Estonian Environmental NGOs on the EU Environmental Policies

(Discussion paper)

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INTRODUCTION

The ideas of Sustainable Development were widely recognised and approved by the public and by the politicians after the Rio de Janeiro Conference in 1992. European Union's 5th Environmental Action Plan (1993-2000?) differs from its predecessors by turning its attention from the results to the causes of deterioration of the state of the environment. It emphasises the need to integrate the principles of environmental protection into all sectors of governmental and industrial activities, especially focusing on five economic sectors – agriculture, forestry, transport, tourism and energetics. Secondly, it recognises the importance of co-operation between the central and local authorities, public, citizens, consumers and non-governmental organisations for promoting sustainable development. In 1997 in Amsterdam, European Council repeated that the Rio processes should be accelerated.

Still, the insufficient enforcement the legislation is threatening the reliability of the EU environmental policies.

The forthcoming EU enlargement could be a major contribution to Sustainable Europe, where all member states substantially reduce their pressure to the environment and effectively improve biodiversity. In parallel with full and complete implementation of the environmental "aquis communautaire" by the governments of the accession countries, the present member states need to improve the enforcement of EU environmental legislation as well. The EU should take steps to institutionalise the involvement of the accession countries in the development of long-term policies and, to ensure the transparency of these processes, Environmental Citizens' Organisations should be given adequate means of research, awareness rising and other forms of involvement there.

In the following short summaries of the Estonian NGO experts on the environmental impacts of the accession process on some of the above mentioned sectors of economy are presented. These statements are a result of a two year long international project, during which the European Environmental Bureau experts compiled materials on the EU policies from environmentalists' point of view, those were translated into Estonian, discussed by Estonian environmental NGO community and express the summary opinion of about 90 persons who took part in formulating the final conclusions during the seminar held in winter 1998/99. These statements are addressed to both Estonian authorities and decision-makers to get an **environmental NGO** viewpoint on the accession process as well as for a foreign reader to get an overview of **Estonian NGO** reflection of the wide range problems related to sustainable development possibilities in the future European Union. As we know, the *Aquis Communautaire* has to be implemented "word by word", but there still are ways of interpretation of it in each accession country.

It can be clearly seen from the following that the importance of sustainable development of such "sectoral policies" like agriculture, transport, energy etc have the key influence on maintaining biodiversity which is much better preserved in accession candidate countries like Estonia than in the European Union.

BIODIVERSITY

Background information: In Estonia 15% of the territory is covered with protected areas and nature reserves while in the European Union this percentage is only 1. The high biodiversity in Estonia is caused by its biogeographical position – we are situated on the border of three different biogeographical regions characterised by certain climate and natural species. For example a couple of years ago during an international experiment it was found out that 67% different plant species grow on 1 square meter of seminatural wooded meadow, which was a result ranking the second place among the other countries.

During the recent years several training courses introducing the EU Biodiversity Convention and better management of protected areas have been organised for the environmental officials and specialists, protection regimes for different types of protected areas and GIS or managing information have been elaborated.

Ministry of the Environment has organised joint EU Approximation workshops for all three Baltic countries, as several activities are going on in parallel in there, for example development of CORINE database on natural habitats, compilation of registers of species and habitats of international interest (with Danish EPA support), and with the support from the Netherlands, a network of main habitats is being developed, While in Estonia special attention has been paid to the wooded meadows outside protected areas, then in Latvia to the wetlands and in Lithuania to the creation of the network of wetlands.

The following major research projects should be mentioned in addition:

- "Wetlands outside protected areas" financed by World Bank
- "Introduction of the monitoring system based on GIS" funded by EU Phare
- "Project on forest habitats in the frame of NATURA 2000 has already been successfully completed.

In the Estonian accession strategy the following principles have been given a high priority:

- * Protection of the biodiversity outside protected areas;
- * Founding of a legal basis for determining the essential for Europe bird habitats (including landuse regulations);
- * Inclusion of biodiversity protection aspects into sectoral policies;
- * Taking the specific features of Estonian landscape into account while negotiating on the accession conditions.

