

Estonia-Latvia Programme 2014-2020

Description of setting baseline and target values for the result indicators of the programme

Priority 1 Active and attractive business environment

Specific objective 1.1: Increased entrepreneurial cross-border cooperation in the programme area.

Result indicator 1.1: The share of entrepreneurs and new businesses in the region, which are ready for cross-border cooperation.

For setting the baseline value of the indicator 1.1 (Indicator 1 in the survey report, page 7) 255 Estonian and 261 Latvian enterprises (not older than 3 years) from the programme area were questioned, and answers to two questions were taken into account. Namely,

- 1) *“Have you already extended your activities to markets of neighbouring countries?”*, and
- 2) *“Have you considered the option of extending your activities to the markets of neighbouring countries?”*

30% of the respondents answered that they have already extended their activities to markets of neighbouring countries and 23% said that they are planning to do so.

Thus the baseline value for the indicator 1.1 is $30\% + 23\% = 53\%$.

For setting target value of the indicator 1.1 the Joint Technical Secretariat (JTS) asked expert opinions from Research Centre Praxis in Tallinn, Enterprise Estonia, Estonian Business Chamber in Latvia, Tartu Town Government, Latvian Ministry of Economics, Investment and Development Agency of Latvia and Latvian Chamber of Commerce and Industry.

Most experts think that overall readiness for cross-border cooperation should increase, despite certain barriers (like lack of motivation, knowledge and production, or marketing capacities for extension of activities across the borders).

Based on synthesis of the expert opinions, we propose 59% as the target value for the indicator 1.1.

Specific objective 1.2: More jointly-developed products and services in the programme area.

Result indicator 1.2: The share of entrepreneurs carrying out joint product or service development.

For setting the baseline value of the indicator 1.2 (Indicator 2 in the survey report, page 24) 251 Estonian and 261 Latvian enterprises from the programme area were questioned, and answers to the following question were taken into account.

“Have you carried out joint product or service development with Estonian/Latvian companies?”

14% of the respondents answered to the question positively, thus the baseline value for the indicator 1.2 is 14%.

For setting target value of the indicator 1.2 the JTS asked expert opinions from the same organisations as for indicator 1.1.

Most experts think that there is considerable potential for more joint product and service development between Estonian and Latvian companies.

Based on synthesis of the expert opinions, we propose 19% as the target value for the indicator 1.2.

Priority 2 Clean and valued living environment

Specific objective 2.1: More diversified and sustainable use of natural and cultural heritage.

Result indicator 2.1: The number of visitors at cultural and natural heritage sites.

For setting the baseline value of the indicator 2.1 (Excel file with information about visits to Estonian and Latvian cultural and natural heritage sites in 2013) the JTS asked advice and information from national tourism development organisations and planning regions, and also carried out additional research. The first task was to define a sample list of cultural and natural heritage sites in the programme area. The second task was finding out, whether the number of visitors is counted at the sites and what was the total number of visitors at these sites in 2013?

In total we received visitor information about 187 sites with a total number of visitors in 2013 being 3 103 576. This figure is the baseline value of the indicator 2.1.

For setting target value of the indicator 2.1 the JTS asked expert opinions from Pärnu College of the University of Tartu, University of Tartu, Tourism Development Centre of Enterprise Estonia, Latvian Ministry of Economics, Kurzeme Tourism Association, Vidzeme Tourism Association, Vidzeme University of Applied Sciences, Latvian Country Tourism Association, Latvian Association of large cities and Sustainable Tourism Cluster in Latvia.

Most experts agree with the World Tourism Organisation's average tourist growth forecast (ca 2% a year). In general there is observed tendency of growing number of foreign tourists and also local residents are willing to travel more.

Based on synthesis of the expert opinions, we propose 3 786 000 as the target value for the indicator 2.1.

Specific objective 2.2: Increased awareness of energy saving, sorting waste and re-use, and the more efficient management of common water resources.

Result indicator 2.2.1: Awareness of people in terms of resource efficiency.

For setting baseline value of the indicator 2.2.1 (Indicator 3 in the survey report, page 45) 1026 Estonians and 1029 Latvians from the programme area were questioned, and answers to the following questions were taken into account.

