



Document title Outcome of EN ESA 10-2020

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Outcome of the 10th HELCOM expert network on economic and social analyses meeting (EN ESA 10-2020)

The list of Meeting Participants is contained in **Annex 1**.

The agenda of the Meeting is contained in **Annex 2**.

The Meeting was chaired by Ms. Berit Hasler, Aarhus University. Heini Ahtiainen, HELCOM Secretariat, acted as secretary.

1. Opening of the meeting

1.1 The Chair opened the meeting.

1.2 The Meeting adopted the agenda as presented in **Annex 2** and agreed to proceed as outlined in the agenda.

2. Timely EN ESA issues

2.1 The Meeting took note of the information on the SOM Platform 4-2020 meeting.

2.2 The Meeting discussed the status of the cost data collection to support the ACTION project and BSAP update. Cost estimates have already been received from Finland. Lithuania, Estonia, Poland, Latvia, Denmark and Sweden are in the process of compiling information and will provide them as soon as possible. Several countries noted that only few estimates may be available.

2.3 The Meeting supported making the cost data available as a public database.

2.4 The Meeting took note of recent national ESA activities:

- i) Denmark: There is an ongoing project that compiles cost data on reducing zinc and copper them to the marine environment.
- ii) Lithuania: Use of marine waters and cost of degradation analyses have been conducted. Next project related to PoMs tender has been announced and will start in 2-3 months. It focuses on the directive requirements but does not include a valuation study.
- iii) Latvia: There is a long-lasting project covering this cycle of the MSFD. Current tasks relate to the development of PoMs, including sufficiency of measures, identifying new measures and ESA of new measures. Previous background studies have been conducted on marine litter and ecosystem services of marine protected areas as part of BONUS BASMATI (see Agenda Item 3).
- iv) Poland: A study on willingness to pay to achieve GES, similar to FI, SE and DE studies, is being planned. It will likely be conducted in 2021 or 2022.

3. ESA in HOLAS III and MetDev project

3.1 The Meeting took note of **Presentation 1** by Heini Ahtiainen and document 2 on ESA in HOLAS III.

- 3.2 The Meeting noted that considerable resources are needed for preparing ESA assessments for HOLAS III. Most of the ESA work for HOLAS III will likely be done as part of the MetDev, including the approach development and data collection.
- 3.3 The Meeting took note that some tasks could potentially be covered in a MSFD project, if it is funded.
- 3.4 The Meeting discussed the importance of task A and integration of ESA to other strands of the holistic assessment. The need to have a concrete plan for the integration was emphasized. It is time-consuming to build up integration, and thus this would be a long-term process. Steps towards integration could be taken in HOLAS III.
- 3.5 The Meeting took note of the **Presentations 2 and 3** by Kristine Pakalniete on Latvian ecosystem service assessments for marine areas conducted as part of BONUS BASMATI project and a national research project, which could provide useful information for developing the application of the ecosystem approach for HOLAS III. The study covered the supply and socioeconomic assessment of the marine ecosystem services, and economic valuation of policy relevant scenarios in relation to marine protected areas. The developed ES supply tool links ecosystem components with functions and services. In addition, ecosystem services supply maps can be generated. The economic analysis focused on the socioeconomic assessment of ecosystem service benefits and values, and valuation of welfare impacts of marine protected areas. The economic valuation study used the choice experiment approach, with two environmental attributes on state of ecosystem services, an attribute on impacts on economic activities and cost attribute. Welfare impacts of establishing new offshore marine protected areas were estimated. The study also developed (quantitative) indicators for the benefits and values for each ecosystem service, as well as analysed the spatial distribution of benefits and values. The information from the project will be developed further to support the process of national MSP planning. The tools and approaches could be usable for region-level assessments when necessary data and resources for the analyses are available. Information on the articles published based on the study will be sent to EN ESA.
- 3.6 The Meeting agreed that EN ESA will continue to follow the process of ESA in HOLAS III.