Estonian nature protection legislation is generally in line with the EU Bird and Habitat Directives, but there is still no time-schedule or plan for analysing separate necessary activities, responsible executives, or implementing scientific research.

Estonia, Latvia and Lithuania belong into so-called hemiboreal biographical region that is quite new for the European Union (except small parts of Finland and Sweden). This region is characterised by a large number of wolves, bears, beavers, that are under protection in the European Union and also habitats that still need to be included into Annex I of the EU Habitat Directive. These problems should be discussed with experts from Latvia, Lithuania and Scandinavia before starting the negotiations.

As the biodiversity protection requirements of the EU Directives are existing but scattered between various different regulations and laws, there has been much

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discussion in Estonia about the necessity to create a new Nature Protection Framework Law and later an Framework Environmental Protection Law.

Provisions on the protection of natural habitats during physical planning and the requirement of Environmental Impact Assessment of the Activities endangering protected areas are still to be added to our legislation. Laws related to hunting should be changed.

Creation of NATURA 2000 in Estonia

Although there are long-term traditions of biogeographical and geobotanical research in Estonia, information on the distribution of various types of the habitats and their state is not well accessible and complementary fieldwork would be very necessary. The classification of plant communities valid in Estonia differs greatly from the system in Annex I of the EU Habitat Directive and thus the existing databases cannot be used directly by EU scientists. Knowledge of the number and location of species is not sufficient and the info collected in the frame of CORINE programme can only serve as baseline material for the future studies.

Creation of the network of protected areas is closely related to land reform and planning. Although most of the Protected areas of EU interest will be created on the territories of already existing protected areas, they could partly also reach private territories. So an early elaboration of conflict resolution mechanisms should be paid attention to and the public should be informed on the NATURA 2000 activities.

According to Estonian expert Tiit Maran, thorough analyses should be started covering the following aspects:

- * Present situation:
- * Most effective ways of implementing EU directives;
- * Possible problems;
- * Responsible executives:
- * Time-schedule of activities:
- * Existing experts:
- * Costs of activities.

To assess the effectiveness of each activity, it should be formulated in a way containing criteria for measuring it.

The gap in public awareness should be filled by the Estonian Environmental Education Centre, which will be created instead of the existing Hobby centre TELO. Among the future task of that centre, the Ministry of Environment has mentioned training of the non-governmental environmental organisations

The discussion of these problems by NGOs during the Seminar on EU Environmental policies lead to the following conclusions:

A. Positive influence of the EU Biodiversity Strategy in Estonia:

- 1. Supporting and collaboration programmes directed to the management of the protected areas and to the development of the protection regimes;
- 2. Financial support for the scientific research, training and information exchange in the field of biodiversity;
- 3. Co-ordination and unification of biodiversity protection;
- 4. Relating the species protection with the habitat protection;
- 5. Reference to the relations between the protection of the biodiversity and the goals of sustainable development. Admission by the EU Biodiversity Strategy of the responsibility of the European Union policies and the necessity of preventive measures. Importance of harmonising sectoral policies (agriculture, transport, energy) with the biodiversity protection policies.

B. Negative impacts from the EU biodiversity protection policies for Estonia:

1. Threats from the insufficient implementation of the Bird and Habitat Directives in the EU countries due to stronger interests from economic actors.

The tradition of considering economic interests superior to the nature protection requirements in Europe.

- 2. EU Biodiversity strategy gives the central authorities too big rights in decision making and thus big mistakes can be done from the point of view of nature protection.
- 3. EU Directives do not speak about the so-called "Green Corridors", their importance and protection.
- 4. The EU Biodiversity Strategy does not take into account the indirect factors like consumer habits and lifestyle. (Working group elaborating Estonian Biodiversity Strategy in winter 1998/99 repeated the same mistake in Estonia, neglecting all activities/proposals related to consumer education).

