



# Towards EMAS Action Plan

ESTONIA

The document prepared by PP 4: *Stockholm Environment Institute Tallinn Centre*

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## INTRODUCTION

Produced by PP 4, Stockholm Environment Institute Tallinn Centre, this Action Plan is a document providing details on how the lessons learnt from the cooperation will be exploited in order to improve the policy instrument tackled within that region. It specifies the nature of the actions to be implemented, their time frame, the players involved, the costs (if any) and funding sources (if any). If the same policy instrument is addressed by several partners, only one action plan is required.

## GENERAL INFORMATION

<b>Project:</b>		<i>ENHANCE Interreg Europe</i>
<b>Partner organisation:</b>		Stockholm Environment Institute Tallinn Centre
<b>Other partner organisations involved (if relevant):</b>		<i>Ministry of Territory and Sustainability, Government of Catalonia Ministry of Environment and Spatial Planning. Regional Government of Andalusia Sant'Anna School of Advanced Studies CENIA - Czech Environmental Information Agency Environment Agency Austria</i>
<b>Country:</b>		<i>ESTONIA</i>
<b>NUTS2 region:</b>		<i>Eesti</i>
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## POLICY CONTEXT

<b>The Action Plan aims to impact:</b>	<input checked="" type="checkbox"/> Investment for Growth and Jobs programme <input type="checkbox"/> European Territorial Cooperation programme <input type="checkbox"/> Other regional development policy instrument (please insert the name): <hr/>
<b>Name of the Policy Instrument addressed:</b>	<i>Operational Programme for Cohesion Policy Funds 2014-2020.  Priority axis 4: Growth-capable entrepreneurship and internally competitive R&amp;D.  Specific objective 3. Innovative solutions increase resource productivity of enterprises</i>
<b>Geographical coverage of the Policy Instrument:</b>	<i>Estonia</i>
<b>Responsible for the Policy Instrument:</b>	<i>Estonian Ministry of the Environment (MoE)</i>
<b>Main features of the Policy Instrument:</b>	<p><i>Resource and energy efficiency is often implemented through individual projects. EMAS enhance the system approach of resource efficiency (RE) through different levels of operations. To promote and foster RE in enterprises through EMAS there must be in place a comprehensive policy framework and national support measures. This has been insufficient so far in Estonia. Therefore there is a need to improve the management of policy instrument. To contribute to this improvement, SEI Tallinn with relevant authorities modify and further develop the existing policy framework and measures, through the following activities:</i></p> <ul style="list-style-type: none"> <li><i>•collecting, analysing the best practices and lessons learned in project partner countries and other EU regions on local and regional cooperation platforms/frameworks, and how EMAS has boosted resource efficiency and therefore contributed to Circ. Econ.</i></li> <li><i>•establishing communication platform between MoE, relevant authorities and business community and other stakeholders for disseminating best practices, information about new technologies and approaches, and facilitate discussion about EMAS and resource efficiency issues</i></li> <li><i>•further development and improvement of policy measures to support resource efficiency and EMAS scheme, (e.g. improvement of funding scheme financed within Structural and Investment Funds, allocated by Estonian Environmental Investment Centre: selection of projects, evaluation of results ,etc.)</i></li> <li><i>•develop new measures to provide regulatory relief for EMAS organizations</i></li> </ul>
<b>Stakeholders involved:</b>	<ul style="list-style-type: none"> <li><i>• the Environmental Agency (the EMAS Competent Authority).</i></li> <li><i>• the Estonian Ministry of the Environment.</i></li> <li><i>• the Estonian Ministry of Finance.</i></li> <li><i>• Estonian Association of Environmental Management.</i></li> <li><i>• Chamber of Commerce and Industry.</i></li> <li><i>• EMAS-registered organisations.</i></li> </ul>
<b>Any other relevant information (if relevant):</b>	<i>The measures taken by enterprises to improve their production efficiency have been insufficient. The overall goal of the policy instrument is to increase the</i>

*resource efficiency of the companies. The implementation package of the policy instrument clearly emphasises EMAS as an important environmental management tool that through the system approach allows enhancing resource efficiency through different levels of operations in an enterprise. However, it is not sufficient when resource and energy efficiency is implemented through individual projects under the policy instrument. In order to be fully successful in fulfilling the goal of the policy instrument, implementing EMAS should actually be a strategic choice of companies. Also, the benefits of EMAS are not always well perceived, given the rather high cost of implementing EMAS, especially in the case of SMEs. Therefore, there is a need for a policy framework and strong national support measures that comprehensively foster resource efficiency through EMAS and encourage enterprises to adopt systematically good environmental practices. The actions put forward in this action plan thus support the effectiveness of this policy instrument via further incentivising and motivating the companies to implement EMAS as a tool to improve resource efficiency.*

