KIK

ENVIRONMENTAL INVESTMENT CENTRE

2013 Yearbook

Yearbook 2013

Tallinn 2014

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EIC IN BRIEF

MISSION

To ensure maximum efficiency in channelling every euro for the benefit of the Estonian people, a healthy living environment, and resource-efficient development of the country.

The Environmental Investment Centre (EIC) is Estonia's leading agency when it comes to distributing environmental grants and investments. Thousands of good deeds are done with the support of EIC every year, helping to preserve the state of Estonia's environment, remedy environmental damage, and reproduce natural resources.

VISION

Efficient cooperation between EIC and its partners has reduced Estonia's ecological footprint.

EIC'S SOURCES OF FINANCING ARE:

- the environmental fees of the Republic of Estonia;
- European Union structural funds;
- revenue from the sale of Estonia's CO_2 allowances.

In addition to financing environmental projects, EIC offers the possibility to apply for a special purpose loan for their implementation.

EIC was founded in 2000 by the Ministry of Finance. Due to the wide spectrum of its activities, EIC currently operates within the domains of the Ministry of the Environment, the Ministry of Economic Affairs and Communications, and the Ministry of the Interior.

MAIN VALUES

EXPERTISE

We know our field. We operate using the best knowledge, skills, and experience available. We are constantly improving ourselves, to become better and more knowledgeable.

OPENNESS

We acknowledge and value the diversity of ideas and solutions, and appreciate simplicity and transparency. We are happy to introduce our principles. We are open to new ideas. We are tolerant.

HONESTY

We are honest and loyal to our organisation, and value certain principles. We do not tolerate misuse of funds. We value cooperation with partners who share our views.

DETERMINATION

We know our goals. We operate in a dedicated and efficient manner in order to achieve them.

COOPERATION

We value and establish cooperation that supports environmentally aware behaviour and ensures the best positive impact of environmental investments.

THE EIC SHOULD BE A MOTIVATOR FOR INNOVATION AND DEVELOPMENT

Minister of the Environment and Chairman of the Supervisory Board of EIC **Keit Pentus-Rosimannus** cites the most important projects of 2013, and emphasises the importance of how the activities have an impact on the quality of life of people.

How did the previous year look when viewing it from the position of the Supervisory Board?

It was a very busy year. One European Union budget period is ending and another one is about to start, so the EIC is under a double burden in a way: all on-going activities must be completed successfully and new ones started smoothly. In addition to that, we also focused our attention on the functioning of the EIC itself – a new strategy was put in place and we analysed how the EIC is not just simply a provider of aid, but a more substantial motivator of innovation and development in the field of the environment . We will definitely continue with that in 2014: each and every euro paid by the taxpayer must be invested in the right place and in a manner that ensures maximum benefit is received.

> The employees of the EIC deserve thanks and recognition.

Name the most important projects of the previous year

A number of large-scale projects are currently underway: reconstruction of Tallinn tram tracks and the arrival of new trams that will finally take the public transport of the capital into the 21 century. Another large-scale project is the installing of modern, energy-efficient street lighting in seven Estonian towns – Kuressaare, Valga, Võru, Jõhvi, Keila, Paide and Haapsalu. Another important thing is clearing the landscape of old ruins. And a completely new Negavatt competition that encourages young people to find everyday ways to save energy. When looking towards the future, I also consider support for the first biomethane production complex to be very important. Production is expected to begin in 2015. I think that bio methane has significant potential to transform our transportation into something that is greener and more efficient. But smaller projects are just as important – when 78 people received clean drinking water in Vetiku Village, it may have been a small amount of money, considering the scale of the EIC, but it made the quality of everyday life for these 78 people much better.

How is the ruin-demolition programme that was talked about so much last year progressing?

There have been even more people wanting to demolish dilapidated and dangerous buildings than we originally expected. We funded 42 demolition projects in 2013, in the amount of more than EUR 1 million, and we will continue that project as long as the need remains.

What are your expectations for the EIC this year and in the near future?

I am expecting each funding decision to be thought through and justified even better, so that the process would be as simple and smooth as possible for both the applicant and the EIC. A lot has been done in this direction, and all of the employees at the EIC deserve thanks and recognition for their contributions.

ENVIRONMENTAL PROGRAMME FUNDING DECISIONS

As a mediator of Estonian environmental fees, the EIC supported 832 initiatives in 2013, in the total amount more than EUR 36 million.

Programme	Cost (EUR)	Programme	Cost (EUR)
Water management	13,806,969	Fishery	1,896,655
Nature conservation	5,454,052	Management of environment	1,354,883
Protection of atmospheric air	3,998,554	Earth's crust	854,223
Environmental awareness	3,569,258	Co- and bridge financing	643,680
Forestry	2,913,945	Marine environment	317,747
Waste management	1,846,415	**TOTAL**	**36,656,382**

PAYMENTS FROM EXTERNAL FUNDS IN 2013

The EIC mediated a total of EUR 184.8 million of foreign aid together with co-financing in 2013.

	Cost EUR
Water management (CF)	139,263,901
Waste management (CF)	15,542,798
Nature protection (ERF)	3,747,317
Energetics (ERF, GIS)	13,915,658
Environmental education (ESF, ERF)	10,346,805
Environmental supervision and monitoring (ERF)	2,014,978
TOTAL	**184,831,457**

Abbreviations used:
CF – Cohesion Fund
ERF – European Regional Development Fund
ESF – European Social Fund
GIS – Green Investment Scheme

IMPACT, EFFICIENCY, COOPERATION

The direction in which the EIC will be heading in the future and the problem areas that will be treated using environmental fees collected from Estonian enterprises will be explained by **Veiko Kaufmann**, Chairman of the Management Board of the Environmental Investment Centre.

What are the biggest environmental problems in Estonia that the EIC is helping to solve?

For a long period of time, our biggest area of support has been water management – ensuring clean drinking water, changing the condition of bodies of water into a good or very good state. Both of these are high priority topics in the European Union as a whole. The concentration of fine particles in the atmospheric air of Estonia's larger cities still needs to be dealt with. The primary culprits are traffic and heating, and the result is a significant impact on the health of many people. Estonia's overall environmental condition is good.

What made you the happiest or concerned you the most in 2013?

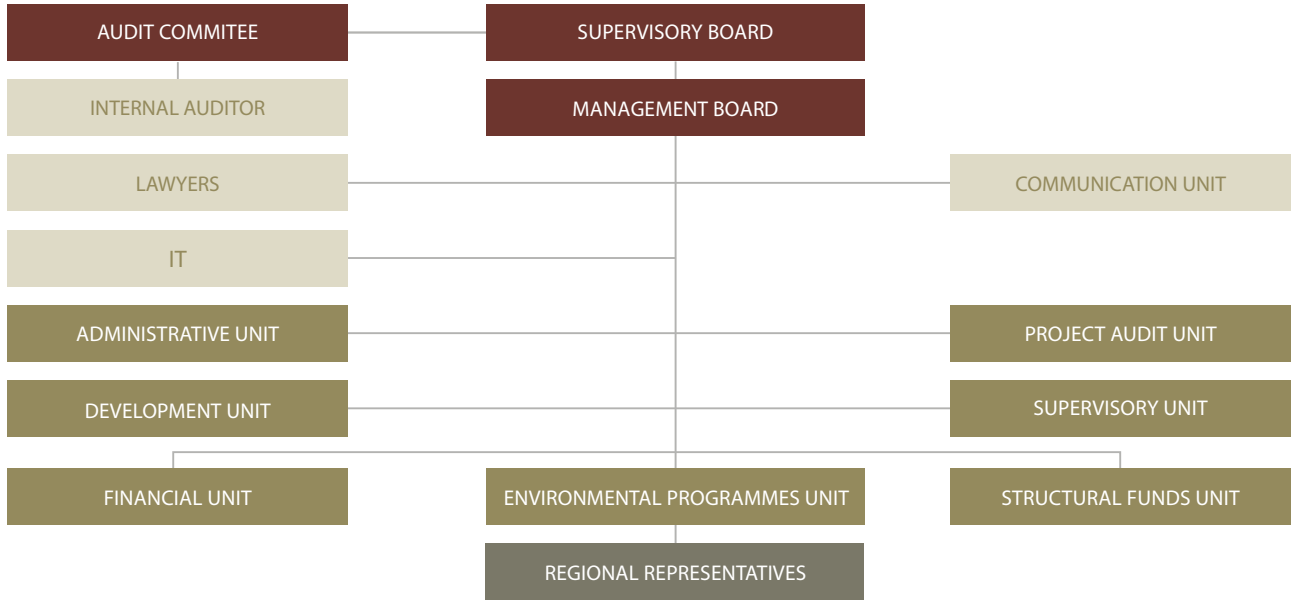
I was pleased by the fact that the quality of applications has improved. I am concerned about the cases in which the recipients of aid do not use the funds purposefully, in an honest way. Sustainability of support, admissibility of state aid, and dependence on support are still topical issues. Support should be given in a way that ensures that the recipient can manage on its own later; especially considering that the final European Union support period is about to begin.

What is the direction given to the EIC by the Development Plan for the years 2014–2020?

It is a development plan of impact, effectiveness and cooperation. The objectives and priorities that the EIC supports will be defined more clearly. It is important to ensure the effectiveness of the projects and the use of every euro in an expedient way, in order to achieve the maximum positive environmental impact. We rephrased the mission and vision of the EIC while preparing the new development plan, associating them more clearly with environmental impact.

Will there be any changes to the environmental programme that is used to fund projects from the environmental fees collected in Estonia, and what will these changes be?

Hereinafter, we wish to solve problems that are more narrowly and specifically defined under the environmental programme, and in order to do so we need to clearly define our priorities. The environmental programme enables greater flexibility than the structural programmes, a faster reaction to the needs of Estonia.



Katrin Ligi,
Personnel Manager

PERMANENT STAFF

As at the end of 2013, the EIC had 98 employees, 83 of them in Tallinn and 15 out in the counties. Most of our employees have a higher education, there are slightly more women (61%) than there are men, and the average age is 38.9 years.

The employees of the EIC are dedicated and motivated, facts proven by almost non-existent employee turnover and high scores in the personnel satisfaction survey. The primary aspect that makes people take their jobs seriously and have a positive attitude towards the organisation is the fact that they can actually help to improve the environmental condition of Estonia with their actions. We have been in a constant state of development, and the changes, often accompanied by exciting challenges, ensure that the work continues to be interesting and full of possibilities.

The EIC cares for and supports its people in a directed way – trainings, optimisation of work organisation, the motivational system, traditional events that contain an element of surprise, and flexibility in working time and place are good examples of ways to preserve the commitment of employees.

The keywords for 2013 were competence management, under which competence models were prepared for the EIC's positions. The aim of competence management is to determine and acknowledge the competences that the organisation needs the most to be successful. During the course of performance reviews in 2014, the employee and his or her direct manager shall give an assessment of the competency of the employee and determine a personal development plan. The models still need improvement, but we can already say that cooperation and professional knowledge, as well as skills in financial and environmental areas, continue to be important for the EIC.

NEW PERIOD BRINGS NEW TOPICS

The soon-to-be-ending period of EU structural aid is evaluated and the upcoming new support areas and principles are introduced by **Andrus Kimber**, Member of the Management Board of the Environmental Investment Centre.

