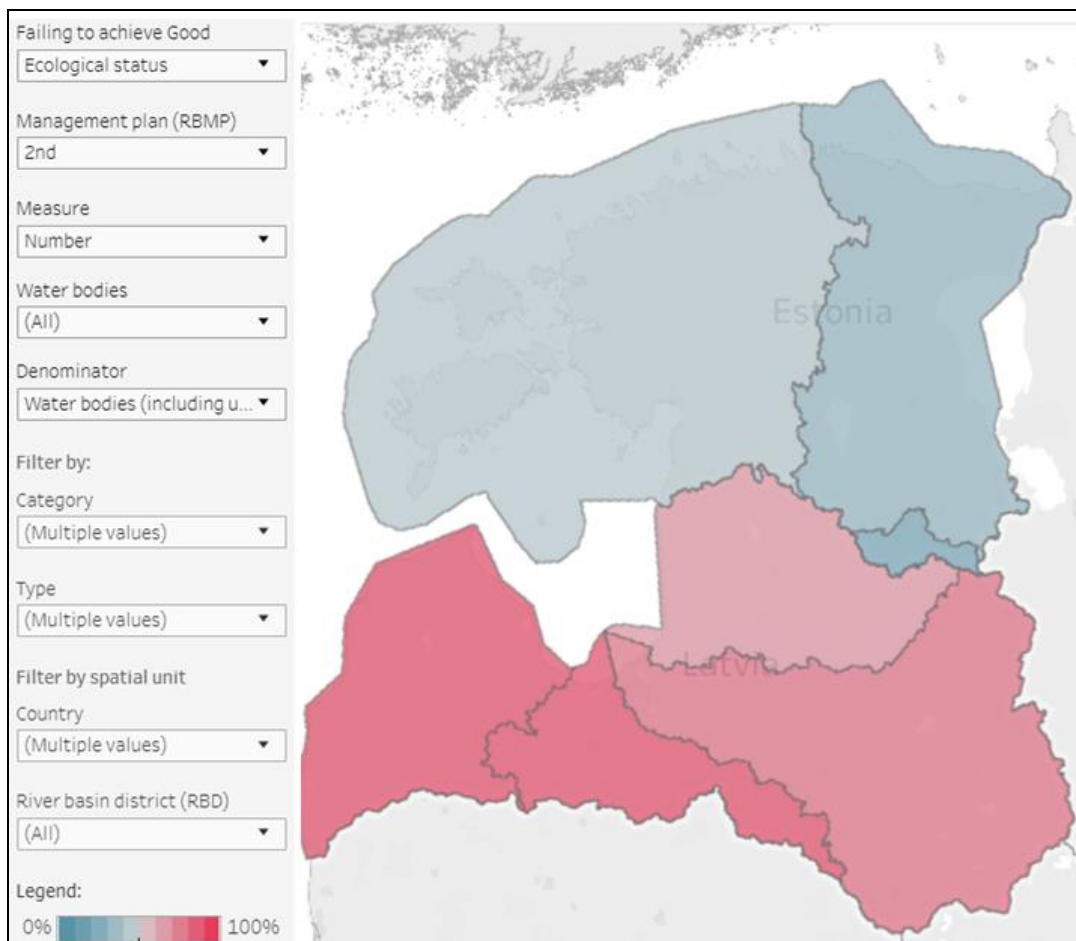


Figure 3.3.1.c. Share of wate bodies that fails to achieve good ecological status (source: EEA)

3.3.1.2. Pressures on water bodies

Waste water discharges from urban waste water treatment plants are among the major point source pollutions, contributing to nutrient pollution load and chemical substances including hazardous substances in water. The table 3.3.1 shows the share of water bodies that are impacted by one of four major pressures. It is also recognisable that in many water bodies, particularly in Estonia the causes for impacts are unknown and additional investigations are needed.