C. what should be done to stop the decrease of biodiversity after joining the EU?

- 1. Public awareness and especially that of key decision-makers' on the positive and negative sides of the EU nature protection policies should be increased. The relationships of the nature protection and other sectorial policies should be especially enlightened. The major threat to biodiversity protection might be too eager local decision-makers in Estonia.
- 2. Lists of species and habitats to be included into lists of interest for EU should be elaborated.
- 3. Environmental education should be promoted using all ways and possibilities: ordinary schools, high schools, vocational training, complementary studies, hobby circles, non governmental organisations, media etc.
- 4. In the European Union, legislation concerning sustainable use of natural resources should be improved in accordance to the EU Biodiversity Strategy. The existing two directives regulate only nature protection activities and do not include links to sectoral policies. .
- 5. Habitat Directive should be improved by adding provisions on the protection of "ecological corridors" thus better enabling to implement the NATURA 2000 network.
- 6. All EU and Estonian future Strategies, including those for Energy, Transport etc. should be assessed from the point of view of the Sustainable Development and protection of Biodiversity
- 7. Criteria for sustainable regional development should be elaborated and taken into account while funding regional development in CEE Countries from the EU funds.

AGRICULTURE

In Estonia, the main problems for the sustainable development in the rural areas can be characterised from three sectoral viewpoints (A. lital, 1999):

Economic sector:

After the Land Reform started in 1991, the large production units have decentralised into smaller agricultural companies, households and farms, usage of inorganic fertilisers and pesticides has decreased significantly, and so has haymaking and cattle breeding in natural pastures. Insufficient care taking of drainage ditches has brought along unfavourable impacts to the environment. Agricultural production suffers from totally open Estonian Market.

Social sector:

Extremely low income of farmers and depopulation of rural areas. Landscape maintenance has been co-ordinated by the nongovernmental organisation – Estonian Society for Nature Conservation - until recent times.

Environmental sector:

Pressure to the environment from agricultural activities has fallen significantly during the last 7... 10 years, the average animal density pr Ha of arable land is 0.4 AU: Use of mineral fertilisers has fallen for 6 times and that of pesticides for 17-18 times.

Surface and ground water quality in agricultural areas is mostly acceptable, the nitrate concentration in river water does not exceed 25 mg/l. Nutrient leakage from arable land is very low, and that of nitrogen can e compared to leaching from background – reference areas. Still, many shallow drinking water wells with high nitrate concentration indicate local pollution from manure and bad silage handling. Although we have quite strict rules on manure handling, the low income of farmers does not allow making necessary practical arrangements.

In Estonia several new legislative acts and action plans are under preparation. The new version of Water Act (1999) will directly address water pollution from agricultural sources. After that governmental recommendation on environmentally friendly use of fertilisers will be adopted. In addition, the Sustainable Rural Development Action Plan and Regulation of Good Agricultural Practice are following the EU Guidelines. The main goal of the Action plan is to extensify the farming system converting arable land into extensive grassland, increasing the present 60% to 70-80%. The Plan calls up to support organic agriculture, to subsidise building of manure storages, to develop training courses and demonstration programs for farms on environmentally sound practices. Today we have 150-200 licensed farms producing ecological products (both cereals and dairy products) in Estonia, while the total number of private farms is about 35 000 + 800 agricultural enterprises.

In Estonia there have already been heard voices that thanks to the Reform of Common Agricultural Policy (CAP) all plans programs and investments will be environmentally friendly and therefore the farmers should be waiting for the joining with EU very impatiently.

In fact it can be forecasted that almost half of the present farmers will loose their jobs in the EU and that the main emphasis will be put to supporting of intensive agricultural production and big farms.

There is a big threat that the urban areas will be depopulated due to people loosing their traditional jobs. Intensive agricultural production of crops, overuse of fertilisers and

pesticides as well as concentrated livestock breeding used to have a big negative impact to the watershed of the Baltic Sea only recently, during the Soviet period.

European Commission has made proposals to channel the Phare agricultural funds to the accession countries via the fund for Agricultural Pre-Accession financing regional intergovernmental projects.

It is believed that Poland and Estonia will not be successful in implementing the EU Agricultural Policies, but Hungary, Czech Republic and Slovenia will have fewer difficulties. NGOs would like to create independent funding systems for developing environmentally friendly rural life.

A. Positive impacts from EU agriculture policy:

- Possible usage of SAPARD funding for promoting organic agriculture.
- Subsidies for constructing agri-environmental buildings
- Need for enforcement of stricter environment protection measures.

