

Joint Session of the Estonian–Latvian and the Latvian–Estonian Intergovernmental Commissions for Cross-border Cooperation

10 October 2012, 9:00-14:00

Pärnu County Government, Akadeemia 2, Pärnu, Estonia

Chairman: Siim Kiisler, Minister for Regional Affairs of Estonia

Co-chair: Dace Grūberte, Deputy State Secretary of the Ministry of Environmental Protection and Regional Development of Latvia

Participants from Estonia:

Mati Vaarmann, Ambassador of Estonia in Latvia

Meelis Mälberg, Member of the Parliament

Märt Loite, Government Office of the Government of Estonia

Andres Metsoja, Pärnu County Governor

Urmas Kase, Pärnu County Government, Head of Development Office

Margus Lepik, Valga County Governor

Kalev Härk, Mayor of Valga Town

Silja Sorgus, Ministry of the Interior, Adviser of European Territorial Cooperation Bureau

Kadri Jushkin, Ministry of the Interior, Adviser of European Territorial Cooperation Bureau

Gea Kammer, Estonia-Latvia Programme, Joint Technical Secretariat, Programme Preparation Expert

Jaanus Breivel, Police and Customs Board, Border Security Bureau

Nele Paluste, Ministry of Social Affairs, Adviser of European and International Coordination Department

Anti Moppel, Ministry of Economic Affairs and Communications, Adviser

Ivar Unt, Valga County Government, Head of Development and Planning Department

Rainer Kuutma, Valga County Vocational Training Centre, Head of Development

Participants from Latvia:

Karlis Albergs, Chairman of Valka Municipality

Aiga Petkevica, Head of Project Division of the Kurzeme Planning Region Administration

Vita Zivtina, Second Secretary of Baltic, Nordic Countries and Regional Cooperation Division of the Ministry of Foreign Affairs

Liga Lejina, Director of Policy Initiatives and Development Department of the Ministry of Education and Science

Mara Katvare, Senior Expert of Policy Initiatives and Development Department of the Ministry of Education and Science

Nikolajs Stepanovs, Chairman of Vidzeme Planning Region Development Council

Guna Kalnina-Priede, Head of Vidzeme Planning Region Administration

Intars Zitans, Deputy Chief of State Fire and Rescue Service

Dmitrijs Trofimovs, Director of Policy Department of the Ministry of the Interior

Sandis Barks, Senior Officer of Policy Department of the Ministry of the Interior

Aivars Fomins, Chairman of Aluksne Local Municipality

Liga Kalnina, Kurzeme Planning Region

Dagnija Udre, Vidzeme Planning Region

Anna Skabireva, Ministry of Environmental Protection and Regional Development

Ilga Gruseva, Ministry of Environmental Protection and Regional Development

AGENDA

1. Opening of the Joint Session

- Opening speech by Chairman Mr Siim Kiisler, Estonian Minister for Regional Affairs
- Opening speech by Dace Grūberte, Deputy State Secretary of the Ministry of Environmental Protection and Regional Development
- Welcome speech by Mr Andres Metsoja, Governor of Pärnu County

2. Overview of the Intergovernmental Commission's (IGC) work in 2009-2012 and Report on the progress of the joint cooperation activities by Mr Ivar Unt, Head of Development and Planning Department of Valga County Government

3. Information on implementation of Latvian-Estonian Future Co-operation Report

- Information on implementation of Estonian-Latvian Future Co-operation Report by Mr Märt Loite, Government Office of the Government of Estonia
- Information on implementation of Latvian-Estonian Future Co-operation Report by Ms Vita Zivtiņa, Second Secretary of the Baltic, Nordic Countries and Regional Co-operation Division of the Ministry of Foreign Affairs of Latvia