Table 3.3.1. Pressures causing significant impacts on water bodies according to 2nd RBMPs (source: EEA)

	Daugava	Gauja	Lielupe	Venta	Western Estonia	Eastern Estonia	Koiva
Nutrient pollution	42%	42%	79%	48%	11%	10%	12%
Chemical pollution	2%	5%	11%	6%	3%	2%	0%
Altered habitats due to hydrological changes	3%	1%	2%	6%	1%	0%	0%
Altered habitats due to morphological changes	18%	19%	55%	36%	22%	20%	12%
Unknown/uncertain	33%	19%	6%	23%	66%	69%	77%
None	20%	33%	9%	16%			

3.3.2. Air, noise, vibrations

Air quality, noise and vibration are mainly local problems, particularly in large cities such as Riga. The chosen PO3 foresees the improvement on road quality which might cause some local temporary pollution and noise/vibration disturbances. However, in the context of current strategic programme, there are no benchmarking data to make the assessment on significance of the impact with regard to these environmental aspects. This shall be addressed at a project level.

3.4. Cultural aspects

3.4.1. Cultural heritage

Cultural heritage is not changing rapidly in a short period unless of extraordinary situation. Therefore, statistics on a number of monuments are rather constant.

The programme area is quite rich in cultural heritage values. Most valuable cultural heritage objects are under national or local protection.

In Estonia, the Heritage Conservation Act sets the framework for protection of cultural monuments as well as larger heritage conservation areas. Both of these types are also registered in the national register for cultural monuments²⁵ and the info is easily available for any area. The number of nationally registered monuments and heritage areas for each county is given in Table 3.4.1.a.

²⁵ <https://register.muinas.ee/>

Table 3.4.1.a. Number of nationally registered monuments and heritage areas in Estonia, in programme area (source: <https://register.muinas.ee/>)

County	Monuments	Heritage conservation areas
Saare	1024	1
Tartu	1023	1
Võru	997	1
Pärnu	911	2
Põlva	684	0
Viljandi	555	1
Jõgeva	481	0
Lääne	442	1
Valga	434	1
Hiiu	400	0

In addition to nationally protected monuments and heritage areas there are several types of other cultural values in Estonia that are not strictly protected but still registered (most of which can also be found in the national register), such as heritage culture objects; XX century architecture objects; burial sites; antiquities and places of tradition etc.

The number of cultural monuments in Latvia (by region) is given in Table 3.4.1.b.

Table 3.4.1.b. Number of cultural monuments in Latvia, by region (Source: www.mantojums.lv)

Region	Total number	National importance
Kurzeme	1154	832
Vidzeme	1586	921
Riga	2559	1071

3.4.2. Cultural landscapes

Both in Estonia and in Latvia the national level landscape areas are protected in the frame of nature conservation framework. Protected landscape areas are territories remarkable for original and diverse landscapes and special beauty. The goals of such territories are to protect and preserve the cultural environment and landscapes characteristic of Estonia and Latvia in all their diversity, as well as to ensure the preservation of environment appropriate for recreation of society and for tourism, and use of environment friendly management methods. As in Latvia there are no separate heritage conservation areas protected under cultural heritage law, this becomes the main means to protect the culturally valuable landscapes. Out of 9 protected landscape areas in Latvia, 5 are located in the Estonia-Latvia Programme area: Ādaži, Vecļaicene, Vecpiebalga, Vestiena, Ziemeļgauja.

Scenic landscapes have been also identified in the frame of local spatial planning activities; however, the systematic approach is not yet established in Latvia. Pilot landscape assessment have been implemented at regional scale (Zemgale) and in some municipalities. In Estonia, all county plans and local municipality comprehensive plans have identified culturally valuable landscapes and specified conditions needed to protect landscape values. Comprehensive land-use plans often include info about other types of landscape values as well, such as scenic road sections and viewpoints.

The coastal zone of the Baltic Sea and the Gulf of Riga is protected in both countries for several reasons, one of them is landscape protection. In Latvia - coastal zone outside urban areas of at least

300 m and of at least 150 m in urban areas, including the specially protected habitats; the protection zone for the limited economic activity is up to 5 km wide; the marine protection zone is up to 10 m isobaths. In Estonia - the limited management zone reaches up to 200 m from the shore of Baltic Sea and the building exclusion zone up to 100 m from the shore (on the forest land, the building exclusion zone is also 200m).

