

Environmental regulations affecting financial institutions

Valts Vilnītis
Managing Director
SIA Estonian, Latvian & Lithuanian
Environment

Vilnius, October 17, 2006



Outline

- Environmental policy in the Baltics – a brief overview
- Relevant environmental regulations – common and different:
 - EIA
 - N2K assessment
 - SEA
 - IPPC
 - environmental taxes
- Other environmental risk related issues
 - past pollution
 - voluntary schemes – ISO 14001, EMAS, recycling schemes



Environmental policy in the Baltics

- Developed in 1993-95, inspired by the “Environment for Europe” and EPA for CEE (IFIs, UN/ECE, EC)
- Environmental Policies and Action Programmes
- Three-legged approach (policy, institutions, investments)
- Strong influence of donors (bilateral, mostly Nordic countries)
- Since 1997 – EU-accession driven



Environmental regulations

- Mostly copy & paste from EU Directives
- Transitional periods (urban wastewater, emissions to the air, municipal waste)
- Noticeable differences between the countries – based on institutional structures and traditions
- Most contain some remnants of the Soviet era – on paper or in people's minds:
 - standards
 - approaches
 - institutions

EIA

- Based on EIA Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment, amended by 97/11/EC, and Directive 2003/35/EC providing for public participation:
 - environmental impact assessment of public and private projects before they are authorised
 - consultation with public
 - all environmentally significant projects should be assessed
 - alternative solutions have to be considered





EIA compared in 3 countries

- EIA operational in all three countries
- Most detailed, time consuming and expensive in Latvia – authorities examine the EIS in great detail – but no licensing requirements
- Licences required in Lithuania and Estonia – but at present comparatively superficial, quick and easy procedure

EIA – future trends

- European Commission has started legal action to improve implementation of the EIA directive in Latvia and Lithuania on 13.10.2006
 - definition of the “project” will have to be broadened
 - likely that the system will be further improved and toughened





Strategic Environmental Assessment

- Based on Directive 2001/42/EC On the assessment of the effects of certain plans and programmes on the environment:
 - environmental consequences of plans and programmes have to be assessed before implementing them
 - involving environmental authorities and the public
 - transposed in all three countries



Assessment of plans and projects significantly affecting Natura 2000 sites

- Provisions of Article 6 of the Habitats Directive 92/43/EEC
- Important in the Baltics – Natura 2000 sites are large and include populated areas
- Transposed into Latvian legislation, practical experience limited
- Mentioned in the Estonian legislation, procedure is not developed
- No special procedure in Lithuania

IPPC

- Directive 96/61/EC concerning integrated pollution prevention and control
- Main principles:
 1. an integrated approach to permitting and controlling industrial installations:
 - permits must take into account the whole environmental performance of the plant, covering e.g. emissions to air, water and land, generation of waste, use of raw materials, energy efficiency, noise, prevention of accidents, and restoration of the site upon closure

IPPC – continued

- Main principles:
 2. best available techniques
The permit conditions including emission limit values (ELVs) must be based on Best Available Techniques (BAT)
 3. flexibility – licensing authorities, in determining permit conditions, to take into account:
 - (a) the technical characteristics of the installation,
 - (b) its geographical location and
 - (c) the local environmental conditions.
 4. public participation – public has a right to participate in the decision making process, and to be informed of its consequences, by having access to
 - (a) permit applications in order to give opinions,
 - (b) permits,
 - (c) results of the monitoring of releases and
 - (d) the European Pollutant Emission Register (EPER)





Environmental taxes

- Natural resources
- Emission of pollutants
- Waste, including WEEE
- Packaging
- ELV

Past pollution

- Most former industrial sites have significant soil and/or groundwater pollution
- EIA usually discovers such pollution
- Smaller development projects might require site audits





Voluntary schemes

- ISO 14001 – rather popular (ca 50 certificates in Estonia, >100 in Latvia and >120 in Lithuania)
- EMAS – 1 or 2 sites registered in Estonia, none – in Latvia and Lithuania
- Packaging waste collection schemes – national organisations, Green Dot
- WEEE management organisations (Estonia and Latvia)



Estonian, Latvian & Lithuanian Environment

www.environment.lv,

www.environment.ee

E-mail: valts(at)environment.lv
toomas(at)environment.ee

Tel: +371 7242411 (Latvia)
+372 6117690 (Estonia)

Fax: +371 7242466 (Latvia)
+372 6117699 (Estonia)