1) *"How do you assess your awareness about energy saving?"*

2) *“How do you assess your awareness about sorting of waste?”*

3) *“How do you assess your awareness about recycling?”*

41% of the respondents answered that they are very familiar with the topic of energy saving. In case of question about sorting of waste the figure was 53% and in case of recycling it was 34%. The baseline of the indicator 2.2.1 is calculated as an average awareness level of these three topics. Thus the baseline value for the indicator 2.2.1 is $(41\% + 53\% + 34\%)/3 = 43\%$.

For setting target value of the indicator 2.2.1 the JTS asked expert opinions from Estonian Environmental Board, Tartu Environmental Education Centre, Estonian Fund for Nature, Baltic Environmental Forum, Kurzeme Planning Region and Latvian Association of Local and Regional governments.

In general experts support increase of the indicator value, as all three abovementioned topics are of growing concern in both countries and also targeted by national policies.

Based on synthesis of the expert opinions, we propose 53% as the target value for the indicator 2.2.1.

Result indicator 2.2.2: Cooperation intensity between institutions in the management of water bodies and coastal areas

For setting baseline value of the indicator 2.2.2 (Indicator 4 in the survey report, page 80) 12 Estonian and 10 Latvian institutions were questioned, who deal with management of cross-border waters and coastal areas in the Estonian-Latvian border area, and answer to the following question was taken into account.

“How would you assess the cooperation intensity with Estonian/Latvian institutions on management of water bodies and coastal areas at the moment?”

36% of the respondents chose the option “Regular cooperation, including regular information exchange, regular meetings and experience exchange trips or joint trainings every now and then”. Thus the baseline value for the indicator 2.2.2 is 36%.

For setting target value of the indicator 2.2.2 we took as the same survey, and answers to the question:

“What could be the ideal cooperation intensity with Estonian/Latvian institutions on management of water bodies and coastal areas at the moment?”

77% of the respondents chose the option “Regular cooperation, including regular information exchange, regular meetings and experience exchange trips or joint trainings every now and then”. As it is unrealistic that within next 8-9 years ideal situation could be achieved, we propose to set 59% as the target value of the indicator 2.2.2.

Specific objective 2.3: More integrated Valga -Valka central urban area.

Result indicator 2.3.1: The share of inhabitants of Valga and Valka recognising Valga-Valka as a joint town.

For setting the baseline value of the indicator 200 inhabitants of Valga and 200 inhabitants of Valka were questioned and answers to the following question were taken into account.

- 1) *“Please evaluate on a 5-point scale, to what extent have Valga and Valka cities formed one joint town?”*

4% of the respondents chose option “5” that stood for “Valga and Valka form one joint town today” and 17% of the respondents chose “4” that stood for “Valga and Valka rather form one joint town with a few things apart”. The baseline of the indicator is calculated as a sum of these two groups of respondents: 4% +17% = 21%.

For setting target value of the indicator the JTS asked expert opinions from Valga and Valka town governments.

In general experts support increase of the indicator value, as Valga and Valka are planning several joint actions towards greater level of merging of towns. At the same time they stressed that creation of the joint central urban area has to be accompanied with other practical steps in daily life of both towns to see increase of the result indicator value.

Based on synthesis of the expert opinions, we propose 28% as the target value for the indicator.

Priority 3 Better network of harbours

Specific objective 3: An improved network of small harbours with good levels of service.

Result indicator 3: The number of visiting vessels at small harbours.

For setting the baseline value of the indicator 3 (Excel file with information about visiting vessels at Estonian and Latvian harbours in 2013) the JTS asked advice and information from respective national organisations and planning regions, and also carried out additional research. The first task was to define a sample list of small harbours in the programme area. The second task was finding out, whether the number of vessels is counted at the harbours and what was the total number of visiting vessels at these harbours in 2013?

In total we received information about 27 harbours with a total number of visiting vessels in 2013 being 6 420. This figure is the baseline value of the indicator 3.