4. Assessment of the potential significant environmental impact from the implementation of the programme

The aim of this chapter is to present the strategic environmental assessment approach and results. Taking into account the Estonia-Latvia Programme's scope, identified policy objectives and specific objectives, provisionally identified type of activities (see chapter 1), and that the task is to have a preliminary estimate of significant impacts on environment, the assessment approach is based on expert evaluation in a qualitative way.

First of all, it can be brought out that the Estonia-Latvia programme is not aimed to set a framework for future development consent of projects listed in Annexes I²⁶ and II²⁷ to Council Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment. Also, the Programme does not fall under the programmes for which environmental assessment is mandatory, according to Council Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment. On a national level, the Programme is not aimed to set a framework for future development consent of projects listed in Annex 1 of the Latvian Law on Environmental Impact Assessment and in §6 sub-section 1 of Estonian Environmental Impact Assessment and Environmental Management System Act.

It should also be recognized that the Estonia-Latvia Programme is a strategic level document that does not result in immediate changes to the (physical) environment. Therefore, there are no direct negative impacts that can be explicitly described and assessed at this stage. For the activities that cause changes or create a pressure in the environment, a construction or infrastructure project will anyway be needed before implementing the activities. And all the projects that may result in significant negative impact are a subject to an additional EIA or EIA preliminary estimate, as per the legislative requirements of Estonia and Latvia.

Furthermore, it can be brought out that the possible investments allocated by the Programme are not very large. The financial allocation of the Programme is about 20 million € that is about half of the budget allocated in the previous programming period 2014-2020, also not all of it will be dedicated to investments in the physical environment. Thus, the possible changes in physical environment are local and impacts most likely will be very limited.

Many of the policy objectives of the programme are focused on fostering cross-border cooperation through „soft“ type of activities such as, strategy/concept development; capacity building of stakeholders, institutions and administrations through trainings, workshops and similar events; supporting marketing and promotion of SMEs.

The table 3 in Chapter 3 presented interactions between policy and specific objectives of the programme with key environmental issues. Based on that, the table 4 below presents an overview of possible impacts of Estonia-Latvia Programme's activities in a qualitative way – either positive (+) or negative (-); short-term (S) or long-term (L). The cells without any information mean that it is not possible to describe any clear environmental impacts resulting directly from the programme's activities.)

²⁶ A list of projects for which EIA is mandatory

²⁷ A list of projects for which the national authorities have to decide whether an EIA is needed

Table 4. Overview on environmental impact assessment of the Est- Lat Programme. (+/- : positive or negative; S/L: short or long term impact)

	Nature			Use of resources		Emissions					Climate change	Cultural aspects		
	Species (flora & fauna)	Habitats	Protected areas (Natura 2000)	Water use	Land use	Noise	Vibration	Air pollution	Waste	Waste water discharges		Landscapes	Baltic Sea & Gulf of Riga coastal zone	Heritage
PO1														
PO2	+ L	+ L	+ L	+ L	+ L					+ L		+ L	+ L	+ L
PO3						- S	- S	- S						
PO4	+/- L	+/- L	+/- L									+/- L	+ L	+ L
ISO (ii) public administration cooperation														
ISO (iii) people to-people														

The findings illustrated in the table are further explained as follows:

Due to type of activities included in the programme, the Interreg specific objectives (ISO) will not have any considerable impact on environment. ISO will support only capacity building activities without the on-site specific activities. The same stands for P01 which also will support the target groups in strengthening their knowledge, competencies and skills through cross border cooperation.

Climate change will not be particularly addressed by the Estonia-Latvia Programme's activities. The same stands for waste management, circular economy issue and emissions from energy sector. The programme will also not cover Baltic sea issues and marine environment, except the terrestrial coastal areas. At the time of compiling this preliminary estimate, it is not expected that the Programme includes funding new infrastructure (e.g. green infrastructure or renewable energy).