B. Negative impacts from EU Agriculture policy:

- * Concern that EU directive on Nitrates (91/676/76/EEG) has not been implemented in most EU member states. '
- Highly specialised and intensive agricultural production is not sustainable.
- Widespread use of chemical pesticides;
- Missing goals for promoting organic agriculture, bureaucratic means that stop the trade with organic food products;
- The use and development of genetically modified organisms.

C. What should be done to decrease the negative environmental impacts from agriculture policy?

- More loans and subsidies should be used for promoting organic agriculture and small entrepreneurs.
- The Law on Ecological Agriculture adopted in 1997 should be better enforced and the eco-labelling system regulated by that should be better advertised.
- EU Directive on Nitrates should be implemented in accession countries before entering the EU.
- The state tax for mineral fertilisers is necessary for preventing rapid increase of mineral fertilisers.
- A state subsidy program for constructing agri environmental buildings (manure storages, slurry tanks etc.) is needed.
- The state penalty system for water pollution from non-point sources needs future development, especially supervision of legislation enforcement.
- New jobs should be created for previous farmers in the sector of tourism and environmental protection activities, including cultivation of energy crops.
- Ways of utilising municipal organic wastes from urban areas in agriculture as fertilisers should be developed.
- Special programs for landscape maintenance are needed for developing agricultural production in less favoured areas (marginal areas) that are most sensitive for water protection.
- Involvement of NGO representatives in the elaboration of SAPARD plans.
- Summarising, the CAP reform should achieve: Environmental conditionality on all
 payments, harmonised environmental taxes on mineral fertilisers and chemical
 pesticides, increased budget for agri-environmental measures, requirements for a
 strategic environmental impact assessment of the consequences of the CAP for the
 environment, product quality, rural development etc., elimination of export subsidies.

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ENERGY

In Estonia production of electricity is concentrated in North East Estonia, where the oil-shale is mined and combusted in two big power-plants Narva and Estonia both working on half capacity. This technology is very polluting (most of the produced emissions are carried towards the Gulf of Finland) and allows to consume less than 25% of the energy contained in the raw material. The third-largest power plant Iru is located Near Tallinn in SW Estonia and uses mainly heavy oil and wastes for producing heat.

In 1996 locally produced fuels included 85,8% (37,2 TWh) oil-shale, 4,2 % peat, 7,7% fuelwood, 2,2 % timber wastes and chopped wood and 0,1 % others. The structure of Imported fuels in the same year was 33% (7,5 TWh) light oil products for vehicles, 33% natural gas, 22% heavy oil products, 8% oil-shale and 4% coal and coke (T. Lausmaa, 1998).

The biggest consumers of final energy according to priority are households, industry, transport, agriculture and construction sectors.

Due to outdated technologies and lack of saving habits, energy usage (GWh/GNP) is five times more intensive in Estonia (about 17,8) than in the EU (about 3.4). In spite of the big decrease of CO₂ air emissions in recent years, it is still one of the highest in Europe and more than twice as big as those in Latvia or Lithuania.

The potential resources of renewable energy in Estonia are not used efficiently. According to the estimations of T. Lausmaa (1998) 5-7 TWh of wind energy could be produced in Estonia annually, while water energy could be used only for producing 1-2% of the present electrical energy in Estonia (due to our flat relief). Solar energy might be used in small households for heating water in summertime. The biggest resource of renewable in Estonia is biomass (28, 2 TWh), from which energy forests could give 11,2 TWh, wood wastes 8,9 TWh, Peat 4.1 TWh, straw 2,2 TWh and manure 1,8 TWh of energy. T. Lausmaa estimates, that up to 7 TWh of energy per year could be saved by insulating of buildings.

Summarising, it may be said that Estonia has good preconditions for sustainable energy policy.

EU itself is said to have no unified energy policy, so the member countries can control their policies much by them. The biggest differences are related to views on taxation principles.

