



Document title Outcome of EN ESA 2-2018

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Outcome of the HELCOM expert network on economic and social analyses meeting (EN ESA 2-2018)

Background

Thus far, economic and social analyses in HELCOM have covered the use of marine waters and cost of degradation for the Baltic Sea Region under the [TAPAS project](#) in 2017, and ecosystem services, business-as-usual (BAU) scenarios and integrated assessment of pressures, state and welfare impacts in the [SPICE project](#) in 2018. Both TAPAS and SPICE supported the [HOLAS II 'State of the Baltic Sea' report and web resources](#), released in July 2018. The results of the ESA were also usable by Contracting Parties in national analyses.

A major HELCOM activity in the upcoming years is the update of the HELCOM BSAP which is to be adopted in 2021. A strategic plan and work plan for the BSAP update has been agreed upon, which includes activities that are relevant to or entail ESA, i.e. analysis of the sufficiency of measures to reach HELCOM objectives and BAU scenarios; and analysis of the cost-effectiveness of measures. Furthermore, the EU-funded ACTION project, led by HELCOM, will support the BSAP update on the analysis of the sufficiency of measures, for a selection of topics.

The 2nd meeting of the HELCOM expert network on economic and social analyses (EN ESA 2-2018) was held at the premises of the HELCOM Secretariat in Helsinki, Finland, on 14 December 2018.

Aims

The aim of the meeting was to discuss the ESA activities related to the BSAP update in the coming years. More specifically, the meeting:

- Shared information on how the effect and sufficiency of measures have been analysed nationally, e.g. in Programmes of Measures for the EU MSFD
- Discussed the planned update of the HELCOM Baltic Sea Action Plan (BSAP) and how work relevant to regional ESA can support the update, including the analysis of the sufficiency of measures and business-as-usual scenarios (BAU); and analysis of the cost-effectiveness of measures
- Proposed a suitable end year for the BAU scenarios and the types of measures to be included in the BAU to support the BSAP update, as requested by GEAR 19-2018
- Discussed and clarified the possibilities to carry out cost-benefit or similar analyses as part of the BSAP update, as requested by HOD 55-2018.
- Took note the issue of linking national and regional level in effectiveness studies of measures

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The agenda of the Meeting is contained in **Annex 1**.

The Workshop was attended by nominated experts and management representatives from Denmark, Finland, Latvia, Russia and Sweden, and invited experts from two BONUS projects. The list of Meeting Participants is contained in **Annex 2**.

The Meeting was chaired by Ms. Soile Oinonen, Finnish Environment Institute. Heini Ahtiainen, HELCOM Secretariat, acted as secretary.

1. Opening of the workshop

1.1 The Chair opened the meeting.

1.2 Executive Secretary Monika Stankiewicz welcomed the participants to the meeting and recalled the Ministerial Meeting 2013 decision to initiate work on economic and social analyses, the HELCOM ESA Network and the Roadmap for economic and social analyses, and reminded about the HELCOM State of the Baltic Sea report and web materials published in July 2018. Support for ESA related work in the BSAP update was expressed by the Contracting Parties. HELCOM ACTION project has passed evaluation.

1.3 The Chair recalled the agenda of the day (**Annex 1**) and proposed that the presentations will be made first and discussion reserved at the end of the meeting. The Chair also reminded about the overall and more specific aims of the meeting, as outlined in **Document 1** and above.

1.4 The Chair noted that the meeting will be recorded for the purposes of being shared for Polish representatives. The Meeting agreed on this.

2. Timely HELCOM ESA network matters

2.1 The Meeting took note of information on timely matters on in the ESA network.

- i) Soile Oinonen, Finland, proposed arranging a joint workshop with two new projects and HELCOM ESA network on marine ecosystem accounting (**Presentation 1**). The Meeting supported the idea of HELCOM engaging in the workshop, and suggested that it would be organized back-to-back with the ESA network meeting.
- ii) Soile Oinonen, Finland, presented information on a new BONUS ROSEMARIE synthesis project on ecosystem services, human health and well-being and valuation methods in the Baltic Sea.
- iii) Heini Ahtiainen, HELCOM Secretariat, presented information sent by Dirk Osiek, Germany, on the planned study to assess the cost of degradation nationally. Germany plans to follow the general approach of Finland in assessing cost of degradation. Max Vretborn, Sweden, informed that the Finnish approach will also be followed in a Swedish study to assess the benefits of achieving GES, and utilized in cost of degradation and cost-benefit analysis. Finland is planning to apply their results as well in cost-benefit analysis. The [Finnish study](#) is available open access in Marine policy. The Meeting suggested coordination between the studies to provide added value and comparable results.