How well did the EU support period for 2007–2013 go for the EIC?

Although the previous financing period has ended, the projects may be implemented until the end of 2015. Out of the nearly EUR 732 million in structural aid allocated to environmental investments, close to EUR 30 million remains. The plan is to allocate the remaining funds almost entirely for implementation of projects this year. For that, we will organise application rounds in 2014 for development of water management infrastructure, improvement of the condition of watercourses, and development of waste recovery.

Is there anything new that the EU application period of 2014–2020 will bring to applicants?

The areas supported in the field of the environment will diversify in the new period. The current areas, like water management, waste management, natural diversity, environmental monitoring, preparedness for environmental emergencies, and district heating will be accompanied by energy and resource efficiency in undertakings, street lightning and bio methane as a motor fuel. Development of the conditions for granting support is about to start, and more active organisation of application rounds will probably begin in 2015.

> The largest area of support of the new period is resource efficiency of undertakings.

What are the most important differences between the ending and the beginning period?

The conditions for the use of structural aid are mostly the same, so there will be no big changes for the recipients of support. The monetary volumes of the areas to be supported will, however, change. For example, two thirds or almost EUR 505 million of the EU structural aid mediated by the EIC in 2007–2013 was allocated to water management infrastructure and water protection measures. From the sum of aid for the new period, which is almost EUR 550 million, more than EUR 140 million – that is about one fourth – will be directed to water management. The largest area to be supported has become improving the resource efficiency of undertakings. The principles of support are also changing. In addition to non-repayable support, more financial instruments are planned to be used – in simpler terms, loans or guarantees provided on more favourable terms and conditions. Financial instruments are likely to be used the most in supporting the resource efficiency of undertakings and, depending on the need, it may also be a combination of non-repayable support and a loan.

Maarika Kõrm,
Loan Administrator

THE PACE OF LOAN ACTIVITY WILL PICK UP

The EIC has provided loans since 2002. We are not competing with commercial banks, but are trying to develop environmental projects with longer pay-back periods and find funds for self-financing of projects supported by the EIC.

Two of the most important and equally large customer groups, based on loan amounts, are local governments and water undertakings. The advantages of taking a loan from the EIC are a longer pay-back period (up to 20 years), an affordable interest rate, and the possibility of a flexible payment break at the time when the project is being implemented or about to take off. An additional convenience is that the customer only has to communicate with us, not separately with the granter of the aid and the lender.

The favourable terms of loans taken from the EIC enable local governments to implement other important and topical investments and better manage their finances. The payment discipline of our customers has been excellent so far.

The main loan products are:

- loan portfolio of the European Investment Bank (EIB) – aimed at covering self-financing of the water management projects supported from the Cohesion Fund; the volume of the loan portfolio is EUR 130 million, of which EUR 99.7 million is in use.
- loan portfolio of the EIC's own funds – aimed at funding projects whose objectives tally with the directions of the EIC under its articles of association; the volume of the loan portfolio is EUR 15 million, of which EUR 10 million is in use

Erlike Kumar,
Head of the Supervision Unit

EU FUNDS UNDER CONTROL

As an implementing unit for EU support, the task of the EIC in mediating structural aid has been related to counselling recipients and monitoring their activity. The control system has two levels. The first control is carried out by project coordinators and the second, selective level, by the specialists of the Supervision Unit. The Supervision Unit also handles violations, in addition to selection-based control.

Violations, or mistakes in observing the requirements of the structural aid rules, mainly occur due to inexperience or unawareness on the part of the recipients, especially when organising tenders. A violation results in a financial correction or reduction in the amount of aid.

The EIC has structured its work so that the main emphasis is on the counselling of aid recipients, with control activities carried out in as early a stage as possible. This type of system, based on counselling and prevention, enables mistakes or errors to be avoided and reduced, and has proven itself useful. The most important contribution to achieving a good result has been given by our project coordinators because they are the main staff counselling the recipients of aid. In 2007–2013, EIC discovered violations in the amount of EUR 2.1 million, which is only 0.3% of the volume of structural aid decided on by the EIC and is thus a very good result.

DESIRED CHANGES MUST BE PHRASED CLEARLY

How well the support provided by the EIC has served its intended purpose, so far, is reviewed by **Lauri Tammiste**, Member of the Management Board of the Environmental Investment Centre, based on the impact assessment of the environmental programme carried out in 2013.

Please give us a summary of the effectiveness of the EIC's activities so far.

Supported projects have definitely brought about some positive changes, but we do wish to continue developing improvement in the effectiveness and assessment of productivity. In the current situation, in which the number of applications is rising, while the amount of Estonian environmental charges available for use by the EIC is declining, we need to more accurately phrase what changes we wish to see and what kind of solutions work. We must counsel and guide the applicants, so that they would offer solutions to the most urgent problems concerning the status of the environment. In addition to studies and so-called soft directed projects, we plan to increase the share of projects that bring about an actual change in the status of the environment. In order to act more wisely in the future, the EIC needs to become a more active and vocal participant.

What will change in relation to this?

Firstly, the best possible information must be taken as the basis of evaluation. How to ask for more relevant information? Is the problem that is about to be solved serious and what are the presumable effects of the solution? A lot of the information we are currently receiving from the applicants could actually be gathered from other institutions and databases. Therefore, cooperation with organisations of other fields must be closer and more substantial. We wish to continue developing KIKAS – the application environment of the EIC – to make it more user friendly for both the applicant and the body processing applicants.

How has the role and image of the EIC changed over time?

I believe we have a reputation as a competent financier, and we are trusted. The role of the EIC as an active partner in analysing the performance of policy measures and offering solutions has started to increase.

Should a regular person even know what the EIC is?

Yes, they should. Mainly because the projects supported by us would inspire and make the other potential applicants consider their options. On the other hand, it is also important, from the position of sustainability of the organisation, to keep in mind that good projects happen thanks to the good work of our partners and the employees of the EIC.

The EIC's mascot is an ant. Does a mascot of this type characterise the organisation well enough?

An ant is hard-working, organised, systematic, collaborative, and sustainable. I believe it characterises both today's and tomorrow's EIC well.

GREAT POTENTIAL OF BIOMETHANE

The EIC has assumed an active position in promoting biomethane used in transportation. Why is it good?

- By 2020, the share of bio fuel in transportation must be 10%. Four per cent of this is planned to be covered with biomethane. The current share of renewable fuels in Estonian transportation is 0.3%.
- Hundreds of people die prematurely due to problems caused by fine particles. A considerable share of fine particles comes from air pollution caused by the burning of fossil fuels. A cleaner fuel means cleaner transportation and environment, and better health.
- Biomethane is cheaper than diesel.
- Biomethane can be produced from whatever is a problem for someone – manure, waste, remains from the food industry, waste water mud.

In February 2014, the Supervisory Board of the EIC decided to fund establishment of Estonia's first biomethane production complex in Viljandi County, as a pilot project. There are plans to announce a biomethane application round for this year. During the period 2014–2020, a total of EUR 51.9 million will be allocated to biomethane from structural aid and the revenue of ETS.

Elina Kink,
Communication Manager

WE KEEP PEOPLE POSTED ON ENVIRONMENTAL ISSUES

People care about environmental issues, regardless of their age. We did considerably more in 2013 ourselves to make the projects funded by the EIC stand out. In addition to traditional channels, we started to use social media and increased the number of followers of the EIC's Facebook page to more than 1,000 people in eight months.

Research company Klaster carried out a survey in 2013 among students, confirming that environmental sustainability is important for young people, but also that there is a lack of information and participation possibilities. In order to fill this gap, we created Negavatt, a student-oriented energy and resource saving competition, in cooperation with the Ministry of the Environment. The winners of the first year received their awards in April and, next to the projects, an equally important aspect was the growth of awareness, supported by stage-based competition.

We compiled a communication strategy for the EIC, in cooperation with our partners, which provides a framework for our notification activity and helps to increase the impact and visibility of the EIC in society. The objective continues to be the same – to support increasing the level of environmental awareness of people in Estonia, while improving their living environment.

NEW AND IMPORTANT

In its 14 years of operation, the EIC has mediated different support to environmental projects in the amount of more than EUR 1.2 billion and supported over 16,000 projects.

In 2013, the EIC made disbursements totalling EUR 47.5 million from the environmental programme that distributes funds from Estonia's environmental fees; this was 17% higher than the year before.

In 2013, the EIC mediated foreign aid with co-financing of EUR 184,8 million in total.

A customer satisfaction survey carried out by TNS Emor revealed that 86% of the respondent organisations that have had contact with the EIC are satisfied with its activities. The work of the EIC's county representatives is recognised especially highly.

According to an internal communication survey, 65% of the employees considered internal movement of information good or excellent.

EIC's development plan for the period 2014–2020 was completed. The mission and the vision that had been focused on the organisation were redirected to consider environmental impact more thoroughly; the foundation of the future activities of the EIC is the determining of the impact of environmental support and ensuring its informed management.

Over the last 10 years, the average cost of mediating EUR 1 of support funds has been 2.4 cents.

The EIC's communication strategy was prepared with an aim towards helping to increase the impact and visibility of the EIC's activities in society.

The EIC also moved to Facebook. It has more than 1,000 regular followers there.

In November, a contract under public law between the EIC and the Ministry of the Environment was complemented with a clause that extends the EIC's capabilities from project funding to also carrying out activities that support the development of the field of the environment, like surveys, analyses, seminars, larger campaigns, etc.

In May, the EIC organised a seminar of the final beneficiaries of the Baltic States in Tallinn, where preparations were made for the EU financing period 2014–2020.

The EIC promotes green thinking and avoids the excessive use of paper. The submission of applications for the environmental programme and project communication is done conveniently and paper-free, via the EIC's electronic database KIKAS.

In September, the first student-aimed energy and resource conservation competition Negavatt began; the best ideas were announced in April 2014.

In November, the EIC held its third annual energy saving week in schools. The participating 16 schools carried out clever activities, starting with a researcher's night and ending with making chairs from old newspapers.

EMISSIONS TRADING

CITY STREETS WILL BE BRIGHTER

With the funds received from the sale of surplus CO_2 emission rights, the EIC will help to significantly update the street lighting in seven Estonian towns. At that, it will be the first time that the EIC will occupy both the role of distributor of funds and a project manager who organises the procurements.

As a result of this large-scale endeavour, Haapsalu, Keila, Kuressaare, Jõhvi, Paide, Valga, and Võru will switch to LED-lighting. Almost 83% or 11,250 street lights will be renewed; this is the first time work of this scale has been carried out in Estonia.

The street lights include the lighting of cycle and pedestrian tracks, pathways at parks and cemeteries, kindergarten and school territories, parking lots, and other municipal areas.

In the seven towns included in the project, outdoor lighting will be considerably more efficient from now on – mainly illuminating the road surface, thus reducing light pollution, and the system can be easily controlled. The new solution provides a noticeable saving in the use of natural resources and in the funds of the local government.

The project will be carried out in cooperation with the Republic of Austria, which bought unused CO_2 units from Estonia and chose this kind of use for the money. Local governments will cover 10% of the expenses as self-financing.