## DETAILS OF THE ACTIONS ENVISAGED

### ACTION 1: *Reduction of financial guarantees for EMAS registered companies*

Action	<i>Reduction of financial guarantees for EMAS registered companies</i>
Type of action	<i>Reduction of financial guarantees Certain economic activities that have a higher risk of environmental impact are required to provide financial guarantees in order to have their activities authorized. This measure aims at reducing the financial guarantees for EMAS registered organisations.</i>
Voluntary scheme(s) addressed	EMAS
No. assigned in EMAS Joint Database	IT-1GP
Promoting region	Italy

#### **Background and lessons learnt**

*This measure has been inspired by the Italian example. Certain waste management companies (e.g. waste recovery and disposal, subject also to IED) and the companies participating in public procurement must provide financial guarantees to the competent authorities in order to be used in case of environmental accidents. Since EMAS could allow reducing the environmental risks, the legislators in Italy, have decided to award the EMAS companies reducing the amount to be guaranteed allowing them to save money. The reduction of financial guarantees in Italy is not a single measure referred to a single kind of companies. It has been repeated by different legislators adopting it toward different kind of companies.*

#### **Connection with the policy instrument**

- *further development and improvement of policy measures to support resource efficiency and EMAS scheme, (e.g. improvement of funding scheme financed within Structural and Investment Funds, allocated by Estonian Environmental Investment Centre: selection of projects, evaluation of results, etc.)*
- *develop new measures to provide regulatory relief for EMAS organizations*

#### **Description of the action**

*According to Estonian legislation several economic activities that have higher risk to the environment (mainly waste management companies such as landfills, hazardous waste treatment companies but also mining companies, certain companies that consume ground water or emit specific pollutants to atmosphere, or are subjects of radiation regulation) are subjects of certain financial provisions (e.g. financial guarantee or equivalent insurance).*

*In order to replicate this measure (reduction of financial guarantees) in Estonia, there is a need to identify which sectors/economic activities and specific types of companies could potentially be subjects of this measure. It is foreseen that at least waste management companies with EMAS registration could benefit significantly from this measure but maybe it could be extended also to other economic activities (see above). Also, there is a need to analyse the extent of relief from financial provisions given with this measure and how the measure could be implemented in practice. Finally, necessary amendments in the relevant regulations will be drafted.*

- **Stakeholders involved**
  - Ministry of the Environment** – *is responsible for developing environmental legal acts and regulations*
  - Environmental Board** – *the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges;*
  - Environmental Agency** - *EMAS competent body*
  - Estonian Association of Environmental Management (EKJA)** – *representing companies and their interests*

**Estonian Waste Management Association**

- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** analysis has been carried out and amendments in the relevant environmental acts and sub-regulations have been drafted.

**Sub-action 1.1 Analysis of the activities**

Feasibility analysis of the activities which could be granted an exemption or relief of financial guarantees. Financial guarantees are usually given on the activities that potentially have a higher environmental impact, such as waste management, mining, air pollution, water usage, and radiation. This analysis should identify which activities are most feasible for exemption or relief of guarantees.

- **Stakeholders involved**  
**Ministry of the Environment** – is responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges;  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Estonian Waste Management Association**
- **Time frame:** 6 months
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** no significant communication is needed for this sub-action
- **Monitoring:** analysis has been carried out

**Sub-action 1.2 Financial analysis**

Financial analysis of the potential extent of relief of the financial guarantees – whether relief or full exemption is given with this measure. The analysis will also provide suggestions of how this measure could be implemented in practices – how the relief is given to the companies.

- **Stakeholders involved**  
**Ministry of the Environment** – is responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges;  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Estonian Waste Management Association**
- **Time frame:** 6 months
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** no significant communication is needed for this sub-action
- **Monitoring:** financial analysis has been carried out

**Sub-action 1.3 Analysis of legislation and drafting necessary amendments**

Analysis of the need for amendments in the Waste Act, other relevant acts and sub-regulations. The relevant legal amendments will be drafted and coordinated with the stakeholders.