The Commission's White Paper on Energy Policy from December 1995 states that the main goals of the EU Energy Policy will be competitiveness, reliability of energy supply and protection of the environment through "liberalising the market, transparency of prices and communications between systems". After 1999 the biggest consumers of electricity (more than 40 GWh) will be given the right to choose from whom they by energy. Another directive foresees reduction of SO₂ NO_x and dust emissions from large combustion plants. CO₂ emissions were promised to be reduced in Rio Conference and in Kyoto and an agreement concerning six greenhouse gases was signed. Since 1992. (A tax on CO₂ has been applied in Denmark, Finland, Sweden and Netherlands).

Although the Commission theoretically supports the principles of energy efficiency and usage of renewables for the sake of reducing CO₂ emissions, regional development and employment, the relevant legislative basis is missing and the subsidiarity principle has prevented making unified decisions. The initiatives in the field of introducing renewable energy resources have been reconciled with some support to research and awareness rising activities only. The White Paper on "Energy for the future – renewable sources of Energy from 1997 proposes to increase the role of renewables for the year 2010 up to

12% from the present 6% (including the existing big hydropower plants). The biggest focus is on wind-, biomass, solar as well as hydroenergy. Co-generation of heat and electric energy is planned to be increased from the present 9% to 18% buy 2010. The main funds SAVE and ALTENER have a comparatively small impact on the existing situation and cannot be used by the researchers from Eastern European countries.

The main concern of the environmentalists is, that the liberalised market economy and privatisation of power plants will lead to the will to sell as much energy as possible and not to pay attention to energy saving, which already is characteristic of the present Energy Strategy in Estonia.

A. Positive impacts from EU energy policies:

- Collaboration programmes in the field of energy production helping to direct Estonian energy sector into environmentally friendly way;
- Common energy networks allowing wider usage of renewable energy sources;
- Financial support from the EU through EBRD and other banks for increasing the effectiveness of energy producing facilities and application of energy saving measures;
- Many legislative requirements on environment protection are stricter in the EU than those in Estonia.

B. Negative impacts from EU energy policies:

- Possible not feasible export of local fuels;
- Bigger pressure on using nuclear energy;
- More intensive mining of oil-shale due to bigger market possibilities;
- Increase of consuming energy due to equalised consuming habits with the previous EU countries.

C. What should be done to decrease the negative environmental impacts from energy policy?

- The EU directives regulating the quality of water and ambient air as well as the one on large combustion plants should be implemented immediately (with no transfer periods or delays).
- Practical implementation of the existing programs on energy saving and using renewable energy sources should start and be really supported, strategy for substituting oil-shale with renewables should be elaborated;
- Agricultural subsidies should support growing of energy crops;
- State measures to decentralise energy production should be elaborated and enforced for increasing competitiveness in the energy sector;
- All EU regulations against monopolies should be enforced immediately.
- Public awareness on the positive and negative sides of the EU energy policies should be raised to achieve the optimal accession contract for the energy sector of Estonia.
- The insulation characteristics of buildings should be raised to European level.
- The existing experience of a member state in a large federation should be used in communicating the bureaucracy machine of the EU.

TRANSPORT

During the last ten years the number of cars has grown tremendously – e.g. when in 1990 in Tallinn 10% of the public used a car and 90% used public transport then in 1997 the this ratio was 60% for cars and 40% for public transport. Similar change in Western Europe took 40 years to happen (M. Jüssi, 1998). Half of the transport related investments from EIB, EBRD and Phare have been used for reconstruction of roads and another for airports and harbours while transportation of people has decreased for 75% during the last 7 years in Estonia.

In the nearest future the development of transport systems will be greatly influenced by finances from the Structural Funds in Estonia, especially by ISPA – Instrument for Structural Policies for Pre-Accession. The experience from Greece, Spain, Portugal and Ireland shows that EU funds were mainly used for building motorways bringing along tremendous increase in car transport, but the public transport by buses and trains has developed as well. Estonian authorities might influence the development of transport systems by choosing which kind of financial support will be accepted here. It may be guessed that the European markets interests will favour continuing construction of big oil-terminals that cause negative effect to the Baltic Sea.