4. Results of the Joint Meetings of 4 thematic working groups (WG) in 2012:

- WG 1: Social, Medical and Rescue services, by Mr Margus Lepik, Governor of Valga County
- WG 2: Transport, Energy and the Environment, by Mr Nikolajs Stepanovs, Chairman of Vidzeme Planning Region Development Council
- WG 3: Education, Tourism and Sports, by Mr Kalev Härk, Mayor of Valga Town
- WG 4: Cross-Border Labour Movement and Taxation, by Mr Ivar Unt, Head of Development and Planning Department of Valga County Government

5. Conclusions

1. Opening of the Joint Session

Mr Siim Kiisler regrets that his Latvian colleague Mr Edmunds Sprūdžs has fallen ill and cannot participate, but he is glad to welcome Ms Dace Grūberte from Latvian Ministry of Environmental Protection and Regional Development who is also co-chairing the meeting. He greets all the participants of the meeting and gives his best wishes on behalf of Estonia. He admits that the Intergovernmental Commission is not empowered to solve all the problems raised by the both sides due to the fact that a lot of solutions are out of its competence. Still, there is a need to common discussions, drawing up conclusions and elaboration of proposals.

Ms Dace Gruberte thanks the Estonian hosts for organising the work of the Commission during 2012. She also points out that there has been progress in some specific field of our cooperation. Taking into account that the work of the Commission closely relates and complements the implementation of the current Estonia-Latvia Cross-border Cooperation Programme (hereinafter – EE-LV CBC Programme), this is the right time to think over and discuss common regional priorities in terms of the next programming period of the European Structural Funds. On behalf of Latvia she wishes to make a full use of the Joint Commission's work for all the participants.

Mr Siim Kiisler makes a note on the Agenda and proposes to discuss the report of each 4 working groups after it is presented in order to have more time for exchanging the views, and to exclude a separate agenda point currently foreseen for discussions.

Mr Andres Metsoja gives an overview of Pärnu County. The county has been successful in general, but still there are some urgent issues to solve concerning development. One of the issues to be solved is vocational education. Tourism has much potential in Pärnu County and is one of the engines of development. Pärnu County has also rich nature that is attractive for tourists. The Governor wishes also a good working day for the participants and he hopes to see them again visiting the county.

2. Overview of the Intergovernmental Commission's (IGC) work in 2009-2012 and Report on the progress of the joint cooperation activities

Mr Ivar Unt, Head of Development and Planning Department of Valga County Government, gives an overview of the tasks the four working groups have solved. See also Annex 1 (Overview of the tasks).

The task of the Joint Session of the Estonian-Latvian Intergovernmental Commission of Improvement of Cross-Border Cooperation is to agree on the joint measures and activities, which help ensure the freedoms of the EU – free movement of people/labour, goods, services and capital – in the Estonian-Latvian border regions by amending or supplementing the relevant legislative acts and/or by concluding agreements between the countries. The work is divided between 4 working groups and amongst solved issues the following can be mentioned:

- Cross-border movement of ambulance services. The Agreement between Latvia and Estonia on Mutual Aid for Providing Ambulance Services in Border Areas has been signed on 24 September 2010, and the cross-border ambulance service stepped into force at the end of 2010.

- 112 (and 113 in Latvia). The emergency call centres have agreed on the procedure of redirecting emergency call to respective country.
- Finding solutions to asphalt cross-border gravel roads. Reconstruction of Karksi-Nuia–Koni road was supported by EE-LV CBC Programme; the road was opened in 2011. The decision on approval of the joint project for reconstruction of Kilingi–Nõmme-Jäärja-Ramata road was taken in May 2011. The decision of the joint strategic project for reconstruction of road Mõniste-Ape was taken in May, 2012.
- Development of Estonian-Latvian and Latvian-Estonian dictionary has also been supported by the EE-LV CBC Programme in July, 2012 as a strategic project.
- Taxation differences. The problem with the double income tax has been solved, since the amendments in the Income Law of the Republic of Latvia have been approved by the Parliament in October, 2011.