Tõnis Kurrik,
Programme Manager of Street Lighting

WHAT IS DONE, WHAT WILL COME?

We carried out geodetic work procurement and a planning procurement in 2013. The joint tenderers who were awarded the procurement started their geodetic work in June, led by the leading partner Rakendusgoedeesia and Ehitusgeoloogia Inseneribüroo OÜ. The geodetic works were completed in the autumn.

In August, we cut a deal with the planning company AS K-Projekt and carried out information days in towns, so that the local bodies and citizens would be informed of this large-scale operation.

By the spring of 2014, the preliminary building design documentation of reconstruction of the street lighting in all seven towns got their approval and now a procurement period has started before completion of the main project. We need to find suppliers of materials, performers of construction works, and providers of owner supervision services in the course of ten procurements.

Construction works should start this summer and be completed by the autumn of 2015.

REVENUE FROM THE SALE OF SURPLUS CO_2 EMISSION RIGHTS GOES TO THE GREEN INVESTMENT SCHEME

Emissions trading is possible due to the Kyōto Protocol, which allows states to sell their unused CO_2 emission rights (Assigned Amount Units or AAUs) to other states. In Estonia the trader of the AAUs is the EIC. The received money is used by different organisations to carry out the Green Investment Scheme programmes. According to the rules the proceeds must be directed to activities that reduce the emissions of CO_2 and other greenhouse gases. A suitable project is selected by the buyer of the allowances, although the seller also has a say in the selection.

Estonia has been highly successful when it comes to the sale of surplus emission rights. In the period 2010–2013 22 transactions were carried out in the total amount of more than EUR 392.6 million. Under the European Union Effort Sharing Decision it will soon be possible to start trading with the surplus Annual Emissions Allocation (AEA) and the usage right of project-based JI/CDM units, although the volumes will be significantly lower compared to the previous AAU transactions.

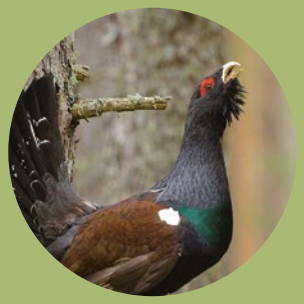
In 2013

- Estonia concluded a sales transaction for surplus CO_2 emission rights with Luxembourg. The EUR 4.5 million received from this transaction will be directed to KredEx's programme for the renovation of apartment buildings.
- The deadlines and conditions of several previous contracts were also changed. For example, money from the sales of allowances will be used to buy four more energy-efficient trams for Tallinn, the support scheme for electric cars will be extended, and theatre NUKU received money for purchasing additional energy-efficient lighting fixtures.

ESTONIAN GREEN INVESTMENT SCHEME TRANSACTIONS FOR THE PERIOD 2010–2013

Programme	Time of transaction	Responsible bodies	Contractual partner	Volume of transaction
Establishing combined heat and power plants based on renewable energy, reconstruction of boiler houses, energy saving in district heating network (41 projects)	2010	MoE, EIC	Austria (2 contracts)	2.9 million AAUs
Increasing the share of renewable electricity (3 wind farms), economic buses to county bus lines (120 buses)	2010	MEAC, EIC, Road Administration	Spain	EUR 23 million, EUR 21 million
Energy saving in apartment buildings and small residential buildings (576 apartment buildings, 292 private residences, 95 micro renewable energy devices)	2010	MEAC, KredEx	Luxembourg	EUR 30 million
Energy saving in state and local government buildings and universities (540 objects)	2010–2011	MoF, RK	Japanese corporations Mitsubishi, Sumitomo, Marubeni, and Japanese bank SMBC(13 contracts)	39.9 million AAUs
Establishment of a charging infrastructure for electric cars (168 fast chargers), electric cars for public servants (507), support scheme for purchase of electric cars for private persons and organisations (approximately 500 grants)	2011	MEAC, MoSA, KredEx	Mitsubishi Corporation	10 million AAUs
Purchasing energy-efficient trams for the 4th line in Tallinn	2011	MEAC, TTT	Spain	EUR 45 million
Purchasing energy-efficient lighting fittings and buses to Estonian theatres	2012	MoC	Marubeni Corporation	1.55 million AAUs
Constructing energy-efficient street lighting (7 towns), energy saving in district heating network, and reconstruction of boiler houses (22 projects)	2012	MEAC, MoE, EIC	Austria	10.9 million AAUs
KredEx programme for renovation of apartment buildings	2013	MEAC, KredEx	Luxembourg	EUR 4.5 million

Used abbreviations: **MoE** (Ministry of the Environment), **MEAC** (Ministry of Economic Affairs and Communications), **MoSA** (Ministry of Social Affairs), **MoF** (Ministry of Finance), **MoC** (Ministry of Culture), **RK** (Riigi Kinnisvara AS), **TTT** (Tallinna Trammi- ja Trollibussikoondise AS)



NATURE CONSERVATION

In 2013, the EIC decided to fund 140 new projects out of its environmental programme's nature conservation funds, in the total amount of EUR 5.5 million. The most common activities were related to maintenance of semi-natural communities and parks.

EIC also made funding decisions for 17 new projects from the European Regional Development Fund, in the total amount of EUR 2.9 million. All projects are targeted for conservation of Estonian natural diversity.

WHAT IS THE EIC SUPPORTING?

- protection of nature for preservation of its diversity
- preparation of management plans and action plans on species for preservation of natural diversity
- ensuring favourable conditions for endangered species and habitat types and preservation of landscape of protected natural objects
- preservation of culturally and aesthetically significant natural environment
- implementation of long-term nature protection development plans and measures that ensure sustainability
- maintenance and management of natural habitats and reserves, conservation areas, parks under national protection and single objects
- development of a national nature conservation infrastructure

WORKS DONE

- reconstruction of access roads for maintenance of meadows in Soomaa and Matsalu National Parks
- reconstruction of visiting infrastructure in protected areas, including Lahemaa and Soomaa National Parks and Keila-Joa Park
- control of introduced species of hogweed on 1,961 hectares
- report "Nesting calendar of Estonian birds"
- publication "Condition and level of protection of Estonian mires"
- monitoring of birds and bats, and the acquisition of research equipment
- conservation trips for 270 volunteers
- purchase of 299 bovines cattle and 218 sheep
- drafting of 92 preparation management plans for 130 areas
- drafting of 40 activity plans on 74 species

PAYMENTS FOR NATURE CONSERVATION PROJECTS

2013	Projects	Payments EUR
Infrastructure of nature conservation	21	438,404
Development of nature conservation	43	821,132
Implementing nature conservation	93	2,363,978
County programme on nature conservation	29	95,238
Co-financing	4	187,615
ERDF preserving biodiversity (open applicaton calls, investment scheme, preparation of management plans)	40	3,747,317
TOTAL	**230**	**7,653,684**

CATTLE TO RESCUE REEDY COASTAL MEADOWS

Twenty-one Aberdeen-Angus cows were purchased with the support of EU funds to restore the Salinõmme salt marsh and the coastal meadows of Hiiumaa.

A non-profit organisation Arhipelaag has worked for years in cooperation with the local farmers to preserve the coastal meadows of Hiiumaa. "We purchase the cattle and organise project management, the farmers rear the cattle, maintain the coastal meadows and will receive calves in return of their work," Toomas Kokovkin, representative of the non-profit organisation, explained.

The EIC funded restoration of naturally valuable areas of the Salinõmme salt marsh and coastal meadows (75 ha) in the Hiiumaa landscape protection area with EUR 90,158 from the EU Regional Development Fund.

Dignified living and working conditions

Under the project, animals were bought, shelters built for them, an area set up for storing hay bales, and the path taken by the animals to their "workplace"– the coastal meadow – was improved. Since the area of the Salinõmme salt marsh had largely grown over, reed needed to be cut and crushed on 21 hectares.

The project supported by the EIC has acted as a strong driver – it was followed by construction of an environmentally friendly dung pit, in cooperation with the land owner and the Estonian Fund for Nature, and then construction of a winter shed for the cattle by the land owner.

The project acted as a driver for the following activities.

The Salinõmme salt marsh is one of the largest in Estonia. The salt concentration of sea water in its soil rises to the level that makes salt marsh plants grow. The salt marsh area alternates with former coastal meadows and is surrounded as a buffer with protected forest and the sea. In the beginning of the 1990s, grazing in this area ended and the land became overgrown with reeds. By 2011, an estimated 70% of the area was covered in reeds, meaning that the coastal meadows had perished. Restoration of the salt marsh and the coastal meadows should help to improve the situation of at least nine protected species and two protected habitat types.

ABANDONED PEAT FIELDS BACK TO BOGS

Areas damaged by peat production produce carbon dioxide instead of binding greenhouse gases, as would be favourable for the environment. Under the leadership of State Forest Management Centre (RMK), and with the support of EU funds mediated by the EIC, the process of restoring three such areas to bogs has begun.

This "rescue mission", the first of its kind in Estonia in terms of its volume, began in Rannu (Kestla) Bog in Ida-Viru County as well as in Viru Bog and Hara Swamp in Lahemaa National Park.

In order to assist these peatfields to recover and let *Sphagnum* moss grow again, the bog plant community was freed from excessive wood and dams needed for raising the water level were built.

Damming and moss cover re-establishment

Dams and culverts were built, ditches cleaned and beaver dams demolished in Rannu, and the road leading to the project area was partially reconstructed. As a result of damming, the water level should rise 0–20 cm from the surface. In Viru Bog, moss fragments were also sown on four hectares of land and covered with a thin layer of straw, to avoid it being carried away by the wind.

The new cofferdam in Viru Bog prevents water outflow from the natural bog; the restored area is separated from the natural bog by a ditch.

In Hara, the topsoil of the peat surface was removed and extensive soil planning works were carried out. Peripheral areas bordered by ditches were restored in all three areas.

All areas were equipped with monitoring devices to measure the rise of the water level. The projects established preconditions for restoration of natural water regime and bog habitats on 181 hectares. Another reason for restoring the former peat production fields is to reduce the fire hazard in these areas.

The works lasted for several years and cost EUR 450,022 funded fully from the European Regional Development Fund investment scheme "Preservation of Natural Diversity".

Annika Anton,
Executive Coordinator in nature protection and sustainable education

The aims of the Nature Conservation Development Plan are to increase the area of maintained semi-natural communities to 45,000 hectares by 2020, to restore 10,000 hectares of mire communities with damaged water regime, as well as to restore 1,000 hectares of cut-over peatlands. In 2013, almost 27,000 hectares of semi-natural communities were maintained and almost 3,000 hectares were restored in the protected areas. Restoration and maintenance works were financed from the European Regional Development Fund and the Rrural Development Plan allocations.

In the next funding period 2014-2020 of the European Union, EUR 54 million of Cohesion Fund finances have been planned for preservation and restoration of protected species and habitats. Additional EUR 9 million will be allocated for restoration of abandoned peat fields and drained bogs.

A GOOD THING WON'T STAY HIDDEN FOR LONG!

Unique karst caves and cavities at the Kuimetsa karst area, in Rapla County, have become truly popular after the area was cleaned up.