- **Stakeholders involved**  
**Ministry of the Environment** – is responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges;  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Estonian Waste Management Association**
- **Time frame:** 1 year
- **Costs:** not significant
- **Funding sources:** state budget



- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** amendments in the relevant environmental acts and sub-regulations have been drafted

## ACTION 2: Exemption of environmental charges (taxes)

<b>Action</b>	<b>Exemption of environmental charges (taxes)</b>
<b>Type of action</b>	Tax break
<b>Voluntary scheme(s) addressed</b>	EMAS
<b>No. assigned in EMAS Joint Database</b>	CAT-9GP
<b>Promoting region</b>	Catalonia

### Background and lessons learnt

This measure is based on Catalan practice 'Reduction in the water canon within the water tariff system', where the tax reduction was given to water use in case company provides proof of improvement in the efficiency of water use. In Estonia, it was decided to implement similar measure but allowing a full exemption for all environmental charges (taxes) in certain cases (SMEs paying environmental charges below a certain level).

In Estonia, 10 large companies are paying the majority of environmental charges (80%). However, the majority of the companies subject to environmental charges (approximately 75%) are SMEs paying annually less than €2000 of environmental charges. The management of environmental charge system, where there are many companies paying a small amount of charge has caused quite a heavy administrative burden to both the state (respective authorities) but also companies. If EMAS registered companies are exempted from environmental charges (below a certain level), it would reduce the administrative burden (including costs). At the same time, the possible loss of tax income can be considered insignificant.

This measure would provide economic incentives, especially for SMEs. The saved finances from this tax exemption can be further invested into EMAS verification, which is relatively costly for SMEs due to low competition among EMAS verifiers in Estonia.

### Description of the action

This measure does not require significant changes in legislation. Only minor amendments are needed in clauses in Environmental Charges Act, Taxation Act and relevant sub-regulations that allow a tax break for certain EMAS registered companies. However, further IT developments might be needed for KOTKAS system (system of environmental permits and declaring environmental charges). Even though IT developments require some resources, it will bring along decreased administrative costs in the future. Furthermore, the IT developments are done at once to enable many measures foreseen in the EMAS action plan.

It is also necessary to identify, which and how many companies can potentially get the tax break through this measure.

- **Stakeholders involved:**
  - Ministry of the Environment** – is responsible for developing environmental legal acts and regulations
  - Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges
  - IT Centre of the Ministry of the Environment** – technical developer and administrator of KOTKAS system
  - Environmental Agency** - EMAS competent body
  - Ministry of Finance** – responsible for developing the Taxation Act
  - Tax Board** – responsible body for collecting environmental charges/taxes
  - Estonian Association of Environmental Management (EKJA)** – representing companies and their interests
  - Companies subject to environmental charges**
- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.

- **Monitoring:** amendments in the relevant environmental acts and sub-regulations have been drafted and technical availability has been created.

#### **Sub-action 2.1 Analysis of companies paying environmental charges**

At first, it is important to analyse how many companies and in which amounts are paying environmental charges and what is the workload and resources needed to administrate each company's file. This allows for identification of the level of annual payment of environmental charge below what it would be possible to get a tax break in case the company has an EMAS registration.

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges  
**Environmental Agency** - EMAS competent body  
**Tax Board** – responsible body for collecting environmental charges  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental charges**
- **Time frame:** 6 months
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** no significant communication is needed for this sub-action
- **Monitoring:** the analysis has been carried out

#### **Sub-action 2.2 Analysis of legislation and drafting necessary amendments**

Analysis of the need for amendments in Environmental Charges Act and Taxation Act and relevant sub-regulations. The relevant legal amendments will be drafted and coordinated with the relevant stakeholders.

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges  
**Ministry of Finance** – responsible for developing the Taxation Act  
**Tax Board** – responsible body for collecting environmental charges  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental charges**
- **Time frame:** 1 year
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** relevant amendments have been formulated

#### **Sub-action 2.3 Analyse which developments are needed in KOTKAS system and carry out the relevant IT developments**

Analysis of the current system and the required system developments

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring, declaration, and payment of environmental charges  
**IT Centre of the Ministry of the Environment** – technical developer and administrator of KOTKAS system  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental charges**
- **Time frame:** 6 months
- **Costs:** will be defined after the analysis, current estimate insignificant
- **Funding sources:** state budget, other funding sources will be identified
- **Dissemination & Communication** will be done via KOTKAS system and Environmental Board
- **Monitoring:** relevant IT developments have been carried out

