

7 CONCLUSION

7.1 Introduction

This document is the last stage in an SEA process that has taken over a year. The Programme will run for seven years and Structural Funding is unlikely to be available to Scotland post-2013. It was therefore seen as crucial to take time developing the Programme and ensure that funding is directed towards the right kind of activities.

The Statement will be available for public viewing along with copies of the final adopted Operational Programme 2007-2013 and the original Environmental Report. