Strategic Environmental Assessment of Operational Programme for Partnership Agreement for Use of EU Structural and Investment Funds and Cohesion Policy Funding 2014-2020

REPORT

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Summary

Impact on environment

The Partnership Agreement and the Operational Programme for Cohesion Policy Funds 2014-2020 set neither objectives nor development priorities in case of which, if applicable, an increase of negative impact on environment could be envisaged. Planned intervention mechanisms comply with the environmental objectives established in Estonian Environmental Strategy 2030. The intervention mechanisms deal with many of the objectives set in the Strategy and facilitate the achievement of the following:

- Sustainable use of natural resources and reducing waste generation
- Landscape and biodiversity preservation
- Climate change mitigation and air quality
- Health and quality of living environment

The Partnership Agreement has envisaged environmental protection and climate as the horizontal themes. The implementation of the Operational Programme includes planned activities related to environmental protection which are intended as several specific priority axes. The 'Water Protection' priority axis will promote the improvement and protection of the availability of ground- and surface water supply through modernising water infrastructure and cleaning up contaminated sites. The introduction of renewable energy in the housing and transport sectors will be advanced, and the introduction of resource-efficient solutions and the best possible technology will be promoted under the 'Energy Efficiency' priority axis. Under the 'Green Infrastructure and Enhancing Emergency Preparedness' priority axis, environmental protection is also contributed to. The objective of the former is to increase the capacity of climate change mitigation and emergency response, and activities which contribute to achieving a favourable condition for species and habitats, and also achieving landscape diversity, are supported in order to ensure the functioning of habitats as a unified ecological network.

Under the 'Sustainable Transport' priority axis, sustainable development will be promoted through the development of transport links and public transport. Under the 'Infrastructure for ICT Services' and 'Administrative Capacity' priority axes, support will be provided for the development of e-services and other public services, contributing to sustainable development by reducing the need for mobility.

To avoid negative impact, environment protection must be envisaged as a value that will be considered significant throughout the Operational Programme. The activities related to environmental protection and climate are well-specified in the measures of the priority axes described above, whereas it is not represented as an independent horizontal theme, which may create the impression that environmental protection and climate change are a field unto their own. When all the potential activities within the priority axes will be implemented in order to prevent possible negative impacts on environment, environmental protection and climate must be dealt with throughout the priority axes and indicators of the Operational Programme (infrastructure, financial support for entrepreneurship and innovation). In order

to achieve a common understanding of the principles for environmental protection (for example, sustainable use of non-renewable resources, the improvement and increasing of renewable resources) and climate (the mitigation of climate change impacts and adapting to climate change), it is necessary to specify these under horizontal measures (for instance, when planning and implementing projects, the state of environment will be improved).

Impact on humans

The Partnership Agreement and the Operational Programme for Cohesion Policy Funds 2014-2020 neither set objectives, development priorities, nor devise measures in case of which, if applicable, negative impact on human health or welfare would occur.

Implementation of the plans will facilitate the advancement of social development in Estonia – economic growth will be supported through the priority axes and measures which increase involvement in education and employment. Health promotion and activities directed at the increase of average life expectancy are supported in order to take account of impacts related to unavoidable developments in society (primarily demographic changes).

Enhancing positive impacts will be made possible through better integration of the horizontal principles specified in the Partnership Agreement into the priority axes and indicators of the Operational Programme (involving non-Estonian speaking population in the development of society, broadening the approach to principles increasing social cohesion, enhancing the accuracy of how gender differences are portrayed).

1 Introduction

To use EU funding during the new budget period, member states must devise a partnership agreement which includes Cohesion Policy Funds (European Social Fund, European Regional Development Fund, Cohesion Fund) and European Agricultural Fund for Rural Development and European Maritime and Fisheries Fund. The partnership agreement will be entered into between the European Commission and a member state, and will be the basis document for use of EU funding. Main funding priorities, possible ex-ante conditionalities for use of funding, objectives and indicators for achieving these, and general organisation of fund administration are agreed upon in the partnership agreement. A separate strategic reference framework will not be drafted for use of EU funding as was done previously (for example, National Strategic Reference Framework 2007-2013) – it will now be replaced by partnership agreement.

Based on the Partnership Agreement, operational programmes will be drafted, and these will describe more concrete objectives of use of EU funding and expected results (incl. by funds separately), measures and their funding within each funded field. Estonia will draft a common Operational Programme for European Social Fund, European Regional Development Fund, Cohesion Fund (currently there are 3 operational programmes) in order to implement Cohesion Funds more efficiently and so that this will yield better results. Operational Programmes for European Agricultural Fund for Rural Development and European Maritime and Fisheries Fund will be devised separately.[1]

Final SEA Report has been drawn up for versions of the Operational Programme and the Operational Programme for CP Funds as of July 12 2013 submitted by the Ministry of Finance.

[1] As provided on the website European Union Structural Assistance to Estonia, http://www.struktuurifondid.ee/partnerluslepe-ja-rakenduskavad/ (January 11 2013)

2 Description of the Operational Programme and Partnership Agreement content and objectives

The strategic planning document is the Operational Programme of the Partnership Agreement for Use of EU Funds and Cohesion Policy Funding 2014 – 2020. Estonia will draft one Operational Programme (current period has 3 Operational Programmes) in order to enhance the performance and efficiency of implementation of cohesion policy funding (European Social Fund, European Regional Development Fund, Cohesion Fund).

In 2014, the new period of financing for EU Cohesion Policy and Common Agricultural Policy starts, within which Estonia has the opportunity to use 5 Funds for financial support. Ministry of the Finance of the Republic of Estonia coordinates the drafting of the Operational Programme for Cohesion Policy Funding. The Operational Programmes for European Agricultural Fund for Rural Development and European Maritime and Fisheries Fund are drafted separately, and the process is coordinated by the Ministry of Agriculture.

The Partnership Agreement for all 5 Funds specifies the general framework and principles for the use of EU Funds for 2014-2020 and is to be entered into by Estonia and the European Commission.

Drawing upon the analysis of our state's development needs, the following thematic objectives are decided upon for funding Estonia's financing priorities and meeting objectives:

1. Strengthening research, technological development and innovation.
Justification: Within this thematic objective, the main focus will be on the development needs to find new sources of growth, to make the economy more knowledge intensive and to increase the impact of Estonian research, and partially (primarily to improve resource efficiency) also on the development needs to make the use of natural resources more efficient and the economy less energy intensive. Investments are being planned under the Entrepreneurial Growth Strategy, the RD&I Strategy and other strategies. The smart specialisation framework will be included in the RD&I Strategy, and its priorities will be supported in all development plans with an aim to support the development of growth sectors chosen on the basis of the smart specialisation methodology. The initially-chosen smart specialisation sectors are information and communication technology (hereafter 'ICT') in all sectors, healthcare technologies and services and more efficient use of resources[2] (considering the smart specialisation methodology, the selection of sectors may change during the period). Another objective is to improve the competitiveness of R&D and to promote innovative solutions to achieve resource efficiency in enterprises.

[2] Smart specialisation – A qualitative analysis. Estonian Development Fund (http://www.arengufond.ee/wp-content/uploads/2013/06/Nutikas-spetsialiseerumine-20_02_2013.pdf)

Under this thematic objective, contributions will be made to an increase in competitiveness and to the research and development objective of 'Europe 2020' and 'Estonia 2020' National Reform Programme. To meet the challenge of achieving a competitive business environment and environmentally sustainable economy and energy sector, as specified in the 'Estonia 2020' National Reform Programme, emphasis will be placed on the following policy priorities of the government: 'Improving the quality of the educational system and adapting it to demographic changes'; 'Increasing the international competitiveness of higher education'; 'Creating preconditions to increase the volume of R&D in the private sector and raise the amount and quality of innovation output'; 'Shaping a policy that promotes long-term growth in the international competitiveness of enterprises'; and 'Reducing the general resource-intensiveness, including energy-intensiveness, of the economy'.
Also contributions will be made to implement the Commission's country-specific recommendation No 3 for 2013, 'Continue efforts to improve the labour-market relevance of education and training systems, including by further involving social partners and implementing targeted measures to address youth unemployment. Significantly increase the participation of the low-skilled in life-long learning. Intensify efforts to prioritise and internationalise the research and innovation systems and enhance cooperation between businesses, higher education and research institutions'.

2. Enhancing access to, and use and quality of, information and communication technology (ICT products, services and applications).
Justification: In line with the 'Estonia 2020' National Reform Programme and the Information Society Development Plan, support will be given to construction of basic new-generation broadband network to market-failure areas, development of basic e-service infrastructure, implementation of activities that are based on the infrastructure and improve the availability and standard of e-services, thus creating opportunities for both the public and private sectors to develop and use new and innovative e-services, thereby contributing to the development of other policy areas and increased international competitiveness of Estonia. One targeted part investments made with the help of EAFRD will be access to the basic broadband network. Under this thematic objective, the main focus will be on the development need to improve sustainable connection and movement options for people and goods through the development of ICT connections, and partially on the development need to find new sources of growth, make the economy more knowledge intensive and increase the impact of our research via development of the basic infrastructure for e-services.
In addition, the interventions will contribute to the implementation of the following policy priorities of the government: 'Broader use of the potential of creative industries, ICT and other key technologies to raise the added value created in other sectors' and 'Bringing transport, ICT and other public infrastructure and institutions that support business to an international level'.

3. Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF).
Justification: Within this thematic objective, the main focus will be on the development need to improve the export capacity and growth potential of our enterprises (these are mainly SMEs). Investments are planned on the basis of the Entrepreneurial Growth Strategy, Rural Development Plan, Tourism

Development Plan and Fisheries Development Strategy to contribute to the growth of competitiveness, employment and productivity and reduction in poverty and social exclusion objectives of 'Europe 2020' and 'Estonia 2020' and to meet the challenge to create a competitive business environment, as stated in the 'Estonia 2020' National Reform Programme. EAFRD funding includes various investment support options for agriculture and food processing industry and support to beginning farmers and various joint activities. EMFF funding includes measures for product development, production cycle optimisation and joint activities.

4. Supporting a shift towards a low-carbon economy in all sectors.
Justification: Within this thematic objective, focus will be on the development need to make the economy use natural resources more efficiently and become less energy- and carbon-intensive by investing into improvement of resource efficiency, reduction of energy efficiency and development of energy production. Some attention will also be paid to the development need to improve sustainable connection and movement options for people and goods and realisation of the potential of cities to save CO_2 through the development of environmentally-friendly urban public transport. Investments are planned to contribute to the competitiveness objectives of the 'Estonia 2020' National Reform Programme and 'Europe 2020', the environmentally sustainable economy and energy sector challenges of 'Estonia 2020', incl. increased use of renewable energy, greater energy efficiency and greenhouse gas emission reduction objectives, and the horizontal priorities of higher productivity and compliance with the greenhouse-gas emission ceiling in the State Budget Strategy.
The interventions proposed will contribute to implementing Commission's country-specific recommendation No 4 for 2013 (Improve energy efficiency, in particular in buildings and transport, and strengthen environmental incentives concerning vehicles and waste. Step up the development of cross-border energy connections to diversify energy sources and promote competition in the energy market.). The Government's policy priority 'Implementing long-term structural changes in the energy sector in harmony with Estonia's energy security and energy efficiency objectives' will also be implemented.

5. Promoting climate change adaptation, risk prevention and management.
Justification: Based on this thematic objective, investments are planned to contribute to achieving the climate change mitigation objective of 'Europe 2020' and 'Estonia 2020' and to meeting the environmentally sustainable economy and energy challenges of the 'Estonia 2020' National Reform Programme. The proposed interventions are also connected to the thematic objectives 'Supporting a shift towards a low-carbon economy in all sectors' and 'Protecting the environment and promoting resource efficiency', and will contribute together with the interventions planned within the objectives to reduced negative environmental impact of human activity (incl. economy and water transport), and indirectly to implementing CSR 5 for 2013 ('Ensuring quality provision of local public services).

6. Protecting the environment and promoting resource efficiency.
Justification: Within this thematic objective, the focus will be on the development need to ensure a clean and diverse natural environment and more

efficient use of natural resources by investing into water protection and nature conservation. Under this thematic objective, the EU Biodiversity Strategy (COM(2011) 244) and EU Green Infrastructure Strategy (COM(2013) 249) that are included in the Resource-Efficient Europe under the strategy 'Europe 2020' will be implemented. Investments are planned to contribute to the sustainable economic growth objectives of 'Europe 2020' and 'Estonia 2020', the horizontal priority of higher productivity in the State Budget Strategy and to meeting the environmentally sustainable economy and energy challenges of the 'Estonia 2020' National Reform Programme.
The interventions planned will contribute to improved resource efficiency, reduced negative environmental impacts of human activities (incl. economy and transport) and partially contribute to implementing CSR 3 for 2013 (Intensify efforts to prioritise and internationalise the research and innovation systems and enhance cooperation between businesses, higher education and research institutions.).

7. Promoting sustainable transport and removing bottlenecks in key network infrastructures.
Justification: Within this thematic objective, focus will be on the development need to improve sustainable options for the connection and movement of people and goods in the transport sector. Investments are planned to contribute to the competitiveness objectives of 'Europe 2020' and 'Estonia 2020' by eliminating bottlenecks in cross-border connections in the Trans-European Transport Network (TEN-T), towards the sustainable growth objective of the Transport Development Plan and the horizontal priority of higher productivity in the State Budget Strategy.
The implementation of CSR 4 for 2013 (Improve energy efficiency, in particular in buildings and transport, and strengthen environmental incentives concerning vehicles and waste. Step up the development of cross-border energy connections to diversify energy sources and promote competition in the energy market.) will also be contributed to. Implementation of the 'Estonia 2020' National Reform Programme will be contributed to via the implementation of the government's policy priority of bringing transportation, ICT and other public infrastructure and institutions that support business to an international level.

8. Promoting employment and supporting labour mobility.
Justification: Within this thematic objective, focus will be on the development need to increase employment and adapt the educational system to the needs of society, on reducing school drop-out rates and increasing employment of young people. Some attention will also be paid to the development need to increase the export capacity and growth potential of our enterprises, and in response to regional development challenges, to creating conditions for job creation and access to jobs and services in regions. Investments are planned to contribute to the objectives of reduced poverty and social exclusion and a higher employment rate and productivity stipulated in 'Europe 2020' and 'Estonia 2020'. The role of EAFRD funding in promoting employment primarily constitutes support to creating alternative employment opportunities in rural areas for people who have had to leave the agricultural sector.
In addition, contribution will be made to implementing CSR 2 for 2013 (Improve incentives to work by making the various existing social-benefit systems more consistent and by increasing the flexibility and targeting of benefit allocation. Improve the delivery of social services, including childcare, while increasing the

efficiency and cost-effectiveness of family policy. Strengthen activation measures to facilitate the return to the labour market of the long-term unemployed and people receiving disability benefits and incapacity for work benefits. Establish coordinated measures for fostering economic development in regions affected by high unemployment.), and CSR 5 for 2013 (Better balance local government revenue against devolved responsibilities. Improve the efficiency of local governments and ensure quality provision of local public services). Measures will also be taken to meet the challenge 'Well-educated people and inclusive society' set out in the 'Estonia 2020' National Reform Programme, by pursuing the Government's policy priority of increasing the impact of active labour market policy, and sustainability of financing.

9. Promoting social inclusion and combating poverty.

Justification: Within this thematic objective, focus will be on the development need to increase employment and adapt the educational system to the needs of society by supporting the resolving of challenges related to increasing employment. In addition, focus will be on the development needs to increase social cohesion by ensuring better access of risk groups to the labour market, and on the development need to increase the healthy life years and develop the healthcare system meeting the needs with an aim to reduce the significant negative impact of health indicators on employment and increase the effectiveness of the hospital network/provision of healthcare services. Also, development needs of larger urban areas will be tackled by reviving economically, physically and socially underdeveloped areas and creating childcare opportunities close to residents' homes. Investments are planned to contribute to the objectives of inclusive growth, reduced poverty and social exclusion and a higher employment rate stipulated in 'Europe 2020' and 'Estonia 2020'.

Measures will also be taken to meet the 'Well-educated people and inclusive society' challenge specified in the 'Estonia 2020' National Reform Programme by pursuing the government's policy priorities of increasing the impact of active labour market policy, sustainability of financing and increasing healthy life years by improving health-related behaviour, continuing to work towards reducing accidents and developing healthcare infrastructure. The strategy will be implemented through the government policy priority of 'Improving the sustainability of social expenditure in the public sector in the face of a decreasing working-age population and ageing population'. Also, a productive healthcare policy and well-targeted and productive social policy will be implemented. The proposed activities will also contribute to implementing CSR 2 for 2013 (Improve incentives to work by making the various existing social-benefit systems more consistent and by increasing the flexibility and targeting of benefit allocation. Improve the delivery of social services, including childcare, while increasing the efficiency and cost-effectiveness of family policy. Strengthen activation measures to facilitate the return to the labour market of the long-term unemployed and people receiving disability benefits and incapacity for work benefits. Establish coordinated measures for fostering economic development in regions affected by high unemployment.), and CSR 3 (Continue efforts to improve the labour-market relevance of education and training systems, including by further involving social partners and implementing targeted measures to address youth unemployment. Significantly increase the participation of the low skilled in life-long learning. Intensify efforts to prioritise and internationalise research and innovation systems and enhance

cooperation between businesses, higher education and research institutions). Activities to further local development (LEADER) planned in connection with EAFRD funding will contribute to social inclusion and better local governance, especially with the help of innovative community-based solutions.

10. Investing in education, skills and life-long learning.
Justification: Within this thematic objective, focus will be on the development need to increase employment and adapt the educational system to the needs of society by supporting modernisation of education infrastructure and adjustment to demographic changes (incl. efficiency). Investments are planned to contribute to the education objectives of decreasing the percentage of school drop-outs, increasing the number of people with tertiary education and partially towards the objectives of a higher employment rate and lower poverty and social exclusion, as stipulated in 'Europe 2020' and 'Estonia 2020'. Measures will also be taken to meet the 'Well-educated people and inclusive society' challenge set out in the 'Estonia 2020' National Reform Programme in order to implement the following policy priorities of the government: 'Improving the quality of the educational system and adapting it to demographic changes'; and 'Bringing labour qualifications into conformity with the needs of the contemporary labour market (among other things, making better use of the opportunities of EU internal market policy and other policies)', and increasing the share of people with professional education at the vocational and higher educational levels'. Contribution will also be made to implementing CSR 3 for 2013 (Better balance local government revenue against devolved responsibilities. Improve the efficiency of local governments and ensure quality provision of local public services).

11. Enhancing institutional capacity and ensuring efficient public administration.
Justification: Within this thematic objective, focus will be on the development need to ensure more efficient, citizen-centred and uniform governance, and on the local and regional development capacity. Investments are planned to contribute through smart development of public services (incl. e-services) under 'Europe 2020' and 'Estonia 2020' to improved competitiveness and employment in order to support inclusive growth, and indirectly also towards the objective of reducing poverty and social exclusion. Contribution will also be made to implementing CSR 5 for 2013 (Better balance local government revenue against devolved responsibilities. Improve the efficiency of local governments and ensure quality provision of local public services). Measures will also be taken to meet the challenge of the 'Estonia 2020' National Reform Programme to make the state sustainable and adaptive.

Horizontal principles
Many of the country's development needs and objectives are inherently cross- and inter-sectoral and therefore require activities to be planned in many sectors. The Cabinet agreed in its decision of 21 June 2012 that there were five **important horizontal themes** which require cooperation between many other policy areas and purposeful action to achieve the desired results and objectives set, and which should be taken into account in the preparation of development documents: **1) environmental protection and climate; 2) equal opportunities; 3) the information society; 4) regional development;** and **5) governance**. Two of these spheres coincide with the following horizontal

areas of the EU: 'Promotion of gender equality, non-discrimination and access', `Sustainable development`.

Table 2-1. Priority axes, investment priorities and sub-objectives:

Priority axis	**Thematic objective**	**Investment priorities**	**(Sub-)objectives**
1. Qualifications and skills meeting the needs of society and the labour market	8	1.1. Sustainable integration of young people, in particular those not in employment, education or training, into the labour market	Reduction of school drop-out rate at all education levels, and increase of youth participation in and readiness for employment
	10	1.2 Enhancing access to lifelong learning, upgrading the skills and competences of the workforce and increasing the labour market relevance of education and training systems; including improving the quality of vocational education and training and the establishment and development of work-based learning and apprenticeship schemes such as dual learning systems.	The approach to teaching in educational institutions is person-centred, develops creativity and innovation, and there is stronger connection of education to knowledge-based society and innovative economy.
			The qualifications and skills of the working-age population support retaining or achieving employment
2. Infrastructure supporting lifelong learning and obtaining skills required for employment	10	2.1. Investing in education, skills and lifelong learning by developing education and training infrastructure	A modern and optimal school network that is flexible with respect to demographic trends improves the quality of learning and supports students' educational choices
3. Services ensuring equal opportunities for employment	9	3.1. Active inclusion, the main objective is the enhancement of professional competitiveness	Prevention of and reduction in health loss of working-age population and higher employment rate of people with partial loss of their capacity of work
			Higher-quality and integrated welfare services result in higher participation of caregivers, people with special needs and coping problems in the labour market

Priority axis	Thematic objective	Investment priorities	(Sub-)objectives
			Recent immigrants are employed and play an active part in society, as do permanent residents who have not been sufficiently integrated
4. Infrastructure supporting equal opportunities for employment	9	4.1. Investing in health and social infrastructure that contributes to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	Modern, regionally accessible and optimal primary healthcare and acute care networks offer high-quality and sustainable healthcare services
			Higher quality and integrated welfare services make caregivers and disabled people more active, incl. on the labour market
5. Growth-capable entrepreneurship and internationally competitive R&D	1	5.1. Enhancing research and innovation infrastructure and capacity with the aim of developing R&I excellence and promote centres of excellence, in particular those of European interest	R&D and higher education are internationally competitive, and Estonia is active and visible in international cooperation in the field of RD&I
	1	5.2. Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education, in particular product and service development, technology transfer, social innovation and public service applications, demand stimulation, networking and open innovation through smart	Research and development serve the interests of the Estonian economy and society, and the RD&I system supports the development of a more knowledge-intensive structure of the economy
			Improved energy and resource efficiency in enterprises
			Enterprises in Estonia manufacture efficiently products with high added value and provide innovative services

Priority axis	Thematic objective	Investment priorities	(Sub-)objectives
		specialisation […] supporting technological and applied research, pilot lines, early product validation action, advanced manufacturing capabilities and first production in Key Enabling Technology, and through diffusion of general purpose technology	
6. Development of small and medium-sized enterprises and regional entrepreneurship	3	6.1. Supporting the capacity of SMEs to engage in growth and innovation processes	SMEs are ambitious and their exports have grown
	8	6.2. Supporting employment-friendly economic growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources	Employment and the added value of jobs have grown outside the urban areas of Tartu and Tallinn
7. Energy efficiency	4	7.1. Supporting energy efficiency and renewable energy use in public infrastructure and in the housing sector	Energy-efficient housing sector and increased share of renewable energy in final consumption
8.Water protection	6	8.1. Addressing the significant investment need of the water sector to meet the requirements of the EU environmental acquis	Resource-efficient and sustainable water management infrastructure in agglomerations with population equivalent of more than 2000
			Restored contaminated areas, bodies of water and wetlands

Priority axis	Thematic objective	Investment priorities	(Sub-)objectives
9. Green infrastructure and improved preparedness for emergencies	6	9.1. Protecting and restoring biodiversity, including through green infrastructure	Improved status of protected species and habitats
	5	9.2. Promotion of investments that focus on dealing with specific risks, ensuring disaster resilience, and developing systems for dealing with consequences of disasters	Increased capacity to react to emergencies caused by climate change and extensive pollution
10. Sustainable urban development	4	10.1. Promoting low-carbon strategies for all types of territories, in particular urban areas, including the promotion of sustainable urban mobility, measures for mitigation of and adaptation to climate change	Urban space that integrates various mobility options and is human-friendly and environmentally friendly
	9	10.2. Support for physical, economic and social regeneration of underdeveloped urban and rural communities and areas	Attractiveness of Ida-Viru urban areas as a living environment has improved
	9	10.3. Investing in healthcare and social infrastructure that contribute to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	Increased participation of parents with small children in the labour market
11. Sustainable transport	7	11.1. Supporting a multi-modal Single European Transport Area by investing in the Trans-European Transport Network	Connection possibilities with foreign partners that meet the needs of enterprises and society
	7	11.2. Developing environmentally friendly and low-carbon transport systems and promoting sustainable urban mobility, including river and maritime transport, ports and multimodal links	Reduced travel time; increased attractiveness, safety, accessibility and environmental friendliness of rail and other public transport

Priority axis	Thematic objective	Investment priorities	(Sub-)objectives
12. Infrastructure for ICT services	2	12.1. Extending broadband deployment, the development of high-speed networks, and supporting the adoption of emerging technology and networks for the digital economy	Everyone has access to high-speed Internet
	2	12.2. Strengthening ICT applications for e-government, e-learning, e-inclusion, e-culture and e-health	The basic infrastructure for services supports the activities of residents and enterprises within the state and abroad
13. Administrative capacity	11	13.1. Investments in institutional capacity and in the efficiency of public administration and public services with a view to reforms, better legal regulation and good governance	People's professional and occupational competence, management and cooperation capacity and institutional capacity have increased
			Policy development is more holistic, inclusive and knowledge-based
	11	13.2. Enhancing institutional capacity and efficient public administration by strengthening institutional capacity and the efficiency of public administration and public services related to the implementation of the ERDF, and in support of action in institutional capacity and in the efficiency of public administration supported by the ESF	Provision of public services is accessible, uniform, user-centred and smart
14. TA CF	NA	NA	The Cohesion Policy 2014–2020 has been effectively implemented with respect to the structural funds covered by the Operational Programme and Partnership Agreement
15. TA ERDF	NA	NA	The Cohesion Policy 2014–2020 has been effectively implemented with respect to the structural funds covered by the Operational Programme and Partnership Agreement

3 SEA methodology

The general objective of strategic environmental assessment is to promote taking account of environmental conditions, which ensures a high level for environmental protection and advances sustainable development.

The basis for carrying out SEA was the specifics of the strategic development documents and the principles of up-to-date environmental management. In addition to being guided by Environmental Impact Assessment and Environmental Management System Act, the SEA process was formed based on relevant Estonian and European Union guidance materials and theoretical materials[3][4][5][6][7][8].

Arising from the EU guidance document, the structure of SEA of the Partnership Agreement for Use of EU Structural and Investment Funds and the Operational Programme for Cohesion Policy Funding 2014-2020 is closely connected with the development process of the Operational Programme. SEA was conducted at the same time with drafting the Operational Programme and the Partnership Agreement (see Chapter 7.1), analysing the environmental impacts of implementing the Operational Programme. SEA experts participated in discussions and seminars regarding objectives, results and indicators, choosing of measures and planning funding, and also made recommendations when necessary.

The expert group employed qualitative assessment when conducting environmental impact assessment, during which direct and indirect environmental impacts of measures to be implemented were assessed, and also, the extent to which the objectives planned contribute to the achievement of environmental objectives was analysed.

Assessment was carried out in two parts:

1) <u>Compliance analysis</u>

The compliance and consistency of the Operational Programme objectives with national and international sectoral objectives.

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[3] Commission's Guidance, Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment (http://ec.europa.eu/environment/eia/sea-support.htm)

[4] Office of the Deputy Prime Minister. 2005. A Practical Guide to the Strategic Environmental Assessment Directive. ODPM Publications. London

[5] Jones, C. et al. 2005. Strategic Environmental Assessment and Land Use Planning. An International Evaluation. Earthscan, London.

[6] Sairinen, R. ; Kohl, J. (toim.) 2004. Ihminen ja ympäristön muutos. Sosiaalisten vaikutusten arvioinnin teoriaa ja käytäntöjä. Yhdyskuntasuunnittelun tutkimus- ja koulutuskeskus, Serie B 87, University of Technology. Espoo;
Frank Vanclay & Ana Maria Esteves. New Directions in Social Impact Assessment: Conceptual and Methodological Advances. Edward Elgar Pub, 2012

[7] Riki Therivel, "Strategic Environmental Assessment in Action"

[8] Commission's Guidance, Guidance document on ex-ante evaluation.The Programming Period 2014-2020 (http://ec.europa.eu/social/BlobServlet?docId=7858&langId=en)

The following was assessed:

- ✓ The Operational Programme objectives' compliance with objectives set in EU policy (Europe 2020, EU Strategy for the Baltic Sea Region, EU Biodiversity Strategy to 2020)
- ✓ Consistency with Estonian Environmental Strategy objectives (Estonian Environmental Strategy 2030, Estonia 2020)

The environmental objectives used in the compliance analysis and its results are presented in chapter 4.

2) <u>Assessment of external impacts</u>

When conducting the analysis, the Operational Programme measures were assessed by the impacted spheres separately.

When analysing external impacts:

- ✓ an overview of the current situation and main problems in the sphere was provided, it was based on the objectives specified in the Environmental Strategy and sectoral development plans;
- ✓ it was analysed which spheres will be impacted by implementing activities planned for achieving the objectives of the priority axes in the Operational Programme and to what extent. In case a specific sphere in the Operational Programme has a sub-objective for mitigating a problem, optimality of the chosen solutions was assessed;
- ✓ when necessary, amendment proposals to the environmental aspects of the Operational Programme not taken into account in the Operational Programme and the Partnership Agreement were presented.

The results for the assessment of external impacts are presented in Chapter 5.

4 Connection with other relevant strategic planning documents – compliance analysis

Pursuant to §40 Environmental Impact Assessment and Environmental Management System Act the following must be assessed (4): 2) connection of strategic planning document with other relevant strategic planning documents; 5) international, EU or national environmental protection objectives significant for strategic planning document, and description of how these objectives and other environmental considerations have been taken into account when drafting the strategic planning document. Compliance analysis of the Operational Programme or the investment priority of the priority axis and its objectives (sub-objectives of use of EU funding) is presented in this Chapter.

Proceeding from the above-described, agreements regarding international sustainable development and fields of environmental protection and environmental objectives set at national level were focussed on while conducting the compliance analysis.

Operational Programme and Partnership Agreement will be drawn up in accordance with other relevant development plans and strategic documents, first and foremost, with Environmental Strategy 2030, National Environmental Action Plan of Estonia for 2007-2013, Nature Conservation Development Plan 2020, Estonian National Energy Development Plan until 2020 (the new Plan until 2030 and a vision for 2050 is being drawn up), Transport Development Plan 2006–2013 (a draft is being drawn up for 2014 2020), etc.

4.1 Overview of relevant strategic documents containing environmental objectives

4.1.1 European Union documents

1. Flagship initiative 'Resource-efficient Europe' of the Europe 2020 Strategy

The flagship initiative for a resource-efficient Europe under the Europe 2020 strategy supports the shift towards a resource-efficient, low-carbon economy to achieve sustainable growth which enables the following:

- to boost economic performance while reducing natural resource use;
- to find and create new economic growth and innovation opportunities and to strengthen European Union's competitiveness;
- to ensure security of supply of essential natural resources;
- to combat climate change and to limit environmental impacts of natural resource use.

Natural resources have a significant impact on our economy and quality of life. We can not continue natural resource use in its current volume. Increasing resource efficiency will be key to securing economic growth and jobs in Europe. It will help to provide new major economic opportunities, improve productivity, cut costs and boost competitiveness.

Flagship initiative 'Resource-efficient Europe' will remain a long-term framework for taking action in many policy areas, which will be taken into account when devising policy agendas in the areas of climate change, energy, transport, industry, raw materials, agriculture, fisheries, biodiversity, and regional development. This is to increase certainty for investment and innovation and to ensure that all relevant policies contribute to resource efficiency in a balanced manner.

2. EU Biodiversity Strategy to 2020

The Strategy's objective is to halt the loss of biodiversity and the damaging of ecosystems in the European Union (the EU) by 2020 and it specifies 6 main targets. This constitutes an integral part of the EU Strategy 2020 and primarily of the flagship initiative 'Resource-efficient Europe'. EU leaders will carry out two of the main commitments they adopted in March 2010: to halt the loss of biodiversity by the year 2020, and to protect and value biodiversity and ecosystem services in the EU and restore these by the year 2050.

Target 1: conserving and restoring nature

The EU will guarantee a better implementation of the Birds and Habitats Directives. These two Directives are of critical importance in the EU biodiversity policy. Until now, these have achieved success, for example, Natura 2000, the world largest network of nature protection areas (750,000 km²), was established. However, progress is insufficient for the purpose of reaching a favourable conservation status for habitats and species of critical value for Europe. To meet the first target of the Strategy, the member states need to improve the implementation of the existing laws. First and foremost, the establishment and restoration of Natura 2000 areas must be ensured through investing the required resources. These measures will contribute to halting the loss of biodiversity and its restoration by the year 2020.

Target 2: maintaining and enhancing ecosystems and their services

Important measures will be employed to maintain and enhance ecosystems and their services (for example, pollination of crops by bees) – a green infrastructure will be developed, at least 15 % of the degraded ecosystems will have been restored by the year 2020, and an initiative will be pursued with the aim to ensure there is no net loss of ecosystems and their services by the year 2015.

Target 3: ensuring sustainable agriculture and forestry

By 2020, maximise areas under agriculture across grasslands, arable land and permanent crops that are covered by biodiversity-related measures under the CAP.

The measures employed to ensure sustainable management in the two sectors must also contribute to the fulfilment of the first and second target.

Target 4: ensuring sustainable use of fish stocks

The measures undertaken within a fisheries policy reform must ensure the achievement of maximum sustainable yield by 2015. For this purpose, Achieve a population age and size distribution indicative of a healthy stock must be achieved through fisheries management with no significant adverse impacts on other stocks, species and ecosystems, in support of achieving Good

Environmental Status by 2020, as required under the Marine Strategy Framework Directive.

Target 5: averting the spread of invasive alien species

Except for legislation regarding the use of alien species and of the species that do not occur in a particular area in aquaculture, currently a comprehensive and specific EU policy for combating alien species does not exist. Such species are considered to be a major threat to biodiversity in Europe. Therefore, it is necessary to identify, isolate or eradicate the alien species, and control their introduction in order to prevent the emergence of new species. The Commission will fill policy gaps in combating invasive alien species by developing a dedicated legislative instrument.

Target 6: halting loss of biodiversity in the world

The EU must step up its contribution to combating global loss of biodiversity by fulfilling the commitments it accepted at the 10th Conference (COP10) in Nagoya for members of Convention on Biological Diversity (2010). During this Conference the EU committed to the following:

- to achieve the objectives set in the Strategic Plan for Biodiversity 2011-2020;
- to implement the Nagoya Protocol (ABS) which deals with access to genetic resources and fair and equitable sharing of benefits arising from their utilisation, and
- to find the necessary funding for protecting biodiversity all across the world.

3. EU Strategy for the Baltic Sea Region

At the Baltic Sea area level, numerous issues require attention as measures taken within a country or locally may remain scarce. Four tasks requiring urgent attention have been identified:

- **To ensure a sustainable environment**

The Baltic Sea, whose average depth is only 58 metres, is losing its quality and biodiversity due to an excessive amount of nitrates and phosphates of agricultural, industrial and household origins directed into it. When these reach the Sea, they cause increasing eutrophication. Algal blooms turn vast areas in the Sea into smelly green slime patches which deoxidise water and eradicate many species within the reach of the impact of these patches. The complete purification of waters takes over 30 years, and due to this pollution is a major issue.

- **To promote development of the region**

The main disadvantage of the region is poor internal competition. Some of the countries in the region do not possess a market large enough for fostering internal competition. The only solution is wider integration of the region. In 2005, a typical international business transaction drew together 30 participants, and included 40 original documents and 360 copies.

- **To enhance accessibility and attractiveness of the region**

East and north have remained too isolated from the rest of the EU, which is developing into a more and more significant door to Asia. Northern Finland, Sweden and the Baltic States possess the lowest level of access in the whole of

Europe. Energy supply and security give also rise to alarm due to the fact that the region possesses very few local sources. This results in dependence on import whose inadequate intermediate links does not ensure energy security.

- **To ensure safety and security in the region**

Marine traffic is becoming more and more intense, and due to the large oil tankers using the Baltic Sea as their road, the risk of accidents is quite high. In the years 2000–2007, the amount of oil transportation has more than doubled and reached 171 million tons. The risk is higher in difficult winter conditions and vessels are often not sufficiently ice-resistant. In addition, organised crime lessens the level of safety in the region. Due to location and varying economic and social conditions, criminal schemes in the Baltic Sea region have become more frequent.

The objectives specified in the EU Strategy for the Baltic Sea Region will be carried out through specific activities and projects which form the Action Plan of the Strategy.

4. EU Sustainable Development Strategy

The principles of sustainable development in European Union have been gathered in the Strategy for Sustainable Development approved in 2001. It was updated in 2006. The renewed Strategy for Sustainable Development focuses on seven thematic areas and, within these, the following challenges and objectives have been identified:

- **climate change and clean energy**

Overall objective: to limit climate change and its costs and negative effects to society and the environment

- **sustainable transport**

Overall objective: to ensure that our transport systems meet society's economic, social and environmental needs whilst minimising their undesirable impacts on the economy, society and the environment

- **sustainable consumption and production**

Overall objective: to promote sustainable consumption and production patterns

- **conservation and management of natural resources**

Overall objective: to improve management and avoid overexploitation of natural resources, recognising the value of ecosystem services

- **public health**

Overall objective: to promote good public health on equal conditions and improve protection against health threats

- **social inclusion, demography and migration**

Overall objective: to create a socially inclusive society by taking into account solidarity between and within generations and to secure and increase the quality of life of citizens as a precondition for lasting individual well-being

- **global poverty and sustainable development challenges**

Overall objective: to actively promote sustainable development worldwide and ensure that the European Union's internal and external policies are consistent with global sustainable development and its international commitments

The Sustainable Development Strategy objectives are linked to those set in the previous EU Strategy for Competitiveness (also known as the Lisbon Strategy), and, every two years, the European Council reviews meeting the objectives.

In 2009, the European Commission drew up an overview of fulfilment of Strategy objectives, and in the same year, the European Council emphasised the need for strengthening the Strategy's connection with Europe 2020 Competitiveness Strategy.

4.1.2 Estonian documents

5. Estonian Environmental Strategy 2030

The Environmental Strategy 2030 is a strategy for developing the sphere of the environment which builds upon the principles of the National Strategy on Sustainable Development "Sustainable Estonia 21" and serves as the basis for the preparation and revision of all sector-specific development plans within the sphere of the environment. Objectives were established and measures planned on the basis of strategic choices and the general development trends of society.

1) Sustainable use of natural resources and reduction of waste generation

- Waste - Objective: By 2030 waste disposed to landfills will have decreased by 30% and the harmfulness of waste generated will have been reduced significantly.
- Water - Objective: To achieve good condition of surface water (incl. coastal water) and groundwater, and to maintain the bodies of water whose condition is good or very good already.
- Mineral resources - Objective: Environmentally sustainable extraction of mineral resources which is sustainable in terms of water, landscapes and air, and efficient exploitation of mineral resources with minimum losses and waste.
- Forest - Objective: Balanced satisfaction of ecological, social, cultural and economic needs in the course of utilisation of forests in a very long perspective (longer than the period of 25 years discussed in the Strategy).
- Fish - Objective: To ensure good condition of fish populations, diversity of fish species and avoid the indirect negative impact of fishing on the ecosystem.
- Game - Objective: To ensure the diversity of the species of game and other game and the viability of populations.
- Soil and use of land - Objective 1: Environmentally sustainable use of soil; Objective 2: Functionality and sustainable use of natural and cultivated landscapes.

2) Preservation of the diversity of landscapes and biodiversity

- Landscapes. Objective: Preservation of multifunctional and coherent landscapes.
- Biodiversity. Objective: To ensure the existence of habitats and biotic communities necessary for the preservation of viable populations of species.

3) Climate change mitigation and air quality

- Energy - Objective: To produce energy in an amount that meets the consumption needs in Estonia and to develop diverse and sustainable production technologies based on different sources of energy, which do not impose a significant burden on the environment and which enable electricity to be produced for export.
- Energy consumption - Objective: To slow down and stabilise the consumption of energy, while ensuring that people`s needs are met, i.e. to ensure the preservation of the volume of primary energy while consumption is growing.
- Protection of the ozone layer - Objective: To gradually eliminate the use of artificial substances in industry and households, which deplete the ozone layer.
- Transport - Objective: To develop an efficient, environmentally sustainable and comfortable public transport system, ensure safe soft traffic (render alternatives of using motor vehicles more comfortable) and develop a settlement and production structure that reduces inevitable commuting traffic and road transport (i.e. to reduce the need for transportation).

4) Environment, health and quality of life

- Outdoor environment - Objective: Outdoor environment that spares and supports health.
- Interior space - Objective: Safe interior space that promotes the preservation of health.
- Food - Objective: The content of pollutants in the food chain which originate from the environment does not harm human health.
- Drinking and bathing water - Objective: Drinking and bathing water does not harm human health.
- Disused hazardous waste - Objective: All currently known disused hazardous sites will be eliminated by 2030.
- Safety and protection of the population - Objective: To ensure the safety and protection of people against endangering their security.

6. Nature Conservation Development Plan to 2020

The Nature Conservation Development Plan is a strategic document which forms the basis for the developing of fields related to conservation and utilisation of natural resources until the year 2020.

The objectives specified in the Development Plan are as follows:

- Objective 1. People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
  - Measure 1.1. Making environmental education on all levels of education more efficient.
  - Measure 1.2. Effective awareness-raising regarding nature.
  - Measure 1.3. Developing nature conservation research and implementing it to meet practical nature conservation objectives.
  - Measure 1.4. Organising sustainable environmental tourism.

- Objective 2. The favourable condition of species and habitats and landscape diversity are ensured, and habitats function as a unified ecological network
    - Measure 2.1. Ensuring favourable condition of species.
    - Measure 2.2. Ensuring favourable condition of habitats.
    - Measure 2.3. Ensuring landscape diversity.
    - Measure 2.4. Organising conservation of natural objects.
    - Measure 2.5. Ensuring accessibility of environmental data and safekeeping of collected environmental research.
    - Measure 2.6. International cooperation to protect biodiversity.
    - Measure 2.7. Compensating nature conservation restrictions and supporting nature conservation activities.
- Objective 3. Long-term preservation of natural resources and the conditions this requires are ensured, and when using natural resources, the principles of ecosystematic approach are taken into consideration
    - Measure 3.1. Taking into account the value of ecosystem services when using environment.
    - Measure 3.2. Analysing impacts of mining mineral resources which reduce biodiversity, developing and implementing mitigation measures.
    - Measure 3.3. Analysing impacts of managing renewable natural resources which reduce biodiversity, developing and implementing mitigation measures.
    - Measure 3.4. Analysing and mitigating negative transport impacts.
    - Measure 3.5. Mitigating the negative impacts of climate change to biodiversity.
    - Measure 3.6. Ensuring biosafety.
    - Measure 3.7. Analysing negative impacts of renewable energy use to biodiversity, developing and implementing mitigation measures.

7. **Estonian National Strategy on Sustainable Development to 2030 'Sustainable Estonia 21'**

Estonian National Strategy on Sustainable Development to 2030 'Sustainable Estonia 21' is a long-term framework document for sustainable development, which was approved by the *Riigikogu* on September 14 in 2005. 'Sustainable Estonia 21' specifies the objectives of development of the Republic of Estonia and its society until 2030, and establishes connections between developments in economy, society and environment in compliance with global (Agenda 21) and EU guidelines.

Strategy contains 4 main objectives:

- Viability of Estonian cultural space;
- Growth of welfare;
- Cohesive society (in this context, regional balance is perceived as a relevant sub-objective);
- Ecological balance.

Ecological balance objective is divided in three main components:

- Use of natural resources in ways and quantities which ensure ecological balance.
- Reduction of pollution.
- Preservation of biodiversity and natural areas.

4.2 Consistency of priority axes in Operational Programme with strategic environmental objectives

As environmental objectives (and corresponding activities) in analysed relevant strategic documents tend to appear repeatedly, a set of 5 environmental objectives of varying content has been compiled for the purpose of conducting the compliance analysis. The objectives are based on different documents. The general basis is formed from the environmental objectives listed in Environmental Strategy and objective 5 has been added. The latter arises from the strategic objective of Nature Conservation Development Plan – to contribute to making nature education more efficient and to raising awareness of nature.

The compliance of the programme of the Operational Programme in terms of environmental objectives has been presented in context of each chosen criterion in the tables below. Assessments have been illustrated using the following colour code:

Green	Investment priority/sub-objectives of the priority axis contribute directly to achieving this environmental objective
Orange	Investment priority/sub-objectives of the priority axis contribute indirectly to achieving this environmental objective
Red	Investment priority/sub-objectives of the priority axis do not really support the achieving of the environmental objective
White	Impact of investment priority/sub-objectives of the priority axis is unclear or there is no clear connection with the environmental objective

Environmental objectives under assessment:

Objective 1.	**Sustainable use of natural resources and reduction of waste generation**
Objective 2.	**Preservation of landscape and nature diversity**
Objective 3.	**Climate change and clean energy**
Objective 4.	**Health and quality of living environment**
Objective 5.	**People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.**

4.2.1 Education meeting the needs of society and good preparation for the labour market

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
1. Education meeting the needs of society and good preparation for the labour market						
Investment priority of the priority axis 1.1: Sustainable integration of young people, in particular those not in employment, education or training, into the labour market	**Sub-objective 1:** Reduction of school drop-out rate at all education levels, and increase of youth participation in and readiness for employment	Implementation of activities will not entail any direct change in environmental use and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	An increase in level of education is connected with more health-conscious behaviour, capacity to contribute to one's living environment is improved.	There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases.
Investment priority of the priority axis 1.2: Enhancing access to lifelong learning, upgrading the skills and competences of the workforce and increasing the labour market relevance of education and	**Sub-objective 2:** The approach to teaching in educational institutions is person-centred, develops creativity and innovation, and there is stronger connection of education to knowledge-based society and innovative	A direct change in environmental use will not occur as a result of implementing this activity and this priority axis does not have a clear link to the environmental objective.	At the moment, implementation of activities will not entail a direct change in natural environment, this priority axis does not have a clear link to the environmental objective. Innovation involves environmentally sustainable innovations and this aspect should be taken into account, prioritised and stressed more during the	This priority axis does not have a clear link to the environmental objective.	An increase in level of education is connected with more health-conscious behaviour, capacity to contribute to one's living environment is improved.	There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases. Raising of awareness is needed most regarding principles of green skills and economy.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
training systems; including improving the quality of vocational education and training and the establishment and development of work-based learning and apprenticeship schemes such as dual learning systems.	economy.		introduction of relevant approach to teaching and development of innovation.			
	Sub-objective 3: The qualifications and skills of the working-age population support retaining or achieving employment	A direct change in environmental use will not occur as a result of implementing this activity and this priority axis does not have a clear link to the environmental objective. There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases.	A direct change in environmental use will not occur as a result of implementing this activity and this priority axis does not have a clear link to the environmental objective. There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases.	This priority axis does not have a clear link to the environmental objective. There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases.	An increase in level of education is connected with more health-conscious behaviour, capacity to contribute to one's living environment is improved.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected to the thematic objectives 'Promoting employment and supporting labour mobility' and 'Investing in education, skills and lifelong learning'.

Environmental objectives are not indicated in this priority axis and the sub-objectives, yet it is an integral part in human development. First and foremost, the principle of common prosperity and diligence should be adhered to: to shape population's values education and provide wholesome knowledge on natural environment surrounding us. One of the main objectives of the Nature Conservation Development Plan until 2020 is people possessing knowledge of, valuing and preserving nature, and being able to apply their knowledge in daily life[9].

Work done in the field of nature education and awareness aims to make the values of people living in Estonia more nature conservation friendly in order to promote society's understanding, supporting and following of principles of nature conservation. Provision of nature education begins already with emotionally positive teaching in childhood. The main aim of providing nature-related knowledge is to offer people general knowledge, interesting facts and associations, but also guidelines on how to behave appropriately in nature. In addition, the introduction of the principle of nature integrity and the benefits nature provides us with to make people understand the single nature of ongoing processes in the world, also the part that Estonian nature and people play in these.

One of the sub-objectives is envisages as follows: 'The approach to teaching in educational institutions is person-centred, develops creativity and innovation, and there is stronger connection of education to knowledge-based society and innovative economy.' Innovation should include innovations in environmental protection, and this aspect should already be taken into account during introducing the teaching approach and emphasised and highlighted more when developing innovation. Sustainable use of natural resources and reduced waste generation can be promoted through enhancing green economy and environmentally sustainable innovations. Thus, young people entering the labour market will be more aware of the benefits of environmentally sustainable innovations, bringing this knowledge with them, they will promote environmentally-friendly innovation in their field of work. Indirectly, it is possible that positive impact will arise when fulfilling the objective of sustainable use of natural resources and reduction of waste generation.

Taking into account new technological opportunities in several fields of activity as well as changing environmental conditions, workforce's knowledge and skills need to be developed continuously. A growing need for in-service training will surface. Considering in-service training, an important role belongs to the increasing of the volume of environmental education and enhancing people's awareness of sustainable development, which contribute to meeting environmental requirements in working life, enable green technologies and

[9] Nature Conservation Development Plan until 2020, approved on July 26 2012

practices to be implemented through education and training, and raise society's awareness of environmental aspects.

Increase in consumer awareness and education which will support green economy development are of importance in all sectors.

Teaching of green skills has not yet been integrated in most national curricula, therefore school-leavers who start work in management positions and as specialists have not acquired sufficient knowledge related to green economy. Due to this that green economy development is dependent on management making resource sustainable choices and managing processes this way, obtaining of relevant skills should be enhanced in all sectors. Thus, sustainable development should be much more integrated in all subjects taught. It is likely that teaching the necessary skills as part of already existing subjects is more reasonable, in particular in relation to assessing the environmental impacts of one's activities, using natural resources efficiently, reducing waste generation and opportunities for using waste.

In addition to managers and specialists who have studied according to current curricula, it is necessary to offer more in-service trainings related to principles of green economy and their implementation opportunities in organising and carrying out daily production process. According to experts, to achieve a greener economy, we must improve (top and middle level) managers' environmental awareness (environmental management, sustainable management)[10].

Recommendation

- to emphasise the need to enhance knowledge of green economy and green skills, the introduction of green economy and provision of information regarding the implementation possibilities in organising and carrying out daily manufacturing and service process should be integrated into vocational education and in-service training (for example, integrating green skills into main subjects to acquire professional skills; in-service training in green skills for specialists in the labour market);
- to establish a connection between innovative economy and innovation in general and environmentally sustainable solutions and implementation of innovations (see Chapter 5.5).

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

[10] 'Green Jobs Potential in Estonia' Commission on Sustainable Development http://www.emu.ee/userfiles/roheline%20ylikool/Rohet%C3%B6%C3%B6kohtade_raport.pdf

4.2.2 Infrastructue for supporting life-long learning and acquiring the skills needed for employment

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
***2.* Infrastructure for supporting lifelong learning and acquiring the skills needed for employment**						
Investment priority of the priority axis 2.1: Investing in education, skills and lifelong learning by developing education and training infrastructure	**Sub-objective 1:** A modern and optimal school network that is flexible with respect to demographic trends improves the quality of learning and supports students' educational choices	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective. The axis of lifelong learning supports indirectly environmental protection –through increasing the level of education which promotes more environmentally-aware behaviour.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective. Priority axis of lifelong learning supports environmental protection in an indirect way – through a general increase in level of education, which contributes to more environmentally aware behaviour.	Implementation of activities will be partially connected with environmental objectives – when investing in the development of the network of educational institutions, energy efficiency of building must be ensured, which will contribute to climate change mitigation and air quality improvement.	An increase in level of education is connected with more health-conscious behaviour. Educational infrastructure is in accordance with modern construction requirements and takes into account environmental health requirements.	This priority axis does not have a clear link to the environmental objective. There is indirect expected positive impact on environment as the share of educated and environmentally-aware population increases. Nature and environmental education require to be enhanced most.

Priority axis is connected with the thematic objective 'Investing in education, skills and lifelong learning'.

Environmental objectives are not indicated in this priority axis and the sub-objectives, yet it is an integral part in human development. First and foremost, the principle of common prosperity and diligence should be adhered to: to shape population's values education and provide wholesome knowledge on natural environment surrounding us. One of the main objectives of the Nature Conservation Development Plan until 2020 is people possessing knowledge of, valuing and preserving nature, and being able to apply their knowledge in daily life[11].

It is likely that supporting and developing lifelong learning will have a positive impact on environment. Lifelong learning must provide the necessary knowledge for organising everyday life and work environment sustainably, and to enforce the required beliefs. The priority axis of lifelong learning is expected to support indirectly environmental protection – through an increase in the general level of education.

Under the priority axis 'Infrastructure supporting equal opportunities for employment', cooperation between institutions and development of joint use of space will be supported via investing. Under the investment priority, county secondary schools, basic schools separated from secondary schools or basic schools to be joined will be established or renovated, study areas and accommodation will be modernised.

Modernising of the infrastructure of learning and working environment will be expected not to entail a negative environmental impact and problems due to the fact that it will deal mainly with modernising of existing objects and building modern facilities.

Investing in the development of educational institutions network it is envisaged that energy efficiency (operation and maintenance costs savings) and multi-functionality must be ensured.

It is essential to support sustainable construction solutions, i.e. the reduction in energy use, in the process of building and renovating all service facilities. Energy efficiency is one part of achieving greener construction solutions, whereas excessive focus on energy efficiency might not lead to integrity of environmental protection, thus, attention should also be paid to using environmentally sustainable materials and restricting the development of excessive use of resources. In addition to saving of maintenance and economic resources, a reduction in greenhouse gas emissions must be ensured. This will aid in indicating the measure's diverse benefits and showing that the climate objective will be taken into account throughout the measure. Positive environmental impact can be enhanced by employing environmentally sustainable procurements.

[11] Nature Conservation Development Plan until 2020, approved on July 26 2012

Recommendation

- to emphasise support for reducing energy use and increasing resource saving;
- to promote environmentally sustainable procurements in applying principles of support [12].

The following has been stressed in the context of investment priorities: 'Along with the arrangement of the network of secondary schools, the need to organise the transport of students from further afield should be addressed, where necessary'. The solution with a lower environmental load of organising student transport should be considered the changing of the existing public transport in a way that it will meet school transport requirements (promote the use of public transport opportunities in particular). Such principle should be included among the guiding principles. Negative environmental impact arising from transport can be reduced and guided using measures at local and national levels, which also include organising of environmentally sustainable procurements, i.e. preferring environmentally sustainable products, services and works.

Recommendation

- to indicate in horizontal guiding principles of the priority axis the preferred use of public transport when organising student transport. To promote reorganising the existing public transport network to make it meet the needs of school transport.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

[12] Sustainable/green procurement – a procurement organised by the public sector or an enterprise in which environmental requirements and criteria are added to other requirements and criteria (for example, quality, price). The aim of sustainable procurements is to reduce the environmental impact of public and private sectors through environmentally sustainable products, services and choice of work.

4.2.3 Services ensuring equal opportunities for employment

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
3. Services ensuring equal opportunities for employment						
Investment priority of the priority axis 3.1: Active inclusion, in particular with a view to improving employability	**Sub-objective 1:** Prevention of and reduction in health loss of working-age population and higher employment rate of people with partial loss of their capacity of work	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	Implementation will lead to positive impact on human health.	This priority axis does not have a clear link to the environmental objective.
	Sub-objective 2: Higher-quality and integrated welfare services have resulted in higher participation of caregivers, people with special needs and coping problems in the labour market.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
	Sub-objective 3*:* Recent immigrants are employed and play an active part in society, as do permanent residents who have not been sufficiently integrated.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected with the thematic objective 'Promoting social inclusion and combating poverty'.

The sub-objectives 'Prevention of and reduction in health loss of working-age population and higher employment rate of people with partial loss of their capacity of work' and 'Higher-quality and integrated welfare services have resulted in higher participation of caregivers, people with special needs and coping problems in the labour market' determine the objective of enhancing participation in employment of people with partial health loss or caregivers. In order to enhance the expected positive changes related to participation in employment, attention should also be paid to increasing society's and employers' preparedness (shaping of values, preparedness for flexible employment relations).

Achieving the sub-objective 'Non-integrated permanent residents and new immigrants participate actively in employment and society at large' also requires societal values to be shaped.

Recommendation

- to indicate the need for shaping societal and employers' attitudes under the investment priority in order to promote this target group's participation in the labour market.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

4.2.4 Infrastructure supporting equal opportunities for employment

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
4. Infrastructure supporting equal opportunities for employment						
Investment priority of the priority axis 4.1: Investing in health and social infrastructure that contribute to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	**Sub-objective 1:** Modern, regionally accessible and optimal primary healthcare and acute care networks offer high-quality and sustainable healthcare services.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change for climate change mitigation and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will improve the accessibility to high quality healthcare service.	This priority axis does not have a clear link to the environmental objective.
	Sub-objective 2: Higher quality and integrated welfare services make caregivers and disabled people more active, incl. on the labour market	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change for climate change mitigation and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected with the thematic objective 'Promoting social inclusion and combating poverty'.

Cooperation between institutions and development of joint use of space will be supported via investing under the priority axis. It is essential to support sustainable construction solutions in particular, i.e. the reduction in energy use, in the process of building and renovating all service facilities. In addition to savings in maintenance and building costs, a reduction in greenhouse gases emissions should be ensured. This will indicate the measure's diverse benefits and show that the climate objective will be taken into account throughout the measure. Positive environmental impact can be enhanced by employing environmentally sustainable procurements, i.e. preferring environmentally sustainable products, services and works.

We recommend:

- to promote environmentally sustainable procurements in applying principles of support[13].

Reorganising of the network of healthcare institutions is being planned under the sub-objective 'Modern, regionally accessible and optimal primary healthcare and acute care networks offer high-quality and sustainable healthcare services'. Under the investment priority, ensuring or organising spatial accessibility should be addressed separately. If necessary, flexible public transport services could be employed (on-demand taxi or other) which will guarantee opportunities for accessibility to healthcare services for people with lower income and in less populated areas.

Recommendation

- to address under the priority axis of the Operational Programme the importance of ensuring spatial accessibility when planning potential reorganisation of healthcare institutions regarding both acute care networks and primary healthcare.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

[13] Sustainable/green procurement – a procurement organised by the public sector or an enterprise in which environmental requirements and criteria are added to other requirements and criteria (for example, quality, price). The aim of sustainable procurements is to reduce the environmental impact of public and private sectors through environmentally sustainable products, services and choice of work.

4.2.5 Growth-capable entrepreneurship and internationally competitive R&D

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
5. Growth-capable entrepreneurship and internationally competitive R&D						
Investment priority of the priority axis 5.1: Enhancing research and innovation infrastructure and capacity with the aim of developing R&I excellence and promote centres of excellence, in particular those of European interest	**Sub-objective 1:** R&D and higher education are internationally competitive, and Estonia is active and visible in international cooperation in the field of RD&I	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
Investment priority of the priority axis 5.2 Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education, in particular product and service development, technology transfer, social innovation and public service applications, demand stimulation, networking and open innovation through smart specialisation […] supporting	**Sub-objective 2:** Research and development serve the interests of the Estonian economy and society, and the RD&I system supports the development of a more knowledge-intensive structure of the economy	The priority axis is connected to an extent with achieving the environmental objective. Development of R&D has an expected positive impact on environment as the share of educated and environmentally-aware population increases. Also, the development of natural competitive advantage arising from our natural resources is promoted, for example, through technologies of material sciences, ICT and biochemistry: in food industry (food that supports health), in timber industry (innovative wooden buildings), chemical industry (more efficient use of oil shale).	The priority axis is connected to an extent with achieving the environmental objective. Development of R&D has an expected positive impact on environment as the share of educated and environmentally-aware population increases. Also, the development of natural competitive advantage arising from our natural resources is promoted, for example, through technologies of material sciences, ICT and biochemistry: in food industry (food that supports health), in timber industry (innovative wooden buildings), chemical industry (more efficient use of oil shale).	The priority axis is connected to an extent with achieving the environmental objective. Development of R&D has an expected positive environmental impact, environmental protection is contributed to, incl. development of successful solutions for combating climate change.	A well-functioning RD&I system may contribute to resolving the issues of health and quality of living environment that our society is facing.	The priority axis is connected to an extent with achieving the environmental objective. Development of R&D has an expected positive impact on environment as the share of educated and environmentally-aware population increases. Hopefully, the understanding that in today`s society in which the consumption of natural resources is on the increase and decisions cannot be made without taking environment into account will gain more ground.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
technological and applied research, pilot lines, early product validation action, advanced manufacturing capabilities and first production in Key Enabling Technology, and through diffusion of general purpose technology	**Sub-objective 3**: Improved energy and resource efficiency in enterprises	Innovation measures aid the achievement of sustainable use of natural values in case an increase in production is planned, implementing the utilisation of new resource and energy sustainable technologies, and also preferring technologies and production methods which reduce the use of natural resources.	Innovation measures aid the achievement of sustainable use of natural values in case an increase in production is planned, implementing the utilisation of new resource and energy sustainable technologies, and also preferring technologies and production methods which reduce the use of natural resources. At the same time, this helps to ensure a more wide-ranging preservation of landscapes, incl. biodiversity.	Innovation measures aid the achievement of a reduced pollution load in case an increase in production is planned, at the same time, enhancing resource and energy sustainability.	Innovation measures partially aid the achievement of improvement in quality of life in case an increase in production is planned, at the same time, enhancing savings in resources and energy. Technological innovations to be implemented enhance enterprises' competitiveness, and in the long-term perspective, will reduce the pollution load on environment and human health arising from production activities.	The intended sub-objective does not have a clear connection with the environmental objective.
	Sub-objective 4: Estonian enterprises produce efficiently goods of high added value and provide innovative	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	The intended sub-objective does not have a clear connection with the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
	services					

The priority axis is connected with the thematic objective 'Strengthening research, technological development and innovation'.

Promotion of implementing environmentally sustainable innovations is directly related to RD&I policy. Innovation is expected to involve environmentally sustainable innovations and this aspect should be taken into account, prioritised and stressed more during the entrepreneurs' introduction of relevant approach to teaching at an early stage and development of innovation.

When enhancing innovative solutions, significant attention must be paid to environmental sustainability. Thus, **we recommend**

- to additionally consider the following innovation measures:
    - support for eco-innovation,
    - environmentally sustainable/green procurements,
    - developing cooperation with higher educational institutions, incl. the development of cooperation between researchers and enterprises for developing solutions to reduce environmental impact (to promote research transfer related to green skills; to raise awareness of resource use and alternative production opportunities, for example, opportunities for minimising water use and water efficiency).

In the process of granting support, deviations can be allowed for taking into account protecting the environment during implementing innovation and following the principles of green economy (see Chapter 5.5).

To increase the energy and resource efficiency of enterprises, support will be given to the introduction of new and environmentally friendly solutions, including implementation of resource management systems, the best possible technology and final clean-up technology. Also, preparing waste for recovery and recycling will be promoted. To more effectively achieve the results and to identify more resource-efficient techniques, awareness of enterprises will be improved and support will be given for energy and resource audits and for the creation of new additional capacity for the recycling of waste and for the preparation of waste for reuse.

The activities listed above help to reduce the impact on use of natural resources, to reduce pollution load and the volume of waste stored, all of which entails a positive environmental impact.

To conclude, the objectives set and activities specified in the Operational Programme have a positive environmental impact and aid in contributing to the achievement of the objectives of the Estonian Environmental Strategy.

4.2.6 Development of small and medium-sized enterprises and regional entrepreneurship

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
6. Development of small and medium-sized enterprises and regional entrepreneurship						
Investment priority of the priority axis 6.1: Supporting the capacity of SMEs to engage in growth and innovation processes	**Sub-objective 1:** SMEs are ambitious and their exports have grown	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Priority axis is partially connected with the achievement of environmental objectives. Promoting and developing ecotourism is expected to have a positive environmental impact due to the fact that the share of environmentally-aware population will increase. Hopefully, the understanding that in today`s society decisions cannot be made without taking environment into account will gain more ground, and better care will be taken of the natural environment and landscapes.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	Priority axis is partially connected with the achievement of environmental objectives. Promoting and developing ecotourism is expected to have a positive environmental impact due to the fact that the share of environmentally-aware population will increase. Hopefully, the understanding that in today`s society decisions cannot be made without taking environment into account will gain more ground.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
Investment priority of the priority axis 6.2: Supporting employment-friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources	**Sub-objective 2:** Employment and the added value of jobs have grown outside the urban areas of Tartu and Tallinn	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Priority axis is partially connected with the achievement of environmental objectives. Activities will be planned to make access to particular natural and cultural resources more efficient.	Implementation of activities will not entail any direct change in climate change mitigation and this priority axis does not have a clear link to the environmental axis.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected with the thematic objectives 'Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)' and 'Promoting employment and supporting labour mobility'.

It is essential to bear in mind the importance of environmental protection and adaptation to climate change also when implementing support measures for rural development and fisheries.

Under the activities supported in investment priorities, it has been pointed out that it is equally important to use the potential of the natural and cultural heritage of regions in order to develop the tourism sector as well as for regional economic recovery in general. Cooperation between different parties and sectors in identifying the factors that hamper employment growth and planning and carrying out activities in order to enhance entrepreneurship and employment among local residents is also important.

Entrepreneurship and tourism growth may lead to higher environmental load. On the other hand, structural changes in economy and introduction of new technologies will contribute to more sustainable use of natural resources and will reduce the amount of emissions. During the programming period 2014-2020, the basis for developing measures in the field of tourism is Estonian Tourism Development Plan 2014-2020. Tourism will be developed in accordance with principles of sustainable development and preservation of cultural and natural heritage will be valued and supported. In particular, it is important to support activities related to sustainable tourism and relevant enhancing of capacity to promote environmental awareness, preservation and protection, respect for nature, flora, biodiversity and ecosystems and cultural diversity.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis may entail a somewhat positive change in nature conservation through promotion of ecotourism and facilitation of accessing particular nature and cultural resources.

4.2.7 Energy efficiency

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
7. Energy efficiency						
Investment priority of the priority axis 7.1: Supporting energy efficiency and renewable energy use in public infrastructure and in the housing sector	**Sub-objective 1:** Energy-efficient housing sector and increased share of renewable energy in final consumption	There is a direct connection with the environmental objective. It is related to use of renewable energy and development of energy sustainable solutions.	There is a direct connection with the environmental objective. Advancements in sustainable energy use will contribute to the reduction of Promoting energy saving will help to reduce the volume of energy production, incl. somewhat reduced volume of oil shale mining, which in turn will conserve landscapes and natural environment.	There is a direct connection with the environmental objective. It is related to use of renewable energy and development of energy sustainable solutions. Use of renewable energy contributes to a reduction in greenhouse gases emissions.	There is a direct connection with the environmental objective - it is expected that resource and energy savings will contribute to better and cleaner natural environment, which will lead to improved ambient air quality. These will create a prerequisite for growth in quality of health and living environment.	This priority axis does not have a clear link to the environmental objective. Raising awareness is required to raise people's awareness regarding various energy saving solutions.

The priority axis is connected with the thematic objective 'Supporting a shift towards a low-carbon economy in all sectors'.

Modernisation of the housing sector, improvement of public spaces and support for the introduction of renewable energy contribute to increased energy savings and security of supply and have a positive impact on the environment and the economy.

Making energy management more energy saving and support for starting to use more sustainable energy sources are in direct relation to the achievement of environmental objectives regarding the reducing of greenhouse gas emissions. The likely environmental impact arising from the activities is positive, which will be best evident in the restrictions it will impose on air pollution emissions as compared to the situation of not implementing this measure.

Enhancing of energy efficiency of public infrastructure by modernising street lighting is also being considered. This would further increase the positive environmental impact of the priority axis.

In the transport sector, the share of alternative fuels will be increased, supporting the building of biomethane production and fuelling infrastructure and the activities which lead to use of the produced biomethane.

To conclude, the objectives set and activities specified in the Operational Programme have a positive environmental impact and aid in contributing to the achievement of the objectives of the Estonian Environmental Strategy.

4.2.8 Water protection

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
8.Water protection						
Investment priority of the priority axis 8.1: Addressing the significant investment need of the water sector to meet the requirements of the EU environmental acquis	**Sub-objective 1:** Resource-efficient and sustainable water management infrastructure in agglomerations with p.e. more than 2000	There is a direct connection with the environmental objective. It will aid the ensuring of use of natural resources in a manner and volume which will guarantee ecological balance (ensuring the preservation of a clean living environment and sustainable use of natural resources).	There is a direct connection with the environmental objective, to ensure a sustainable environment and favourable condition of its species and habitats.	There is a direct connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a direct connection with the environmental objective. It is expected that a better and cleaner natural environment will be achieved through resource and energy savings. This will entail improved quality of drinking water. These will create a prerequisite for growth in quality of health and living environment.	This priority axis does not have a clear link to the environmental objective.
	Sub-objective 2: Restored contaminated areas, bodies of water and wetlands	There is a direct connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a direct connection with the environmental objective, to ensure a sustainable environment and favourable condition of its species and habitats.	There is a direct connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a direct connection with the environmental objective. It is expected that a better and cleaner natural environment will be achieved through resource and energy savings. This will entail improved quality of drinking	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life
					water. These will create a prerequisite for growth in quality of health and living environment.	

Priority axis is connected with the thematic objective 'Protecting the environment and promoting resource efficiency'.

Additional investments will be supported in agglomerations with p.e. more than 2000 and in public water supplies serving more than 2000 people. Under the investment priority, public water supply and sewage systems will be built and restored, incl. drinking water and wastewater treatment plants, in compliance with river basin management plans.

Also, residual pollution sites will be cleaned up and wetlands with a damaged water ecosystem will be rehabilitated.

The expected result is that by cleaning the polluted areas and restoring the water regime of the wetlands, the water will have a favourable status, health risks will be reduced, ecosystems will be more viable and emissions will be smaller. Quality of drinking water will be improved in many districts. This will entail a positive impact on human health.

To conclude, the objectives set and activities specified in the Operational Programme have a positive environmental impact regarding the preservation of natural resources and aid in contributing to the achievement of the objectives of the Estonian Environmental Strategy.

4.2.9 Green infrastructure and improved preparedness for emergencies

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
9.Green infrastructure and improved preparedness for emergencies						
Investment priority of the priority axis 9.1: Protecting and restoring biodiversity, including through green infrastructure	**Sub-objective 1:** Improved status of protected species and habitats	There is a direct connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a direct connection with the environmental objective, to ensure a sustainable environment and favourable condition of its species and habitats.	There is a direct connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective, but it is also necessary to raise local people's awareness and shape their values regarding the protected species and their habitats in Estonia.
Investment priority of the priority axis 9.2: Promotion of investments that focus on dealing with specific risks, ensuring resilience in case of disasters, and on development of systems for managing disasters	**Sub-objective 1:** Increased capability to react to emergencies caused by climate change and extensive pollution	There is a connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a connection with the environmental objective, to ensure a sustainable environment through the preservation of nature rich in species and a clean living environment.	There is a direct connection with the environmental objective.	There is a direct connection with the environmental objective. It is expected that a better and cleaner natural environment will be achieved through resource and energy savings. This will entail improved quality of drinking water. These will create a prerequisite for growth in quality of health and living environment.	This priority axis does not have a clear link to the environmental objective, but it is necessary to raise awareness regarding risks of climate change.

The priority axis is connected with the thematic objectives 'Protecting the environment and promoting resource efficiency' and 'Adapting to climate change and improving risk prevention and management'.

Structural funds will be used to aid the improvement or preservation of favourable conditions of endangered and protected species and their habitats in the EU and restoring landscape diversity, ensuring that habitats can function as a single ecological network. The listed activities are directly related to ensuring a good condition of species as well as adapting to climate change.

With a view to preventing emergencies caused by climate change, meteorological and hydrological monitoring will be enhanced primarily through the modernisation of network monitoring stations.

Under the priority axis 'Increased capability to react to emergencies caused by climate change and extensive pollution', it is pointed out that the increased capability to react to emergencies caused by climate change will be supported when controlling the spread of and extinguishing forest fires and cleaning up sea and coastal pollution.

To conclude, the objectives set and activities specified under the priority axis have a positive environmental impact regarding the preservation of natural resources and aid in contributing to the achievement of the objectives of the Estonian Environmental Strategy.

4.2.10 Sustainable urban development

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
10.Sustainable urban development						
Investment priority of the priority axis 10.1: Promoting low-carbon strategies for all types of territories, in particular urban areas, including the promotion of sustainable urban mobility, measures for mitigation of and adaptation to climate change	**Sub-objective 1:** Urban space that integrates various mobility options and is human-friendly and environmentally friendly	Partially connected with achieving the environmental objective, promoting the use of public transport and light traffic roads will contribute to a reduction in motor vehicle fuel consumption.	Partially connected with achieving the environmental objective, promoting the use of public transport and light traffic roads will contribute to a reduction in motor vehicle fuel consumption, and this way the number of polluted landscape areas will be reduced.	It is connected with achieving the environmental objective, promoting the use of public transport and light traffic roads will contribute to a reduction in motor vehicle fuel consumption.	There is a direct connection with the environmental objective – will help to enhance the quality of human health and living environment.	This priority axis does not have a clear link to the environmental objective, but it would be good to shape people's values concerning enhancing the use of alternative transport options.
Investment priority of the priority axis 10.2: Support for physical, economic and social regeneration of backward urban	**Sub-objective 2:** Attractiveness of Ida-Viru urban areas as a living environment has improved	This priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	Contributes to creating high quality living environment.	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
and rural communities and areas						
Investment priority of the priority axis 10.3: Investing in healthcare and social infrastructure that contribute to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	**Sub-objective 3:** Increased participation of parents with small children in the labour market	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change for climate change mitigation and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

Priority axis is connected with the thematic objectives 'Supporting a shift towards a low-carbon economy in all sectors' and 'Promoting social inclusion and combating poverty'.

Objectives and actions described in the Operational Programme and aimed at developing less resource-demanding means of transport such as public transport, bicycle, promote a reduction in the use of non-renewable natural resources and have a positive environmental impact.

Until now, Estonian transport and mobility have not been sustainable, in particular regarding the use of motor vehicles, slow improvement of energy efficiency of vehicle fleet and a rapid growth of road transport, urban sprawl and a reduction in the share of light traffic. Considering the specific nature of transport sector, it is important to take into account that its environmental impact does not depend solely on transport entrepreneurs, but on measures taken by the government and municipalities, and people's choices of mobility. The negative environmental impact of transport can be guided taking measures at local and national levels. Sustainable procurements play a key role here (for example, a procurement for public transport which required a shift to gas buses)[14].

We recommend

- to promote environmentally sustainable procurements in applying principles of support.

To conclude, the objectives set and activities specified in the Operational Programme have a positive environmental impact regarding the preservation of natural resources and aid in contributing to the achievement of the objectives of the Estonian Environmental Strategy.

[14] 'Green jobs potential in Estonia' Commission on Sustainable Development http://www.emu.ee/userfiles/roheline%20ylikool/Rohet%C3%B6%C3%B6kohtade_raport.pdf

4.2.11 Sustainable transport

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
11.Sustainable transport						
Investment priority of the priority axis 11.1: Supporting a multi-modal Single European Transport Area by investing in the Trans-European Transport Network	**Sub-objective 1:** Connection opportunities with foreign partners meeting the needs of enterprises and society	This does not support the achievement of this environmental objective as the establishment of connection opportunities meeting the needs of enterprises may increase environmental load. It is important to connect the needs of transport, public transport and light traffic and take these into account when doing planning. Environmental protection must be considered as well and attention must be paid to ensure the preservation of green infrastructure in addition to other aspects.	At the moment, the environmental objective is not connected with achieving the objective of the priority axis. Environmental protection must be considered as well and attention must be paid to ensure the preservation of green infrastructure in addition to other aspects. In case the abovementioned facts are not taken into consideration, taking actions may entail a direct change in natural environment.	This does not support the achievement of this environmental objective as the establishment of connection opportunities meeting the needs of enterprises may increase environmental load. It is important to connect the needs of transport, public transport and light traffic and take these into account when doing planning. Environmental protection must be considered as well and attention must be paid to ensure the preservation of green infrastructure in addition to other aspects.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
	Sub-objective 1: Reduced travel time; increased attractiveness, safety, accessibility and environmental friendliness of public transport (incl. rail transport)	Basically this is connected with the environmental objective, the aim is to increase resource sustainability of motor vehicle transport by enhancing the opportunities for public transport use, incl. those of rail transport.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Basically this is connected with the environmental objective, the aim is to reduce fuel consumption in motor vehicle transport by enhancing the opportunities for public transport use, incl. those of rail transport.	Helps to promote human health and quality of living environment.	This priority axis does not have a clear link to the environmental objective.

Priority axis is connected with 'Promoting sustainable transport and removing bottlenecks in key network infrastructures'.

To enhance the transport sector, the objective 'Connection opportunities with foreign partners meeting the needs of enterprises and society' envisages that the development of a road infrastructure of strategic importance will be contributed to. Under this investment priority (sub-objective 1), a major project (the road section located between Kose-Ardu (-Mäo) on Tallinn-Tartu road) is being devised.

To harmonise the level of water transport connections and enhance the results of investments made during the programming period 2007-2013, investing will be undertaken to improve quality of public ship traffic between islands international ship traffic (vessels, ports and their connections). To ensure foreign connections, Tallinn Airport will be invested in with a particular view to flight safety, environmental protection and the infrastructure meeting the needs.

Development of transport may entail a negative environmental impact. This risk can be reduced by taking into account the environmental aspects of projects when preparing projects and, if necessary, implementing the relevant mitigation measures (road infrastructure cannot damage the green network and protected sites, habitats of protected species and their favourable environmental condition must be ensured).

To develop the transport sector, the development of a road infrastructure of strategic importance will be contributed to. Cargo traffic on railways has not been addressed thoroughly in the Partnership Agreement and the Operational Programme, whereas it has been dealt with, to a minor extent, in the context of the potential Rail Baltic. Should neighbouring countries be willing to accept additional cargo traffic on their railroads, the share of using rail transportation would increase, it would enhance the benefits gained from the investments to be made into railway infrastructure, and would make traffic on roads safer. In Estonia, the extent of the share of transit of all traffic on roads is not known, at the same time, there ongoing processes which may bring about a significant growth in the amount of transit in the long term[15]. The topic should be addressed more thoroughly.