Some of the issues that are of importance and should be solved in the coming years are as follows:

- Opening of Tallinn-Riga direct passenger train service
- Implementation of free cross-border movement of patients
- Enhancing cross-border cooperation in the field of education

3. Information on implementation of the Latvian-Estonian Future Co-operation Report

- Mr Märt Loite gives his presentation on Implementation of the Latvian-Estonian Future Cooperation Report. See also Annex 2.

The Latvian-Estonian Future Cooperation Report of 2010 (hereinafter – the Report) prepared by Andris Razāns and Anvar Samost included 65 concrete suggestions for the future co-operation in 8 fields. 11 common priorities were proposed by ministries and partners from both sides. In accordance with the Report, there are several common interests defined. In December 2011, the cooperation conference was held in Tartu focusing on cooperation in higher education and research, as well as vocational education and adult training.

Mr Märt Loite gives an overview on implementation of the Report priorities: mobility and people-to-people relations (culture, health, education), cross-border infrastructure (energy and transport), cross-border area integration and use of common enablers.

Ideas for the future work / activities: importance of cross-border joint electronic services (interoperability of trust services, screening for potential pilots), Baltic Innovation Fund preparations (opportunities for companies), developments for efficient and sound electricity and gas market, Rail Baltic possible kick-start in 2014-2020, deeper cooperation of border control and customs authorities action plan for 2012-2016.

- Ms Vita Zivtīņa gives her presentation on activities on the Latvian part of the Latvian-Estonian Future Cooperation Report. See also Annex 3.

The areas of cooperation are as follows: people-to-people contacts, finance, energy, transport, foreign and security policy, cooperation within the EU, education and science, culture, tourism, Valka/Valga and the border area. Ms Vita Zivtina informs that the next conference on the Report will be organized in Riga, in December 2012 and dedicated to cooperation in the IT sector and namely: cross border services (e-service, e-commerce, e-health etc.), e-identity, e-signature, authentication, ID cards (draft Regulation on Digital Market) and cyber security. The target audience will be the following: IT sector experts, experts from the line ministries, entrepreneurs, academia.

After the presentations on the Report, the questions about issues of interest were raised.

The topic of high importance was Riga-Tallinn passenger train connection and investments to Valga-Riga railway section in Latvia.

Mr Loite admits that much attention in Estonia is on Rail Baltic direct line, but using of the existing infrastructure would enable to start this service much sooner.

Mr Moppel notes that Estonia has upgraded Tallinn-Tartu-Valga railway section to 120 km/h and new trains are ordered from 2013. The precondition for Tallinn-Riga train service along the existing railroad is that Latvia invests into repairs between Valga and Riga before 2015. TEN-T financing decision has been valid since 2008. The problem is infrastructure fees in Latvia where railway access fees are about 10 times higher. The issue of subsidies should also be solved. Estonia is ready to start Tallinn-Riga passenger train service in 2015 and the operator would be an Estonian company. A meeting to discuss the topic should take place on respective ministry level in December.

Regarding the question on the next Latvia-Estonia Future Cooperation Conference, Ms Zivtina informs that the timing is not finally decided yet, most probably it will take place in Riga on December 7. Cooperation in the field of media is also considered to be one of the important topics.

4. Results of the joint meetings of 4 thematic working groups

- The results of the Joint Meeting of **WG 1 “Social, Health Care and Rescue Services”** were presented by Mr Margus Lepik and Mr Intars Zitans. See Annex 4.

Mr Margus Lepik reports regarding tasks under point 1.1. First-aid, rescue and health service in border regions (with subdivisions: cross-border ambulance service, 112 and patients’ free cross-border movement). The tasks - cross-border movement of ambulance services, emergency call “112” had been solved already in 2010. Concerning patients’ free cross-border movement, the problem will be solved on EU level as directive 2011/24/EU has to be implemented in both countries by the 25th of October 2013.

During the next few years the WG recommends to develop a common project to renew technologies in calling centres.

It is **decided** to monitor the implementation of the task on patients’ free cross-border movement.

Mr Intars Zitans continues with the presentation on rescue service specific issues.