The Estonia-Latvia Programme will likely have a positive effect on nature components (species, habitats, protected areas), use of resources (land and water), reduction on water pollution, as well as cultural aspects, as this is the main target of PO2. The positive impact is anticipated being bigger if the projects submitted will cover large area, enabling also positive cumulative impacts, also if the projects address specific challenge that can be solved during the project duration. Taking into account the characteristics of the planned activities (joint conceptual and strategic documents, supporting capacity building and awareness raising etc) the effects of some of the projects would be recognized in longer time perspective.

At the time of compiling this preliminary estimate, PO4 activities are aiming to support enhancing the role of culture and sustainable tourism in economic development. This can include also small-scale tourism infrastructure that might cause an effect on some local species and habitats or protected areas if the activities will focus on establishing infrastructure that attracts more people to areas that

are vulnerable and unique. In its turn such infrastructure can support safeguarding the biodiversity and landscape values if the tourism and visitors' flows are guided by proper infrastructure. As the support will be sustainable tourism then it is rather expected that activities will not have significant impact on environment. Moreover, the former Estonian-Latvian Programmes have experienced to support various tourism related activities without leading to significant impact on environment. The activities funded in the frame of the PO4 may lead to positive impact on preservation of cultural heritage as projects under this priority might address cultural issues.

The Estonia-Latvia Programme will likely have a negative short-term impact on some environmental and human health aspects regarding noise, vibration and air pollution due to implementation of PO3. However, in long term this might bring positive effect as the dust pollution, noise and vibration might be reduced as the quality of the gravel roads will be improved. The possible short-term negative impacts can be specified and assessed, if needed, on a project level.

Even if the planned improvements/changes in the environment are very small, the specific location of each activity needs to be considered. If the activities are planned in a naturally sensitive area (e.g protected areas, including Natura 2000 areas), an EIA preliminary estimate may be needed during a road construction project to be supported by the programme.

Based on the scope of the Estonia-Latvia programme and the characteristics of the planned activities, it can be said that this strategic programme will not have adverse effects on the integrity of Natura 2000 areas.

To conclude:

The overall strategic environmental assessment approach requires to evaluate degree of the impacts: will a programme be likely to have significant impacts to the environment. **Based on the features (the strategic level, type of activities included and available resources) of the Estonia-Latvia programme it is unlikely to have significant impacts to the environment.**

5. Proposal to initiate or not initiate the strategic environmental impact assessment of the Programme with justification

Based on findings in this preliminary estimate, the proposal is that SEA is not required based on the following justification:

- 1) The Estonia-Latvia programme is not aimed to set a framework for future development consent of projects listed in Annexes I and II to Council Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment. Also, the Programme does not fall under the programmes for which environmental assessment is mandatory, according to Council Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment. On a national level, the Programme is not aimed to set a framework for future development consent of projects listed in Annex 1 of the Latvian Law on Environmental Impact Assessment and in §6 sub-section 1 of Estonian Environmental Impact Assessment and Environmental Management System Act.
- 2) The financial allocation of the Programme is about 20 million € that is about half of the budget allocated in the previous programming period 2014-2020 and not all of it will be dedicated to investments that cause changes in the physical environment (such as on road improvement or small-scale elements contributing to green infrastructure).
- 3) Many of the policy objectives of the programme are focused on fostering cross-border cooperation through „soft“ type of activities such as, strategy/concept development; capacity building of stakeholders, institutions and administrations through trainings, workshops and similar events; supporting marketing and promotion of SMEs. This type of activities will not lead to the significant negative environmental impact.
- 4) One of the specific objectives is targeted to enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution. At the time of compiling this preliminary estimate, it is not expected that the Programme includes funding new large-scale infrastructure. However, even the “softer” measures would likely have positive effect on the environment. The positive impact is anticipated being bigger if the projects submitted will cover large area enabling also positive cumulative impacts, also if the projects address specific challenge that can be solved during the project duration. Enhancing the role of sustainable tourism in economic development can likely cause diverse environmental impacts depending on location, challenges addressed and scale of activity. Considering scale of the Programme and focus on sustainability aspects, it is unlikely that environmental impacts would be significant.
- 5) Another specific objective is focused to improve regional road network by black covering prioritized stretches of gravel roads in the border area. Although this might cause short term disturbances (noise, vibrations, air pollution), in long term it will remove pollution by dust. However, each infrastructure construction project will follow the national procedures on EIA preliminary estimates if the project meets the criteria given by national legislation on the environmental impact assessment.
- 6) **To conclude, based on the features (the strategic level, type of activities included and available resources) of the Estonia-Latvia programme it will not have adverse effects on the integrity of Natura 2000 areas and it is unlikely to cause significant impacts to the environment.**