Juhan Laansoo, head of MTÜ SK Laansoo Motokrossi Team, responsible for restoring order to the karst area, cannot believe his eyes: "It is amazing how many new visitors we are having! Set the place in order, put up a rubbish bin, and people will come and know how to behave," he assures, convinced that a good thing will be discovered even when it is not advertised.

The longest cave in Estonia

However, there is plenty of reason to come and take a look because the longest known cave in Estonia, with a length of 86 metres, is located right in Kuimetsa. The height of the caves reaches 2.5 metres in places, but most of the route must still be passed by crouching or crawling.

This is not the first time Juhan Laansoo and his assistants have fixed up the area around the Kuimetsa karst caves, but these more voluminous works were undertaken with the help of EIC's support of EUR 5,163 and Karine Rajasaar, the rural municipality's environmental specialist. During the project, the surroundings and openings of the karst caves and formations were conditioned, the brushwood, fallen trees and branches removed, and rubbish cleaned from an 8-hectare area. A shelter with benches and a fire place was built for the nearby parking and recreational area, and information signs were placed next to those karst caves that have names.

There are 15 named caves at the Kuimetsa karst area. While it is possible for a person to crawl in the Big cave, the Iida cave, seen on the photo, is filled with water.

However, work for increasing the attractiveness of the karst area is no way near completed. Juhan Laansoo, who has invested much of his own time and the sport club's money, wishes to lease the recreational area from the rural municipality. He plans to build a children's playground, a toilet, and a bicycle holder there and to cover the parking area with black top. He is convinced that "when you put your time and energy into something, it must remain beautiful".

> When you put your time and energy into something, it must remain beautiful!

FORESTRY

In 2013, the EIC decided to fund 24 projects out of its environmental programme's forestry programme, in a total amount of EUR 2.9 million. Eighteen of the projects are related to forestry and six to hunting. 18 projects are related to forestry and 6 to hunting.

WHAT IS THE EIC SUPPORTING?

- implementation of long-term developments in forestry
- renewal of forests and reforestation
- protection of forest ecosystems
- development of private forestry
- training, awareness, and studies in the field of sustainable forestry
- preservation of wild game resources
- reduction of the scope of damage caused by game
- development of the practical skills and awareness of hunters

WORKS DONE

- serial "Metsapeatus" on ETV
- six scientific research projects and 11 applied research reports
- ten publications and three special forestry papers in the largest daily newspapers
- joint activities for private forest owners
- study film "Suurkiskjad" on game counting
- magazine "Eesti jahimees"

PAYMENTS FOR FORESTRY PROJECTS

2013	Projects	Payments EUR
Forestry	56	3,891,504
Game management	10	128,705
TOTAL	**66**	**4,020,209**

TIMBER IS THE KEY TO TOMORROW'S LIVING ENVIRONMENT

A round-shaped main plan and a gable roof have been combined into an intriguing whole in the best timber building of 2013.

The Estonian Forest and Wood Industries Association (EFWIA) has promoted the wider use of timber as a renewable domestic natural resource in construction for years. In 2013, the EIC supported this initiative by aiding in the organisation of a wooden architecture competition, a travelling exhibition, and a conference.

At an international conference "Puit – homse elukeskkonna võti" ("Timber – key to tomorrow's living environment") held in KUMU, in November, the world's leading architects introduced the most brilliant examples of wooden architecture. The winners of the competition "Wooden building 2013" were announced and the first prize went to a beach house at Laulasmaa, designed by ÖÖ-ÖÖ architects. Blending into the surrounding environment, the summerhouse, designed by Ülo-Tarmo, Lembit-Karu Stöör, also delighted the judges with its complex and fascinating architectural solution that, on the one hand, resulted from the client's wish to exist in harmony with nature, and, on the other hand, from the requirements of the local government.

Public sector as guide

Special prizes for the use of laminated timber and veneer, as well as a facade prize were awarded. In total, 23 works were submitted for the competition and the overall level of the works was very good, according to the judges.

According to Henrik Välja, Project Manager of the Woodinfo programme at EFWIA, the popularity of timber constructions is increasing. "As organisers of the competition, we would also like to see more wooden public buildings being built. The public sector could be the creator of possibilities, guide and an aware client who prefers timber to other materials," Välja said. "Innovative use of timber in public buildings helps Estonia to reach the top in the world in timber construction, to save the environment, and support the Estonian economy as a whole."

Winning works at an exhibition

EFWIA has selected the wooden building of the year for 11 years already. To introduce the top works of the competitions held so far, a travelling exhibition was assembled and displayed in various Estonian shopping centres and public buildings throughout the year. It can be visited virtually at puuinfo.ee and will also continue its tour around Estonia in 2014.

ENERGETICS

In 2013, the EIC decided to fund 39 new projects out of its environmental programme's atmospheric air protection programme, in the total amount of EUR 4 million. Fifteen of the financed projects dealt with energetics and 24 with ambient air.

From the sustainable transportation development measure of the Cohesion Fund, EIC used EUR 18.9 million to support reconstruction of the infrastructure of tram line No. 4 belonging to Tallinna Linnatranspordi AS.
The EIC is also supporting the broader introduction of renewable energy sources from the green investment scheme. In 2013, reconstruction of 13 boiler plants was funded in the total amount of EUR 4 million.

WHAT IS THE EIC SUPPORTING?

- improvement of ambient air quality
- mitigation of the consequences of climate change
- reduction of transportation pollution
- ensuring radiation safety
- reduction of pollution resulting from physical sources of contamination
- introduction of renewable energy sources
- reduction of the negative environmental impact of energetics
- determination of environmental and health hazards and risks related to sources of chemical pollution of ambient air

WORKS DONE

- conversion of 19 boiler plants to renewable fuel, reducing their ambient air pollution by approximately 80% and CO_2 emissions by almost 9,100 tonnes per year
- reconstruction of 61 km of heating piping and completion of 6 combined heat and power plants and 3 boiler plants, creating a possibility of saving almost 95,000 tonnes of CO_2 per year
- expansion of the ambient air monitoring system at Muuga Harbour
- installing an ambient air monitoring station in Sillamäe
- purchasing of four noise monitoring devices
- purchasing of a calibration laboratory (a vehicle with measuring equipment) for calibration of equipment in Estonian air monitoring stations
- 12 surveys and 2 inventories
- a campaign for collection of equipment containing nuclear material and other potentially dangerous radioactive waste

PAYMENTS FOR RENEWABLE ENERGY AND PROTECTION OF AMBIENT AIR PROJECTS

2013	Projects	Payments EUR
Renewable energy (since 2011)	29	2,238,817
Ambient air (since 2011)	57	4,911,536
Co-financing (since 2011)	3	30,853
ERDF extended use of renewable energy sources for the generation of energy	3	1,526,025
GIS extended use of renewable energy sources for the generation of energy and reconstruction of district heating networks	37	9,087,151
GIS supporting investments of the enterprises for the application of wind energy in electricity generation	1	3,214,277
GIS programme for reconstruction of external lighting of cities to enhance the effectiveness of energy consumption of street lighting	5	88,206
TOTAL	**135**	**21,096,864**

PÜHAJÄRVE HOLIDAY RESORT IS HEATED BY THE SUN AND WOOD

Support from the EIC helped Pühajärve Spa and Holiday Resort to switch over to an environmentally friendly heating system – the building is heated with wood chips and firewood, and the water is warmed by the sun.

The total cost of the project was almost EUR 1.8 million, with EIC support accounting for EUR 371,000.

The Holiday Resort is located far from the central boiler plant of the town of Otepää, and therefore it was not possible to join the district heating system or use natural gas for heating. As a result of preparatory work lasting five years, a solar heating system and a boiler plant operating on biofuel were built on the registered immovable of the holiday resort. The old boiler plant was demolished.

400 m^2 of solar panels

According to Jaak Raudsepp, Chairman of the Board of AS Pühajärve Puhkekodu, two boilers have been installed in the new boiler house, as well as a fire gas washer, solar power storage tanks and heat exchangers, and heating material storages. "An automatic boiler with a capacity of 1.5 MW, heated with wood chips, provides warmth to all buildings throughout the heating period. The other, smaller, firewood-consuming 1 MW boiler is used in summertime for heating water and as an extra boiler during very cold winters," Raudsepp explained.

A boiler plant equipped with solar panels is introduced in the study programme of local schools as a good example of environmental conservation.

The 400 m^2 of solar panels placed on the roof of the boiler house heat most of the water used in the holiday resort during summertime, and cover one fifth of the energy requirement. It is estimated that the solar heating system saves 547 tonnes of wood chips and almost 182 tonnes of bottom ash, produced while burning, in a single year. The new boiler house was built by Vilcon Ehitus OÜ. The pay-back period of the investment is estimated to be 12 years.

The pay-back period of the investment is estimated to be 12 years.

WIND TURBINES WERE SWITCHED ON IN VIRU-NIGULA

Ojaküla wind farm, which commenced operation in Lääne-Viru County, on the border of the town of Kunda, provides electricity to up to 5,000 households every year, depending on the wind conditions.

Construction of the Ojaküla wind farm was financed by the EIC, with EUR 5 million from the green investment scheme, while the cost-sharing of Nelja Energia Group was EUR 4 million. In addition to the purchase of wind turbines, roads leading to the turbines were constructed, and electrical connections and supply points were established.

According to the Estonian Wind Power Association, as at the end of 2013, Estonia had 130 operational wind turbines with a total electric capacity of 279.90 MW. Ojaküla wind farm has three 2.3 MW turbines with a total capacity of 6.9 MW. All Estonian wind turbines produced a total of 515 GWh of energy in 2013, 11 GWh of it by Ojaküla wind farm, thus avoiding the emission of a total of 12,000 tonnes of CO_2.

The height of the masts of the Enercon E82 wind turbines in Viru-Nigula Rural Municipality are 98 m and the rotor diameter is 82 m. The estimated useful life of a turbine is 20 years.


Photo: Nelja Energia

95% of the residents of Estonia find wind energy to be the most environmentally friendly way to produce electricity, according to a study carried out in 2012 at the request of the Ministry of the Environment.

In support of the local community

Nelja Energia has established non-profit organisations in all local governments in which it has wind farms, with the aim of improving the life of the local community and mitigating the impact of wind turbine operations on the local people. Wind farms donate EUR 0.32 to the non-profit associations for each MWh of produced electricity.

In 2013, it collected EUR 105,000 in this manner, EUR 15,000 of which was given to MTÜ Viru-Nigula Valla Toetusgrupp. The non-profit association used the money to support cultural events – rural municipality days, a reed festival, fairy-tale nights, and a football tournament between villages. It also supported hobby groups and village organisations, paid out a scholarship, and helped neighbouring households to replace old windows and dig a well.

Siim Umbleja,
Executive Coordinator in Energetics

Investments in the field of energy are long-term and need careful planning. This is the only way to achieve the desired result in the best possible way. Efficient production and energy conservation need to go hand in hand. Investments in the reconstruction of heat pipelines and reduction of the use of fossil fuels will also continue in the future.

FUEL FROM SAAREMAA PROVIDES CHEAPER HEATING

The new combined heat and power plant that began operating in Kuressaare will increase the share of wood chips in the heat production of Kuressaare Soojus from 80% to 95% and will also use wood chips in the production of electricity.