Recommendation

- to address cargo traffic on railway more thoroughly in the documents.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy, whereas the sub-objective 'Connection opportunities with foreign partners meeting the needs of enterprises and society' does not really support the achievement of the

[15] See, for example, *Cargo traffic on the Helsinki-Tallinn route*, Turun yliopiston merenkulkualan koulutus- ja tutkimuskeskuksen julkaisuja, University of Turku 2011 – a significant growth in cargo traffic from Finland passing through Estonia is forecast due to the increased cost of sea transport when the directive regulating sulphur emissions will be applicable.

environmental objectives. The aforementioned sub-objective may entail negative changes in use of nature (depending on the particular activity and its location). The risk, significance and extent of the negative environmental impact can be reduced by taking into account the environmental aspects of projects. When devising strategic planning documents at lower levels, mitigation or prevention possibilities can be assessed. Due to the environmental impacts, a planned action may have to be altered (for example, volume, location, or other) when a more specific planning process commences.

4.2.12 Infrastructure for ICT services

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
12. Infrastructure for ICT services						
Investment priority of the priority axis 12.1: Extending broadband deployment, the roll-out of high-speed networks and supporting the adoption of emerging technology and networks for the digital economy	**Sub-objective 1:** Everyone has access to high-speed Internet	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.
Investment priority of the priority axis 12.2: Strengthening ICT applications for e-government, e-learning, e-inclusion, e-culture and e-health	**Sub-objective 2:** The basic infrastructure for services supports the activities of residents and enterprises within the state and abroad	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective, i.e. there will come a drop in the number of forced mobility trips.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	This priority axis has only an indirect relation to the environmental objective, i.e. there will come a drop in the number of forced mobility trips.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected with the thematic objective ' Enhancing access to, and use and quality of, information and communication technology (ICT products, services and applications)'.

Use of ICT services will have an indirect impact due to the fact that ICT applications are expected to reduce the share of forced mobility and this will lead, for example, to a reduction in the share of transport related to daily transactions.

As regards to services sector, the key to development towards a greener economy consists in a more active use of ICT tools and developing ICT-based services.

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

4.2.13 Administrative capacity

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
13.Administrative capacity						
Investment priority of the priority axis 13.1: Investment in institutional capacity and in the efficiency of public administration and public services with a view to reforms, better regulation and good governance	**Sub-objective 1:** People's professional and occupational competence, management and cooperation capacity and institutional capacity have increased	Enhances environmentally-aware and more sustainable behaviour when knowledge and skills improve at an institutional level.	Enhances environmentally-aware and more sustainable behaviour when knowledge and skills improve at an institutional level.	Enhances environmentally-aware and more sustainable behaviour when knowledge and skills improve at an institutional level.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.
	Sub-objective 2: Policy development is more holistic, inclusive and knowledge-based.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.	This priority axis does not have a clear link to the environmental objective.

Priority axis	Sub-objectives	Sustainable use of natural resources and reduction of waste generation	Preservation of landscape and nature diversity	Climate change mitigation and air quality	Health and quality of living environment	People possess knowledge of, value and preserve nature, and can apply their knowledge in daily life.
Investment priority of the priority axis 13.1: Enhancing institutional capacity and efficient public administration by strengthening institutional capacity and the efficiency of public administration and public services related to the implementation of the ERDF, and in support of action in institutional capacity and in the efficiency of public administration supported by the ESF	**Sub-objective 1:** Public services are provided accessibly, uniformly and in a user-centred and smart manner	Implementation of activities will not entail any direct change in use of nature and this priority axis does not have a clear link to the environmental objective. Indirectly, the implementation of smart solutions decreases need for mobility.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Implementation of activities will not entail any direct change in natural environment and this priority axis does not have a clear link to the environmental objective.	Enhances quality of living environment.	This priority axis does not have a clear link to the environmental objective.

The priority axis is connected with the thematic objective 'Enhancing institutional capacity and ensuring efficient public administration'.

Under the sub-objective, measures are planned to enhance management capacity and institutional capacity, which are expected to indirectly promote achieving the environmental objectives. In addition to enhancing general institutional capacity, there is a need for improvement at all levels of the public sector, incl. enhancing employees' knowledge and skills regarding environmental issues and guiding them towards sustainable use of resources, for example, in the following: energy saving, reducing waste generation, environmentally aware management. This will improve people's environmental awareness at large, which will in turn contribute to more environmentally sustainable behaviour.

It is important that the public sector sets an example. For instance, through sustainable procurements the state can guide pervasive trends in society and support enterprises which contribute more to green economy (client could prefer green goods and services to others): preferring green energy, ordering green publications (prints with environmentally-friendly colours on recycled paper), preferring environmentally-friendly products in public institutions' (recycled paper goods, giving up disposable packaging, etc), commissioning surveys in various fields. It is important to take a systematic approach which encompasses the accordance between the departments in different ministries as well as programmes and plans at different levels. Every enterprise can reduce its environmental impact by itself, whereas this may not entail a reduced environmental impact of a sector as a whole[16].

To conclude, the objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. The implementation of the activities specified under the priority axis does not entail a significant change for use of nature and nature conservation.

4.2.14 Assessment summarised

The objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy. Several planned priority axes of the OP will contribute directly to the achievement of the environmental objectives: Energy efficiency, Water protection, and Green infrastructure and improved preparedness for emergencies.

The Partnership Agreement and Operational Programme contribute most to the environmental objective 'Health and quality of living environment'. All priority axes set contribute partly or indirectly to reaching specific environmental objectives.

[16] 'Green jobs potential in Estonia' Commission on Sustainable Development http://www.emu.ee/userfiles/roheline%20ylikool/Rohet%C3%B6%C3%B6kohtade_raport.pdf

The objectives set in the Operational Programme are not contrary to the objectives of Estonian Environmental Strategy, whereas the sub-objective 'Connection opportunities with foreign partners meeting the needs of enterprises and society' does not really support the achievement of the following environmental objectives: ' Sustainable use of natural resources and reduction of waste generation' and 'Preservation of landscape and nature diversity'. The aforementioned sub-objective may entail negative changes in use of nature (depending on the particular activity and its location). The risk of the negative environmental impact can be reduced by taking into account the environmental aspects of projects.

Throughout the priority axes and the relevant objectives specified in the Operational Programme environmental protection should be ensured. It is important to integrate the horizontal objective 'Environmental protection and climate' in all the priority axes planned and sub-objectives set (see Chapter 5.5).

5 Overview of main environmental impacts – external impacts assessment

Descriptions of most significant impact mechanisms, which will ensue directly from the actions to be taken specified in the Partnership Agreement and the Operational Programme, will be presented below by their environmental components.

During the Strategic Environmental Assessment (SEA) impacts of priority axes (which are in accordance with EC investment priorities) and their sub-objectives as specified in the Partnership Agreement and the Operational Programme will be assessed with a view to environment and balanced development, recommendations will be provided for reducing potential negative environmental impacts and, if possible, for enhancing positive impacts. If necessary, proposals for amendments or additions to be made to the Operational Programme and the Partnership Agreement will be put forward.

Initiating as extensive positive changes in society as possible has been at the heart of the Operational Programme's development process led by the Ministry of Finance of the Republic of Estonia. In addition to a number of ministries, an extensive network of partners has been involved in the process which has lasted for over a year by the time SEA was initiated[17]. Ex-ante assessment is being carried out in parallel to the process of drafting the OP. During the ex-ante assessment, the following aspects are analysed: the validity of the objectives chosen for funding and the optimality of the priority axes and measures chosen to be implemented, the accordance between objectives set and this of the latter and other national action programmes and development plans, the Strategy EU 2020 and support opportunities from foreign funding sources, and also, whether potential for international cooperation has been considered. Connections between supportive actions, expected output and results are being analysed. The relevance of indicators specified for fulfilling objectives is being examined and it is assessed how realistic the initial target levels are. The same is applied to the bases and structure of implementation programme.[18]

5.1 Impact identification

Pursuant to § 40 in the Environmental Impact Assessment and Environmental Management System Act, the SEA Report shall address the occurrence of significant environmental impact in the following areas: human health, social needs and people's assets, biodiversity, populations, flora, fauna, soil, water and air quality, climate changes, cultural heritage and landscapes, waste generation.

[17] http://www.struktuurifondid.ee/kaasamise_korraldus/
[18] A more detailed description of ex-ante assessment can be found at http://www.struktuurifondid.ee/hindamine/

Pursuant to Environmental Impact Assessment and Environmental Management System Act which specifies the content of SEA and the Directive[3] which was the basis for drafting the Act, the impacts on the **natural environment** (biodiversity, populations, flora, fauna, soil, water and air quality, climate changes, cultural heritage and landscapes, waste generation) as well as **the population** (human health and well-being, their assets) in the particular area of interest, which will manifest in case the strategic planning document is implemented, should be addressed during the process of carrying out SEA.

Pursuant to paragraph 5 in the Environmental Impact Assessment and Environmental Management System Act, environmental impact is significant if it may potentially exceed the environmental capacity of a site, cause irreversible changes to the environment, endanger human health and well-being, the environment, cultural heritage or property.

The description of environment, as specified in the Environmental Impact Assessment and Environmental Management System Act and during the process of drafting the strategic planning document, has been presented in the Report sector by sector in the context of each sub-chapter for the particular external impact being assessed.

5.2 Impact on natural environment

At the level of strategic documents, the priority spheres for European environmental policy to be taken action in are as follows[19]:

- Climate changes
- Natural resources and waste
- Biodiversity
- Environment, health and quality of life

The priority axes listed above are also based on the objectives set in the Estonian Environmental Strategy 2030:

- **Sustainable use of natural resources and reduction of waste generation**
- **Preservation of the diversity of landscapes and biodiversity**
- **Climate change mitigation and air quality**
- **Environment, health and quality of life**

Thus, the assessment of the strategic document focuses on the spheres listed above. Also, these spheres include the environmental areas specified in § 40 in the Environmental Impact Assessment and Environmental Management System Act.

[19] Environmental indicator report 2012, EEA (European Environment Agency), http://www.eea.europa.eu/publications/environmental-indicator-report-2012

5.2.1 Sustainable use of natural resources and reduction of waste generation

Current situation described

According to Estonian Environmental Strategy 2030, the main problematic areas in Estonia are as follows[20]:
The overexploitation of economically valuable and easily available natural resources, incl. the exhaustion of non-renewable natural resources and the utilisation of renewable natural resources to the extent that exceeds their regeneration capacity, and the pollution and damaging of the environment, incl. the limitation of conditions necessary for regeneration, has either entailed or will entail the following:

- decrease of economically valuable fish stocks and game and the domination of economically worthless species;
- decrease of the quantity of groundwater suitable for using as drinking water;
- changes in the composition of landscapes and utilisation of land, incl. changes in many natural habitats;
- plots of land with high-class soil dropping out from agricultural use.

Non-renewable and renewable natural resources
Mineral resources are non-renewable natural resources and soil. The main mineral resources in Estonia are oil shale, mineral resources used in construction, and peat[21].

Increased demand for shale-derived oil has also increased the volume of mining oil shale. Oil shale is Estonia's most important energy-containing mineral resource. Oil shale is mostly used in the energy sector; only about 1% of all oil shale is consumed in the industrial sector. About 70–80% of oil shale mined is used to generate heat and power; 80–90% of Estonia's electricity is produced from oil shale. In 2010, the volume of mining oil shale was somewhat lower than at the beginning of the 1990s, but it has been moving upwards as of 1999. While in 1998, oil shale output was 9.6 million tonnes, it reached 15.1 million tonnes in 2010. Oil shale output is increasing and has reached the upper limit of 15 million tonnes per year for the year 2015. The environmental strategy's objective of keeping mining volumes under the level of 2005 has not yet been achieved. [22]

There used to be 1 million ha of marshlands in Estonia. Now due to drainage, peat accumulation in two-thirds of these has ceased and organic matter decomposes. Due to this drained marshes in Estonia are the second most prominent sources of emitted CO2 ranking after industry. Yearly increment of peat is overestimated: for example, calculations include the already drained marshes where accumulation of peat has ceased, thus resulting in

[20] Estonian Environmental Strategy 2030
[21] Nature Conservation Development Plan 2020, approved on July 26 2012
[22] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012

overextraction of peat, especially peat found in bogs. Real yearly peat increment is not significant, i.e. the mineral resource that could be extracted does not form. Considering the annual increment of 400,000 to 550,000 tonnes in natural marshland, harvesting exceeds increment twofold, and as a result of which harvesting in current volume is not sustainable[23]. Thus, peat is considered to be a non-renewable natural resource and, drawing upon this, harvesting volumes should be specified in the future.

A huge amount of mineral resources and soil is used in construction and establishing or reconstruction of various transport infrastructures. According to National Development Plan for the Use of Construction Minerals 2011-2020, in Estonia, the majority (71%) of fill material is currently being used in road construction. According to Estonian Road Administration, the need for construction minerals in national road construction and maintenance in the years 2010-2020 is estimated to reach 4 million m^3 per year, which makes up 50-60% of all the planned yearly volume for mineral resources to be used in construction for the whole period.

Renewable natural resources are considered to be timber, fish stocks and game[24].

The status of most fish stock in Estonia's coastal waters is good or stable. Cold-water fish stocks in Peipsi are still at a low, the status of other species is at an average or good level[25].

The status of large predator populations is good. Over the last ten years, hunting large predators has become significantly more regulated[26].

Estonia is among Europe's most wooded countries. The area of forest land has increased 1.5 times over the last 50 years. Estonian forestry development plan 2020 sets a prerequisite for sustainable forest management, which is as uniform use of forest resources as possible in the extent of increment, which in Estonia is estimated to be 12–15 million m^3 per year. Such an amount of additional wood is estimated to grow in forests every year. In 2012, the volume of regeneration cutting and thinning was 8.4 million m^3, which constitutes 56-70% of the target and approx. 70% of the increment (increment being 12.2 million m^3, SMI2010). Typological representativeness of strictly protected forest land must be improved in order to preserve forest species characteristic of Estonia.[27]

[23] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[24] Nature Conservation Development Plan 2020, approved on July 26 2012
[25] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[26] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[27] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012

Water

Both water abstraction and water use have dropped significantly since the 1990s, but have remained fairly stable in recent years. Domestic water consumption has increased and water consumption in manufacturing has decreased somewhat.

In recent years, new wastewater treatment plants and sewage systems have been established in Estonia and existing ones have been reconstructed. Since 1992, pollution load has significantly reduced. In the last few decades, BHT load has decreased by nearly 95%; at the same time, phosphorus load has decreased
by almost 84%. Nitrogen load has reduced by 66%, but this indicator has continuously been increasing over the last three years, being 1.75 in 2009, 1.78 in 2010 and 1.89 thousand t/y in 2011. The reason has probably been water-rich years, when the proportion and load of rainwater have increased in the towns' wastewater.

Overall pollution load has decreased above all due to the decrease in industrial manufacturing in the 1990s and large investments in Estonia's water economy over the last couple of decades. Wastewater treatment plants and the majority of small cleaners in nearly all major settlements have either been reconstructed or new ones have been built. The same is true of sewage systems. In recent years, the drop in load has sped up thanks to significant investments that have led to building and renewing wastewater treatment plants in all of Estonia. One reason why the pollution load has decreased is the increase in the rates of pollution charges and stricter requirements for wastewater treatment. Based on the need for holistic preservation of landscape diversity and ensuring the highest possible efficiency of protection measures, it is clearly expedient to protect landscapes on state territory as a whole, guiding land use also outside the boundaries of protected sites, which will ensure the required conditions for landscape and biological diversity. Similarly to addressing landscapes and communities as a single unit, it is expedient to prevent loss and increase of species and habitats rather than having to deal with consequences.

The share of secondary (biochemical treatment) and third level (phosphorus and nitrogen removal) treatment has remained relatively stable. The fact that some small cleaners are not yet properly operational poses a problem.

The overall qualitative status of groundwater in Estonia is good and has improved. In 2009–2010, nitrate concentration in groundwater decreased a little in nitrate vulnerable zone, but data from 2011 show a slight increase again.

The bad status of Estonia's coastal waters stems from the load of nutrients originating both from Estonia's territory and neighbouring countries, also from pollution that has accumulated in the Baltic Sea over the decades, which has led to severe eutrophication of the entire Baltic Sea. Majority of coastal waters is in moderate status, and considering the general moderate status of the Baltic Sea and slow water exchange, a speedy recovery is not expected. The amount of phosphorus led to the sea by wastewater and rivers has decreased over the last decade.

Three quarters of Estonian watercourses are in good and about 20% in bad condition. The pollution load caused by wastewater from settlements and industry has decreased, and the quality of river water and status of phytobenthos and macroinvertebrates has improved.

About 2/3 of the monitored small lakes are in good status. Lake Peipsi is in bad and Lake Pihkva in very bad status. Approximately one-third of small lakes are in
bad status. The status of Lake Pihkva, Lake Harku and Vööla Sea is bad [28].

Land use
Land use is characterised by:

- The area of forest land has increased by 50% in the last 50 years.
- The use of agricultural land has been increasing since joining the European Union.
- The area of settlements and infrastructure has expanded and is continuing to grow.
- As of the 1970s, the area of grasslands has decreased by more than twice[29].

Waste
Waste generation depends largely on the general economic situation – more waste is generated in times of economic growth, a reduction in waste generation occurs during economic decline. Waste generation increased until the year 2007 and it was decreasing during the subsequent three years. The hazardousness of generated waste has not changed much.

Majority of hazardous waste is generated due to oil shale waste, and the amount of it has been growing over the years.

Both generation and deposition of municipal waste have decreased, while separate collection and recovery of municipal waste have increased.

Due to the abundance of waste from oil shale industry, deposition of waste in landfills is the primary method of disposing waste in Estonia. Most old, non-conforming landfills have been closed, while the environmentally sound closure of waste landfills has gone fairly well, the final conditioning and covering is still underway, and aftercare has not yet been launched.

Recovery of waste to as great an extent as possible is one of the top priorities for waste management, apart from waste prevention in the first place. In case of waste recovery, re-use is considered the most preferable, followed by recycling as material or raw material and only then, the use of the potential energy contained in the waste. Recovery of waste has increased in Estonia. According to Estonian Environment Agency, in 2011, recovery of waste

[28] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[29] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012

constituted 55% of the whole waste generation. Pursuant to the European Union directive on waste, 50% of glass, paper, metal and plastic in municipal waste must be re-used or recycled as material by 2020[30].

Environmental Strategy 2030 objectives[31]:

- Waste - By 2030 waste disposed to landfills will have decreased by 30% and the harmfulness of waste generated will have been reduced significantly.
- Water - To achieve good condition of surface water (incl. coastal water) and groundwater, and to maintain the bodies of water whose condition is good or very good already.
- Mineral resources - Environmentally sustainable extraction of mineral resources which is sustainable in terms of water, landscapes and air, and efficient exploitation of mineral resources with minimum losses and waste.
- Forest - Balanced satisfaction of ecological, social, cultural and economic needs in the course of utilisation of forests in a very long perspective (longer than the period of 25 years discussed in the Strategy).
- Fish - To ensure good condition of fish populations, diversity of fish species and avoid the indirect negative impact of fishing on the ecosystem.
- Game - To ensure the diversity of the species of game and other game and the viability of populations.
- Soil and use of land - Objective 1: Environmentally sustainable use of soil; Objective 2: Functionality and sustainable use of natural and cultivated landscapes.

Connections with the Operational Programme and the Partnership Agreement, expected impacts

In the analytical part of the Partnership Agreement, the following is highlighted: limited natural resources and their deteriorating accessibility are in conflict with the growth needs of countries and will increase worldwide competition for resources both between and within regions. The scarcity of natural resource weakens a country's position in international competition, unless it is compensated by lower resource-intensity and improved efficiency. Global economic growth increases demand for natural resources, but the limitation of resources also creates a need to find growth models that put a smaller burden on the environment, as intensive and unsustainable use of natural resources causes the rapid deterioration of the natural and living environment. Decoupling of economic growth from the increasing use of resources (including energy consumption) is a global necessity. It is important to ensure purposeful and environmentally sustainable use of natural resources (including land) that takes account of specific regional features, and to make nature conservation increasingly more knowledge-based and integrate it with other areas in order to preserve natural values.

[30] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[31] Estonian Environmental Strategy 2030

To promote a decreased use of natural resources and a reduction in waste, the following EU thematic objectives have been specified: 'Protecting the environment and promoting resource efficiency', and 'Supporting a shift towards a low-carbon economy in all sectors'.

The implementation of the Operational Programme promotes directly the sustainable use of natural resources and the reducing of waste generation through the following investment priorities and their sub-objectives:

- 'Energy efficiency' - supporting energy efficiency and renewable energy use in public infrastructure and in the housing sector. Generation of greenhouse gases will be reduced, including a decreased risk of impact on the development of alien species invasion, forest and storm damages, etc.;
- 'Water protection' - which will provide for the protection of groundwater and surface water via the clean-up of contaminated sites. Residual pollution sites will be eliminated and wetlands and wastelands cleaned;
- 'Green infrastructure and improved preparedness for emergencies' - protection of protected species and habitats will be improved;
- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objective 'Improved energy and resource efficiency in enterprises' – use of renewable energy in enterprises will be promoted, this will lead to a reduction in the use of natural resources. Introduction of new and environmentally friendly solutions, incl. resource management systems, implementation of best possible technology and final clean-ups, will be supported. Also, preparations for waste recovery and re-use and recycling will be advanced. Awareness of enterprises will be raised and resource auditing supported in order to facilitate the achievement of the objectives and identify more efficient ways of resource efficiency.
- 'Sustainable urban development' and its sub-objective 'Urban space that integrates various mobility options and is human-friendly and environmentally friendly' – will reduce the generation of greenhouse gases.

The specified priorities have a positive impact on the preservation of natural resources.

The implementation of the Operational Programme promotes indirectly the sustainable use of natural resources and the reducing of waste generation through the following investment priorities and their sub-objectives:

- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objectives 'Research and development serve the interests of the Estonian economy and society', and the 'RD&I system supports the development of a more knowledge-intensive structure of the economy' – will promote indirectly the conservation of natural resources and reduction in waste and pollution generation through measures for promotion of innovation, raising awareness of and supporting environmental protection;
- 'Sustainable transport' and its sub-objective 'Reduced travel time and increased accessibility to environmentally friendly rail and other means of transport' – will reduce generation of greenhouse gases;

- 'Infrastructure for ICT services' – enhancing e-services, which will contribute to sustainable development by reducing the need for mobility;
- 'Administrative capacity' – enhancing public services, which will contribute to sustainable development by reducing the need for mobility. Promotion of environmentally friendly solutions.

Proposed amendments

We recommend:

- to integrate intervention mechanisms of sustainable use of energy and resources in all the priority axes.

5.2.2 Preservation of diversity of landscapes and biodiversity

Current situation described

According to Estonian Environmental Strategy 2030, the main problematic areas in Estonia are as follows[32]:
Changes in land use and its polarisation happening due to a variety of reasons lead to:

- destruction and fragmentation of valuable landscapes and biotic communities, incl. habitats;
- formation of wastelands (swamped areas, areas overgrown with brush);
- prevalence of high density population in coastal areas;
- littering of landscapes (abundance of abandoned technological sites;
- decrease of the number of species of biota.

Today there are an estimated 35,000-45,000 species of plants, fungi and animals in Estonia, so far the surveys carried out have identified approximately 26,600 species. Considering the fact that the area of Estonia is rather small, we are one of the most species-rich areas and several rare species (for example, white-backed woodpecker, corncrake, bear, lynx, *Cypripedium calceolus*) in Europe can be found here[33].

There are 60 habitat types endangered in Europe listed in Annex I of the European Union Habitat Directive, 51 species of animal and plant in Annex II, and 136 birds species listed in the EU Birds Directive. Nature and bird sites forming the Natura 2000 network in Estonia have been established to protect the species. In 2012, Natura 2000 network in Estonia consists of 66 birds sites with total area of 12 590 km^2, and 542 nature sites with total area of 11 490 km^2. As birds and nature sites overlap to a large extent, the total area of Natura 2000 network in Estonia is 14 750 km^2. Natura 2000 network aims at preserving and, if necessary, restoring the favourable condition of endangered species and habitats all across Europe.

[32] Estonian Environmental Strategy 2030
[33] Nature Conservation Development Plan until 2020 , approved on July 26 2012

Marine and coastal habitats are in the most favourable condition, while freshwater bodies of water and marshes (excluding bogs) are in the poorest condition. The largest share of Estonian habitat types - 25 habitat types - is in favourable condition. 21 habitat types are in insufficient and 9 habitat types in poor condition. The status assessment of five is unknown. Most habitat types in favourable condition are among marine and coastal habitats, and freshwater bodies of water and marshes (excl. bogs) are in the worst condition. In comparison to other European Union countries, Estonia is not in the worst condition. In the boreal region, only 13% of habitat types are in favourable condition; the majority of habitat types are in insufficient or poor condition. In the European Union as a whole, 37% of types of habitats are in poor, 28% in insufficient and only 17% in favourable condition. Condition of a considerable number of habitat types is unknown (18%).

The condition of Europe's primary habitat types, the range of which has significantly decreased, is considerably worse. Of the primary habitat types found
in Estonia, only three habitat types are in favourable condition, while eight are in insufficient and five in poor condition. The condition of two habitat types is unknown. The situation is not any better in the European Union as a whole - 14% of primary habitat types are in favourable condition, but more than 70% in insufficient or poor condition. [34]

The most significant threats to species are the decreasing habitats suitable for them, the deterioration and fragmentation of living condition, incl. the disappearing pathways required for spreading. Also, changes in land use (for example, meadows turning into scrubs) cause the suitability of habitats for many species to decrease. The main objectives of species protection in Estonia are to ensure favourable conditions for all naturally occurring species, incl. at the levels of subspecies and populations, to preserve biodiversity in all of its manifestations (including genetic diversity), to prevent alien species and populations from entering and spreading in our nature, and the negative impact of genetically modified organisms[35].