1.2. Realisation of the fire-fighting and rescue operations: taking into account that there is still need to consolidate the legal acts it is **decided**: the Estonian Ministry of the Interior in cooperation with the Latvian Ministry of Interior to consolidate the legislation for realisation of fire fighting and rescue operations in border areas.

1.3. Development and Equipment of Fire Stations in Border Areas: the issue of construction of Valga Rescue Station is already solved within the finalised cross-border cooperation project “Valga-Valga Joint Rescue Capacity” under EE-LV CBC Programme 2007-2013. Whereas the issue of construction of Valga fire station is in its initial stage. The project “Building Cross-border Capacity to Perform Joint Activities in Tough Environment” has been approved as a Strategic project under EE-LV CBC Programme 2007-2013.

The working group expressed the proposal to make fire safety one of priority in Latvia-Estonia cross border cooperation programme in 2014-2020.

It is decided: the responsible authorities to elaborate a justification for the need to develop and equip the fire stations along the border area and submit it to the national responsible institutions as a proposal during the discussions on future priorities for the next programming period.

1.4. Common border crossing procedures: The issue is considered to be solved as starting from April 2012 ID-cards have been implemented in Latvia.

1.5. Development of single deployment list in border areas: The task could be solved after the tasks 1.2.-1.3. are accomplished.

Regarding the task “Development of social entrepreneurship”, it is **decided:** the direct contacts between the responsible ministries (Latvian Ministry of Welfare and Estonian Ministry of Social Affairs) should be established in order to exchange information and experience for development of social entrepreneurship.

Mr Peeter Unt says that there are many requests concerning support for rescue services from Estonia-Latvia Programme in 2014-2020, but it would be complicated to fulfil these requests when taking into account the future legislative package on EU Cohesion policy.

- The results of the Joint Meeting of **WG 2 “Transport, Energy, Environment”** were presented by Mr Nikolajs Stepanovs. See Annex 5.

2.1. Tallinn-Riga passenger train service: It is **decided** to continue solving the issue, on expert level to assess the results of the study conducted by Estonian side about the railway traffic between Tallinn and Riga according to the actual situation in Latvia. Further negotiations should follow in 2 aspects: technical and financial. See also comments above under Agenda point 3 (Information on implementation of Latvian-Estonian Future Co-operation Report) comments by Mr Anti Moppel.

2.2. Availability of public transport information: It is **decided** to continue solving the issue. The cooperation between the relevant institutions under the Latvian Ministry of Transport and Estonian Ministry of Economic Affairs and Communications, responsible for maintenance of the transport information websites, should be ensured in order to establish “banners”/links to the neighbouring country’s public transport information web pages.

2.3. Asphaltting of smaller cross-border gravel roads: Kilingi-Nõmme – Jäärja – Ramata road will be completed in 2012-2013, Mõniste – Ape road reconstruction works will start in 2013. It is **decided** to continue solving the issue and to investigate the possibility to include the reconstruction of cross-

border roads as one of the cooperation priority in next EE-LV CBC Programme, evaluating also precise criteria under which the possible interference with similar activities financed under the other financial instruments could be prevented.

2.4. Restoring of cross-border bus service: It is **decided** to close the issue due the absence of the demand for such bus lines (Pärnu/Viljandi to Rūjiena/Valmiera).

2.5. Valga railway junction for the mutual EE-LV benefit: During the discussions the WG 2 supported the idea that Valga station should be commonly used by Valga and Valka. It is **decided** to continue solving the issue, on specialist level to evaluate the mutual benefit of the joint use of railway junction.

2.6. Development of transport corridors / tourist routes:

Rail Baltica: The WG was acquainted with actual information about the current development. It is **decided** to keep the issue about Rail Baltica under monitoring.

Via Hanseatica: A tourism project was approved by the Estonia-Latvia-Russia ENPI Programme, the WG **decides** to close the issue and remove it from the agenda.