As long as the cost of wood chips remains low, the cost of heating the homes of the people of Kuressaare will be among the most affordable in Estonia. "Currently, the provision of wood chips continues to be higher than the rate of consumption and no change is forecast for the near future," Jaan Mehik, Member of the Board of Kuressaare Soojus said, confirming that the wood chips used in the plant come from Saaremaa.

The electric capacity of the combined heat and power plant is 2.4 MW, and the thermal output of district heating is 9.6 MW.

Modern technology

For the first time in Estonia, Kuressaare Soojus began to use thermal oil as a heat carrier in boilers, and silicone oil in turbines, in combined heat and power production. While traditional electricity production based on water steam is more than 100 years old, the technology that is based on silicone oil steam has been in use for a little more than ten years. Silicone oil needs lower steam temperatures and pressures; the process is more automated and easier for the users.

EIC supported the heat and power plant construction project, with a total cost of EUR 12 million, with EUR 3.2 million that was received from selling CO_2 quotas.

AS Kuressaare Soojus supplies heating and electricity to customers in the city of Kuressaare and Saare County. In addition to the combined heat and power plant, the undertaking owns two other boiler plants.

THE CHILDREN OF KARIKAKAR ARE GROWING UP SAVING THE ENVIRONMENT

In September, the Karikakar Nursery School, located in Jõgeva, opened a new building filled with light and the scent of timber.

Construction of the nursery school and reconstruction of the courtyard cost almost EUR 2.6 million, with support coming from the town of Jõgeva, Enterprise Estonia, via EU Structural Funds, and the Environmental Investment Centre, from funds received in the form of Estonian environmental fees.

The Karikakar Nursery School's new building stands out with its low level of energy consumption.The building uses a solar heating system to produce hot water, and the linking of district heating and solar heating reduces the heating costs and CO_2 emissions from the town's boiler plant."The resourceful and environmentally friendly heating solution establishes a learning environment that helps to acknowledge the importance of environmental protection at an early age," Heiko Põdersalu, Head of the Environmental Programmes Unit of the EIC, commented.

Warm and homely

The head of the nursery school, Mare Suviste, says that the new house has quickly begun to feel like home." The house is nice and warm, the children love the colourfulness and the spacious view from the window," she described.

The Karikakar Nursery School is home to six groups, a hall, a creativity class, a kitchen, and ancillary premises.The almost 1,700 m^2 building was designed by OÜ Arhitektuuribüroo Järve&Tuulik and built by AS YIT Ehitus.

FISHERY

In 2013, the EIC decided to fund 39 new projects out of its environmental programme's fishery programme, in the total amount of EUR 1.9 million.

The EIC helps in ensuring fishing possibilities for both professional and recreational fishermen, with the aim being to achieve a balance between the conservation and use of fish resources.

WHAT IS THE EIC SUPPORTING?

- fishery studies
- improvement of the ecological condition of aquatic biota
- fishery-related development projects
- protection and monitoring of fish resources

WORKS DONE

- Estonian championships in sport fishing
- board game "Kalale"
- installation of one landing-stage, two float bridges, four boat landings
- 10 scientific research projects
- establishment of eight trout spawns to Umbusi River and the removal of five beaver barrages
- restocking 891,000 glass eels to lakes
- removal of old entangling nets from Lake Peipus and Lake Lämmijärv

PAYMENTS FOR FISHERY PROJECTS

2013	Projects	Payments EUR
Fishery development projects	20	156,051
Fishery scientific researches	14	788,740
Conservation and control of fish resources	13	388,222
Improvement of the ecological condition of water fauna and flora	7	244,599
TOTAL	**54**	**1,577,611**

LIFE IS BUSTLING AT ÖSTERBY HARBOUR

Recreational fishermen from the Noarootsi Peninsula have more to do in Österby Harbour now, since a landing stage and floating bridge were built there in the summer. The works cost EUR 27,587 and support from the EIC made up EUR 14,379.

Österby is a village located at the southern end of the Noarootsi Peninsula, 37 km from Haapsalu and 2 km from the centre of the rural municipality, Pürksi. Österby is the main place for swimming for the people of Pürksi, and its harbour is suitable for both fishermen and seafarers. "The real fishing season is only beginning, but roach fishing at the embankment is in full swing," Aivo Hirmo, Assistant Mayor of Noarootsi Rural Municipality, described the scene from the springtime harbour. "The sea lane needs to be dredged for deeper vessels and yachts, but smaller vessels can be accepted already today."

Rowboat to Haapsalu

The region is becoming increasingly popular among kite surfers and the rural municipality's Midsummer festival this year will be held at Österby Harbour. Noarootsi Rural Municipality, in cooperation with the Haapsalu City Government, is hoping to start a rowboat connection this year between Haapsalu and Österby. Renovation of the harbour area also continues. The plan is to find new service providers for the period of summer holidays and to build a harbour building that would bring even more life to the area.

Both fishermen and seafarers are welcome at Österby Harbour. Spring-time roach-catching was underway at full steam in April.

WATER MANAGEMENT

In 2013, the EIC decided to fund 100 new projects out of its environmental programme's water management programme, in the total amount of EUR 13.8 million. It was decided that 10 new projects would be supported from the environmental programme's marine environment programme, in the amount of EUR 318,000

The EIC made a financing decision on 14 projects, in the total amount of EUR 40.4 million from the European Cohesion Fund measure "Development of Water Management Infrastructure". Twenty-one projects, totalling EUR 5.1 million, were funded to improve the condition of watercourses. The decision was made to allocate EUR 1.4 million to support Stage II activities for improving the condition of the Põltsamaa, Vasalemma, Valgejõe and Nõmme rivers.

WHAT IS THE EIC SUPPORTING?

- achieving and maintaining the good condition of water bodies and groundwater
- ensuring a good quality class for water bodies
- supplying people with proper drinking water
- bringing the wastewater system into compliance with applicable requirements and the development of sewerage systems within wastewater collection areas
- reduction of environmental risks and negative impact caused by residual waste objects
- achieving and maintaining the good condition of the marine environment of the Baltic Sea
- research and development works related to improving the quality of evaluation and monitoring of the condition of the marine environment
- effective pollution control in the event of large-scale accidents

WORKS DONE

- removal of 82,800 m^3 of sediment from lakes
- reconstruction of drinking and sewerage pipelines to ensure clean drinking water to citizens; the most voluminous works were completed in Maardu, Kehra and Sindi
- construction and renovation of dozens of sewage pumping stations
- inspection of hundreds of polluted objects
- removal of thousands of tonnes of contaminated soil
- training sessions for waste water treatment plant operators
- 12 studies related to water and water management
- a web-based map application for managing the risk of oil pollution
- establishment of fish ladders to Kunda, Kaugu, Mäeveski, Kamari and Poka
- establishment of Vaidva fish steps and spawning areas

PAYMENTS FOR WATER MANAGEMENT PROJECTS

2013	Projects	Payments EUR
Rehabilitation of water bodies	16	1,763,381
Drinking water supply	69	5,121,308
Residual pollution	13	883,418
Non-construction work	23	860,715
Waste water treatment	93	13,410,521
Marine environment since 2011	9	449,136
County programme on water management (financed until 2012)	43	367,843
Marine environment, co-financing	3	66,653
Water management, co-financing	2	12,892
CF development of the infrastructure of water supply systems and water management	66	131,287,134
CF improvement of the state of watercourses (Open application, investment plan)	23	4,198,797
Inventorying of CF stoppage facilitites on watercourses for improvement of the migration conditions for fish	1	1,053,263
CF disposal of residual pollution on former military and industrial areas	2	2,724,706
TOTAL	**363**	**162,199,767**

THE GAINS ARE MULTIPLIED WHEN YOU ACT BIG

Author: Andrei Printsev

The small town of Saku undertook renovation of its water and heating systems so thoroughly that four pipes were placed in a single trench at once – for drinking water, sewerage, rainwater, and heating.

The project that lasted for almost three years and cost EUR 16.2 million – improving the supply of drinking water, sewerage connection, and the availability of heating – had several additional bonuses for residents of the rural municipality. "A number of properly renovated and dust-free roads, fewer puddles and dignified stone-paved surroundings of the manor, additionally funded by the rural municipality," listed Kuno Rooba, Mayor of Saku Rural Municipality. "The area now also has two skiing hills that were formed from the material dug out during the construction works."

Saku Rural Municipality received support from the EIC from two sources. Out of the EUR 14.6 million that was invested into water management, EUR 11.4 million was received from the Cohesion Fund. The district heating works cost EUR 1.6 million, EUR 610,000 of which was covered by the EIC from the green investment scheme. The works were managed by AS Saku Maja. According to management board member Marko Matsalu, Saku small town is definitely a much better place to live now.

The water project provided all lots in Saku's sewage collection zone with a connection point to the water supply, which ensures the people clean drinking water and a proper sewage water collection system.

As a result of the district heating reconstruction project, two separate network areas were connected and most of the old Soviet-era heating pipes renewed, in order to reduce dissipation. It is estimated that 451 fewer tonnes of CO_2 is now emitted annually into the air in Saku.

The works included building and reconstruction of 44.7 km of public water supply pipelines, 41 km of sewage pipelines, 17.8 km of rainwater sewage pipelines, and 13.1 km of district heating pipelines. Also, 17 new pump rooms were built and two main pump rooms and three drinking water treatment stations were reconstructed.

Tiiu Noormaa
Executive Coordinator of Water Management

An important issue in water management is providing people with proper drinking water and the cleaning of wastewater. There are problems in some areas with access to the water service, and the applicable quality requirements are not met. Wastewater from depreciated sewage systems ends up in the surface and ground water. Water quality used to be a big problem in Narva, but now the problem is about to be solved.

Large investments are made by local governments and water undertakings to ensure water quality, which is also apparent in the support paid out by the EIC. Over a period of five years, EUR 360 million has been distributed in Estonia from the European Cohesion Fund measure "Development of Water Management Infrastructure". In 2013 alone, EUR 131 million was distributed.
Although the sums of support allocated to water management will decline in the new EU support period, the Cohesion Fund will still allocate a substantial amount – EUR 144 million – for the development of water management infrastructure.

COMPLETE REBIRTH OF KATARIINA ALLEY


Foto: Reet Utsu

Katariina Alley, the green heart of Võru, which is under nature protection, was renewed so thoroughly that it will delight the townspeople and visitors for a long time to come.

Katariina Alley connects the historic centre of the city with the Tamula Lake promenade that was built a couple of years ago. Since the alley previously lacked a stormwater piping system, the situation when it rained was quite sad to see along the flagship alley of Võru – part of it and the surrounding street area was flooded, in turn drying the trees of the alley.

Thorough renewal works, which began two years ago, included renovation of the pavement and carriageway, construction of a stormwater piping system, replacement of the drinking water and waste water drainage system, installation of new street lighting, and restoration of landscaping. A stormwater piping system was built on the area located between Jüri and Kreutzwald streets, in the total length of 357 metres.

Church blessing

Reconstruction of Katariina alley cost EUR 828,018. It was designed by Artes Terrae OÜ and constructed by Aigren OÜ. Sixty-four per cent of the funding, that is EUR 531,867, came from the water management and nature conservation programme of the EIC, with the remaining share coming from city of Võru funds.