Diverse landscape and our geographical location constitute the basis for high habitat diversity and nature value of Estonia. Rare habitats and those with decreased distribution, as well as those characteristic of Estonia, are in need of protection and preservation. The changes in land use which have occurred in the last century have impacted habitats rather significantly. Use of agricultural land, especially that of semi-natural grasslands, has undergone a decrease (from 65% at the beginning of the 20th century to 30% at the end of the century), and the share of forests has experienced growth (from 21% to 50%). In Estonia similarly to elsewhere in the world, a portion of habitats has perished and their condition deteriorated as a result of human activity (or from the time it ceased). An issue is the decrease in, fragmentation of and depletion of species composition. Habitats of watercourses have been strongly impacted by

[34] Estonian Environmental Indicators 2012, Estonian Environment Information Centre. Tallinn 2012
[35] Nature Conservation Development Plan until 2020 , approved on July 26 2012

previous land improvement. One of the most important objectives specified in *Nature Conservation Development Plan 2020* is to ensure the favourable condition of habitats.

Landscape is the cross-habitat level to natural biodiversity. Today's landscapes have formed as a result of a varying historical ensemble of nature and humans, thus depending to a discernible extent on socio-economic changes. Landscape as living environment possesses an ecological, economic and cultural (incl. scientific) value, landscape conservation is an activity shared between sectors. Preserving and enhancing natural and cultural landscape diversity and their functioning through traditional settlement and land use will ensure the preservation of cultural heritage in rural areas and prerequisites required for preservation of landscape and biological diversity[36].

The objective of Estonian Environmental Strategy until 2030 is to ensure the existence of habitats and populations necessary for preserving viable populations of biota species. The objective of Nature Conservation Development Plan until 2020 is to ensure favourable condition of species and habitats and landscape diversity and the functioning of habitats as a single ecological network.

Connections with the Operational Programme and the Partnership Agreement, expected impacts

Structural funds will be used to contribute to the improved or non-changing status of endangered and protected species and habitats in the EU and to achieving landscape diversity by ensuring the functioning of habitats as an integrated ecological network. Under the priority axis Water protection, support will mainly be provided for the protection of fish migration conditions in dams constructed on salmon rivers, for the restoration and inventory of protected habitats, for the management infrastructure of protected areas, and for infrastructure related to the maintenance of valuable semi-natural communities.

The implementation of the Operational Programme promotes directly the preservation of landscape diversity and biodiversity through the following investment priorities and their sub-objectives:

- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objective 'Improved energy and resource efficiency in enterprises' – measures for innovation will help to achieve sustainable use of natural values when planning to enhance productivity by implementing sustainable use of resources and energy and introducing new technologies and solutions and showing preference to technologies and production methods that reduce the use of natural resources;
- 'Green infrastructure and improved preparedness for emergencies' - protection of protected species and habitats will improve;

[36] Nature Conservation Development Plan until 2020, approved on July 26 2012

- 'Energy efficiency' - supporting energy efficiency will promote a reduced energy production, incl. a slight decrease in oil shale extraction volumes, which will in turn preserve landscapes and our natural environment;
- 'Water protection' - which will provide for the protection of groundwater and surface water via the clean-up of contaminated sites. Residual pollution sites will be eliminated and wetlands and wastelands cleaned.

The actions planned under the listed priority axes have a positive impact on the preservation of landscape diversity and biodiversity.

The implementation of the Operational Programme promotes indirectly the preservation of landscape diversity and biodiversity through the following investment priorities and their sub-objectives:

- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objectives 'Research and development serve the interests of the Estonian economy and society', and the 'RD&I system supports the development of a more knowledge-intensive structure of the economy' – will promote indirectly the conservation of natural resources and reduction in waste and pollution generation through measures for promotion of innovation, raising awareness of and supporting environmental protection, which will lead to protection of species and habitats, presumably;
- 'Sustainable urban development' – will reduce the generation of greenhouse gases;
- 'Sustainable transport' – generation of greenhouse gases will be reduced, incl. potential impact on triggering an invasion by alien species, damage done by storms, etc';
- 'Infrastructure for ICT services' – enhancing e-services, which contributes to sustainable development by reducing the need for mobility;
- 'Administrative capacity' and its sub-objective 'People's professional and occupational competence, management and cooperation capacity and institutional capacity have increased' – enhancing public services, which will promote sustainable development by reducing the need for mobility. Promotion of environmentally friendly solutions.

Recommendations

To avoid negative impact, environmental protection must be shown as a significant value throughout the Operational Programme.

5.2.3 Climate change mitigation and air quality

Current situation described

According to Estonian Environmental Strategy 2030, the main problematic areas in Estonia are as follows [37]:

[37] Estonian Environmental Strategy 2030

Energy production. Prioritising, on the national level, of power engineering which is based on oil shale and is concentrated in one geographical area has entailed the following:

- concentration of pollution;
- large losses in the transmission of electric energy;
- considerable vulnerability of the system in emergency situations;
- inhibition of the development of renewable energy sources.

Energy consumption. The continuous use of inefficient (out of date) machinery and technologies has entailed the following:

- large energy consumption of buildings;
- losses in transmission and distribution of energy;
- considerable energy-intensity of economy;
- increased demand for energy.

Energy conservation would be one of the essential answers to all of the energy-related problems of Estonia, as well as the entire European Union. Development of energy conservation should be based on a complex approach, without consumption and supply being separated from each other.

Transport. Urban sprawl (unmanaged use of land and construction activities), insufficient development of public transport (which does not take into account the changed movement habits and needs of people) and alternative energy sources (incl. the production and implementation of biofuels) and the functioning of Estonia as a cheap transit corridor has entailed the following:

- increasing number of cars and, accordingly, increasing use of land;
- increasing pollution of ambient air;
- increasing amount and chances of realisation of environmental risks;
- unsatisfactory use of environmentally sustainable energy sources and fuels.

Substance affecting the ozone layer.

Total greenhouse gas emissions have decreased by 50% in comparison to the base year (1990). Total greenhouse gas emissions increased in 2010 in comparison to 2008 and 2009.The greatest contributor to the total greenhouse gas emission is the primarily oil shale-based energy sector, the share of which reached 88% in 2010. It is followed by the agricultural sector with 6.5% and industrial process and waste handling sector with 2.4% and 2.3% respectively. The share of land use, its change and forestry sector that in addition to greenhouse gas emissions also considers their binding, has been relatively unstable in 1990–2010. Generally, the latter sector affects the balance of greenhouse gases as a binder of CO_2. Forest uses approximately 1t of the equivalent of CO_2 for growing one cubic metre of timber, that is 12 million tons per year. Thus, growing forests bind approx. 60% of the total of greenhouse gas emissions in Estonia which amounts to 20.5 million tons of CO_2 equivalent.

The primary greenhouse gas in Estonia is carbon dioxide (CO_2) that constitutes 89% of the total green-house gas emission. The share of both methane (CH_4) and nitrous oxide (N_2O) is 5% each and F-gases 1%. In Estonia, the average greenhouse gas emission per capita is 15.1 tonnes of CO_2 equivalent, which exceeds the average for the European Union (9.4 tonnes of CO_2 equivalent per

capita) 1.6 times. The main reason for this is the use of carbon-rich oil shale in the energy sector.

The transport sector is responsible for 23% of the greenhouse gas emissions arising from human activity[38], whereas motor vehicle transport constitutes 70% of emissions of the transport sector[39]. Energy use in and CO_2 emissions caused by the transport sector are especially topical in cities in particular due to the fact that urban traffic in Europe is responsible for 40% of CO_2 emissions and 70% of emissions of other pollutants arising from road transport, as unlike on roads, vehicles stopping in neutral belong to the daily rush hour in towns[40].

In Estonia, problems related to ambient air are closely connected with oil shale-based energy production. In addition, air is contaminated by industry, power stations, boiler plants, transport and agriculture, but also people themselves (smoke from open fire such as a fireplace or a fire pollutes air). Contaminants emitted into air from boiler plants are the following: sulphur dioxide, nitrogen dioxide, carbon dioxide, solid particles, volatile organic compounds, and heavy metals. Composition and amount of emissions into air depends on the type, quality, technology and amount of fuel used. In addition to emissions from boiler plants, contaminants are emitted into air during transhipment of fuel in filling stations and in the process of fuelling and using volatile industrial chemicals (paints, lacquers, solvents).

Connections with the Operational Programme and the Partnership Agreement, expected impacts

The thematic objective 'Promoting adaptation to climate change and prevention and management of risks' has been chosen separately from others specified. The planned interventions are also related to thematic objectives ' Supporting a shift towards a low-carbon economy in all sectors' and 'Protecting the environment and promoting resource efficiency'.

Under horizontal principles, it is pointed out that a principle for ensuring environmental protection has been specified. The objective of environmental conservation and climate should be taken into account throughout the process of devising development-related documents. Actions to be taken in connection with environmental conservation and climate have been well-reflected upon under the sub-objectives of the described priority axes to be promoted, whereas these are not specified as a separate horizontal theme which may leave the impression that environmental conservation and climate change are a detached domain. To prevent possible negative environmental impact arising from implementing potential actions taken under all the priority axes,

[38] Jüssi, M., Anspal, S., Kallaste, E., Assessment of External Costs in Transport: a Mapping of Assessment Methodology and Input Data, March 2008. Research report for the Ministry of Economic Affairs and Communications.Estonian Institute for Sustainable Development, CentAR, Tallinn

[39] WHO Europe and UNECE, 2009. Ten years' work towards sustainable and healthy transport in Europe: key achievements and the way forward. Factsheet, Amsterdam, Copenhagen and Geneva, 22 January 2009, 3 p.

[40] European Commission, 2007. Green Paper - Towards a new culture for urban mobility

environmental conservation and climate should be integrated throughout the priority axes, sub-objectives and indicators (infrastructure, support for entrepreneurship and innovation) in the Operational Programme. To reach a mutual understanding of principles of environmental protection (for example, sustainable use of non-renewable resources, improving and enhancing renewable resources) and climate (reduced climate change and adapting to climate change), these should be described under horizontal measures.

Climate change impacts biodiversity directly. In Estonia (similarly to everywhere in the temperate climate zone in Europe) changes to biota will be rather minor, whereas the impact of climate change combined with other environmental changes may cause problems here as well. Nature Conservation Development Plan addresses climate changes bearing in mind the aspect of nature conservation. More frequent invasions of alien species are associated with climate change. Climate change impact on a particular population, species and types of habitats is not known exactly. Adapting to our changing climate should be considered at least as important as measures taken to halt climate change. Protecting biodiversity constitutes a vital means for buffering climate change; functioning ecosystems are more resilient to negative impacts of climate change and important for preserving carbon supply. An eco-systematic approach to combating climate change is often more cost-effective than technological solutions[41].

Currently averting the invasion of alien species has not been paid attention to in the analysis part of the Partnership Agreement or measures envisaged by the Operational Programme.

The Partnership Agreement points out in its analysis part that adapting to changes caused by climate change and prevention of climate risks require a more systematic approach in Estonia, but this is not included in the Operational Programme.

The implementation of the Operational Programme and the measures/actions planned under it promote directly the prevention of climate change and improvement of air quality through the following investment priorities and their sub-objectives:

- 'Energy efficiency' – introduction of renewable energy into use will aid the reduction of greenhouse gas generation;
- 'Green infrastructure and improved preparedness for emergencies' – climate change impacts directly biodiversity, thus, protection of protected species and habitats will be improved. Also, preparedness for emergencies will improve and environmental protection through this as well;
- 'Energy efficiency' – use of renewable energy will be promoted in housing and transport sectors. Quality of ambient air will improve;
- 'Sustainable urban development' – quality of ambient air will improve. Generation of greenhouse gases will decrease, incl. potential impact on triggering an invasion of alien species, damage caused by storms, etc.;

[41] Nature Conservation Development Plan until 2030

- 'Sustainable transport' - quality of ambient air will improve. Generation of greenhouse gases will decrease, incl. potential impact on triggering an invasion of alien species, damage caused by storms, etc.;
- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objective 'Improved energy and resource efficiency in enterprises' – introduction of new and environmentally friendly solutions, incl. resource management systems, implementation of best possible technology and final clean-ups, will be supported; using new technological solutions will reduce potential pollution (incl., reduction in the amounts of greenhouse gases);
- 'Water protection' – contaminated areas, incl. residual pollution sites, bodies of water and wetlands will be restored. As a result of the actions, an improved condition of water environment, reduced health risk and viability of eco-systems and reduced air emissions will be ensured.
- 'Infrastructure supporting lifelong learning and skills for obtaining skills required for employment' – this will advance indirectly the prevention of climate change and improvement of quality of ambient air through acknowledging and supporting the environmental aspects of the promotion of innovation measures.

The priority axes chosen have a positive impact on preservation of landscape and natural diversity.

The implementation of the Operational Programme will promote the horizontal principle of climate change mitigation and air quality through the following investment priorities and their sub-objectives:

- 'Growth-capable entrepreneurship and internationally competitive R&D' and its sub-objectives 'Research and development serve the interests of the Estonian economy and society', and the 'RD&I system supports the development of a more knowledge-intensive structure of the economy' – promotes indirectly the conservation of natural resources and reduction in waste and pollution generation through measures for promotion of innovation, raising awareness of and supporting environmental protection;
- 'Infrastructure for ICT services' – enhancing e-services, which contributes to sustainable development by reducing the need for mobility;
- 'Administrative capacity' – enhancing public services, which will contribute to sustainable development by reducing the need for mobility. Promotion of environmentally friendly solutions, for example, green procurements.

Recommendations

To avoid negative impact, environmental protection must be shown as a significant value throughout the Operational Programme. To reach a mutual understanding of principles of environmental protection (for example, sustainable use of non-renewable resources, improving and enhancing renewable resources) and climate (reduced climate change and adapting to climate change), these should be described under horizontal measures (preparing and carrying out projects will improve environmental conditions).

5.2.4 Environment, health and quality of life

Impacts connected with environment, health and quality of life are assessed in Chapter 5.4 titled 'Impact on humans'.

5.3 Potential impact on Natura 2000 network areas

Natura 2000 is a network of protected areas covering all Europe whose aim is to ensure protection of rare or endangered birds, animals, plants and their habitats. Natura 2000 nature and bird areas have been formed on the basis of EU Directives 92/43/EEC and 79/409/EEC. When planning actions, potential direct and indirect impacts on Natura 2000 areas must always be taken into account. Description and condition of Natura 2000 network areas is presented in Chapter 5.2.2.

Natura assessment is a procedure carried out in accordance with the Habitats Directive Article 6 provisions 3 and 4.

Pursuant to Environmental Impact Assessment and Environmental Management System Act § 3 clause 2, environmental impact shall be assessed if activities are proposed which alone or in conjunction with other activities may potentially significantly affect a Natura 2000 site.

As a result of assessment, the expert group reached the following:

1. The objectives of the Partnership Agreement or Operational Programme are not contrary to environmental protection principles in all of Europe;
2. The implementation of the objectives of the OP will entail a positive impact on Natura 2000 sites when the following measures will be taken:
    - Green infrastructure and improved preparedness for emergencies - protection of protected species and habitats will be improved;
    - Water protection - contaminated areas, incl. residual pollution sites, bodies of water and wastelands will be restored, which will also improve the condition of Natura 200 sites.
3. When carrying out sub-objectives, negative impact on Natura 2000 sites may be entailed if the following will be implemented:
    - The most contrary to environmental objectives is the sub-objective 'Connection opportunities with foreign partners meeting the needs of enterprises and society' of the priority axis 'Sustainable transport'.

Development of transport may entail a negative environmental impact even when optimal solutions for environment are found. The likelihood of a negative environmental impact emerging can be reduced by taking into account environmental aspects when preparing projects and, if necessary, implementing the relevant mitigation measures (road infrastructure cannot damage the green network and protected sites, habitats of protected species and their favourable environmental condition must be ensured).

Strategic documents which form the basis for this assessment – the Partnership Agreement and the Operational Programme – are of general nature, which does

not enable the assessment of Natura to be carried out. The axes of the objectives of planning documents and their actions will be specified in detailed plans or projects at lower levels. It is expected that in these stages more exact building volumes and technologies will be known, and as a result, more precise projection of impacts and Natura assessment will be possible.

A planned action or implementing a strategic planning document must not damage natural values of Natura 2000 sites. The likelihood of a potential negative impact emerging can be prevented and reduced by relevant preparation for taking into account the environmental aspects of projects, and if necessary, by implementing mitigating measures.

5.4 Impact on humans

Pursuant to Environmental Impact Assessment and Environmental Management System Act which specifies the content of SEA and the Directive[27] which was the basis for drafting the Act, the impacts on the population in the particular area of interest (people's health and well-being, their assets), which will manifest in case the strategic planning document is implemented, should be dealt with during the process of carrying out SEA.

Initiating as extensive positive changes in society as possible has been at the heart of the Operational Programme's development process led by the Ministry of Finance of the Republic of Estonia. In addition to a number of ministries, and extensive network of partners has been involved in the process which has lasted for over a year by the time SEA was initiated[42]. Ex-ante assessment is being carried out in parallel to the process of drafting the OP. During the ex-ante assessment, the following aspects are analysed: the validity of the objectives chosen for funding and the optimality of the priority axes and measures chosen to be implemented, the accordance between objectives set and this of the latter and other national action programmes and development plans, the Strategy EU 2020 and support opportunities from foreign instruments, and also, whether potential for international cooperation has been considered. Connections between supportive actions, expected output and results are being analysed. The relevance of indicators specified for fulfilling objectives is being examined and it is assessed how realistic the initial target levels are. The same is applied to the bases and structure of implementation programme[43].

Taking into account the whole process so far, the ex-ante assessment carried out in parallel to SEA, and the expected nature of actions being planned based on the OP (involvement of additional funds to effect positive developments in different sectors), the emergence of a significant environmental impact to endanger human health and well-being at national level is not likely, and the

[42] http://www.struktuurifondid.ee/kaasamise_korraldus/
[43] A more detailed description of ex-ante assessment can be found at http://www.struktuurifondid.ee/hindamine/

role of SEA can be, if possible, enhancing positive impacts on the basis of additional analysis. The significance of impacts and opportunities for enhancing positive social impacts have been addressed in the following subchapters.

When carrying out SEA and addressing impacts on people, the problematic areas for Estonia were based on the specifications made by the UN Development Programme in its International Human Development Indicators. Problematic areas were identified based on overviews provided in EIAs[44].

Problematic areas with a view to human development, which were focussed on when carrying out SEA:

- **Life expectancy and human health**
- **Income and standard of living**
- **Equality and tolerance**
- **Adaptation to demographic processes**

It is important to point out that, for several years already, Estonia has been counted among countries of a very high level of development, and our rate of development has been extremely rapid since the time of regaining independence.[45] Therefore, addressing problem areas is informative and indicates areas in society in which initiating positive changes enables to further improve Estonia`s development indicators, at the same time contributing to the holistic development of society.

Several authors have pointed out that Estonians are outstandingly critical by nature, for example, Estonians evaluate the educational system of the country to be of lower quality than in the countries which rank lower based on objective educational indicators, whereas our educational system has gained a good position regarding several international benchmark indices[46]. In some cases, Estonians' critical nature sheds light on the weaker position of indicators that depend largely on personal evaluations, but it does not explain the indices based on objective indicators.

5.4.1 Life expectancy and human health

Current situation described

At birth, Estonians' life expectancy remains below the EU average. In 2011, life expectancy for women was 81.3 years at birth (EU: 83.2 years, difference of 1.9 years), for men 71.2 years (EU: 77.4 years, difference of 6.2 years)[47]. Since the turn of the century Estonia has succeeded in moving somewhat closer to the average of countries with very high human development, although we

[44] Estonian Human Development Report 2012/2013 Estonia in the world. *Eesti Koostöö Kogu*, Tallinn 2013 (hereinafter EIA 2012/2013); EIA Report 2010/2011 *Eesti Koostöö Kogu*, Tallinn 2011 (heereinafter EIA 2010/2011).
[45] See, for example, Keskpaik, A., EIA 2012/2013
[46] Toots, A., EIA 2012/2013; also Vihalemm, P., EIA 2010/2011
[47] Eurostat up-to-date comparative data

have not been able, until now, to reach the average of such countries from 20 years back[48].

It has been highlighted that the positive developments that have taken place have ensued as a result of children's and young people's mortality rate and larger reserves for lengthening life expectancy, and thus, lie in reducing men's and 20-65-year-olds' mortality rate to promote human development[49].

Reducing the mortality rate and lengthening average life expectancy are closely connected with health issues. It has been said that the positive developments have occurred due to a decrease in mortality from cardiovascular diseases and external causes (accidents, homicides, suicides). At the same time, Estonia lags behind Europe in these respects to the highest extent[50].

Different approaches point out components of health impacts – traffic safety, accidents, health behaviour, environmental health factors.

Developments occurring in different sectors are multidirectional:

- number of traffic accidents and casualties is demonstrating a downward trend in Estonia, whereas the rate at which such positive developments occur is lower than the rate of average positive developments in Europe[51];
- although population's health awareness is on the increase, Estonia lags behind Europe in people's level of health behaviour[52];
- in the field of environmental health, negative environmental impacts in outdoor environment are somewhat increasing, for example, due to a growing traffic load, whereas extensive investing in developing public water supply system and sewerage have resulted in improved water quality[53].

Connections with the Operational Programme and the Partnership Agreement

In its analytical part, the Partnership Agreement identifies the above described issues rather relevantly – low life expectancy at birth and the main reasons for this. Environmental health issues have not been included in the analytical part addressing health (air pollution, noise, quality of drinking water, etc), other more important components of health impacts should also be specified. Negative health impacts arising from transport are included indirectly in the context of connection and mobility opportunities. Indicators related to environmental health should be addressed more widely in the indicators of the

[48] Keskpaik, A., EIA 2012/2013
[49] Puur, A., Sakkeus, L., Tammaru, T., EIA 2012/2013; also Kiivet, R.-A., EIA 2012/2013
[50] Puur, A., Sakkeus, L., Tammaru, T., EIA 2012/2013; also Kiivet, R.-A., EIA 2012/2013
[51] European Road Safety Observatory. Annual Statistical Report 2011
[52] See also Keskpaik, A., EIA 2012/2013
[53] See also Estonian Environmental Strategy 2030

priorities set in the Operational Programme (in addition to drinking water), these have also been referred to in the descriptions of priority axes.

Lengthening of life expectancy and health issues are not really addressed under the priority axes identified in the Partnership Agreement.

Several thematic and horizontal objectives aimed at improving environmental health, extensive use of ICT solutions and investments in education aid indirectly to promote an improved health conditions[54].

The following priority axes specified in the Operational Programme contribute to longer life expectancy and improved health indicators indirectly:

- 'Qualifications and skills meeting the needs of society and the labour market' – in scientific approaches, higher level of education has been associated with a better health condition, therefore, a rise in the general level of education will entail improved health, reduced deviant behaviour and number of illnesses and accidents arising from the latter;
- 'Services ensuring equal opportunities for employment' – similarly to education, unemployment has been associated with health behaviour and condition. By promoting employment opportunities of persons who are not in very good position in society, their health condition will be impacted indirectly;
- Energy efficiency – air pollution will be reduced;
- 'Green infrastructure and improved preparedness for emergencies' – opportunities for spending time in open air and capacity to react to emergencies will be improved;
- 'Sustainable urban development' – due to preferring sustainable means of transport, air pollution will decrease, opportunities for moving on foot and by bicycle will improve, which will result in a positive impact on human health condition.

The following priority axes specified in the Operational Programme contribute to longer life expectancy and improved health indicators directly:

- 'Infrastructure supporting equal opportunities for employment' – investments are being planned to improve accessibility to high-quality healthcare services;
- 'Water protection' – accessibility of drinking water which meets requirements will be enhanced, residual pollution sites will be cleaned up;
- 'Infrastructure for ICT services' – among other things, developing e-health services is being planned, this will improve the accessibility of healthcare services.

Recommendation

Environmental health issues should be addressed more widely in the Partnership Agreement and throughout the priority axes of the Operational Programme.

[54] Reference is made to connections between level of education and generally better health conditions

5.4.2 Economic well-being and education that meets society`s needs

Current situation described

Gross National Product (GNP) is used as an indicator for describing level of human development, and in some approaches, also the indicators for real income and Gross Domestic Product, generalising residents' indicators for economic coping.

Although the Human Development Index positions Estonia among countries with very high development level, we are among the poorest in regard to the sub-index of standard of living. It is also pointed out that compared to other sub-indices we lag behind other countries included in the comparison of GNP in particular[55]. In addition, the development of the sub-index of standard of living has been more erratic[56]. Based on the private consumption index which describes economic coping of households, Estonia`s households are positioned among the weakest and, over the years, consumption ability has been decreasing compared to the average in Estonia (2008 – 64% from the EU average indicator, 2010 – 57%, 2012 – 56%)[57]. It has been pointed out that today our sub-index of standard of living has reached approximately the level of the most highly developed countries included in the comparison had 20-20 years ago, and to move towards the same level, we need to increase the productivity of Estonia's economy.[58]

According to the Global Competitiveness Report published by World Economic Forum, the main reason for slowing down the promoting of economic development is considered to be labour force`s inadequate preparation. Although this is not an issue unique to Estonia, this disharmony constitutes one of the most prominent ones in the EU[59].

Also, the share of young people who do not go further than basic school education or lower has been considered a grave concern. Statistically speaking, the share remains at the average EU level, but has a noticeable effect in our small Estonia.[60] When comparing gender-related differences in educational behaviour, these turn out to be rather dramatic (see also the next chapter).

Connection with the Partnership Agreement and the Operational Programme

In the Partnership Agreement and the Operational Programme, employment indicators and possibilities for promoting economic development are addressed throughout the documents.