2.7. Common solutions for energy supply: the WG discussed the issue of Karksi-Nuia – Tõrva – Valga/Valka main gas line. It is **decided** to continue solving the issue on the regional/municipal level and proceed with the research on the Karksi-Nuia-Tõrva-Valga/Valka pipeline extension opportunities in the territory of Latvia.

2.8. Joint planning in border areas: the WG discussed that according to the Estonian and Latvian legislation, municipalities have to agree their planning activities with their neighbouring municipalities within the country, but there is no such demand to agree with the neighbouring municipality/municipalities on the other side of the border.

It is **decided** to continue solving the issue, the responsible ministries (Latvian Ministry of Environmental Protection and Regional Development and Estonian Ministry of the Interior) should contact each other to supplement the methodical guidelines with the requirement to negotiate the municipalities' development plans with neighbouring territories on the other side of the border.

2.9. Development of cycling routes: It is **decided** to close the issue, taking into account that the best praxis from Estonia regarding the adoption and implementation of some tourism standards have been overtaken (joint Estonian-Latvian cycling route "Tour de LatEst" was created within EE-LV CBC Programme's project "ViSoEst by bike").

2.10. Coastal and maritime cross-border water transport development: Participants expressed high importance to address issues related to planning and development of transportation routes and necessary maritime and mainland infrastructure. The issue of small harbours was mainly under discussion. It is **decided** to continue solving the issue and agree on the minimum standards to guarantee coastal and maritime cross-border water transport network on both sides of the border.

2.11. Integrated Coastal Governance in Coastal Areas of Latvia and Estonia: In the beginning of 2012 EE-LV CBC Programme has approved the strategic project „Coastal and maritime spatial planning“, which aims to develop coastal areas towards better accessibility, sustainable usage of terrestrial and marine resources and mitigation of climate changes. It is decided to continue solving the issue, to merge the task 2.11. and the task 2.10.

There were questions about priorities of smaller cross-border roads to be asphalted.

Mr Kiisler says that it is unrealistic to have all the mentioned roads asphalted.

Mr Härk says that Valga-Valka border-crossing streets should also be taken into consideration.

Mr Moppel says that the Ministry of Economic Affairs and Communications is preparing a programme for roads to be supported during 2014-2020.

Ms Kammer informs that there will be a special meeting next week to discuss the prioritisation of transport infrastructure to be developed during the next financing period.

The issue of Rail Baltic was brought up again.

Mr Moppel says that the deadline for the technical pre-design for Estonia, Latvia and Lithuania is October 16. We can receive 10 million EUR support if all the three countries would be on the same level by 2015. Construction should start between 2018 and 2020. Estonian railroad has very many level crossings, which is a problem. Local authorities where Rail Baltic goes through have also tasks.

- The results of the Joint Meeting of **WG 3 “Education, Tourism and Sports”** were presented by Mr Kalev Härk. See Annex 6.

3.1. Development of Valga –Valka joint visiting centre: The aim is to open the visiting centre starting from summer 2014, nevertheless, the agreement on the principles of joint management and financing of the building in cooperation between both countries is needed latest until autumn 2013.

It is **decided** to continue with the issue, to organise a meeting for Estonian, Latvian and Lithuanian tourism coordinators, as well as representatives from local municipalities (Valga, Valka) to discuss the possibility to approve two workers from each country to work in Valga-Valka joint visiting centre starting from 2014.

3.2. Development of vocational education: On September 30, 2011 the “Memorandum of Understanding on Creating possibilities for Latvian students to study at the Valga County Vocational Education Centre” between responsible ministries has been signed. Starting from September 2012, two Latvian student groups have started their studies. Additionally, the WG on Vocational education has been established which works on practical issues. In order to solve the practical issues, the agreement on cooperation in vocational education should be signed.

It is **decided:** responsible ministries (Latvian Ministry of Education and Science and Estonian Ministry of Education and Research) to continue work in established WG in order to find the solution regarding the financing model for the studies of Latvian learners in Valga Vocational Education Centre. The responsible ministries should continue with activities to sign the “Agreement on Cooperation in Vocational Education”.