The Commissions "White Paper on the Future Development of the Common Transport Policy "from 1992 has the goal to achieve "Sustainable Mobility" by ensuring the free movement of people and goods in the internal market of the Union putting the main responsibility for achieving these goals on the government of the member states. In the 90-es the control over the lorries and planes moving in the EU territory has significantly decreased to increase international transportation and travelling. Liberalisation of transport sector has brought along increase of car transport and transportation of goods. Biggest emphasis has been put to decrease the emissions of cars but nothing to limit usage of the latter.

What should be done to decrease the negative environmental impacts from transport policy?

Estonian authorities might influence the development of transport systems by choosing which kind of financial support will be accepted here.

- * The loans and funds for developing transport should primarily be used for reconstruction of railways and improving the competitiveness of public transport;
- * The state and local level policy priority should be decreasing the total amount of traffic and preference to development of public transport and light traffic (bicycling, walking).
- * While funding road construction projects, an economic analysis of alternative transport systems (for example railways) should be required;
- * Planning of transport projects should include a strategic environmental impact assessment and a thorough environmental impact assessment;
- * Revenues from fuel acise tax should be used for developing environmentally friendly transport systems;
- * It should be recognised that several solutions to transport problems are found in other economic sector: movement of people and goods can be organised more effectively by comprehensive regional development; scattered service structures and maintaining small production units.

WASTE MANAGEMENT

. and sustainable exploitation of resources:

Improvement of waste management does not only mean the enforcement of EU Landfill Directive and updating of landfill monitoring techniques, but also limiting of waste generation by better usage of natural resources and improved consumption patterns.

The price for using natural resources should include all direct and indirect costs, including costs on mining and solving the environmental problems caused by mining, costs from the losses of mined resources etc. Consuming should be taxed but not labour. VAT tax should be differentiated, giving a higher VAT for luxury goods, environmentally friendly products should be labelled and tax incentives should limit wasting and overconsumption. Taxes for packages should be introduced as they are a big source of waste generation, and a system should be applied to ensure re-usage of packages.

There are a lot of possibilities for rising the efficiency of using natural resources. One of the primary methods is application of low energy and resource utilising technologies for mining and using the natural resources. More attention should be paid to the design of the products. The lifetime of products should be longer, making them more lasting and repairable. Products should be used more intensively, either by using them together or giving them several functions. It is possible to decrease the energy and material input of products by re-designing them.

Offering better possibilities for service consumption can lower the intensity of product consumption. Thus the consumers will not need to own a certain number of products. Consumer education and awareness rising on the quality and environmental friendliness of goods and services offered should be not only the task of non-governmental organisations but also that of the state and local governments. The possibilities offered by media channels should be used more efficiently for changing consumer patterns and advertisements promoting overconsumption should be limited using both administrative as economical means. Training and information on alternative possibilities should direct the everyday consumer into participation of the build-up of sustainable society.

The main preconditions of sustainable management of resources are the following:

- * Decreasing the direction of non-renewable natural resources into material flows.
- * Stopping the usage of dangerous substances (like chlorine)
- * Prolongation of the lifecycle of products;
- * Maximum usage of recycling.

STRUCTURAL FUNDS

During the period 2000-2006 the total sum of 47 billion EURO is planned to be directed into the candidate countries for preparing the accession process. Although the division of that sum between these countries is not known yet, it can be expected that Estonia may receive up to one billion Estonian kroons of EU grants per year for various projects.

Estonia already has a rather big experience in implementing projects funded by EU Phare program that has been in action since 1991 here. Until today more than 2 billion Estonian kroons have been directed into Estonian environmental projects from these channels already.

The main areas that will be funded by structural funds cover transport, environment protection, agriculture and law harmonisation projects.

In the field of **transport** the following two corridors will possibly be regarded as of highest priority: Tallinn-Narva (in direction to St. Petersburg) and Tallinn-Pärnu-Ikla (in direction to Riga). Although in both corridors rail lines exist, the Government has decided to apply to ISPA funding for upgrading of roads only. Generally in both corridors road maintenance was preferred to more damaging construction. While the environmentalists are not supporting the current shift towards car-dependent society, they are much more positive about the plans concerning the development of railways. Fortunately there are four rail projects that the Government might present to the European Commission for ISPA funding: Tapa railway yard reconstruction; reconstruction of Tapa-Tartu railway; construction of Koidula rail border crossing facilities and construction of Tallinna rail bypass. Although there is urgent need for investments into the public urban transport schemes there are unfortunately no such proposals on table in Government - Commission negotiations.