4. SOM results

- 4.1 The Meeting took note of **Presentation 4** by Heini Ahtiainen and Document 3 on SOM results.
- 4.2 The Meeting discussed the SOM results, providing the following comments
- i) The main report should provide easy-to-understand results and policy implications for a broad audience. The Meeting noted that the SOM analysis is rather complex and does not necessarily provide simple results.
 - ii) Clarify y-axis in figures on probability density functions.
 - iii) Include information which existing measures are considered in the SOM model.
 - iv) Results for the input of nutrients
 - (1) Findings of the SOM analysis should be compared to the parallel results of ACTION WP4.2.
 - (2) Treatment of transboundary loads from non-Contracting Parties via rivers should be clarified and checked that it is consistent between MAI and SOM results. Implications of these loads should be discussed in the result document.
 - (3) It should be clarified which measures are included in the projected nutrient reductions.
 - v) Results for benthic habitats: Correct legend in table on activity-pressure contributions.
- 4.3 The Meeting supported the proposal that ACTION will seek inputs from EN ESA intersessionally (either via email correspondence or in a dedicated meeting) how the SOM model can feed into the CEA for new measures.

5. Results from the German valuation study on the benefits of GES

- 5.1 The Meeting took note of **Presentation 5** by Malte Oehlman on the valuation study to assess the cost of degradation by estimating the benefits of achieving GES in German marine waters. The study followed closely the studies already conducted in Finland and Sweden. The study employed the contingent valuation method and the same six descriptors of GES (eutrophication, biodiversity, non-indigenous species, fish stocks, hazardous substance, physical impacts and waste) as the FI and SE studies. The survey was conducted in March-April 2020, when the impacts of COVID-19 started. Thus, COVID-19 control questions were included in the survey, one of which showed that many respondents thought that their disposable income would decrease in 2020. Approximately 70% were in principle willing to pay and the average WTP was 67 EUR/person/year [95% confidence interval: 53-80 EUR]. WTP depended on income and education, but there was no significant impact for distance. Aggregate benefits were 4630 MEUR per year. The mean WTP is lower compared to FI and SE results, which has been observed in previous studies. The survey also included a choice experiment using the descriptors as attributes. A second wave study is being conducted in September to assess the impacts of COVID-19.
- 5.2 The Meeting took note that the report on the study will be written in English and publicly available, and an article will also be prepared. EN ESA will be informed when the report is published. A final report is expected at the beginning of 2021.
- 5.3 The Meeting discussed the valuation study, including the national status assessment used for the description of current status, choice experiment attributes and their linkages, effects of knowledge on WTP, the format of the WTP question, results of the CV compared to the CE, results of the study compared to other studies in Germany/Baltic Sea region, relative importance of descriptors, response rate, representativeness of the sample, WTP for the Baltic Sea vs. North Sea, and the use of consequentiality responses.
- 5.4 The Meeting took note that it took approximately from June 2019 until March 2020 from the project team to adapt the survey for implementation in Germany (including translation and adaptation of the survey, pre-testing, workshop, finalizing the survey, starting the implementation).

6. Next meetings

- 6.1 The next EN ESA meetings will be arranged in January 2021 and the exact times will be decided based on a doodle poll.

7. Closing the meeting

- 7.1 The Chair closed the Meeting.

Annex 1. List of Participants

Representing	Name	Organization	Email address
The Chair			
Denmark	Berit Hasler	Aarhus University	bh@envs.au.dk
Contracting Parties			
Estonia	Liis Kikas	Tallinn Technical University	liis.kikas@taltech.ee
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HELCOM Secretariat			
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Annex 2. Meeting agenda

Friday 18 September 2020	
10:00	Words of welcome and timely EN ESA issues <ul style="list-style-type: none"> - Information from the SOM Platform 4-2020 meeting and other relevant HELCOM meetings and processes - Status of the cost data collection - Roundtable on recent national ESA activities and projects
10:30 – 11:30	ESA in HOLAS III and the MetDev project plan
11:30 – 12:30	SOM results
12:30 – 13:30	<i>Lunch break</i>
13:30 – 14:00	SOM results (continued)
14:00 – 15:00	Results from the German valuation study on the benefits of GES
15:00	Meeting ends