3.3. Elaboration of Latvian-Estonian and Estonian-Latvian dictionary: the **issue is considered to be solved** as the strategic project within the EE-LV CBC Programme has been approved in June 2012.

3.4. Establishment of the joint Latvian-Estonian Institute: the aim is to initiate for the University of Tartu to become a member of the joint Latvian-Estonian Institute. If the negotiations are successful the next step is to elaborate the development plan and formalize the tasks of the Institute and to make proposal for Estonia and Latvia on how to finance the Institute and further cooperation.

It is **decided** to continue solving the issue: to negotiate with the University of Tartu for its involvement in Latvian-Estonian Institute as well as to elaborate a proposal for development of the institute, and the financing plan for 2014-2017.

3.5. Estonian/Latvian language courses for borderland area inhabitants: knowing of neighbour language is very important not only in border areas, but also in a broader area (capital cities Tallinn and Riga).

It is **decided** to continue solving the issue and the next steps will be as follows: for unemployed people, Estonian/Latvian language courses should be included in official programmes supported by the state; promotion of curricula in lower and upper secondary level municipal schools; make available and adapt e-learning materials; to promote language learning opportunities (by Estonian Language Institute and Latvian Language Agency).

3.6. Development of competitive and open higher education and R&D system: during the WG it was discussed that in order to promote more region- and problem-oriented R&D studies and common projects, there is a necessity to involve municipalities, entrepreneurs and universities.

It is **decided** to continue solving the issue and the next steps will be: Latvian and Estonian local municipalities and planning regions compile the list of actual and common themes/issues and submit it as a proposal to the regional universities (Vidzeme University, Tartu University) for further analysis.

Issues to be removed or restructured:

3.6. Knowledge based business development, cooperation in scientific research and innovation – merge with 3.7. and 3.2.

3.8. Baltic Sea region cultural and economic development – to be removed from the agenda.

3.9. Mutual accounts between cross-border municipalities for educational, social and health services – to be removed from the agenda.

There was a question about the amount of the running costs for the Latvian side for Valga-Valka joint visiting centre.

Mr Härk says that the Latvian share would be about 30 000 EUR per year.

- The results of the Joint Meeting of **WG 4 “Cross-border Labour Movement and Taxation”** were presented by Mr Ivar Unt. See Annex 7.

4.1. Issues concerning non-citizens working in border areas:

After discussions in the WG, it is **decided** not to create more special favours for non-citizens but develop exchange of information between Latvian and Estonian National Employment Agencies and other public institutions about information related to the vacancies in local municipalities.

4.2. Taxation differences. The amendment in the Income Law of Latvia has been approved by the Latvian Parliament and is valid starting from October 19, 2011, thus the problem with double income tax has been solved.

Still, there is a problem with income tax of undeclared foreign citizens of Estonia and Latvia. At the moment, income taxes from these people go directly to the central budget. The WG has the following proposal: to leave this income tax, based on the place of employment of these people, to local municipalities.

It is **decided** to further explore the possibility and methodology how non-residents' income tax could be paid to the budget of the municipality in which the resident is employed.

4.3. Development of the Valga free economic zone: Both sides agree that the region needs to continue to develop Valga free zone, nevertheless, this decision is under the scope of Estonian Government. It is **decided** to continue following the developments on this issue.

There is a discussion about possibilities to use tiny parts of EU funding in border areas on the other side of the border. An example has been taken from road construction in Valga-Valka. The Latvian side constructed a new road and 20 metres of the road were in the territory of Estonia, but the Latvian partner could not use the EU funding on Estonian soil.

It is **decided** to investigate whether the issue could be solved on the governmental level, or it is regulated at the European level.

5. Conclusions

As there are no any other issues raised, Mr Siim Kiisler thanks all the participants for a good working day, especially the working groups for their work done, and closes the meeting.

Chairman:

Siim Kiisler

Co-chair:

Dace Grūberte