In the field of updating the **environment protection** infrastructure, a positive example implemented thanks to the Phare funding are the reconstructed waste water treatment plants in Tallinn and Tartu, while in smaller towns a lot of work is ahead yet. The second priority where the ongoing steps have not been too successful yet are waste management and hazardous waste disposal systems.

In the field of **agriculture** structural funds will be used for improvement of quality control of the products and for the better market organisation of those. After joining the EU this type of funding will be stopped.

A. Possible positive effects for Estonia:

- Although Estonia has until now received a remarkable foreign funding for the protection of the environment the 50% of ISPA funds dedicated for the environmental projects would be of great value as well.

B. Possible threats for Estonia:

- * The projects funded by the Structural Funds could be too big for Estonia as minimal amount of a project is 5 million Euros. In case a project fails, the negative consequences would be especially hard to bear. Instead of the single large projects a bigger number of small scale projects should be preferred.
- * Too big emphasis has been put to transport projects until now, these projects have the biggest negative impact for the environment.
- * Obligatory co-financing by the Government is often a big burden and takes away money from other priority projects.

* It is possible that after the ISPA funds will be opened for Estonia, several main foreign donors will cut down their bilateral support. A certain negative influence can be expected from "centralising" of foreign aid by the EU which would decrease the present "diversity" of donors.

C. How could the negative impacts from applying structural funds be avoided?

- * One of the possibilities to avoid the repeating of mistakes done in South Europe would be freezing of ISPA funds in Estonia at least at this stage, when we are not ready for these big investments yet.
- * The ISPA funded environmental projects should be directed to introduction of new technologies (instead of the "end of pipe" projects that have dominated until today). The second priority should be promotion of waste water treatment plants in small towns and agricultural regions.
- * The whole information concerning the planned projects should be available for the public and NGOs as early as possible (at the initial stages of preparing the materials). The public should be involved into the process of project identification, preparation and implementation. NGOs should be represented in project monitoring and evaluation committees.
- * The structural funds should in the first place support (often small-scale) projects for the development of rural areas and less developed regions rather than construction of big motorways that bring along increase of environmental deterioration and have a questionable economic benefit.

SUSTAINABLE DEVELOPMENT AND ESTONIA

Sustainable development is a way of living where the satisfaction of the needs of the present generation does not endanger the possibilities of the future generation to satisfy their needs. The question for Estonia today is whether we can achieve the goal of sustainable society alone or inside the European Union.

Estonia is a country with comparably low level of consumption of goods and services. At the same time, thanks to old and wasting technologies in local industry, big losses in heating and electrical energy transmission systems and partially subsidised communal services the consumption of material and energy per unit good or service is much higher than in the Western European countries.

Estonian NGOs do not agree with the widespread understanding in the Central and Eastern Europe about the need to first raise our own living standard and economy to the "western" level and only after that allowing ourselves the luxury of turning the development into the sustainability direction. On the contradictory, we should start building up the economy and society according to the principles of Sustainable development from today, finalising all wasting habits, avoiding unnecessary costs, keeping the natural resources for the future generations and neglecting unfeasible projects saving money for solving several everyday problems of present day.

One of the stumbling stones on this way is the low awareness of the key decision makers - politicians, local government authorities and entrepreneurs - about the problems of sustainable development, bringing along repeating of the mistakes done in the past not to mention orientation to the goals of the Agenda 21.

Estonian society and the everyday life today are not far from being sustainable. The changes after gaining independence here and elsewhere in the world have opened good possibilities for developing the society towards sustainability. The political decisions of the nearest future will indicate, if Estonia will choose the direct road to achieve the goals set for the world by the Rio de Janeiro Conference or will repeat the mistakes that the western counties have already forgotten buy today. The decisions taken on local level are equally important and sometimes even more important than those made by the governments. The main obstacles for achieving sustainability should be avoided also when preparing the accession with the European Union and the changes and means brought along with this process should be applied for building up a sustainable model of a society.

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