6. Opinions of the authorities concerned

6.1. Latvia

In the beginning of the development of the Estonia-Latvia Programme, the Latvian Ministry of the Environmental Protection and Regional Development (MoEPRD) (*Latvijas Vides aizsardzības un reģionālās attīstības ministrija*) consulted with the State Environmental Bureau (Bureau) (*Valsts Vides Dienests*), the competent authority for SEA in Latvia about the procedure for the consultation on SEA during the development of the Estonia-Latvia Programme.

The Bureau has noted to the requirements of the Cabinet of Ministers Regulations No 157 require to consult with State Environmental Service (*Vides pārraudzības valsts birojs*), Nature Conservation Agency (*Dabas aizsardzības pārvalde*), Health Inspectorate (*Vides inspekcija*) on possible impact of implementing the planning document on the environment and human health and also the necessity for the strategic assessment (point 5 of the Regulation). The Bureau will decide on the necessity of SEA based on consultation results and with a submission (information presented in the preliminary estimate).

The MoEPRD sent a letter to the above mentioned three authorities on 11.09.2020. The responses received are as follows:

- 1) State Environmental Service (SES) asked for online consultation. It took place on 01.10.2020. The discussion was documented in minutes and agreed by the participants (in Latvian). Given the current information on the objectives and related activities, the SES considers that a full SEA is not necessary. It was agreed that the consultants will provide the preliminary estimate for the review by SES.
- 2) Nature Conservation Agency submitted the response in the written letter stating that the Agency considers that the implementation of the activities provided by the Programme is not expected to have a negative impact on the environment.
- 3) Health Inspectorate responded by e-mail on 11.09.2020. The Environmental Health Division of the Health Inspectorate (*Vides inspekcijas Vides veselības nodaļa*) considers that a strategic environmental and human health impact assessment should be carried out. Nevertheless, they are ready for further consultations.

When the preliminary estimate was translated into Latvian, it was sent to the State Environmental Service and Health Inspectorate. The responses from both institutions were that full SEA is not needed.

The MoEPRD sent the preliminary estimate and received the opinions from the three environmental authorities to the Bureau asking for decision on necessity of having SEA. The letter was sent on 11.12.2020. The Bureau provided the decision Nr. 4-02/4 on 11.01.2021 that the SEA procedure for the Latvian-Estonian cross-border co-operation program 2021–2027 shall not be applied.

Full correspondence of the consultation process is included in the Latvian version of the preliminary estimate.

6.2. Estonia

As per Estonian law (§ 33 subsection 6 of the Environmental Impact Assessment and Environmental Management System Act) and practice, the consultations with Estonian authorities were carried out after the draft preliminary estimate was prepared.

The draft preliminary estimate and draft decision not to initiate SEA were sent to the following institutions for review: Ministry of the Environment, Ministry of Economic Affairs and Communications, Ministry of Culture, Ministry of Rural Affairs, Ministry of Social Affairs, The Environmental Board.

Answers were received from Ministry of the Environment and from the Environmental Board.

The opinion of the Ministry of the Environment was that full SEA is not required.

The Environmental Board gave comments to amend the preliminary estimate.

The full letters were added to the Estonian version of the preliminary estimate, as well as answers explaining how the comments were taken into account.

The preliminary estimate was amended based on the comments. Current version already includes these amendments and is considered final.