3. Update of the Baltic Sea Action Plan

3.1 The Meeting took note of the strategic plan and work plan for the BSAP update and the planned steps and role of the ESA network (**Documents 3 and 7, Presentation 2**), as presented by the Secretariat. The Meeting noted that HOD 55-2018 agreed to establish a platform for analysing sufficiency of measures (HELCOM SOM Platform) which will consist of members of the ESA network, topical experts, Chairs of HELCOM WGs, and others that may be appointed nationally. Contracting Parties have been requested to nominate participants to the Platform by 15 January 2019 and the first meeting of the Platform will be organized 28 February – 1 March 2019 at the HELCOM Secretariat, Helsinki. Relevant activities for ESA in the BSAP update include status of

implementing current measures and agreements, sufficiency of measures analysis, and proposing new actions and improvement of existing actions. For sufficiency of measures (SOM) analyses, a lead country approach is planned under the coordination by the SOM Platform and contribution from the ESA network as outlined in the ToR of the SOM Platform.

4. BAU and sufficiency of measures analyses

- 4.1 The Meeting took note of the information on the relevant economic and social analyses in the BSAP update, including analyses on the sufficiency of measures (SOM), business-as-usual (BAU) scenarios and cost-effectiveness of measures (**Document 2, Presentation 3**), as presented by the Secretariat.
- 4.2 The Meeting proposed to follow the EU MSFD cycles when deciding the end year of the BAU, e.g. the year 2027 or 2033, but to also account for other analytical and technical issues when selecting the end year, such as the time lag in the effect of actions on the environmental state, and the increasing uncertainty about e.g. the implementation of measures when the end year moves forward. The Meeting considered it possible to develop several BAU scenarios with different end years.
- 4.3 As regards to the measures to include in the BAU, the Meeting proposed to include policies that have been decided (existing policies) and measures of these policies that have been implemented, are being implemented, and are planned to be implemented (existing measures) before the end year of the BAU scenario.
- 4.4 The Meeting proposed to aim for a common methodological framework and coordinated steps and elements across environmental topics, but recognized that the methods will likely vary between topics due to different characteristics of pressures and due to different level of information available. Sweden emphasized that the method used to propose new HELCOM actions should be coordinated as far as possible to ensure a coherent basis for decision on new actions.
- 4.5 The Meeting proposed to use existing and ongoing studies and results on the economic benefits of achieving GES to assess the benefits for the BSAP update, and to organize the work as part of the SOM Platform with necessary resources allocated. The Meeting noted that an approach to assess regional benefits using existing studies has been developed in the [ESA thematic assessment](#) as part of HOLAS II work and further discussed in the HELCOM SPICE project [deliverable on recommendations on regional ESA](#).
- 4.6 The Meeting took note of the issue of linking national and regional level in effectiveness studies of measures and proposed that the matter is discussed in detail in the SOM Platform. Possible solutions were discussed under agenda item 6 on National analyses on the effect, sufficiency and cost-effectiveness of measures.
- 4.7 The Meeting took note that one of the tasks for the SOM Platform is to develop syntheses to support the BSAP update and that the Secretariat will circulate a list with ideas for syntheses to the GEAR Group. The list with proposed synthesis topics on existing information to support the BSAP update will also be sent for comments to the ESA network. Comments are welcomed by mid-January and the resulting list will be further discussed the first meeting of the SOM Platform.
- 4.8 The Meeting took note of the interest of Russia to seek possibilities to establish a project complementary to the HELCOM ACTION to enhance their participation in the work. In that respect, the Meeting recalled the importance of ensuring active contribution of all Contracting Parties to the economic analyses in the BSAP update.

5. HELCOM SOM Platform

- 5.1 The Meeting took note of the Terms of Reference for the HELCOM SOM Platform (**Document 6**), as presented by the Secretariat.