[55] Vihalemm, P., EIA 2010/2011
[56] Keskpaik, A., EIA 2012/2013
[57] Eurostat; Statistics Estonia
[58] Keskpaik, A., EIA 2012/2013
[59] Toots. A., Lauri, T., EIA 2012/2013
[60] Toots. A., Lauri, T., EIA 2012/2013

The following priority axes of the Operational Programme contribute to growth in economic well-being:

- 'Qualifications and skills meeting the needs of society and the labour market', 'Infrastructure supporting lifelong learning and obtaining skills required for employment' – enhancing level of education has been provided with objectives for different social groups and also investing in enhancement of the level of physical study environment, contributing directly to increasing employment;
- 'Services ensuring equal opportunities for employment', 'Infrastructure supporting lifelong learning and obtaining skills required for employment' – achieving the objectives, opportunities for active participation in the labour market for a number of different social groups will improve (incl. the disabled and people receiving a pension for incapacity for work);
- 'Growth-capable entrepreneurship and internationally competitive R&D' – the actions planned under the priority axis will contribute to the development of a knowledge-intensive economy and entrepreneurship, which will allow the society`s economic well-being to be enhanced;
- 'Supporting development of small and medium-sized enterprises and regional entrepreneurship' – creation of new jobs and development of business environment outside Tallinn and Tartu will be contributed to;
- 'Energy efficiency', 'Sustainable urban development' – these will entail decreasing household and transport expenses which will improve coping of households;
- 'Sustainable transport and infrastructure for ICT services' – will establish preconditions for businesses to operate through developing transport and ICT connections, will enable businesses to remain competitive in the field of ICT.

5.4.3 Social cohesion and equal opportunities

Current situation described

Major social differences in Estonian society (gender, nationality and also economic) have been referred to in a number of source.

Regarding inequality of income, Estonia is ranked among the European countries of the highest level of inequality. Low efficiency of our social system in reducing inequality has been pointed out as a characteristic of our country[61].

Differences in income lead us to the issues of gender equality: in Estonia, a woman with higher education earns only 63% of the salary of a man with higher education, which is the largest gap according to OECD.[62] Issues of gender imbalance also arise in participation in education at vocational, higher secondary and higher education levels, for example, Estonia ranks first in

[61] Roosalu, T., EIA 2012/2013
[62] Toots. A., Lauri, T., EIA 2012/2013

Europe as regards to gender imbalance in people obtaining higher education: 156 female students per 100 male students.[63]

The differences in income can be described based on evaluations for health conditions: in Estonia, 74% of those who belong to the top quintile consider their health to be good or very good, only 32% of the people in the lowest quintile do the same, which is the largest gap according to OECD[64].

Participation in society of people with a different national background cannot go unmentioned. In the Legatum Insitute Prosperity Index comparison of countries, Estonia stands out with a significantly lower tolerance toward immigrants compared to the average in the world (the average percentage of positive answers regarding the question of tolerance toward immigrants in Estonia – 43.1%, the average in the world – 65%.[49] The comparison includes among other aspects also residents' subjective evaluations of a number of components of well-being obtained via a survey.

Connections with the Partnership Agreement and the Operational Programme

The principles of social cohesion and reducing inequality are mainly addressed in the analytical parts and as general objectives in the Partnership Agreement and the Operational Programme. It is important to connect these issues with the sub-objectives and indicators of investment priorities at a more general level, to promote pursuit of a more cohesive society (stronger contribution to the daily functioning of society in Estonia by non-Estonian speaking population, a reducing gender inequalities and other bottlenecks that have been stressed at the level of objectives).
The following priority axes of the Operational Programme are connected with a decrease in social differences:

- 'Qualifications and skills meeting the needs of society and the labour market', 'Infrastructure supporting lifelong learning and obtaining skills required for employment' – the planned actions will help to reduce inequality in society;
- 'Services ensuring equal opportunities for employment', 'Infrastructure ensuring equal opportunities for employment' – the planned actions will support for enhancing the opportunities for employment for social groups (incl. disabled people, non-Estonian speaking residents, parents with small children and children with a profound disability) that are in unfavourable conditions;
- 'Infrastructure for ICT services', 'Administrative capacity' – when developing e-services and reorganising location of services, attention should be paid to ensuring sufficient accessibility to regular services and e-services for different population groups;
- 'Supporting development of small and medium-sized enterprises and regional entrepreneurship' – actions taken to develop business

[63] Toots. A., Lauri, T., EIA 2012/2013
[64] Toots

environment outside Tallinn and Tartu will aid reducing regional differences in employment and income;
- 'Sustainable urban development' – when planned actions are carried out, the opportunities for mobility by public transport, on foot and by bicycle will be improved, which will enhance the mobility opportunities for different social groups and accessibility to services and jobs; actions to be taken to revive the backward areas in IdaViru urban areas will contribute to enhancing quality of life in the region, improving regional balance.

Recommendations

It is important to connect social cohesion with sub-objectives and indicators of investment priorities to a larger extent to promote aspiring towards a more cohesive society (stronger contribution to the daily functioning of society in Estonia by non-Estonian speaking population, a reducing gender inequalities and other bottlenecks that have been stressed at the level of objectives).

In the context of sub-objective 2 under the investment priority 'Active inclusion in particular with a view to improving employability', it is **advisable** to include monitoring regarding gender differences in the employment rate of parents of small children as an impact indicator.

5.4.4 Adaptation to demographic processes

Current situation described

Similarly to other European countries, Estonia is experiencing an increase in the share of older people in society, in addition, the population in Estonia is decreasing due to natural population growth as well as negative net migration.

It is emphasised that population ageing is an inevitable process which occurs due to changes in fertility behaviour in developed societies, although population ageing entails inconvenient alterations in the makeup of working-age population. The following has been pointed out regarding Estonia: ageing of the population has occurred more rapidly in Estonia compared to the rest of Europe due to preceding population processes and emigration taking place in parallel to ageing. At the same time, our employment rate for the older population has traditionally been higher.[65] For society, a larger share of older population means increasing expenses in social welfare and healthcare system, a smaller share of working-age population and the changes this entails in the country's revenue and expenses.

In Estonia, emigration is dominant. This has been promoted by open labour market, favourable economic conditions in neighbouring countries, demographic processes, and also living abroad temporarily. It has been speculated that in the future living abroad for a longer or shorter period will become more and more frequent in society, and in Estonia, more and more people will lead a

[65] Keskpaik, A., EIA 2012/2013

multinational life in which one part is connected with Estonia and one with another country.

Connection with the Partnership Agreement and the Operational Programme

Ongoing population processes and the resulting needs for development are described in the analytical part of the Operational Programme.

To better take into account the future population processes, actions are planned to build or renovate educational institutions, create possibilities for childcare or develop schools` study environment under the priority axes 'Infrastructure supporting lifelong learning and obtaining skills required for employment and 'Sustainable urban development'. The need for preferring multifunctional solutions has been stressed in the guiding principles under the priorities. Taking into consideration the longevity of the changes (buildings, facilities) that will created by investing and the changes happening in population processes (for example, the small cohort of those born in the 90s reaching the age to give birth) in the following decades, the need for easy adaptability of buildings to suit the changing needs of target groups should be specified in the context of creating additional places in kindergartens (amendment of guiding principles with a view to sustainable urban areas).

Proposed amendment

Considering the probable demographic changes in the following decade, it is important to stress more the polyfunctionality of the investments to be made, to enhance the opportunities for using the infrastructure to be created when the demographic makeup of population undergoes changes.

5.5 Expected environmental impact of the Partnership Agreement

The Partnership Agreement will involve European Social Fund, European Regional Development Fund, Cohesion Fund, European Agricultural Fund for Rural Development, European Maritime and Fisheries Fund, and will be entered into by Estonia and the European Commission. It will specify the general framework and principles for use of EU funding in the period of 2014-2020.

Based on the analysis of Estonia's development needs, common thematic objectives have been specified to finance Estonia's investment priorities and achieve the results for 2014-2020 on the basis of the Partnership Agreement (see Chapter 2).

There are tight connections between EAFRD, EMFF and Cohesion Policy Funds regarding support actions. Funding from the Cohesion Policy Funds will be aimed at several areas in a region (in case of Estonia, the whole country), whereas the other two Funds will be aimed only at supporting the development of agriculture and maritime and fisheries sector.

Funding from all the Funds is planned to be used for actions that will be taken to enhance employment, to advance the development of entrepreneurship, to improve the living environment, and to make actions more environmentally sustainable (by using measures pertaining to sustainability of environment and climate). Also, the actions that will be taken with co-financing from funding of the Cohesion Policy Funds will support the improvement of the situation in rural and coastal regions.

The European Commission holds the view that integrating separate programmes into one framework is an efficient tool for facilitation which will ensure synergy and common rules and procedures. Also, the following horizontal principles will be taken better into account in specific policies: equal treatment, prohibition of discrimination, sustainable development and climate change.

The Partnership Agreement will have a clear positive impact in all specific fields on environmental, social and economic situation in Estonia. The actions planned as objectives have been chosen throughout the priority axes based on where Estonia is lagging behind and where needed improvement activities must be undertaken. Enhancing the positive impacts will be possible by improved integration of the horizontal principles specified in the Partnership Agreement into the priority axes.

In addition to the abovementioned (see Chapter 2) national objectives, which are also applicable to the agricultural sector, European Agricultural Fund for Rural Development 2014 – 2020 sets the following objectives: to ensure purposeful, environmentally-friendly use of agricultural land so that soil fertility will be preserved and the unique nature of regions will be taken into account, and preservation of agriculture, forestry, biodiversity, traditional landscapes and cultural heritage, which are all of high nature value, by promoting production which guarantees all the aforementioned. In agriculture, implementation of environmentally sustainable methods will be supported via a number of different environment-related funding measures (for example, maintenance of semi-natural communities, subsidy for environmentally-friendly management, subsidy for organic production).

The main objective for fisheries strategy for the years 2014-2020 entails sustainable development of Estonian fishery as a sector of the economy and enhancement of competitiveness of fish production in domestic and foreign markets. This will be the basis for drafting the Operational Programme for European Maritime and Fisheries Fund. To carry out the objective, sustainability of fish resources must be ensured, which can be accomplished through optimal use of fish resources.

5.5.1 Horizontal principles

It has been pointed out in the Partnership Agreement that several of the country's development needs and objectives are inherently cross- and inter-sectoral and go beyond the sectoral boundaries, therefore require activities to be planned in many sectors. The Cabinet agreed in its decision of 21 June 2012 that there were five important horizontal themes which require cooperation

between many other policy areas and purposeful action to achieve the desired results and objectives set, and which should be taken into account in the preparation of development documents: 1) environmental protection and climate; 2) equal opportunities; 3) the information society; 4) regional development; and 5) governance. The Partnership Agreement includes the objectives and priority axes of the main horizontal themes, which need to be followed when preparing development documents and planning resources. The essence of the horizontal principle 'Environmental protection and climate' has not been addressed. In order to ensure a common understanding of environmental protection principles (for example, the sustainable use of non-renewable resources, the improvement and increasing of renewable resources) and climate (the mitigation of climate change impacts and adapting to climate change) and to adhere to these, the principles should be specified under horizontal measures (when preparing and implementing projects, the state of environment will be improved), and should be the basis for drafting development documents for specific areas.

Investing in energy efficiency measures and technologies related to renewable energy sources are the main options to mitigate climate changes. This requires an attitude change and physical adjustments to enable the society to prepare for consequences of climate change.
Statistics and a number of indicator systems show that, in the past decade, growth of domestic economy and well-being in Estonia has occurred at the expense of loss of natural capital. This means we are living at the cost of our future generations' well-being. Due to a rapid growth in economy and consumption, Estonians' ecological footprint is becoming larger every year and Estonians are among those nations in Europe who emit the most greenhouse gases into air calculated per person, whereas this has not triggered a public debate or change towards becoming more sustainable in behaviour or consumption habits[66].

A survey (*Flash Eurobarometer* 342, 2012) conducted among small and medium-sized enterprises in Europe concerning their resource efficiency and demand for green goods and services reveals that small enterprises in Estonia are 50% less environmentally sustainable on average than the average results for 27 other EU member states in regards to almost all aspects surveyed. The survey results indicate clearly that small entrepreneurs are considerably more oriented towards making a short-term profit compared to their competitors in Europe. In view of the fact that the majority of GDP in Estonia is produced by small enterprises, the survey results show the potential our production sector holds for enhancing the share of more environmentally sustainable and resource and energy efficient goods and services[67]. To guide Estonia`s development onto a sustainable path, it is important to take steps to promote environmental conservation and green economy[68].

[66] Green growth perspectives in Estonia, Valdur Lahtvee
[67] Green growth perspectives in Estonia, Valdur Lahtvee
[68] Green economy – economic activity which results in improved well-being and social equality, which does not cause environmental risks, pressure on natural resources and has thus low-carbon emissions, is resource efficient and socially inclusive economy.

The need for developing a more environmentally sustainable and green economy arises also from several international responsibilities and national objectives that Estonia committed to. Estonia has set as its objective to fulfil the EU climate and energy package requirements by the year 2020. This should lead to improved or preserved environmental conditions. The main objectives of our country are as follows ('Estonia 2020'):

- by 2020, in the sectors outside trading (buildings, transport, agriculture, waste, etc.), the marginal GHG emissions rate cannot increase by more than 11% compared to the level in 2005;
- by, 2020, to increase the share of renewable energy in final consumption to 25%, which requires changes in energy production and in all consumption sectors;
- by 2020, to preserve the level of final consumption of energy in 2010, i.e. final consumption of energy should be reduced by 11% compared to the level forecast for 2020.

To develop systematically the topics related to the production, consumption, processing, preservation, recycling and disposal of biological resources, European Commission has adopted a new bioeconomy strategy (European Commission, 2012), which aims at supporting the development of green economy and all EU member states need to establish their national strategies to supplement this strategy. One key aspect of the strategy focusses on investing in research, innovation and skills for bioeconomy, whose measures (for example, to enhance knowledge regarding the availability of and demand for biomass, to support the development of methods for assessing ecological footprint and life-cycle, to facilitate environmentally sustainable procurements) must be integrated in sectoral development plans in Estonia as the latter are vital for achieving environmental objectives.

Thus, when choosing projects, implementation of new green technologies and production of environmentally sustainable goods and services should clearly be shown preference, and the listed principles should be the basis for devising regulations regarding measures:

- to produce/consume environmentally sustainable goods and offer/use environmentally sustainable services,
- to employ environmentally sustainable forms and methods of production,
- to employ environmentally sustainable management systems (benchmarking, ISO 14001 and EMAS),
- to assess environmental impacts (assessment of environmental impacts, life-cycle analysis),
- to use environmentally friendly technologies,
- to devise environmentally sustainable procurements,
- to increase energy efficiency and promote the use of renewable energy sources,
- to reduce water use,
- to reduce waste generation,
- to implement information and communications technology in production and process management,
- to apply (eco-)design in manufacturing,

- to place emphasis on green economy as a value and through this to have an impact on consumer awareness and choices[69].

A number of organisations (OECD, Eurostat, Statistics Canada, US Bureau of Labour Statistics) have agreed that green goods and services are characterised by the following five main qualities (Clayton et al., 2011):

- Energy from renewable sources. Electricity, heat, or fuel generated from renewable sources. These energy sources include wind, biomass, geothermal heat, sunlight, ocean tides, hydropower, and landfill gas and municipal solid waste.
- Goods and services are energy efficient. Products and services that improve energy efficiency, including energy-efficient equipment, appliances, buildings, and vehicles, as well as products and services that improve the energy efficiency of buildings and the efficiency of energy storage and distribution, such as Smart Grid technologies.
- Pollution reduction and removal, greenhouse gas reduction, and recycling and reuse. Goods and services that:
  (a) reduce or eliminate the creation or release of pollutants or toxic compounds, or remove pollutants or hazardous waste from the environment;
  (b) reduce greenhouse gas emissions through methods other than renewable energy generation and energy efficiency, such as electricity generated from nuclear sources; and
  (c) reduce or eliminate the creation of waste materials; collect, reuse, remanufacture, recycle, or compost waste materials or wastewater.
- Goods and services that promote natural resources conservation. Included in this group are products and services related to organic agriculture and sustainable forestry, land management, soil, water, or conservation of other nature values and water management.
- Goods and services that enhance environmental education and training, and public awareness of increasing sustainable development: these are products and services that: enforce environmental regulations, provide education and training related to green technologies and practices, and increase public awareness of environmental issues[70].

Enhancing energy efficiency and implementing green principles will help to ensure environmental protection.

5.6 Cross-border impact

A significant cross-border impact cannot be envisaged resulting from carrying out the Operational Programme or in case of the combined impact of the latter

[69] 'Green Jobs Potential in Estonia' Commission on Sustainable Development http://www.emu.ee/userfiles/roheline%20ylikool/Rohet%C3%B6%C3%B6kohtade_raport.pdf
[70] 'Green Jobs Potential in Estonia' Commission on Sustainable Development http://www.emu.ee/userfiles/roheline%20ylikool/Rohet%C3%B6%C3%B6kohtade_raport.pdf

and Environmental Impact Assessment and Environmental Management System Act (§46 Strategic environmental assessment in transboundary context resulting from implementation of strategic planning document), or as regards to the Directive 2001/42/EC issued by the European Parliament and Council (Article 7 Transboundary consultations. Investment priorities aim at improving economic, environmental development in Estonia and people's well-being. Under the priority axes and sub-objectives, no actions entailing potential negative cross-border impact are planned.

6 Assessment of alternatives

The development scenarios and objectives presented in the Operational Programme are based on EU and Estonian policies. The existing Partnership Agreement and Operational Programme are the main Alternative assessed (Alternative 1).

Potential alternatives

The following can be seen as general alternatives (developments):

- Alternative 0 – Abandoning the Operational Programme. This would entail foregoing the use of EU support.
- Alternative 1 – Carrying out the objectives specified in the Operational Programme.

Alternative 1 entails clear positive impacts in all sectors and on the environmental, social as well as economic situation in Estonia. The actions planned as objectives have been chosen from all across the priority axes where Estonia is lagging behind and necessary improvements must be undertaken.

If the Operational Programme is not implemented, i.e. Alternative 0, will be expected to have a significantly less positive impact on environmental, social and economic situation. At the moment, it is unclear or cannot be forecast which sources and to what extent specific sectoral investment needs could be covered without using EU funding. The basis for state budget strategy is constituted by sectoral development plans which also take into account the potential scope of support. Therefore this Report cannot expect to provide a realistic and more detailed description regarding Alternative 0.

Drawing on the analysis of development needs carried out at the beginning of 2012, thematic objectives were chosen. The latter will be the basis for focus for Estonia in order to finance the priorities and achieving the results.

The adopting of objectives and sub-objectives to be financed was carried out among several working groups which included representatives from different sectors belonging to relevant umbrella organisations (see Chapter 8).

SEA expert group was not presented with the task to assess and consider sub-alternatives of additional priority axes or objectives. The basis for state budget strategy and operational programmes is formed by sectoral development plans which **specify the development axes and priority spheres presented sector by sector**, thus, the development of additional sub-alternatives in the process of compiling the SEA Report did not prove to be necessary and the already developed alternative solution was used as the working basis.

7 Proposals for Supplementing and Monitoring of the Operational Programme and the Partnership Agreement

7.1 General SEA proposals

Proceeding from SEA, the sub-objectives and –indicators established under all the priority axes should be brought into optimal conformity with objectives regarding environment. The proposals by the activities specified in strategic documents are as follows.

Here are the recommended improvement proposals which should be explained more fully as horizontal principles and also dealt with throughout the documents:

- When establishing the objectives for the priority axes specified in the Operational Programme, environmental protection must be ensured. The requirement of not contradicting the 'environmental protection and climate' objective should be added to all priority axes and established sub-objectives. In order to ensure a common understanding of environmental protection principles (for example, the sustainable use of non-renewable resources, the improvement and increasing of renewable resources) and climate (the mitigation of climate change impacts and adapting to climate change) and to adhere to these, the principles should be specified under horizontal measures (when preparing and implementing projects, the state of environment will be improved).
- The interventions/measures under specific axes should be devised based on the principles of green economy (see chapter 5.5).
- The intervention mechanisms for sustainable use of energy and resources should be integrated into all the priority axes.
- The covering of environmental health issues in the Partnership Agreement and under investment priorities in the Operational Programme should be broadened.
- Establishing links between social cohesion and the sub-objectives and indicators of investment priorities to a wider extent is essential for promoting the pursuit towards a more cohesive society (a stronger contribution to the daily functioning of Estonian society by the non-Estonian speaking population, decreasing the gender gap, and other disadvantages which have been pointed out regarding the objectives).
- Taking into account the demographic changes that will probably take place in the following decade, it is essential to put additional emphasis on the polyfunctionality of the investments that will be made, to promote the possible uses of the infrastructure to be established when the demographic makeup undergoes change.

More detailed proposals have been dealt with throughout the report under respective chapters. **Proposals by the priority axes of the Operational Programme** are as follows:

- *Infrastructure for supporting lifelong learning and the acquisition of the necessary skills for finding employment*

Recommendation

- the existing public transport network should be converted in order to meet the needs of transport to educational institutions.

- *Services for ensuring equal employment opportunities*

Recommendation

- the need for cultivating society's and employers' attitudes should be addressed under this priority axis of the Operational Programme, to promote this target group's involvement in the labour market.

- *Infrastructure for supporting equal opportunities of involvement in employment*

Recommendation

- the importance of ensuring spatial accessibility to both acute care networks and also primary care centres in case of planning a possible restructuring of healthcare institutions should be elaborated on under the priority axis of the Operational Programme.

- *Sustainable transport*

To develop the transport sector, the development of the road infrastructure of strategic importance will be contributed to, however, the future possibilities of directing carriage of goods to the railway should be specified.

Recommendation

- the scope of the discussed carriage of goods on the railway should be extended.

Recommendations made for devising interventions/measures by priority axes:

- *Education which meets the society's needs and good preparation for involvement in the labour market*

Recommendation

- the need to increase knowledge in the field of green economy should be stressed and the introduction of green economy and provision of information regarding the implementation possibilities in organising and carrying out daily manufacturing and service process should be integrated into vocational education and in-service training (for example, integrating green skills into main subjects to acquire professional skills; in-service training in green skills for specialists in the labour market);
- innovative economy and innovation in general should be linked through the implementation of environmentally-friendly solutions and innovations.

- *Growth-capable entrepreneurship and R&D which supports the former*

Recommendation

- the following innovation policy measures should be considered: for example, support for eco-innovation, green public procurements, the development of cooperation with higher educational institutions and through that achieving the development of cooperation between researchers and enterprises for the purpose of developing solutions to reduce environmental impact. Specifications can be established for

implementing innovation that takes environmental protection into account.

- *Developing small and medium-sized enterprises and regional entrepreneurship*

Recommendation

- first and foremost, activities related to sustainable tourism and the increase of relevant capacity should be supported, in order to promote environmental awareness, preservation and protection, respect for nature, flora, biodiversity, ecosystems, and cultural diversity.

- *Sustainable development of urban areas*

Recommendation

- when implementing principles of support, eco-friendly procurements should be promoted.

7.2 Monitoring

The need for monitoring is specified in Article 10 of the EU directive 2001/42/EC which states that member states must conduct monitoring concerning a significant environmental impact which occurs in connection with the implementation of plans or programmes, in order to determine at an early stage an unforeseen negative impact and to take appropriate remedial measures.

Pursuant to § 40 subsection 13 in Environmental Impact Assessment and Environmental Management System Act, a SEA report shall contain a description of the planned measures and indicators measured for monitoring significant environmental impact which is linked to the strategic planning document.

The objective of establishing the planned monitoring measures is to, at an early stage, determine the significant negative environmental impact which is linked to the implementation of the strategic planning document and to take preventive and mitigative measures (§ 42 subsection 4 in Environmental Impact Assessment and Environmental Management System Act).

The Partnership Agreement and the Operational Programme for Cohesion Policy Funds 2014-2020 set neither objectives nor development priorities in case of which, if applicable, a significant impact and an increase of negative impact on environmental aspects could be envisaged. Therefore, the working group of SEA does not make provision for additional monitoring measures for assessing and minimising negative environmental impact.

In Estonia, monitoring of several environmental domains is regulated by legislation and carried out via national environment monitoring and sector-specific development plans. An agency in the sector shall see to environment within the scope of their area of administration, curbing the threats that arise and guiding the full completion of new projects. Estonian environmental monitoring system as a whole and procedures for funding in operational

programmes should preclude the provision of funding for projects which have a significant negative environmental impact.

Performance indicators

The working group of SEA developed indicators for assessing the results of the activities specified in the Operational Programme. These are recommended indicators which we advise to be implemented and, according to the evaluations of the expert group, facilitate and improve the measuring and assessment of the effectiveness of planned objectives.