### ACTION 3: Simplification of the environmental permit application

Action	Simplification of the environmental permit/registration application
Type of action	Fast-track permits/simplification in the application
Voluntary scheme(s) addressed	EMAS
No. assigned in EMAS Joint Database	CZE-6GP
Promoting region	Czech Republic

#### Background and lessons Learnt

This measure is based on lessons learned from the Czech incentive of simplifying the permit application process. In Czech example, it is possible to attach the reports and documents provided for ISO14001 and EMAS certification to the application for Integrated Environmental Permit. In the Czech Republic, however, such reports and documents are considered as additional documents only. In Estonia, it is planned to simplify the environmental permit application or waste management registration (specific registration is needed for waste collection and transport service providers) for EMAS registered companies. The application of permit/registration will be simplified based on information provided in EMAS annual environmental statement.

#### Description of the action

The first step of implementing this measure is to analyse the options of how EMAS annual environmental statement can be used in permit/registration application. Based on this analysis it is possible to determine which information can be automatically retrieved from the EMAS environmental statement. This analysis would also provide recommendations for companies to structure and compile their EMAS environmental statements.

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges  
**IT Centre of the Ministry of the Environment** – technical developer and administrator of KOTKAS system  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental permits**
- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** amendments in the relevant environmental acts and sub-regulations have been drafted and technical availability has been created.

#### Sub-action 3.1 Analysis EMAS annual environmental statement's usability in permit/registration application

Analysis of the options of how the information in EMAS annual environmental statement can be used in permit/registration application.

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests
- **Time frame:** 6 months

- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** no significant communication is needed for this sub-action.
- **Monitoring:** the analysis has been carried out

### **Sub-action 3.2 Analysis of legislation and drafting necessary amendments**

Analysis of the need for amendments in different environmental regulations, such as the General part of the Environmental Code Act and/or Industrial Emissions Act, Waste Act and other thematic environmental acts and sub-regulations. The relevant legal amendments will be drafted and coordinated with the relevant stakeholders.

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges  
**Environmental Agency** - EMAS competent body  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental permits**
- **Time frame:** 1 year
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** relevant amendments have been formulated

### **Sub-action 3.3 Analyse which developments are needed in KOTKAS system and carry out the relevant IT developments**

Analysis of the current system and the required system developments

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring, declaration, and payment of environmental charges  
**Environmental Agency** – EMAS competent body  
**IT Centre of the Ministry of the Environment** – technical developer and administrator of KOTKAS system  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental permits**
- **Time frame:** 1 year
- **Costs:** will be defined after the analysis, current estimate insignificant
- **Funding sources:** state budget, other funding sources will be identified
- **Dissemination & Communication:** will be done via KOTKAS system and Environmental Board
- **Monitoring:** relevant IT developments have been carried out

## ACTION 4: *Reduced reporting requirement*

<b>Action</b>	<i>Reduced reporting requirement</i>
<b>Type of action</b>	<i>Reduced reporting and monitoring requirements</i>
<b>Voluntary scheme(s) addressed</b>	EMAS
<b>No. assigned in EMAS Joint Database</b>	AU-8GP
<b>Promoting region</b>	Austria

### **Background and lessons Learnt**

*This measure is based on Austrian regulatory relief that allows organizations which comply in an equivalent manner with the reporting and recording obligations as well as the obligations to transmit environmentally relevant data to the authority in the context of environmental management in accordance with environmental legislation get an exemption from the reporting obligations.*

*In Estonia, environmental reporting is done electronically via a system of environmental permits and decisions called KOTKAS. In this system it is possible to electronically submit an application of environmental permit, declare environmental charges and submit annual reports. The declaration should be done four times a year.*

*In Austrian example, the companies are granted the reduction of reporting obligations of environmental data to authorities if all requirements are fulfilled within the environmental management system. In Estonia, the idea is to reduce the frequency of annual reporting and information details by connecting the reporting with the EMAS annual environmental statement.*

### **Description of the action**

*This measure does not require significant changes in legislation. Only minor amendments are needed in clauses in General part of Environmental Code Act and/or Industrial Emissions Act and thematic environmental acts as well as relevant sub-regulations. However, further IT developments are needed for KOTKAS system in order to make the automatic readability of EMAS annual environmental statement possible.*

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collects environmental data for monitoring and payment of environmental charges;  
**Environmental Agency** – EMAS competent body  
**IT Centre of the Ministry of the Environment** – technical developer and administrator of KOTKAS system  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to environmental permits**
- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring** Relevant amendments in Environmental charges Act and sub-regulations have been drafted.