5.2 The Meeting considered and planned for the contribution of the ESA expert network to the SOM Platform and BSAP update as specified in the Terms of Reference for the SOM Platform. The Meeting viewed that broad representation of natural scientists, social scientists, economists, Water Framework Directive managers and other managers experienced in developing measures in the SOM Platform is needed.

6. National analyses on the effect, sufficiency and cost-effectiveness of measures

6.1 The Meeting took note of the national analyses on the effect, sufficiency and cost-effectiveness of measures, as presented by Contracting Parties (Denmark, Finland, Latvia and Sweden) (**Presentations 4-8**). The workshop suggested to use the national experiences to select the best practices for the regional analyses to be further elaborated by the SOM Platform for use in the BSAP update.

7. Invited presentations on BAU and cost-effectiveness

7.1 The Meeting took note of the presentation by Berit Hasler, Aarhus University, on cost-effectiveness analysis and the results of the BONUS GO4BALTIC project on the cost-effectiveness of nutrient load reductions (**Presentation 9**). The Meeting discussed the policy use of the results of the cost minimization analyses showing how significant cost savings could be achieved with the cost-effective allocation of measures.

7.2 The Meeting took note of the presentation by Kari Hyytiäinen, University of Helsinki, on the results of the BONUS BALTICAPP project on future socio-economic and climate scenarios and their effect on reaching nutrient abatement targets, and how to translate global narratives to the Baltic Sea scale (**Presentation 10**). The results could provide information for developing BAU scenarios in the analysis of sufficiency of measures for eutrophication and possibly other topics, such as fisheries and maritime.

7.3 The Meeting viewed the two projects and potentially other BONUS projects highly relevant for the sufficiency of measures analysis, and proposed to Contracting Parties to use the expertise in the BSAP update, noting that Contracting Parties are to nominate participants to the SOM Platform and take a lead for individual topics for synthesis of knowledge and SOM analysis.

8. Sufficiency of measures for hazardous substances

8.1 The Meeting took note of the initial ideas for evaluating sufficiency of measures regarding legacy pollutants (**Document 4**). The Meeting noted that Latvia has come to a similar conclusion on suitable approach to assess pollutants.

9. Revision of Terms of Reference for EN ESA

9.1 The Meeting considered and supported the proposed revision of ToR for EN ESA (**Document 5**), with two changes: 1) the revised ToR should reflect the Ministerial Declaration 2018 items 49 and 50, and 2) the years should be revised in the contribution to the BSAP update from 2019-2020 to 2019-2021. The changes are marked in yellow in the revised [document](#).

10. Closing of the meeting

10.1 The Chair closed the meeting.

Annex 1. Workshop Agenda

Friday 14 December	
9:00	Words of welcome (<i>coffee available</i>)
9:15	Timely HELCOM ESA network matters
9:30	Update of the Baltic Sea Action Plan (Ulla Li Zweifel, HELCOM)
10:00	BAU and sufficiency of measures analyses (Heini Ahtiainen, HELCOM)
10:30	Roundtable with PowerPoints: National analyses on the effect, sufficiency and cost-effectiveness of measures
11:30 – 12:30	<i>Lunch break</i>
12:30	Invited presentations on BAU and cost-effectiveness
	Discussion
14:00 – 14:30	<i>Coffee break</i>
14:30	Closing discussion and outcome of the meeting
15:00	End of the workshop

Annex 2. List of Participants

Representing	Name	Organization	Email address
The Chair			
	Soile Oinonen	Finnish Environment Institute	soile.m.oinonen@ymparisto.fi
Contracting Parties			
Denmark	Linda Bistrup Halvorsen	Danish Environmental Protection Agency	libha@mfvm.dk
Finland	Samuli Korpinen	Finnish Environment Institute	samuli.korpinen@ymparisto.fi
Latvia	Kristine Pakalniete	AKTiiVS Ltd.	kristinepa@apollo.lv
Russia	Nina Oding	Leontiev's Centre	oding@leontief.ru
Sweden	Max Vretborn	Swedish Agency for Water and Marine management	max.vretborn@havochvatten.se
Invited guests			
	Kari Hyytiäinen	University of Helsinki	kari.hyytiainen@helsinki.fi
	Berit Hasler	Aarhus University	bh@envs.au.dk
	Liisa Saikkonen	Finnish Environment Institute	liisa.saikkonen@ymparisto.fi
HELCOM Secretariat			
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