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
1. Qualifications and skills meeting the needs of society and the labour market	1.1. Sustainable integration of young people, in particular those not in employment, education or training, into the labour market	Reduction of early school-leaving rate at all education levels	1) The share of NEETs in the age group (15–29) 2) Proportion of young adults in the 18–24 age group with lower secondary education or less and not continuing their education	1) Rate of unemployment among young people; 2) Share of young people obtaining vocational education after basic school.
	1.2 Enhancing access to lifelong learning, upgrading the skills and competences of the workforce and increasing the labour market relevance of education and training systems; including improving the quality of vocational education and training and the establishment and development of work-based learning and apprenticeship schemes such as dual learning systems.	The approach to teaching in educational institutions is person-centred, develops creativity and innovation, and there is stronger connection of education to the knowledge-based society and innovative economy.	1) Qualified teachers 2) Share of digital learning material in total study material	1) Number of participants in lifelong learning (LLL)/share in society.
		The qualifications and skills of the working-age population support retaining or achieving employment	1) Share of the population without professional education 2) Participants with an improved labour market situation 6 months after leaving	1) Share of people who have participated in in-service training during a year
2. Infrastructure supporting lifelong learning and obtaining skills required for employment	2.1. Investing in education, skills and lifelong learning by developing education and training infrastructure	A modern and optimal school network that is flexible with respect to demographic trends improves the quality of learning and supports students' educational choices	1) Lower dropout rates 2) Percentage of pupils with high results (5^{th} and 6^{th} level) 3) Area use per pupil on sites that received support in order to reorganise the educational system	1) Accessibility to high quality education by region 2) General performance in taking PISA test, incl. regional performance in taking PISA test 3) Time spent on going to school (on foot/by bicycle, by public transport, by car)
3. Services ensuring equal opportunities for employment	3.1. Active inclusion, in particular with a view to improving employability;	Prevention of and reduction in health loss of working-age population and higher employment rate of people with partial loss of their capacity of work	1) Expenditure on the working ability assessment and benefit scheme compared to the expenditure of the current system 2) Share of the working-age population (aged 16–64) inactive due to an illness or	-

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
			health loss 3) Share of employed people who join the working ability assessment and benefit scheme and who have retained their job 12 months after assessment 4) Share of non-working people who join the working ability assessment and benefit scheme and who are working 12 months after assessment 5) Smaller share of people who use too much alcohol among service recipients 6 months after service (the share of people who have had 6 or more drinks one or more times a week in the last 4 weeks)	
		Higher-quality and integrated welfare services have resulted in higher participation of caregivers, people with special needs and coping problems in the labour market	1) Participation of parents with small children in the labour market 2) Participants who are inactive due to caring for a child or an adult family member and who have come to the labour market as a result of the service received, or such employed people who have retained their job with the help of the service 3) Participants who are participating in the labour market after the programme 4) Participants in newly found employment, including self-employment, 6 months after leaving	1) Share of parents with small children participating in the labour market by gender
		Recent immigrants are employed and play an active part in society, as do permanent residents who have not been sufficiently	1) Inactive new immigrants and less-integrated permanent residents with an improved labour market situation 6 months after leaving the programme	

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
		integrated	2) Participants in employment, including self-employment, after leaving 3) Participants with an improved labour market situation 6 months after leaving	
4. Infrastructure supporting equal opportunities for employment	4.1. Investing in health and social infrastructure that contribute to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	Modern, regionally accessible and optimal primary healthcare and acute care networks offer high-quality and sustainable healthcare services	1) Number of people living in the service area of improved healthcare infrastructure (primary healthcare centres) 2) Number of people living in the service area of improved healthcare infrastructure (centres of excellence) 3) Changes in the number of beds in new hospitals and improved hospitals 4) Number of family physicians (practice lists) working in new healthcare centres	1) Average time patient has to wait to see a specialist <20 days 2) Length of waiting lists (specialists)
		Higher quality and integrated welfare services make caregivers and disabled people more active, incl. on the labour market	1) Share of employed people in newly created service places 2) Number of disabled people provided with suitable housing	1) Satisfaction of those who receive social welfare services and healthcare services (share of those surveyed who are satisfied of all those surveyed >50%) 2) Share of disabled people in employment among all the employed people in the labour market >5% 3) Share of employed disabled people of the total number of disabled people >20%
5. Growth-capable entrepreneurship and	5.1. Enhancing research and innovation infrastructure and capacity with the aim of developing R&I excellence	R&D and higher education are internationally competitive, and Estonia is active and visible in	1) Number of doctoral degrees awarded in an academic year 2) Percentage of all Estonian high-level research publications that are in the top	1) Number of universities in Estonia which rank among the best 300 in the world (QS ranking)

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
internationally competitive R&D	and promote centres of excellence, in particular those of European interest	international cooperation in the field of RD&I	10% of the world's most cited research publications	2) Volume of investing in process and product innovation 3) Share of highly qualified employment (% of employment) 4) Export of knowledge-intensive business services (KIBS) 5) Licensing and patents revenue (private sector) 6) Number of protected utility models and patents (per year)
	5.2. Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education, in particular product and service development, technology transfer, social innovation and public service applications, demand stimulation, networking and open innovation through smart specialisation […] supporting technological and applied research, pilot lines, early product validation action, advanced manufacturing capabilities and first production in Key Enabling Technology, and through diffusion of general purpose	Research and development serve the interests of the Estonian economy and society, and the RD&I system supports the development of a more knowledge-intensive structure of the economy	1) Expenditure on public-sector R&D financed by the private sector 2) Share of expenditure on socio-economic applications (other than academic research) in the R&D allocations planned in the state budget 3) Number of enterprises engaged in innovation cooperation	1) Private sector R&D funding volume compared to base year >1.5
		Improved energy and resource efficiency in enterprises	1) Resource productivity	1) Required sector-specific energy savings objectives (pursuant to Directive 2012/27/EU article 7) – Industry – 1 % per year – Commerce and services 0.3% per year – Transport 0.5% per year – Households 0.5% per year – Energy 1.5% per year
		Estonian enterprises	Sales profit earned from new or	1) Labour productivity > 80%

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
	technology	produce efficiently goods of high added value and provide innovative services	significantly altered goods or services	of EU average
			Hourly productivity of Eurozone average in current prices	
6. Development of small and medium-sized enterprises and regional entrepreneurship	6.1. Supporting the capacity of SMEs to engage in growth and innovation processes	SMEs are ambitious and their exports have grown	1) Number of enterprises that were created three years ago and have a turnover exceeding €125 000 (3-year average) 2) Number of enterprises with at least 10 employees 3) Change in the average export price of products is faster than the average in the European Union 4) Number of exporting enterprises 5) Number of overnight stays from priority target markets	1) SMEs' investment volume 2) Number of enterprises providing energy saving services (ESCO) >30 Outside Tallinn and Harjumaa County: • Number of employees (private sector) • Share of entrepreneurs per 1000 residents • Median average salary in SMEs • Added value of SMEs per employee • Number of new/established enterprises • Number of R&D employees in SMEs
	6.2. Supporting employment-friendly growth through the development of endogenous potential as part of a territorial strategy for specific areas, including the conversion of declining industrial regions and enhancement of accessibility to and development of specific natural and cultural resources	Employment and the added value of jobs have grown outside the urban areas of Tartu and Tallinn	1) Number of jobs created as a result of investments 2) Satisfaction with the availability of public services	1) Share of the employed among municipality's residents, % >30% (in 2012, the lowest rate in municipalities 16,9 %) 2) Share of people involved in enterprises of municipality's residents % > 3%

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
7. Energy efficiency	7.1. Supporting energy efficiency and renewable energy use in public infrastructure and in the housing sector	Energy-efficient housing sector and increased share of renewable energy in final consumption	1) The share of renovated pipelines in areas where district heating has been renovated 2) Calculated average energy savings in reconstructed buildings 3) The share of renewable energy in heat production 4) Electrical energy saved in street lighting	1) Number of electricity producers which use microgeneration devices (less than 11 kW) and have joined a power network, number 2) Share of electricity produced using microgeneration devices of total net output % 3) Efficiency of district heating networks
8.Water protection	8.1. Addressing the significant investment need of the water sector to meet the requirements of the EU environmental acquis	Resource-efficient and sustainable water management infrastructure in agglomerations with p.e. more than 2000	1) The share of people receiving compliant drinking water from a public water supply serving more than 2000 people 2) The share of agglomerations with p.e. more than 2000 that meet sewage collection and treatment requirements	1) Per capita water consumption, litres per year 2) Ratio of receiving bodies of water to the number of all receiving bodies of water, %
		Restored contaminated areas, bodies of water and wetlands	1) The share of nationally important residual pollution sites 2) Bodies of water with the threat of worsening chemical or ecological condition eliminated	1) Area of polluted (not in accordance with requirements) soil and groundwater, ha 2) Abandoned peat areas with restored water regime, ha 3) Total restored landscape area, ha
9. Green infrastructure and improved preparedness for emergencies	9.1. Protecting and restoring biodiversity, including through green infrastructure	Improved status of protected species and habitats	1) The number of species whose status has improved or remained unchanged 2) The number of habitat types whose status has improved or remained unchanged	1) Number of alien species discovered for the first time, number per year
	9.2. Promotion of investments that focus on dealing with specific risks, ensuring resilience in case of disasters, and developing systems for	Increased capability to react to emergencies caused by climate change and extensive pollution	1) The number of regions capable of simultaneous localisation and extinguishing of fires on up to 600 ha 2) Small pollution incidents detected	1) Capacity to locate and eliminate oil pollution in sea (according to HELCOM recommendation 24/9 and 31/1), > 2.5 km2

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
	managing consequences of disasters			
10. Sustainable urban development	10.1. Promoting low-carbon strategies for all types of territories, in particular urban areas, including the promotion of sustainable urban mobility, measures for mitigation of and adaptation to climate change	Urban space that integrates various mobility options and is human-friendly and environmentally friendly	The share of people who go to work on public transport, by bicycle or on foot in larger urban areas	1) Share of public transport in passenger transportation >30 % 2) Share of green areas of urban territory > 30% 3) Length of built light traffic roads, km 4) Ratio of light traffic roads to length of all local road network, %
	10.2. Support for physical, economic and social regeneration of backward urban and rural communities and areas	Attractiveness of Ida-Viru urban areas as a living environment has improved	The share of people who consider the urban areas of Ida-Viru County to be attractive places to live	1) Area of restored urban regions, ha 2) Number of residents (new residents) who have moved to restored urban areas
	10.3. Investing in healthcare and social infrastructure that contribute to regional and local development, reducing inequalities in terms of health status, and transition from institutional to community-based welfare services	Increased participation of parents with small children in the labour market	1) Waiting periods to receive childcare and nursery services	
11. Sustainable transport	11.1. Supporting a multi-modal Single European Transport Area by investing in the Trans-European Transport Network	Connection opportunities with foreign partners meeting the needs of enterprises and society	1) The number of injured on road sections that received investments 2) The number of international travellers	1) Share of transit in GDP 2) Share of passenger transportation in services export
	11.2. Developing environmentally friendly and low-carbon transport systems	Reduced travel time; increased attractiveness, safety, accessibility and	1) Number of users of public transport stops and stations that received	1) Share of biofuels of all the

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
	and promoting sustainable urban mobility, including river and maritime transport, ports and multimodal links	environmental friendliness of public transport (incl. rail transport)	investments 2) Train passengers per year 3) Train passenger turnover per year	consumed transport fuel, % 2) Share of public transport in passenger transportation, % >30 % 3) Average speed of trains on railroads km/h 4) Geographical mobility of labour/internal mobility of labour (km/min) 5) Range of commuting (between home and work, regional) 6) Accessibility of public transport (distance to a stop, network feasibility)
12. Infrastructure for ICT services	12.1. Extending broadband deployment, the roll-out of high-speed networks and supporting the adoption of emerging technology and networks for the digital economy	Everyone has access to high-speed Internet.		1) Number of high-speed Internet users, people 2) The share of high-speed Internet users among all Internet users, %
	12.2. Strengthening ICT applications for e-government, e-learning, e-inclusion, e-culture and e-health	The basic infrastructure for services supports the activities of residents and enterprises within the state and abroad	The share of permanent Internet connections at speeds of 100 Mbp/s or more	1) Number of users of e-services, people 2) Citizen's satisfaction with web-based public services, > 50%
13.	13.1. Investment in	People's professional and	1) The number of people who have used	-

Priority axis	Investment priorities	(Sub-)objectives of priority axis	Result indicators of priority axis objective	Proposals made by SEA expert group
Administrative capacity	institutional capacity and in the efficiency of public administration and public services with a view to reforms, better regulation and good governance	occupational competence, management and cooperation capacity and institutional capacity have increased	secure electronic identity (ID card, mobile ID etc.) 2) Cross-border services with Baltic Sea countries have been launched and put into use on the basis of the basic infrastructure for services	
		Policy development is more holistic, inclusive and knowledge-based.	1) Public service competence	1) Citizen's satisfaction with public services and servants, share of satisfied citizens >50%
	13.2. Enhancing institutional capacity and efficient public administration by strengthening institutional capacity and the efficiency of public administration and public services related to the implementation of the ERDF, and in support of action in institutional capacity and in the efficiency of public administration supported by the ESF	Public services are provided accessibly, uniformly and in a user-centred and smart manner	1) Effectiveness of the Government of the Republic (combined IMD indicators: public finances, legal and regulatory framework, adaptability of government policy, government decisions, transparent, bureaucracy) 2) The share of regional organisations that have benefitted in the total number of regional organisations	1) Reliability of public institutions as seen by citizens, > the average in EU of the same institutions[71]

[71] Eurobarometre 74, http://ec.europa.eu/public_opinion/archives/eb/eb74/eb74_ee_ee_nat.pdf

8 Overview of organisation of SEA and involvement of the public

SEA is carried out in cooperation with interest groups and the results made public as provided in Environmental Impact Assessment and Environmental Management System Act and requirements stipulated in other acts (Administrative Procedure Act) relevant for public procedures.

8.1 Involvement – affected and interested parties

In November 2011 the Ministry of Finance formed a high-level inter-ministerial working party whose task was to coordinate preparations for use of EU budgetary resources in the period 2014–2020.

Involvement of social partners is based on the involvement plan[74] that was prepared under Articles 5 and 46 of the ESI Common Provision Regulation and the current Good Practice for Stakeholder Involvement[75] at beginning of the process and approved by the steering committee.

Involvement of non-governmental partners in discussions on the Partnership Agreement and the Operational Programmes is coordinated by the Ministry of Finance. The Ministry of Agriculture arranges the involvement of partners in planning the use of the rural development and fisheries funds. The ministries also involve partners in the preparation of development plans for the policy areas covered by the Partnership Agreement.

The national planning process was divided into stages, and partners from different levels were involved in each stage to achieve the required result. The partners involved were divided into two groups: partners' umbrella organisations and sectoral partners.

At the stage of drawing up the strategy and preparing the implementation system, umbrella organisations that have expertise and advocacy interest regarding the needs and development prospects of many different areas (i.e. at the national level) were involved by the Ministry of Finance. These organisations include the Estonian Chamber of Commerce and Industry, the Estonian Employers' Confederation, the Estonian Association of Small and Medium-Sized Enterprises, the Estonian Council of Environmental NGOs, the Estonian Trade Union Confederation, the Network of Estonian Non-Profit Organisations, the Association of Estonian Cities, the Association of Municipalities of Estonia, the Estonian Chamber of Agriculture and Commerce, the Leader Forum, the Estonian Rectors Conference, the Estonian Qualifications Authority and the Estonian Chamber of Disabled People. Involving partners' umbrella organisations was the responsibility of the Ministry of Finance.

The role of other ministries was to engage partners by sector, by organising sectoral discussions and involving partners in the development of programmes and measures (and later in implementation, monitoring and evaluation). Each ministry participating in the development of the Partnership Agreement

prepared its list of partners and stakeholders with whom they cooperated during the process. These partners were treated as sectoral partners and included advocacy organisations, supporting and funding organisations, professional organisations (occupational, professional or creative associations), expert organisations (e.g. think-tanks and research institutions) and service providers (including consulting firms). The list of sectoral partners is given in Appendix 1[76] to the involvement plan and includes a total of 284 different organisations who were directly involved in the preparatory work. Other interested organisations could also request their addition to the list of partners. Ministries arranged for the substantive engagement of partners – direct and on-going communication with the partners determined by them and reviews of proposals put forward during consultations.

Also, organisations and individuals who were not directly included on the list of partners were able to submit their written proposals and views during public consultations.

Updated information about the course of national programming and participation opportunities together with background information and working papers was available on the website www.struktuurifondid.ee. Information about sectoral discussions and preparations was provided on the websites of the relevant ministries.

Expeditious exchange of information took place via e-mail and mailing lists. There were two mailing lists managed by the Ministry of Finance to inform the interested parties. Online at www.struktuurifondid.ee, anyone interested could subscribe to the general mailing list, through which information about activities aimed at engaging the general public (e.g. public information seminars and consultations) and materials uploaded to the website (basic analyses, ex-ante evaluation reports etc.) were shared. The mailing list of partners was open to representatives of partner organisations (1–2 representatives from each) and was used to share information on the state of planning and seminars more often.

Based on Environmental Impact Assessment and Environmental Management System Act, the interested parties for the strategic planning documents are as follows:

1. Ministries and their sub-offices: Environmental Board, Ministry of Environment, Ministry of Culture, Ministry of Economic Affairs and Communications, Ministry of Agriculture, Ministry of the Interior, Ministry of Social Affairs, Ministry of Education and Research, Ministry of Justice.
2. Environmental organisations and NGOs – some non-state environmental organisations have formed the Estonian Council of Environmental NGOs, which facilitates informing organisations of drafting the Operational Programme and the SEA Report. To inform the NGOs of the stages in the SEA process, the Network of Estonian Non-Profit Organisations was included.
3. Organisations to be included in the drafting of the Partnership Agreement and the Operational Programme for the period of 2014 – 2020 (partly the same as 1 and 2 above) -

http://www.struktuurifondid.ee/public/2014/Kaasatavad_organisatsioonid_koduleht_05062012.pdf

4. Other interested persons. Pursuant to the requirements arising from Environmental Impact Assessment and Environmental Management System Act, the stages in the process of SEA are advertised in newspapers, Public Notices and on the webpage of the compiler of the strategic planning document.

Informing the affected and interested parties of the stages in the process of SEA is carried out as specified in the requirements of Environmental Impact Assessment and Environmental Management System Act.

Pursuant to applicable acts, the public was engaged in the carrying out of SEA, which is a part of the course of the Operational Programme, in two stages – when SEA programme and then the SEA Report were made public. During the time of public access to the SEA programme and when the SEA Report was granted public access, proposals regarding the content of the programme and the carrying out of SEA and its findings could be submitted. Involvement of the public is the responsibility of the organiser of the compiling of the strategic planning documents – the Ministry of Finance.

In the period between March and May, the first full texts of the Partnership Agreement and the Operational Programme were drafted in cooperation of the ministries and it was coordinated by the Ministry of Finance. The first drafts were evaluated by SEA Experts (Interim Report), which was the basis for amending the planning documents. SEA Interim Report has been compiled for the document versions of the Partnership Agreement and the Operational Programme submitted by the Ministry of Finance on May 22 2013 and June 11 2013.

In addition to what the Environmental Impact Assessment and Environmental Management System Act governs, the SEA Interim Report is a supporting output for the purposes of involving others and better integrating evaluators' recommendations. The main conclusions in the Interim Report were presented at Cabinet Consultation on June 26 2013 and were submitted to all the parties participating in the planning process for comments and amendment proposals. SEA Experts received a table with standpoints (answers), which is presented in Appendix 1 to the Report. SEA expert group's responses have been added to the table respectively.

The first full texts of the Partnership Agreement and the Operational Programme with SEA and ex-ante evaluators' recommendations were submitted to the Government of the Republic for consultation. After obtaining an approval in principle from the Government of the Republic, the strategic planning documents were submitted to SEA Experts for carrying out strategic environmental assessment and drafting the final Report, and to interim evaluators for analysis and to base their evaluations on.

The final SEA Report has been compiled for the document versions of the Partnership Agreement and the Operational Programme sent by the Ministry of Finance on July 12 2013.

Based on the final reports of SEA and ex-ante assessment necessary amendments are being made coordinated by the Ministry of Finance. The Partnership Agreement and the Operational Programme are to be submitted to the Government of the Republic for final approval in October/November 2013, thereupon the strategic planning documents with the final SEA Report will be submitted to European Commission and official negotiations for approving the Partnership Agreement and the Operational Programme will commence. Subsequently, SEA Expert Group will make a summary regarding the extent to which the Pratnership Agreement and the Operational Programme will have taken into account the conclusions drawn based on SEA.

8.2 SEA drafting schedule

SEA is carried out in cooperation with interest groups and the results made public as provided in Environmental Impact Assessment and Environmental Management System Act and requirements stipulated in other acts (Administrative Procedure Act) relevant for public procedures.

Notifying concerning the strategic environmental assessment is conducted in accordance with applicable legislation.

Planning stage of EU funding	**Time**	**Stages and activities of SEA**	**Time task is carried out**
Choosing the objectives and solution pathways financed using EU funding	Cabinet consultation – November 2012 noted	Initiation of SEA	December 2012
Consultations with ministries regarding choice of objectives, results, indicators, measures and funding plan for priority axes	February-March	**SEA Programme is compiled**	January 2013
		Obtaining views regarding SEA	February 2013
Drafting the full texts of the Partnership Agreement and the Operational Programme	March-April	**Public access is granted to the SEA Programme,** 14 days for public consultations.	April 2013
Drafting the full texts of the Partnership Agreement and the Operational Programme	April	Reviewing and approving the SEA Programme by the Environmental Board, within 14 days following the submitting of the SEA Programme.	May-June 2013
Amending the preliminary full drafts of the	April-July	**SEA is carried out**	May-July 2013

Planning stage of EU funding	Time	Stages and activities of SEA	Time task is carried out
Partnership Agreement and the Operational Programme			
Approval in principle given to the strategic documents in the Cabinet	End of June	SEA Final Report is compiled	July 2013
		Providing public access to SEA Report within 21 days, public consultation, and if necessary, amendments made to SEA Final Report on the basis of received comments	August
		SEA Report is submitted to Environmental Board for approval	Expectedly in September-October 2013
		Environmental Board approves the final SEA Report. Supervisor's decision within 30 days of receiving the Report.	
Final approval given to strategic documents in the Cabinet. Negotiations with European Commission.	October - November 2013		

During the whole on-going process of strategic environmental assessment, the SEA Expert Group is prepared and willing to introduce the course of their work to anyone interested.

8.3 Details of Expert Group which drafted the Programme and of compiler of strategic planning documents

Organiser responsible for compiling strategic planning documents
Ministry of Finance
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Phone (+372) 611 3558
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SEA has been carried out by
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Contact person: Riin Kutsar

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SEA Expert Group consists of the following members:
Hendrikson&Ko Leading Expert Riin Kutsar's qualifications are in accordance with the requirements specified in §34 subsection 3 in Environmental Impact Assessment and Environmental Management System Act:

- Has acquired higher education in the specialty of Environmental Technology in Tartu University, and also has obtained a Certificate of Studies in Economics and Business Administration in Tartu University.
- Holds experience of strategic environmental assessment since 2005, and has participated in EIA and SEA project of varying scopes as an expert and a project manager.
- Studies in Tartu University included planning-related training exceeding 40 hours.
- The expert knows the principles and procedure of and legislation pertaining to strategic environmental assessment.

The experts and specialists listed below belong to Hendrikson&Ko Expert Group:

Name	Education/qualification	Tasks during assessment
Riin Kutsar	Higher Education in Environmental Technology (Tartu University, Faculty of Physics and Chemistry, BSc – equal to MSc)	Project Manager, SEA Expert; management of the general course of the process and procedural acts, involvement of interest groups, nature conservation
Kuido Kartau	BSc in Geography	SEA Expert; energy, transport and infrastructure
Tiit Oidjärv	BSc in Sociology	SEA Expert; social impacts assessment, incl. Expert in employment policy and community services. Education, R&D and innovation.
Keiu Rõa	Public Administration, BSc	Sectoral assessment Expert – social and employment policy; economic and entrepreneurship policy
Valdur Lahtvee	Forestry Engineer, degree equal to Master's	Expert in the field of energy

If necessary, additional experts will be involved during performing the task.

8.4 Drafting of and providing of public access to SEA Report

Subsequent to obtained approval for the SEA Programme, the compiling of this SEA Report was initiated.

In the period of August 15 to September 5 2013 the SEA Report was accessible to everyone, and public consultation was held on September 6 2013. The letters received as a result of access to the Report and the public consultation protocol have been annexed to this Report (Appendix 3).

Resulting from the public access to the SEA Report, written proposals from the following parties were received:

- Ministry of Economic Affairs and Communications,
- Ministry of the Interior;
- Ministry of Social Affairs;
- Ministry of Environment;
- Estonian Renewable Energy Association;
- Estonian Ministry of Education and Research.

After the public consultation had been held, additional comments were submitted by the Estonian Council of Environmental NGOs.

The proposals received and answers provided in writing are presented in the table below. Also, the table contains explanations on taking the provided proposals into account when amending the SEA Report.