The alley was festively opened in September 2013 and blessed by Andres Mäevere, minister of the Estonian Evangelical Lutheran Church. According to Jüri Kaver, who was the mayor of Võru at that time, the imperial heritage of Võru deserves conservation and presentation. "I believe that Catherine II, who founded this town, would be quite proud of us right now," he said.

Reet Utsu
EIC Representative in Võru County

Thorough renovation of Katariina Alley took place via the support of different projects. The cooperation between the employees of the Võru Town Government in the rebirth of Katariina Alley can even be called eagerness-based!

ENVIRONMENTAL AWARENESS

In 2013, the EIC decided to fund 356 new projects out of its environmental programme's environmental awareness programme, in the total amount of almost EUR 3.6 million. A total of 250 of the projects are providing active studies in environmental education; with 103 involving dissemination of information, studies and campaigns, and 3 international cooperation projects.

In 2013, with EUR 479,337 from the European Social Fund, the EIC decided to fund a new programme "Development of Environmental Education based on the collections of the Estonian Museum of Natural History". The implementer of the project was the Estonian Museum of Natural History in partnership with the University of Tartu, and under the initiative the collections, including the photo archive of the Museum of Natural History, will be digitalised.

WHAT IS THE EIC SUPPORTING?

- development and carrying out of environmental education activities based on active learning methods that support the national curricula, and studying outdoors
- information events and campaigns aimed at pre-determined target groups, for the purpose of increasing environmental awareness
- participation in international environmental education cooperation
- development of an environmental education infrastructure

WORKS DONE

- 400 national events and campaigns for more than 191,000 adults, including, for example, Matsalu Nature Film Festival and Ökomäss, focusing on the topic of sustainable renovation
- a total of 1940 national events and campaigns for more than 188,000 young people, including, for example, the interactive ant's nest at the AHHAA Science Centre
- a total of 148 county projects (training, study trip, camp, conference, etc.) for more than 55,000 children and 25,000 adults
- a total of 6,351 national and 100 county-based publications
- nature houses at Vapramäe-Vellavere-Vitipalu and Tartu
- environmental education centres in Pärnu and Saaremaa
- renovation and expansion of the Lake Võrtsjärv Learning Centre and Tõnissoni building at the Estonian University of Life Sciences

PAYMENTS FOR ENVIRONMENTAL AWARENESS PROJECTS

2013	Projects	Payments EUR
Active learning in environmental awareness	191	1,377,003
Activities, research and campaigns aimed to increase environmental awareness	160	2,123,080
International cooperation	4	57,020
Environmental awareness regional programme	284	765,013
Co-financing	7	54,977
Environmental awareness regional programme	10	9,966,442
ESF development of environmental education	1	380,363
TOTAL	**657**	**14,723,897**

INVITING GREEN OASIS IN PÄRNU

The Pärnu County Environmental Educational Centre provides education for all of the county's children, though people interested in innovative building solutions should also find their way here.

Its unique grass-roofed house operates as an open visitor centre, a hobby school with interesting hobby groups, and a place for practical natural education for the schools of Pärnu County. It is possible to choose between 60 study programmes; there are ten hobby groups in the centre, including, for example, ones for bright-eyed researchers, marine biology, and nature hikers.

Clever solutions

Merle Einola, Deputy Head of Pärnu Nature and Technology House, says that the house is environmentally efficient. She cited some examples: "Solar panels on the roof are pre-heating consumable water; the water used for washing hands in bathrooms is used to re-fill the water-closet bowl, enabling reuse of the water." Environmentally friendly materials have been used in the construction, and the house is covered by grass found growing on natural stonecrops. "So the building itself is acting as an exposition of eco-technological and sustainable building solutions," Einola said.

The permanent exhibition of the centre, however, concentrates on the plants, birds, animals, and marine biota of Pärnu County.

A grass-roofed house with a captivating style of architecture, together with a spacious garden on the territory of a former nursery garden, leaves the impression of a truly wonderful green oasis.

Popular planetarium

The ground floor of the building houses classrooms, a library, a modern marine biology laboratory, a video room, and a room for listening to the sounds of nature. The first floor houses a living corner filled with live pets, a seminar area, a greenhouse full of species, and a conservatory. There is a round planetarium-circular auditorium located in the centre of the building, which is a place for future 360-degree planetarium shows

The house operates as a permanent exhibition for eco-technological and sustainable building solutions.

and 360-degree movies. The centre also has an observatory for watching the weather, birds, and the night sky.

The modern house was designed by architects Maarja Kask, Karli Luik and Ralf Lõoke from the architectural office Salto AB. The author of the interior design is Helen Rebane, and everything was built by Riverside OÜ.

Helpful cooperation

The green oasis in Pärnu cost EUR 4 million; EUR 3.6 million of which was financed by EIC from the European Regional Development Fund, while the own financing was collected by all members of the Association of Local Authorities of Pärnu County. Cooperation with the EIC went extremely well, according to Merle Einola. "I can only say good things about the project coordinators Kaidar Viikmann and Evelin Kurmiste, who are very competent, good-hearted and pedantic," she commends. "They helped us very-very much. Implementation of this highly complicated project was made possible thanks to them."

The Pärnu County Environmental Educational Centre is one of the three study buildings of the municipal hobby school Pärnu Nature and Technology House. The house had almost 5,000 visitors from September to December 2013.

Evelin Kurmiste,
Project Coordinator

The project had its ups and downs. We had some difficult moments – finding the builder took more time than we had initially expected, making the construction period tense, and then the long and snowy winter got in the way of building. In the end, it all worked out, and the final result is remarkable.

Visitors to the centre are certainly not only local residents; visitors come from both near and far. I hope and believe that the Pärnu County Environmental Educational Centre will be doing very well in the future. There is no doubt that the place is full of professional and enthusiastic people.

SMALL AND SMALLER

"Thirty days! I am going to be so old by that time!" said a child at Sipsik Nursery School, marvelling after hearing that this is exactly how long it is going to take for a seed to grow into a plant after planting.

At Saverna Nursery School, in Põlva County, children – and through them also their parents – are entertained and educated through practical activities. The project "Pay attention to those who are smaller than you!" which received support from the EIC, took the children to see the kingdom of formica ants, and gave them a chance to grow their own plants.

Greens from your own garden

Every child received their own pot, and tiny fingers planted dill, lettuce, and calendula seeds. The soil needed for planting was taken from the nursery school's own composter. According to the head of the nursery school, Inge Tamme, the interest of the children towards plants lasted for a long time. "Of course, the biggest wait was for when the plants will finally start to grow. Later on, we measured and looked at the plants, and took some of the dill to the kitchen to make the soup more colourful."

Reciprocal visit by the ants

The little naturalists got a memorable experience from a visit to the formica ant kingdom at Kiidjärve. "It was simply wonderful for

the children," Inge Tamm recalls. "All these ant tracks in nature, and solving the ant puzzle, and... The children even forgot about the mosquitoes." Later, the children made a paper model of an ant's nest and drew pictures of ants, and when some ants found their way into our building in spring, the children were certain that now it's the ants' turn to visit us".

All of the children attending Sipsik Nursery School can participate in environmental projects – from pre-school kids to 2-3-year-olds, a total of 54 children. So it can be said that the smaller ones are noticed there at every step. The EIC supported the project with EUR 593.

> It was simply wonderful for the children!

The children at Sipsiku Nursery School were all able to sow their own plants, so that they could all grow bigger together.

LILLI IS HOME TO NATURE STUDY HEADQUARTERS

Under the leadership of the Lilli Nature Centre, free study programmes have been organised for 1st – 9th grade pupils and nursery school children in Viljandi County for several years already.

Each class has its own programme. For example, the one for third grade pupils is called "Mr. Moss Beards" and takes place on the Heimtal study trail; while the programme for first grade pupils, "Life in the Forest " is held at the Lilli Nature House. The programmes are provided in cooperation with different environmental education institutions from Viljandi County, and the project is led by NPO Lilli Nature Centre.

Educational activities are financed by the EIC and supported by partners that include the Environmental Board, the Association of Viljandi County Municipalities, and RMK. A similar project for the schools of Valga County started in the autumn of 2013.

Under the programme "Life in the forest", the first grade students from Kalmetu Basic School were able to feed the sheep bread, in addition to listening to tales of forest wisdom.

The Ogre School

The EIC also supports other initiatives at Lilli Nature Centre. For example, a regular environmental hobby group, "The Ogre School", meets at the nature house, study trips for adults are also organised, along with the winter programme Metsamuhklimaa and nature camps in summertime. The Lilli Nature Centre offers activities of interest for approximately 5,000 people every year. In 2013, the EIC provided support in the amount of EUR 94,375.

MANAGEMENT OF ENVIRONMENT

In 2013, the EIC decided to fund 20 new projects out of its environmental programme's environment management programme, in the total amount of EUR 1.4 million.

WHAT IS THE EIC SUPPORTING?

- development and introduction of pollution prevention, technical, and know-how measures
- preparation, publication, and dissemination of studies and other reference materials on the best possible technology and cleaner production
- preparation for an emergency, resolution of an emergency and mitigation of the results of an emergency situation, and increasing cooperation capacity

WORKS DONE

- installation of three aspiration devices
- installation of one ventilation system
- carrying out five studies

PAYMENTS FOR ENVIRONMENTAL SUPERVISION PROJECTS

2013	Projects	Payments EUR
Technology (until 2010)	1	62,617
Protection of ambient air (until 2010)	2	86,135
Earth's crust (until 2010)	3	39,056
Payments for environmental supervision project (since 2011)	18	514,340
Environmental supervision, co-financing	11	259,081
TOTAL	**35**	**961,229**

LESS DUST IN WOODWORK

The pleasant scent that lingers when doing woodwork can be detrimental to your health; especially when it flies around in large quantities, for instance, in crafts classes.

A lot of fine wood dust is formed when processing timber with different saws, planes and sanders, lathes, and electrical tools. To suck that dust away, small household chip vacuums were used in Kiili Upper Secondary School. However, devices like that release dust that is invisible to the naked eye back into the room. After that, it settles down on the walls, furniture, and equipment; although the impact on the health of the teachers and students is the worst.

Causes allergies

Most of the dust we breathe in remains in the upper respiratory system, that is, in the nose, throat, and windpipe, and may cause irritations and allergies. Approximately 10–15% of the finer particles make their way into the lungs, where they can cause chronic infection.

Every year, approximately 150 boys participate in the woodwork classes at Kiili Upper Secondary School, with about the same number of girls participating in springtime, when the classes of boys and girls are switched. There have been cases when a student cannot participate in a class because of the irritating dust.

The powerful wood dust collection system in the handicraft and technology class at Kiili Upper Secondary School prevents the wood dust from causing damage to health.

This is why a powerful wood dust vacuuming system was installed in the manual training and technology class of Kiili Upper Secondary School in the summer of 2013. Purchasing of the device, which cost EUR 20,803, was supported by the EIC with EUR 18,723. The EIC has also supported or is planning to support the purchasing of similar devices for other schools and woodshops.