### **Sub-action 4.1 Analysis of usability of EMAS annual environmental statement in environmental reporting**

*Analysis of the possible reporting situations/cases and related information where EMAS annual environmental statement can be used in environmental reporting.*

- **Stakeholders involved:**  
**Ministry of the Environment** – is responsible for making changes in the relevant legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges; EMAS competent body

*Environmental Agency – EMAS competent body*

*Estonian Association of Environmental Management (EKJA) – representing companies and their interests*

*Companies subject to environmental permits*

- *Time frame: 6 months*
- *Costs: not significant*
- *Funding sources: state budget*
- *Dissemination & Communication: no significant communication is needed for this sub-action.*
- *Monitoring: the analysis has been carried out*

#### **Sub-action 4.2 Analysis of legislation and drafting necessary amendments**

*Analysis of the need for amendments in different environmental regulations, such as the General part of the Environmental Code Act and/or Industrial Emissions Act, Waste Act and other thematic environmental acts and sub-regulations. The relevant legal amendments will be drafted and coordinated with the relevant stakeholders.*

- **Stakeholders involved:**  
*Ministry of the Environment – is responsible for making changes in the relevant legal acts and regulations*  
*Environmental Board – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges; EMAS competent body*  
*Environmental Agency – EMAS competent body*  
*Estonian Association of Environmental Management (EKJA) – representing companies and their interests*  
*Companies subject to environmental permits*
- *Time frame: 1 year*
- *Costs: not significant*
- *Funding sources: state budget*
- *Dissemination & Communication: will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.*
- *Monitoring: relevant amendments have been formulated*

#### **Sub-action 4.3 Technical development of KOTKAS system**

**Analyse which developments are needed in KOTKAS system and carry out the relevant IT developments**

*At first, it is important to find out what are the options for making EMAS annual environmental statement automatically readable. This allows for a determination whether there is a need for some specific changes in the environmental statement structure/content.*

- **Stakeholders involved:**  
*Ministry of the Environment – is responsible for making changes in the relevant legal acts and regulations*  
*Environmental Board – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring, declaration, and payment of environmental charges; EMAS competent body*  
*Environmental Agency – EMAS competent body*  
*IT Centre of the Ministry of the Environment – technical developer and administrator of KOTKAS system*  
*Estonian Association of Environmental Management (EKJA) – representing companies and their interests*  
*Companies subject to environmental permits*
- *Time frame: 6 months*
- *Costs: will be defined after the analysis, current estimate insignificant*
- *Funding sources: state budget, other funding sources will be identified*
- *Dissemination & Communication: will be done via KOTKAS system and Environmental Board*
- *Monitoring: relevant IT developments have been carried out*

## ACTION 5: *Reduced inspection requirement*

<b>Action</b>	<i>Reduced inspection frequency</i>
<b>Type of action</b>	<i>Reduced reporting and monitoring requirements</i>
<b>Voluntary scheme(s) addressed</b>	EMAS
<b>No. assigned in EMAS Joint Database</b>	CAT-1GP
<b>Promoting region</b>	Catalonia, Spain

### **Background and lessons learnt**

*This measure is based on the Catalanian example where exemption and/or reduction of periodic inspections is given for EMAS registered organizations. In the Catalanian example, the periodic inspection can be replaced by the verification carried out by the EMAS verifier. For this purpose, the verifier uses a special document defined by the administration that collects all the relevant information extracted from the management system and he/she validates it. The document itself provides evidence of compliance in relation to the environmental license/permit. This procedure is applied within the renewal of EMAS. This must be submitted together with the updating of the renewal of EMAS registration to the competent authority. Organizations are subject to periodic environmental inspections in order to guarantee the permanent compliance of legal requirements - specifically those set in the environmental license. EMAS registered organizations are allowed to substitute this inspection with the EMAS renewal verification. A specific document (Annex II) must be used by the verifier to provide compliance to the environmental license. The company must submit this document to the municipal competent authority taking into account the frequency defined by the law.*

*Furthermore, this action is inspired by the discussions held during the thematic workshop in Austria in June 2018, where it was specifically discussed how the EMAS verification audit could be combined with environmental inspections and vice versa.*