Proposals received during public access to the SEA Report, answers and explanations:

PROPOSAL	**ANSWER, EXPLANATION**
Ministry of Economic Affairs and Communications	
Priority axis no 5 'Growth-capable entrepreneurship and internationally competitive R&D': Evaluators' recommendation: the following innovation policy measures should be considered: for example, support for eco-innovation, green public procurements, the development of cooperation with higher educational institutions and through that achieving the development of cooperation between researchers and enterprises for the purpose of developing solutions to reduce environmental impact. Specifications can be established for implementing innovation that takes environmental protection into account. MEAC's comment: In the period 2014-2020, support for establishing an innovative procurements programme and developing cooperation between entrepreneurs and universities through developing areas of growth in particular. In doing so, the most direct contribution to environmental protection will occur through the growth area 'Resources' - the main focus of this growth area will be on more effective use of domestic resources and will also include sustainable resource use.	Comment noted.
Priority axis no 10 'Sustainable urban development': Evaluators' recommendation: To move from the objective set towards developing a monitoring system that provides an overview of all mobility (not only work-related) and to add the share of public transport and light traffic of all transportation and mobility as an indicator which reflects the achievement of the objective. MEAC's comment: At the moment, such a monitoring system is not being developed, also, it is not realistic that this system will be launched in the near future, therefore adding the indicator is	Comment noted.

not being considered.	
Priority axis no 11 'Sustainable transport': Evaluators' recommendation: The scope of the discussed carriage of goods on the railway should be extended. MEAC's comment: The recommendation is not relevant due to the fact that directing a significantly larger amount of carriage of goods onto the railway is not an option (volumes and distances are mostly not sufficient). Therefore, when planning investments into railway infrastructure from the Cohesion Fund 2014-2020, the objective of increasing the volume of carriage of goods is not proceeded from.	Comment noted.
Ministry of the Interior	
60 (+ page 96) 'Sustainable urban development' H&Ko's comment: The result indicator for the sub-objective of the investment priority 'Urban space that integrates various mobility options and is human-friendly and environmentally friendly' is envisaged to be as follows - The share of people who go to work on public transport, by bicycle or on foot in larger urban areas '. We recommend to move from the objective set towards developing a monitoring system that provides an overview of all mobility (not only work-related) and to add the share of public transport and light traffic of all transportation and mobility as an indicator which reflects the achievement of the objective. MI's comment: Labour force surveys organised by Statistics Estonia on a regular basis include information on work-related means of transport. It is not expedient to develop a new indicator within the framework of the Structural Fund as the existing indicator provides a good enough overview of the trends and speed of changes, and thus meets the criteria for a result indicator.	Comment noted.
90 'Economic well-being and education meeting the needs of society' MI's comment: The priority axis 'Development of small and medium-sized enterprises and regional entrepreneurship' has not been included among the priority axes of the Operational Programme which contribute to enhancing economic well-being. The former creates jobs and develops the entrepreneurial environment outside Tallinn and Tartu.	Report has been amended based on the proposal.
91 'Social cohesion and equal opportunities' MI's comment: The priority axis 'Development of small and medium-sized enterprises and regional entrepreneurship' has not been included among the priority axes of the Operational Programme which are connected with a decrease in the gaps of social differences. The former contains actions which develop entrepreneurial environment outside Tallinn and Tartu, i.e. in order to reduce employment- and income-related differences between regions. Under the priority axis 'Sustainable urban development', actions are envisaged for regeneration of backward urban areas in Ida-Viru,	Report has been amended based on the proposal.

which helps to make these towns a more attractive living environment and thus enhances regional balance.	
Ministry of Social Affairs	
Evaluators should differentiate between 'quality of life' and 'subjective well-being'. This assessment should focus on quality of life whereas it focuses on subjective well-being instead, therefore this part of the analysis is not relevant.	The main issue raised concerned 'quality of life' and 'subjective well-being'. We agree that the concepts are different, but their meanings overlap to an extent (in several approaches, a prerequisite of good life is considered to be subjective well-being or satisfaction with life, see for example Allardt, E., Nussbaum, M.). We also agree that it is more justified to focus on objective indicators considering the essence of the strategic document, as it has been emphasised in the context provided in Chapter 5.4. The approach to human well-being in §40 in the Environmental Impact Assessment and Environmental Management System Act, which is the basis for SEA, can be interpreted in several ways; the specification in the objectives of 'Environmental Strategy until 2030' is more accurate. Therefore, in the SEA Programme which is the basis for the assessment, we narrowed the extent of the assessment regarding impacts on humans within the framework of the Human Development Index and relevant national approaches. We looked through the SEA Report, incl. Chapter 4 (compliance analysis), with a view to accuracy of terminology and made necessary corrections.
Ministry of Environment	
Information in this SEA Report is inconsistent, i.e. in some cases, very detailed data is presented (for example, in the description of achieving the objectives assessed), and in some chapters, it is claimed that due to lack of more detailed information, is not possible to provide an evaluation (for example, impact on nature conservation areas). In addition, the SEA Report contains many mistakes in terms of language, and is therefore difficult to read.	After the public access to and consultation regarding the SEA Report, the conclusions and wording in the latter have been corrected.
Throughout the document, the sphere of environment and climate is recommended to be integrated as a horizontal measure. This comment is very general in nature. Its idea cannot be grasped easily. Thus, we would ask for concrete recommendations in the Report, which would ensure the spheres of environment and climate to be addressed as horizontal measures in the Operational Programme and the Partnership Agreement.	The Report has been amended in the part mentioned (Chapter 5.5) and recommendations have been made based on the principles of a more environmentally sustainable and green economy.
We also propose to provide a requirement of carrying out an environmental ex-ante evaluation for all investment projects of the period 2014-2020 (if the impact evaluation is not required pursuant to Environmental Impact Assessment and Environmental Management System Act). This would help to preclude potential negative environmental impact.	SEA Expert Group does not deem it necessary to require environmental ex-ante evaluations in all cases. Environmental Impact Assessment and Environmental Management System Act already provides the situations in which environmental impact is anticipated to ensue and strategic environmental assessment is required to be conducted, areas of activity in which initiating strategic environmental assessment by compiling ex-ante evaluations should be considered. The Expert Group considers it important to support actions which promote environmental conservation and are based on green economy principles.
In Chapter 4.2.11 regarding sustainable transport, it is said that development of transport	The respective part in the Report has been amended based on the proposal.

has an inevitable negative environmental impact. We would ask the text in the Chapter to be reviewed as we believe that optimal and carefully planned development of transport does not always entail a negative impact on environment.	
Pursuant to § 40 subsection 4(3) in the Environmental Impact Assessment and Environmental Management System Act, SEA Report must include a description of the environment to be impacted during drafting the Operational Programme and in case of alternative development scenarios, incl. a comparison of alternatives should the planning document not be implemented. We believe that this provision has been complied with only partly. /.../ If the SEA Group could not control (not) addressing the alternatives, it should be explained more thoroughly in the Report.	Sectoral development plans are the basis for devising the state budget strategy as well as operational programmes, which specify the courses of development and priority spheres for development in different sectors, therefore it was not necessary to develop additional sub-alternatives and an already existing alternative solution was used as the basis during drafting the SEA Report. Alternative 0 or foregoing the Operational Programme would entail foregoing EU support. At the moment, it is unclear or cannot be forecast which sources and to what extent specific sectoral investment needs could be covered without using EU funding. Sectoral development plans take into account the potential scope of EU funding. Thus, it is not realistically possible to provide a more specific description of Alternative 0 in this Report.
We propose that peat as a mineral resource be addressed in Chapter 5.2.1 in a manner that specifies its status clearly. This is due to the fact that peat has been discussed as renewable as well as non-renewable in the same Chapter of the Report. Currently, two acknowledged approaches to peat exist, but in the SEA Report, the status of peat has not been expressed clearly, and the Report does not state whether it is based on the principle of peat being a renewable mineral resource or not.	Chapter 5.2.1 has been amended based on the proposal.
In addition, it is said on page 75 in Chapter 5.2.1 that waste recovery has increased in Estonia, whereas it has not exceeded 37% of waste generation. We would draw your attention to the fact that the data is from the year 2010 and should be replaced with that of 2011. According to the Estonian Environment Agency, waste recovery constituted 55% of total waste generation in 2011.	The Report has been amended as suggested in the proposal, more up-to-date information has been provided.
Chapter 5.2.3 of this Report bears the title 'Climate change mitigation and air quality'. We would like to point out that this Chapter addresses only the reduction of greenhouse gases which may not always be in correlation with other emissions of pollutants into ambient air. Also, polluting ambient air has not been addressed, and therefore potential change in ambient air conditions has not been evaluated. We ask that the SEA Report be amended as commented above.	The Report has been amended based on the comment. The measures pointed out in the Report and envisaged in the Operational Programme promote climate change mitigation and reduced pollution of ambient air through sustainable use of resources and energy efficiency.
In Chapter 5.2.4, there is incorrect reference made to Chapter 5.3. We ask this reference to be corrected as Chapter 5.4 should be referred to.	Amendment completed.
In Chapter 5.3, SEA Group assessment results/standpoints should be explained further in regards to which strategic document (the Partnership Agreement, the Operational Programme or both) does not have objectives that are contrary to European nature	The compliance of objectives of the strategic documents (the Partnership Agreement, the Operational Programme) with nature conservation principles in Europe has been evaluated in Chapter 4.2. The basis for identifying the areas addressed in

conservation principles. Also, SEA Working Group's approach to assessing strategic documents' impact on humans (Chapter 5.4) should be clarified. The Working Group has noted that assessment of impact on humans is based on the problematic areas for Estonia were based on the specifications made by the UN Development Programme in its International Human Development Indicators. Problematic areas were identified based on overviews provided in EIAs. The Chapter lists the problematic areas with a view to human development, which were focussed on when carrying out SEA. But it is also said that pointing out the problematic areas is informative, first and foremost, indicating the areas in society in which initiating positive impacts will enable to improve Estonia' development indicators further. We kindly ask the SEA Working Group to explain why the these particular problematic areas listed in Chapter 5.4 were chosen for impact assessment.	Chapter 5.4 was the approach in the collection 'Estonian Human Development Report 2012/2013' in particular, but also 2010/2011 UN collection on Human Development Index' (Keskpaik, A. (2012/2013) in particular, also the interpretation provided in 'Commonalities and divergences in the path of transition and human development of the Baltic States (Vihalemm, P. (2010/2011)). Estonia's position in comparison to certain countries in a variety of areas as described in the overview provided by the UN in 2013 (Human Development Report 2013, United Nations Development Programme 2013) was used as input. The principle for using this framework was specified in SEA Programme.
The Sea Report does not address connections between different impacts as provided in § 40 subsection 4(7) in the Environmental Impact Assessment and Environmental Management System Act. So, we would ask potential connections to be described in the Report. In addition, we would draw your attention to the following: although SEA should address the OP and the Partnership Agreement for Cohesion Policy, only the impacts ensuing from the OP have been assessed. The Report is not clear on what the combined effect of the planned actions of the five funds (Cohesion Fund, European Regional Development Fund, European Agricultural Fund for Rural Development, European Social Fund, European Maritime and Fisheries Fund) on environment and climate.	Throughout Chapter 5.4 in the Report, relevant chapters in the Partnership Agreement have been referred to. An additional chapter, Chapter 5.5 *Expected environmental impact of Partnership Agreement* has been included.
Pursuant to Environmental Impact Assessment and Environmental Management System Act § 40 subsection 4(13), the SEA Report must contain a description of measures and indicators planned for monitoring significant environmental impact which ensues from implementing the strategic planning document. Such information has not been included in the current SEA Report, and therefore it should be added.	Pursuant to Environmental Impact Assessment and Environmental Management System Act § 40 subsection 4(13), the SEA Report must contain a description of measures and indicators planned for monitoring significant environmental impact which ensues from implementing the strategic planning document. The objective of approval of the monitoring measures is to identify at an early stage the significant negative environmental impact resulting from the implementation of a strategic planning document, and to be able to apply measures for the prevention and mitigation of such effect (Environmental Impact Assessment and Environmental Management System Act § 42 subsection 4). The Partnership Agreement and the Operational Programme for Cohesion Policy Funds 2014-2020 set neither objectives nor development priorities in case of which, if applicable, a significant impact and an increase of negative impact on environmental aspects could be envisaged. Therefore, the SEA Working Group does not make provision for additional monitoring measures for assessing and minimising negative

	environmental impact.
In addition, we would like the wording of the first recommendation starting from the second sentence in Chapter 7 in the SEA Report to be amended as follows: 'The requirement of not contradicting the 'environmental protection and climate' objective should be added to all priority axes and established sub-objectives. In order to ensure a common understanding of environmental protection principles (for example, the sustainable use of non-renewable resources, the improvement and increasing of renewable resources) and climate (the mitigation of climate change impacts and adapting to climate change) and to adhere to these, the principles should be specified under horizontal measures (when preparing and implementing projects, the state of environment will be improved)'.	The wording of Chapter 7 has been amended as suggested in the comment.
Estonian Renewable Energy Association	
1. We are of the opinion that the SEA Report has not sufficiently considered national strategies 'Sustainable Estonia 21', 'Estonian Environmental Strategy until 2030', 'Estonia 2020' competitiveness strategy, also sectoral strategies such as 'National Development Plan of the Electricity Sector until 2020', 'National Development Plan of the Electricity Sector until 2020' and 'National Renewable Energy Action Plan until 2020'. All the above mentioned plans and strategies envisage a reduction in the share of energy produced from oil shale and promotion of alternative energy production. For example, 'Estonia 2020' competitiveness strategy: 'The greatest challenges lie in the electricity sector, where over 90% of electrical energy is generated from oil shale. A major keyword in the decade ahead is diversification of energy sources as by 2020, a situation must be achieved where the share of no single energy source exceeds 50% of the country's energy balance sheet.' A reference to this is not made in the SEA Report. 2. We find that the SEA Report complies only partly with the objective ' The general objective of strategic environmental assessment is to promote taking account of environmental conditions, which ensures a high level for environmental protection and advances sustainable development.' (SEA Report page 20). /.../ We believe that the Report must address the extent of the environmental impact of oil shale energy, and, drawing upon applicable strategies and development plans (see Chapter 1), make proposals regarding how to amend the draft of the Partnership Agreement and the Operational Programme so that these would focus more on promoting alternative energy production methods. 3. We would like to draw your attention to the following: even if the drafts of the Partnership Agreement and the Operational Programme emphasise the bottlenecks arising from producing energy from oil shale, the reasons provided in	The Sea Report has pointed out the most important national strategies - 'Sustainable Estonia 21', 'Estonian Environmental Strategy until 2030', 'Estonia 2020' competitiveness strategy, and the Report assessed to what extent the objectives set in the Partnership Agreement and the Operational Programme for using EU funding in the period of 2014-2020 comply with the environmental objectives in the said strategies. As a result of compliance analysis, no contradictions in the planned objectives at the EU level or national environmental objectives were detected. The measures planned promote diversification of energy sources (bioenergy production) and several measures include a focus on enhancing energy efficiency. The sectoral development plans constitute the basis for drafting the Operational Programme. The former specify the courses of development and priority spheres for development in different sectors. When compiling the draft for the Operational Programme, all the mentioned sectoral development plans which deal with relevant themes using a wide scope have been taken into account. In case of structural funds, we must take into consideration focus requirement and eligibility restrictions in addition to a number of development plans. Strategically speaking, taking into account and responding to member state-specific recommendations belongs to the sphere of sectoral development plans and their implementation. With a view to the above, it is not relevant to address the planning of EU Structural Funds and other funds as the sole means of response. The ministries responsible for the spheres of the mentioned development plans have provided their opinions in response to yours. Ministry of Environment draws your attention to the fact that all the objectives specified and levels to be reached in the development plans and operational programmes are not funded from the state budget – with a view to the current SEA, from Structural Funds. Generally, investments into oil shale energy are not eligible to be funded from Structural Funds. Based on

explanation to distribution of funding do not contain any funds for promoting the use of alternative sources for energy production. We believe such distribution of funding clearly contradicts the priorities in the draft of the Operational Programme, national problematic areas and development plans. We are of the opinion that the SEA Report should point out this contradiction. 4. We are of the opinion that the SEA Report does not address the standpoint of the divisions within the European Commission in the sphere of energy regarding the development of the Partnership Agreement and the Operational Programme in the period of 2014-2020 in Estonia. The European Commission standpoint provides that 'The importance of oil shale as a source of energy intensifies the need for energy supply diversification, introducing more efficient and less contaminating energy sources'. The standpoint emphasises that 'The use of renewable energy (incl. offshore energy and offshore wind energy) would be promoted through networks that share good practices, modernised infrastructure and legal acts among other things. The renewable energy sources with the highest potential are wind energy and sustainable use of biomass.' Although the SEA Report refers to EC's country-specific recommendations, this does not apply to the sphere of energy. Promoting energy produced from renewable sources is stressed in EC's country-specific recommendations for 2012 and 2013. We believe that the SEA Report should address the European Commission's standpoints and country-specific recommendations and make proposals regarding how the drafts of the Partnership Agreement and the Operational Programme should be amended in order to take into consideration EC's standpoints and country-specific recommendations. 5. We would like to make three specific proposals for the SEA Report for making changes in the distribution of the Operational Programme funding: Proposal I: To increase investments from Cohesion Funds into electricity generation capacities based on renewable sources and into technologies required for wider use, incl. energy storage capacities and the development of smart grids. Proposal II: Cohesion Funds should also be used for supporting investments into renewable source high electricity generation capacities, incl. offshore wind parks, and also, as many different renewable energy sources as possible should be supported. Proposal III: To support renewable energy small-scale solutions using Cohesion Funds. Support funding could be allocated to micro- and small enterprises (incl. tourism-related enterprises) and households.	the polluter pays principle, everybody who trades in greenhouse gases emission is not eligible for receiving funding from Structural Funds. At this point, support will not be provided from the Structural Funds, but from other sources it will be planned. From the point of enhancing energy efficiency, considering promoting of, for example, resource efficiency in oil shale energy as part of RD&I is not ruled out. In your letter and proposals, you have referred to EU country-specific recommendations and the document 'National Renewable Energy Action Plan until 2020' (hereinafter referred to as Action Plan). Also, you pointed out that oil shale industry is harmful to the environment and the need to invest in small-scale solutions for renewable energy. Ministry of Economic Affairs and Communications points out that politicians, entrepreneurs, manufacturers and consumers in the EU and Estonia have expressed their dissatisfaction with energy prices and recognised that increasing energy prices are a threat to the EU remaining globally competitive. One culprit here is support funding for producing energy from renewable energy sources. Nonetheless, the EU and Estonia have accepted a common commitment to combat an increase in GHG emissions, to promote consumption of renewable energy and sustainable energy use (20-20-20 objectives). The objectives as seen in Estonian context have been addressed in the abovementioned Action Plan. Taking a look at achieving two objective mandatory for Estonia, we can see that the share of renewable energy in cross-sectoral consumption exceeded 25 % already in 2011, which is our target for 2020. This applies to heating, energy production and also transport sectors. The other mandatory objective is the share of 10% of renewable energy in the end consumption of the transport sector, this being a common objective for all countries. Currently, the respective indicator in Estonia is 0.2%. It is clear that achieving this objective requires a wide-scale structural change in the energy use of Estonian transport sector. Actions aimed at renewable energy production are based on this. These will be funded from Social Cohesion Funds. It is pointless to deny the harmful effects of producing energy from oil shale, whereas we would like to draw your attention to the fact that oil shale industry is not a problem solely related to environmental protection and easily solved. The regional socio-economic effects of this industrial sector are essential. Based on this, sudden structural which consider only the viewpoint of energy sector cannot be made. The shift must occur (and is already in progress) gradually. Ministry of Economic Affairs and Communications does not agree with the statement that funding allocated from the Cohesion Fund for the renewable energy sphere is not used where necessary. Actions taken in the sphere of renewable energy and funded from the Social Cohesion Funds, such as promoting the use of renewable energy sources in the heating sector and supporting the development of biomethane production capacity, also administrative measures that support the sector (a draft for amending the District Heating Act, a

	draft for amending the Liquid Fuel Act, legal analysis for enabling biomethane to be released to grid, developing international renewable energy related cooperation mechanisms, etc.) have an effect on a significant portion of the population and entrepreneurs who are already active or are interested in becoming active in the sphere of renewable energy. Promoting the use of renewable energy sources in the heating sector and introducing biomethane in the transport sector are extremely necessary to achieve state energy policy objectives, but other sources of funding do not exist at this moment. Support for increasing the share of renewable energy sources on the market will be allocated through support schemes as provided in the Electricity Market Act. It cannot be argued that the actions taken under the measures will not boost business in Estonia. These are largely beneficial for our society, when compared to the situation in which only GHG emissions will be reduced. Although producing electricity from fossil fuel sources is still an issue to be tackled, we are committed to achieving the renewable energy objectives agreed upon with hour EU partners in regards to producing, supplying and consuming electricity and heat energy, transport sector fuel produced from renewable energy sources. Regarding reducing energy use in the housing sector, the most efficient proves to be reconstruction of apartment buildings, which ensures the potentially highest energy saving in energy use of buildings. Therefore, targeting Social Cohesion Funds use at supporting renovation of buildings is justified. Eligible actions include altering or replacing technical systems and installing small-scale solutions for renewable energy production. Ministry of Economic Affairs and Communications shares Estonian Renewable Energy Association's standpoint regarding the idea that support for small-scale solutions for renewable energy could be larger than the current ones in Social Cohesion Funds, but also points out that Structural Funds are limited and to increase the funding allocated for some objectives must be found at the cost of reducing funding for some other objectives. We would also like to draw your attention to the fact that the Government of the Republic approved at Cabinet meeting on April 23 2013 the objectives to be co-financed from EU funding and assigned the Ministry of Finance the task to prepare the drafts of the Partnership Agreement and the Operational Programme entered into by Estonia and the EC. The two documents regulate the use of funding provided from Structural Funds, Rural Development Fund and Maritime and Fisheries Fund for the budget period of 2014-2020. To make a proposal for and submit it to the Government of the Republic 1) two ex-ante evaluations were conducted regarding the current situation in the country and external future trends. To ensure more efficient

	contribution of EU support in order to reach the objectives set in the country, the analysis addressed the state as a whole and not only the spheres eligible for EU funding; 2) drawing upon the ex-ante evaluations, Estonia's development needs for the coming decade were identified in cooperation with economic and social partners' umbrella organisations, experts outside the Government and policy experts of the ministries; 3) based on the development needs, the objectives set in the current strategies were analysed and 11 national objectives and solution pathways required to implement these were identified; 4) the Cabinet took note of the five national objectives and the funding foci that support achieving these; 5) in cooperation with partners and external experts sub-objectives for using EU funding were set and expected results were identified. After that, ministries submitted drafts for measures required to achieve the objectives and estimates regarding the need for funding. On June 26 2013, the Cabinet held a meeting to discuss issues related to the Partnership Agreement and the Operational Programme for the Cohesion Policy Funds, where the drafts of the documents were reviewed, incl. distribution and scope of funding, preliminary proposals received in the course of public consultation, and ex-ante evaluators' and Sea Experts' recommendations. Ministry of Finance was assigned the task of harmonising the drafts of the planning documents with decisions adopted at Cabinet's meeting and submit these to the European Commission on July 12 to initiate consultations and to SEA Experts to compile the final assessment. The SEA Report presented at the public consultation of September 9 2013 was formed based on the updated drafts of the planning documents completed in the middle of July. As the process of reaching the existing agreements has been lengthy and it has involved numerous partners with varied interests, and considering that all parties need the EU funding to be used starting in the first half of 2014, it is very complicated to revise the allocations provided in the budget at this stage. As you pointed out that there are some additional actions which require EU funding, maybe you also have a concrete proposal regarding reducing the funding planned for the specific objectives and actions considering the limited scope of Structural Funds in order to increase the funding provided for promoting renewable energy. If you do, we would be glad to hear it. We would also like to point out that, in 2015-2017, in accordance with annex 6 to the state budget strategy for 2014-2017, it is planned to provide funding of up to 5 million euros for the measure of introducing micro solutions for renewable energy using funds that will be procured from the maximum permissible GHG emissions units in EU trading system. Also, some measures planned as specified in the draft of the Rural

	Development Plan 2014-2020 contribute to promoting the use of renewable energy.
Estonian Ministry of Education and Research	
MER provided one comment – in the course of restructuring the school network, in addition to constructing more thermal efficient buildings, a prerequisite for actions taken is an improved efficiency of use of space, which will entail enhanced resource sustainability. Themes of environmental education are integrated into other measures and do not support being addressed separately.	Comment noted.
Estonian Council of Environmental NGOs	
The document evaluated during the strategic environmental assessment (SEA) is highly general, due to this the evaluations are also very general in nature. At the same time, the SEA Report contains truly relevant proposals for amendments to the Operational Programme and the Partnership Agreement. Estonian Council of Environmental NGOs is of the opinion that the Partnership Agreement should be amended based on the recommendations and proposals provided in the SEA Report. Also, the Council would like to draw attention to an aspect not analysed in the course of SEA whereas it has a real impact – the budget fo the Operational Programmes of the Partnership	Agreeing upon the sector-related distribution of funds from the Structural Funds has been a tight cooperation process between ministries involving also partner organisations. Ex-ante evaluation is conducted in parallel with drafting the framework documents (which are, among other documents, based on the Guidance document on ex-ante evaluation, EC 2013), whose aims include the evaluation of optimality of measures (see for more details http://www.struktuurifondid.ee/kaasamise_korraldus/. The basis for compiling the operational programmes is the sectoral development plans. The latter specify the courses of development and priority spheres for development in different sectors. Sectoral development plans have been taken into account when developing

Agreement, or how much funding will be allocated to different areas and measures. The budget should also be evaluated. For this purpose, we recommend using tools developed by the Directorate-General for Regional and Urban Policy: http://ec.europa.eu/regional_policy/newsroom/detail.cfm?id=673&LAN=EN	the Operational Programme. Priority spheres for development in Estonia have been identified based on the Cabinet meeting held on November 29 2012. As a result, spheres of priority for Estonia will be contributed to, also taking account of EU funding principles.

8.5 Overview of difficulties arisen during SEA

The strategic documents, the Partnership Programme and the Operational Programme are documents of general nature, whose preciseness of the potential environmental impact and impact depends largely on the clarity of objectives set and the chosen indicators, and also on the parties' environmental competence, administrative capacity and motivation. Thus, the actual environmental impact depends on specific conditions and actions which are being taken, which, to a large extent, ensue from the Partnership Agreement and the Operational Programme, and the significance of impacts and their mitigation possibilities can be evaluated when the specific actions have been identified.

When compiling the SEA Report, the strategic document's content and level of generalisation have been taken into account. The document undergoing SEA is extremely general in nature and therefore the evaluations given to impacts are general. The most important aim of SEA was to identify whether the planned priority axes, sub-objectives and measures are in compliance with environmental objectives as provided in EU and Estonia's strategic documents.

The Partnership Programme and the Operational Programme are documents of general nature, whose preciseness of the potential environmental impact and impact, when implemented, depends largely on the clarity of objectives set and the chosen indicators. Thus, the actual environmental impact depends on specific conditions and actions which are being taken, which, to a large extent, ensue when requirements for interventions/measures for each priority axis in the Operational Programme have been established.

The intense schedule for conducting SEA posed certain difficulties for the evaluation process.

8.6 Approval of SEA Report

The Environmental Board approved the SEA Report of the Partnership Agreement and the Operational Programme in the letter no 6-8/13/24066-2 as of November 22 2013 (see Appendix 4).

Chapter 7 in the SEA Report provides the SEA Experts' proposals for amending the Partnership Agreement and the Operational Programme. Pursuant to § 43 section 1 in the Environmental Impact Assessment and Environmental

Management System Act, recommendations provided in the SEA Report shall be taken into account when drafting/amending the Partnership Agreement and the Operational Programme.

Decision adopted by the Environmental Board (pursuant to § 38 sub-sections 1 and 2, § 40-41, § 42 sub-sections 2-5, § 43 section 1 and § 44 in the Environmental Impact Assessment and Environmental Management System Act):

1. The Environmental Board approves the Strategic Environmental Assessment Report of Operational Programme for Partnership Agreement for Use of EU Structural and Investment Funds and Cohesion Policy Funding 2014-2020.
2. When drafting the Partnership Agreement and the Operational Programme (completed versions), the recommendations provided in Chapter 7 should be taken account of.
3. The Environmental Board shall not approve monitoring measures for the Operational Programme for Partnership Agreement for Use of EU Structural and Investment Funds and Cohesion Policy Funding 2014-2020.
4. Ministry of Finance shall inform the institutions and persons listed in § 44 section 1 in the Environmental Impact and Assessment and Environmental Management System Act of the Partnership Agreement and the Operational Programme (within 14 days of the adopted decision), and ensure access to information as provided in § 44 sub-section 2 in in the Environmental Impact and Assessment and Environmental Management System Act.

Riin Kutsar 28.11.2013
SEA expert

APPENDICES

Appendix 1. SEA interim report proposals for amendment of the Operational Programme and Partnership Agreement and Statements regarding taking the former into account (attached as a separate document)

Appendix 2. SEA Programme (attached as a separate document)

Appendix 3. Materials related to public access to and consultation of SEA Report (attached as a separate document)

Appendix 4. Letter approving the SEA Report (attached as a separaate document)