ENVIRONMENTAL SUPERVISION AND MONITORING

In 2013, the EIC allocated EUR 500,000 to the Environmental Inspectorate for purchase of special-purpose off-road vehicles and cars, using the funds from its environmental supervision development measure.

Investments in Estonian environmental supervision and monitoring are financed by the EIC from the European Regional Development Fund.

WHAT IS THE EIC SUPPORTING?

- purchases of necessary equipment and technology for more efficient organisation of environmental supervision
- development and blueprinting of the necessary working tools for management, publication, and use of national monitoring data

WORKS DONE

- we have purchased:
  - night vision equipment;
  - gas detectors and gas analysers;
  - rangefinder binoculars;
  - off-road vehicles.
- environmental monitoring data acquisition and mapping of user needs under KESE (Development of Environmental Monitoring and Data Acquisition) programme

PAYMENTS FOR ENVIRONMENTAL SUPERVISION AND MONITORING AND EMERGENCY PREPAREDNESS PROJECTS

2013	Projects	Payments EUR
ERDF development of environmental supervision	5	1,546,377
ERDF development of environmental monitoring	1	22,199
ERDF development of environmental monitoring and data acquisition	1	198,099
ERDF development of the infrastructure for ensuring environmental emergency preparedness	1	248,302
TOTAL	**8**	**2,014,978**

MOBILE LABORATORY INCREASES RADIATION SAFETY

A mobile laboratory, built inside a Mercedes Benz Sprinter, is ready to be dispatched around the clock together with specialists.

The Radiation Department of the EIC received a modern mobile laboratory that significantly increases Estonia's ability to react in emergencies, and perform environmental supervision and monitoring tasks.

The moving laboratory, built inside a small Mercedes Benz Sprinter van – a so-called mobile lab – is equipped with the necessary tools to determine the level of radioactivity in the environment and the radionuclide composition of environmental objects. The level of radiation can be detected while driving, and the analyses performed on the spot. Speed and operative reaction are extremely important in radiation-related situations.

The mobile laboratory enables us to analyse, at the scene of the accident, environmental samples collected from the air, water, soil, etc. The overall level of pollution can be measured and single radionuclides identified. Based on the data gathered, assessments will be given regarding the scale of the radiation threat, its nature, extent, and duration.

Three detectors with different directions have been installed on the vehicle, to determine the source of radiation. Therefore, the mobile laboratory can be used to search for and detect highly active radiation sources that have been lost, stolen, or maliciously installed. The mobile laboratory also enables us to verify if undertakings with a radiation practice licence are in compliance with the radiation safety requirements.

Around-the-clock readiness

The EIC has used the mobile laboratory several times already – for example, it has been used on the border to determine the radionuclide composition of goods that exceed the determined natural radiation background level, and for helping the Search and Rescue Board in taking radiation level measurements. There is a round-the-clock team available in the Environmental Board, for those situations where it is necessary to drive out quickly with the mobile laboratory.

In Estonia, the establishments dealing with radiation safety are the Environmental Inspectorate and the Environmental Board. The Environmental Inspectorate monitors radiation safety, the Environmental Board organises national radiation monitoring, issues radiation practice licences, ensures early warning of a radiation threat, participates in solving emergency radiation situations, and, if necessary, participates in radiation safety oversight in cooperation with the Environmental Inspectorate.

The mobile laboratory cost EUR 491,300, and its purchase was funded from the environmental supervision development measure of the European Regional Development Fund.

EARTH'S CRUST

In 2013, the EIC decided to fund 14 new projects out of its environmental programme's earth's crust programme, in a total amount of EUR 854,000.

The projects mostly include research, conferences, aerocontrols, and condition assessments.

WHAT IS THE EIC SUPPORTING?

- sustainable use of the earth's resources
- reconditioning of landscapes
- coordinating and spreading information on the earth's crust

WORKS DONE

- aerocontrols on mining activity in 150 mines
- audit measurement tests in six quarries
- revisions of construction resources destroyed and left behind by mining in Jõgeva, Põlva, Tartu, Valga and Võru counties
- magazine "Eesti põlevloodusvarad ja -jäätmed"
- mining and geology conferences

PAYMENTS FOR EARTH'S CRUST PROJECTS

2013	Projects	Payments EUR
Earth's crust-related information (since 2011)	21	896,257
TOTAL	**21**	**896,257**

GEOLOGISTS DELVED INTO THE ESSENCE OF TIME

The EIC has supported a spring school of geologists for several years; this time, the topic to be viewed from different perspectives was time.

"Is today really today and was yesterday really yesterday?", "Water through the ages or why are we fighting all the time?", "A potato in time and time in a potato" – these are just some examples of the topics of the presentations made in three October days in Voore, Jõgeva County. The collection "Time" was published - covering the topic discussed at the autumn school - and is available for everyone at geoloogiasygiskool.blogspot.com.

A reliable meeting place

The autumn school of geologists has become an important place for Estonian language discussion on the topic of geology. In 2014, it will be held for the tenth time. It contributes to interdisciplinary and generational communication in the field of geoscience, supporting the contact of students with other fields and organisations. The published collections broaden the understanding of different topical geopolitical subjects and environmental problems concerning geology, and reach the interested teachers, students, citizens, and officials.

In addition to the presentations from various fields, the participants in the Geologists' Autumn School also have praise for joint camping, movie and discussion nights.

Organisation of the autumn school and publication of the collection cost EUR 14,395, EUR 13,755 of which was covered by the EIC.

WASTE HANDLING

In 2013, the EIC decided to fund 90 new projects out of its environmental programme's waste handling programme, in the total amount of EUR 1.8 million. These programmes mostly involved hazardous waste handling and the demolition of old buildings that detract from the scenery.

From the funds of the European Cohesion Fund, the EIC financed 12 waste collection, sorting, and recycling projects, in the total amount of EUR 7.2 million. EUR 4.7 million was used to support the extinguishing of a fire in a Kohtla-Järve oil shale industry landfill that failed to conform to environmental requirements

WHAT IS THE EIC SUPPORTING?

- development of a collection system for hazardous waste
- development of collection of waste by types and recycling
- prevention and reduction of environmental contamination caused by waste
- demolition of old agricultural, industrial, or military buildings
- closing of landfills that do not comply with requirements

WORKS DONE

- collection rounds of hazardous waste all over Estonia
- new waste stations in Vormsi, Kohtla Rural Municipality, Noarootsi, Väike-Maarja, Viisu in Järva County, and Põlva
- enlargement and development of the existing waste stations in Kunda and Peetri, in Järva County
- demolition of old dilapidated buildings all across Estonia – scenery is no longer ruined by 13 useless buildings
- organisation of 7 non-hazardous waste landfills
- removal of waste from the former Raadi Airfield

PAYMENTS FOR WASTE MANAGEMENT PROJECTS

2013	Projects	Payments EUR
Hazardous waste management	23	267,006
Non-hazardous waste management	10	981,256
County programme on waste management (financed until 2012)	30	193,924
Demolition of a building that impairs landscape view	7	187,012
CF management and development of waste collection, sorting and recycling	16	4,050,591
CF closure of non-conforming non-hazardous waste landfills	7	2,947,849
CF closure and redevelopment of non-conforming oil-shale industry landfills	2	7,193,723
CF closure of oil-shale energy industry waste depositories (ash fields) and renewal of ash removal system	1	1,350,636
TOTAL	**96**	**17,171,996**

PROCESSING OF PACKAGING BECAME MORE EFFECTIVE

Eesti Pandipakend, which is responsible for organising the collection of packaging to be recycled, received a modern recycling centre. A separate return point will be completed in 2014, for those who wish to give away a large quantity of empty packages at one time. The EIC is supporting the projects with slightly more than EUR 500,000.

A packaging processing centre was opened in Lasnamäe, in May 2013. It is more effective and environmentally friendly than the previous centre in Maardu. According to Rauno Raal, Managing Director of Eesti Pandipakend, the capacity of the new centre is 30% higher and the weight of the produced packaging blocks, in the same dimensions, is almost twice that of the old blocks. "It means that more packages are compressed into one block, thereby reducing the need for transportation and thus environmental pollution," Raal explained.

The work was given to machines

The increase in the volume of packaging means that the process of automation is also an important part of the operation. "When Eesti Pandipakend started its operation eight years ago, bottles and jars were mainly sorted manually," Rauno Raal recalled. "Today, it is the task of an automatic sorting machine."

The new office and production building of Eesti Pandipakend, together with all the equipment, cost more than EUR 4 million. EIC supported the purchase of equipment – conveyer lines, presses, and automatic sorters.

A container house will be opened

As a second voluminous undertaking, Eesti Pandipakend is building a large container house close to the Laagri Maksimarket, in Tallinn. It is meant for those people who wish to return a large amount of packaging at one time, and makes the process faster and more convenient. The EIC is supporting construction of the building and purchase of the counting device and pressing containers.

Eesti Pandipakend is a packaging recycling organisation, established by producers, importers, and traders. Our task is to administer and organise the collection, transportation, sorting, counting, and recycling of deposit-subjected packaging. In 2013, the undertaking collected and directed more than 240 million units of packaging to recycling. The return rate increased by 6% during the year, but the sale of packaging increased at approximately the same rate.

In 2013, the undertaking collected and directed more than 240 million units of packaging to recycling.

TARTU TO LIQUIDATE SOVIET ARMY RUINS

The Russian army left Estonia in 1994, and now the cityscape of Tartu is finally about to get rid of the huge hangars, barracks, and outbuildings they left behind.

Indrek Põder,
EIC Representative in Tartu County

Since 2012, the EIC has supported the demolition of agricultural, industrial or military buildings that are no longer in use and detract from the scenery. Funding is also provided for handling of debris from demolition works, including re-use and recycling, and reconditioning of the area. The support activity will also continue in 2014.

The Tartu project differs from the others in terms of the sheer scale of the demolition work. The project creates the preconditions necessary for reintegrating an area that has been out of use back into the cityscape, all the more so since the reconditioned area is in close proximity to the soon to be built Estonian National Museum.

One of the demolished buildings located in the area between Puiestee and Kasarmu streets included a former sports hall for soldiers.

The headquarters of the Soviet military pilots were located in the Ülejõe and Raadi districts of Tartu. The houses – including a cinema for soldiers, a canteen, a sports hall, and shelters – have been standing empty and decaying for a long time, but the city lacked the funds to renovate these areas.

Big demolition work

Demolition works finally started in 2013; the EIC allocated EUR 77,431 for the demolition of the first 15 buildings. Debris from the buildings demolished at Puiestee and Kasarmu streets was handled and the area was landscaped; in the future, it will be home to a Waldorf centre.

After that, sights were set on 17 buildings at Raadi. The works started at the end of 2013, with the EIC supporting the demolition with EUR 74,737. The good news is that both of these demolitions cost about two times less than initially estimated by the city of Tartu. However, the shadows of the past are reluctant to depart and there will be one more demolition work of similar volume in Tartu.

SAFE COLLECTION OF HAZARDOUS WASTE

The Central-Estonian Waste Management Centre has been collecting hazardous waste for several years with the support of EIC funding.

Obsolete technology, hazardous packaging, plant protection products, etc., are disposed of as hazardous waste alongside old paints.