For setting target value of the indicator 3 the JTS asked expert opinions from Regional Development Centre of Enterprise Estonia, Development Centre of Estonian Small Harbours, Estonian Ministry of Economic Affairs and Communications, Latvian Ministry of Transport, Latvian Association of Small Harbours and Kurzeme Planning Region.

Most experts are of the opinion that the total number of visiting vessels will increase due to investments in infrastructure and development of small harbours on the coastline of Estonia and Latvia, which should attract both foreign and local visitors, and the growing number of Estonian and Latvian vessel owners.

Based on synthesis of the expert opinions, we propose 15 000 vessels as the target value for the indicator 3.

Priority 4 Integrated labour market

Specific objective 4: Improved conditions for accessing jobs across the border.

Result indicator 4: Work commuters crossing the border

For setting the baseline value of the indicator 4 (Excel file with information about Estonian and Latvian labour commuters, two maps and a translation of the map texts) the JTS asked help from the company Positium, as no state, regional or local authority had reliable comprehensive data about the number of labour commuters crossing the Estonian-Latvian border. Several experts (including ex-ante evaluators) recommended the JTS to use a survey based on the tracking of mobile phones to have the best possible estimate for the indicator. The results of the survey show that on average 2294 persons regularly crossed the Estonian-Latvian border in 2013. In addition there are groups of people, who cannot be tracked by such survey. Those include:

- 1) people, who work on the other side of the border, but do not exit the coverage area of their mobile operators (e.g. Latvians working in Valga, but staying in LMT coverage area);
- 2) people, who switch between Estonian and Latvian operators (e.g. Estonians working in Riga, who use only the phone card of a Latvian operator, while in Latvia);
- 3) people, who do not have mobile phones.

In order to take into account also those people, we multiply the survey figure by 1.2. Thus the baseline value of the indicator 4 is $2294 * 1.2 = 2753$ persons.

For setting target value of the indicator 4 the JTS asked expert opinions from EURES Estonia, Estonian Ministry of the Interior, Valga Town Government, EURES Latvia, Latvian State Employment Agency, University of Latvia, Latvian Ministry of Economics, Latvian Ministry of Education and Science, Centre for Public Policy PROVIDUS in Riga and Valka Municipality.

Most experts think that overall tendency for labour commuters crossing the border will slightly increase, because of free movement of labour force between both countries. As technological developments will probably make distance work more popular and demographic forecasts indicate a decline in the total number of working age population, the increase will be rather moderate.

Based on synthesis of the expert opinions, we propose 3100 persons as the target value for the indicator 4.

Specific objective	Result Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
Priority 1 - ACTIVE AND ATTRACTIVE BUSINESS ENVIRONMENT							
1.1	The share of entrepreneurs and new businesses in the region, which are ready for cross-border cooperation	%	53%	2014	59%	Survey and information from business experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
1.2	The share of entrepreneurs carrying out joint product or service development	%	14%	2014	19%	Survey and information from business experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
Priority 2 - CLEAN AND VALUED LIVING ENVIRONMENT							
2.1	The number of visitors at cultural and natural heritage sites	Number of visitors	3103576	2013	3 786000	Survey and information from tourism experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
2.2	Awareness of people in terms of resource efficiency	% of persons being very familiar with targeted topics	43%	2014	53%	Survey and information from environment experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
2.2	Cooperation intensity between institutions in the management of water bodies and coastal areas	% of respective institutions carrying out regular cooperation	36%	2014	59%	Survey about the existing water management practices	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
2.3	The share of inhabitants of Valga and Valka recognising Valga-Valka as a joint town.	%	21%	2015	28%	Survey and information from Valga and Valka town governments	Assessment at the beginning (2015), in the middle (2018, 2020) and at the end of the Programme (2023)
Priority 3 - BETTER NETWORK OF HARBOURS							
3	The number of visiting vessels at small harbours.	Number of vessels	6 420	2013	15 000	Survey and information from harbour experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)
Priority 4 - INTEGRATED LABOUR MARKET							
4	Work commuters crossing the border	Number of persons	2753	2013	3 100	Survey and information from employment experts	Assessment at the beginning (2014), in the middle (2018, 2020) and at the end of the Programme (2023)