*In Estonia, there is currently no cooperation between the EMAS verifiers and environmental inspectors. Even though Industrial Emissions Act mentions EMAS registration as one criterion for evaluating company's environmental impact and thus determines resulting frequency of inspections, in reality, this is not practiced by the Inspectorate and or other control or enforcement authorities.*

### **Description of the action**

*It does not require a high legislative effort to implement this measure since there's a legal reference within the EMAS Regulation (art. 38) and also because it encourages self-control systems which are then validated by a 3rd party. The implementation of this regulatory relief will depend on the level of acceptance by the different enforcement authorities, especially Environmental Inspectorate. It is necessary to develop a consensus among all involved authorities. One of the main barriers could be the lack of knowledge and information about EMAS and its implementation; this could lead to a lack of confidence in the proposed regulatory relief. Therefore communication is very important in implementing this measure. One of the main actions besides awareness raising among authorities and verifiers is the development of the guidelines (including checklists) for harmonised environmental audit/inspection procedure, which needs to be accepted by both EMAS verifiers and Environmental Inspection. The implementation of this activity involves meetings and discussions between key stakeholders, especially EMAS verifiers and environmental inspection.*

- **Stakeholders involved:**
  - Ministry of the Environment** – is responsible for developing environmental legal acts and regulations
  - Environmental Board** – carries out compliance visits
  - Environmental Inspectorate** – responsible body for environmental inspections
  - Environmental Agency** - EMAS competent body
  - EMAS verifiers**
  - Estonian Association of Environmental Management (EKJA)** – representing companies and their interests
  - Companies subject to environmental inspections**
- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant



- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** guidelines for harmonised environmental audit/inspection procedure has been created

## ACTION 6: *Relief on energy audit requirement*

<b>Action</b>	<i>Relief on energy audit requirement</i>
<b>Type of action</b>	<i>Reduced reporting and monitoring requirements</i>
<b>Voluntary scheme(s) addressed</b>	<i>EMAS and ISO14001</i>
<b>No. assigned in EMAS Joint Database</b>	<i>AU-10GP</i>
<b>Promoting region</b>	<i>Austria</i>

### **Background and lessons Learnt**

*This measure stems from the requirement of the EU Energy Efficiency Directive, where it is required that all large companies regardless of their economic sector are obliged to carry out the energy audit. According to this directive, companies that are implementing an energy or environmental management system 'certified by an independent body according to the relevant European or International Standards' can be exempted from this obligation.*

*Currently, Estonia has adopted the requirement directly without any further clarification. However, in order to make this measure work, there is a need for guidelines on how to carry out energy audits and who are eligible to do that. These guidelines should also provide clear procedure and conditions for EMAS registered companies to ensure their exemption from the energy audit requirement.*

### **Description of the action**

*Legally (according to EED and Energy Efficiency Act) it is allowed to provide an exemption from energy audit if the company has implemented an environmental management system according to EMAS or ISO 14001. However, it has not been clarified how and in which conditions that can be done.*

*There is no need for any legal amendments to introduce this measure. However, there is a need to develop and adopt detailed guidelines for energy audit/criteria in large companies (including the description of the situation when the company has EMAS registration), which is the main action for implementing this measure. The development of the guidelines needs negotiations and discussions between relevant authorities, verifiers, and representatives of companies to determine the suitable procedure and conditions for EMAS registered companies for exemption from energy audit requirement.*

- **Stakeholders involved:**  
**Ministry of Economic Affairs and Communications** - responsible body for developing energy efficiency related regulations  
**Technical Regulatory Authority** – responsible for implementing energy efficiency related regulations  
**Ministry of the Environment** – responsible for developing environmental legal acts and regulations  
**Environmental Board** – the main implementation body of environmental charges, it issues environmental permits and collecting environmental data for monitoring and payment of environmental charges; EMAS competent body  
**EMAS verifiers**  
**ISO 14001 verifiers**  
**Estonian Association of Environmental Management (EKJA)** – representing companies and their interests  
**Companies subject to an energy audit**
- **Time frame:** during the period of Phase 2 (2 years)
- **Costs:** not significant
- **Funding sources:** state budget
- **Dissemination & Communication:** will be done in cooperation with the Ministry of the Environment and EKJA via websites, seminars, EKJA newsletter, etc.
- **Monitoring:** guidelines for energy audit/criteria have been developed.

## DECLARATION OF RESPONSIBILITY

Date	12 April 2019
Signature	 <i>Lauri Tammiste, Director of Stockholm Environment Institute Tallinn Centre</i>
Stamp of the organisation (if available)	