Environmental and transfer stations have been established in larger settlements for the collection of hazardous waste produced by households; collection rounds are organised in the areas of rural municipalities in which population density is low. "If the rural municipality had to finance this service 100% on its own, the emptying of collection points would definitely occur less frequently," believes Evelyn Jasson, the project manager of the waste management centre.

Paints, varnishes, solvents

Cooperation with the non-profit organisation is pleasant and convenient for the local governments because all they have to do is to inform the local people of the time and place for gathering hazardous waste. While in the case of many other types of waste, producer liability applies – for example, when changing car tyres the old tires can be left at the workshop with no worries – in the case of hazardous waste it is important for people to have a place to bring it free of charge and safely.

The most common types of hazardous waste that the Estonian people are bringing from homes are old paint, varnishes, and solvents. However, there are also other things – for example, in 2013, the waste transfer stations at Paide, Türi, Põltsamaa and Suure-Jaani also collected 519 kg of medications, 187 kg of acids, and 454 kg of detergents containing hazardous substances.

Increased awareness

Sixty-two tonnes of hazardous waste was collected in Central Estonia in 2013. "At first, we were also brought bicycles, old sledges, and plastic toys as hazar-dous waste, but the overall level of awareness has increased by now," notes Evelyn Jasson, based on the waste rounds done in Central Estonia.

In the beginning, bicycles, old sledges, and plastic toys were also brought in as hazardous waste.

The Central-Estonian Waste Management Centre includes 28 local governments. In 2013, the EIC provided EUR 60,000 in support for the establishment and reconditioning of environmental stations, and the collection and handling of hazardous waste in the area.

Andres Tšumakov
EIC Representative in Järva County

The competence of non-profit organisation Central- Estonian Waste Management Centre has continued to grow through participation in a number of different projects, which has made communication with them very pleasant. In addition to collection rounds for hazardous waste, they have made a remarkable contribution to the establishment of local waste management centres in different areas.

Balance Sheet

euros

	31.12.2013	31.12.2012
ASSETS		
Current assets		
Cash and cash equivalents	65,321,597	65,873,324
Receivables and prepayments	46,234,759	50,602,938
Total current assets	**111,556,356**	**116,476,262**
Fixed assets		
Long-term loan receivables	105,117,951	75,508,570
Tangible assets	117,394	116,618
Intangible assets	147,977	169,989
Total fixed assets	**105,383,322**	**75,795,177**
TOTAL ASSETS	**216,939,678**	**192,271,439**
LIABILITIES AND NET ASSETS		
Short-term liabilities		
Loan liabilities	29,517	41,567
Payables and prepayments	34,948,940	33,906,562
Grants with special terms	38,957,467	33,427,900
Total short-term liabilities	**73,935,924**	**67,376,029**
Long-term liabilities		
Loan liabilities	66,736,547	33,734,388
Total long-term liabilities	**66,736,547**	**33,734,388**
TOTAL LIABILITIES	**140,672,471**	**101,110,417**
NET ASSETS		
Foundation capital	1,488,897	1,488,897
Accumulated surpluses from previous periods	89,672,125	102,034,811
Surplus for the period	-14,893,815	-12,362,686
Total net assets	**76,267,207**	**91,161,022**
TOTAL LIABILITIES AND NET ASSETS	**216,939,678**	**192,271,439**

Statement of Revenues and Expenses

euros

	2013	2012
REVENUE		
Grants and donations	194,004,506	204,426,747
Other income	36,749,476	35,842,428
Total revenue	**230,753,982**	**240,269,175**
EXPENSES		
Grants and donations	-240,857,730	-249,644,845
Other operating expenses	-1,808,825	-879,909
Employee expenses	-3,623,170	-3,012,198
Depreciation	-193,903	-172,986
Total expenses	**-246,483,628**	**-253,709,938**
SURPLUS FROM OPERATING ACTIVITIES	**-15,729,646**	**-13,440,763**
FINANCIAL INCOME AND EXPENSES	**835,831**	**1,078,077**
NET SURPLUS FOR THE PERIOD	**-14,893,815**	**-12,362,686**

Statement of Expenses of Grant Financed Projects

euros

		2013	2012
1.	EXPENSES OF GRANT FINANCED PROJECTS 2013		
1.1.	Water protection	1,793,797	0
1.2.	Waste management	684,712	0
1.3.	Nature protection	305,169	0
1.4.	Forestry	68,399	0
1.5.	Earth's crust	22,736	0
1.6.	Protection of ambient air	475,828	0
1.7.	Environmental awareness	490,736	0
1.8.	Fishery	202,398	0
1.9.	Environmental management	113,469	0
1.10.	Marine environment	2,262	0
Total expenses of grant financed projects 2013		**4,159,506**	**0**
2.	EXPENSES OF GRANT FINANCED PROJECTS 2012		
2.1.	Water protection	11,526,258	2,773,386
2.2.	Waste management	269,007	33,170
2.3.	Nature protection	2,721,357	769,003
2.4.	Forestry	1,367,907	74,700
2.5.	Earth's crust	478,196	7,860
2.6.	Protection of ambient air	3,460,603	124,716
2.7.	Environmental awareness	1,739,517	245,227
2.8.	Fishery	677,813	222,276
2.9.	County	570,638	167,867
2.10.	Country environmental awareness	677,080	494,727
2.11.	Environmental management	262,646	29,308
2.12.	Marine environment	158,416	22,626
Total expenses of grant financed projects 2012		**23,909,438**	**4,964,866**
3.	EXPENSES OF GRANT FINANCED PROJECTS 2011		
3.1.	Water protection	5,071,887	12,565,755
3.2.	Waste management	273,287	655,302
3.3.	Nature protection	862,560	2,437,895
3.4.	Forestry	2,734,355	1,593,378
3.5.	Earth crust	88,919	452,033
3.6.	Protection of ambient air	2,475,499	3,854,047

Statement of Expenses of Grant Financed Projects (continued)

		2013	2012
3.7.	Environmental awareness	1,178,086	2,749,128
3.8.	Fishery	753,024	1,148,041
3.9.	County	33,734	419,709
3.10.	Country environmental awareness	33,001	649,663
3.11.	Environmental management	104,776	239,099
3.12.	Marine environment	447,955	0
Total expenses of grant financed projects 2011		**14,057,082**	**26,764,051**
4.	EXPENSES OF GRANT FINANCED PROJECTS 2010		
4.1.	Water protection	1,811,374	4,442,996
4.2.	Waste management	1,393,318	12,970
4.3.	Nature protection	12,028	1,238,253
4.4.	Forestry	55,617	2,482,955
4.5.	Environmental management	87,508	917,087
4.6.	Environmental awareness	22,084	798,531
4.7.	Fishery	15,950	128,782
4.8.	County	25,461	29,613
Total expenses of grant financed projects 2010		**3,423,340**	**10,051,186**
5.	EXPENSES OF GRANT FINANCED PROJECTS 2009		
5.1.	Water protection	467,305	1,038,530
5.2.	Waste management	0	30,040
5.3.	Forestry	13,216	2,070
5.4.	Environmental management	0	19,685
5.5.	Environmental awareness	0	32,548
5.6.	Fishery	93,027	0
5.7.	County	0	18,477
Total expenses of grant financed projects 2009		**573,548**	**1,141,349**
6.	EXPENSES OF GRANT FINANCED PROJECTS 2008		
6.1.	Water protection	0	34,653
6.2.	Forestry	-2,592	0
Total expenses of grant financed projects 2008		**-2,592**	**34,653**
7.	EXPENSES OF GRANT FINANCED PROJECTS 2007		
7.1.	Waste management	-613,781	0
Total expenses of grant financed projects 2007		**-613,781**	**0**
Total expenses of grant financed projects 2007-2013		**45,506,541**	**42,956,105**
8.	8.1. Donations		1,500
Total		**45,506,541**	**42,957,605**

Statement of Expenses of Foreign Grant Financed projects

euros

		Fond/ measure	2013	2012
1.	INTERMEDIATION OF FOREIGN GRANTS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT			
1.1.	Emajõgi and Võhandu Catchment Area Water Management	CF 2004/EE/16/C/PE/007	0	4,142
1.2.	Pärnu Waste Management	CF 2001/EE/16/P/PE/006	0	195,338
1.3.	Projects*	CF period 2007-2013	144,635,639	137,251,626
1.4.	Projects*	ERF period 2007-2013	13,977,626	31,329,471
1.5.	Projects*	Green Investment Scheme	13,469,593	15,872,754
1.6.	Projects*	ESF period 2007-2013	0	17,235
Total intermediation of foreign grants for acquisition of property, plant and equipment			**172,082,858**	**184,670,565**
2.	CO-FINANCING OF FOREIGN GRANTS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT			
2.1.	Emajõgi and Võhandu Catchment Area Water Management	CF 2004/EE/16/C/PE/007	0	244
2.2.	Pärnu Waste Management	CF 2001/EE/16/P/PE/006	0	-195,338
2.3.	Läänesaarte Sub-River Basin Water and Sewage Systems	CF 2004/EE/16/C/PE/005	-2,597	0
2.4.	Projects*	LIFE	94,206	664
2.5.	Projects*	CF period 2007-2013	2,001,030	3,278,660
Total co-financing of foreign grants for acquisition of property, plant and equipment			**2,092,639**	**3,084,230**
3.	INTERMEDIATION OF FOREIGN GRANTS FOR OPERATING EXPENSES			
3.1.	Projects*	CF period 2007-2013	15,396,853	13,885,845
3.2.	Projects*	ERF period 2007-2013	4,489,841	4,143,640
3.3.	Projects*	ESF period 2007-2013	401,949	186,966
Total intermediation of foreign grants for operating expenses			**20,288,643**	**18,216,451**
4.	CO-FINANCING OF FOREIGN GRANTS FOR OPERATING EXPENSES			
4.1.	Technical Assistance for projects preparation	CF 2003/EE/16/P/PE/012	107,223	153,553
4.1.1.	Technical Assistance for Kohtla-Järve and Kiviõli, Closure of Industrial Waste and Semi-coke Landfills	CF 2003/EE/16/P/PE/012	107,223	153,553
4.2.	Projects*	ERF period 2007-2013	5,381	14,602
4.3.	Projects*	LIFE, INTERREG	774,445	547,838
Total co-financing of foreign grants for operating expenses			**887,049**	**715,994**
Total expenses of foreign grant finances projects			**195,351,189**	**206,687,240**

* Reflected in summary

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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

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(Translation of the Estonian Original)

To the Supervisoy Board of the Foundation Environmental Investment Centre

The summary financial statements, presented on pages 48 to 52, are derived from the audited financial statements of the foundation Environmental Investment Centre (the Foundation) for the year ended December 31, 2013. We expressed an unmodified audit opinion on those financial statements in our report dated April 15, 2014. Those summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by the accounting principles generally accepted in Estonia. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Foundation.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the accounting principles generally accepted in Estonia.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Foundation for the year ended December 31, 2013 are consistent, in all material respects, with those financial statements, in accordance with the accounting principles generally accepted in Estonia.

Eva Veinberg
Sworn Auditor
License no 193

Grant Thornton Rimess OÜ
License no 3
Tallinn, 30 April 2014

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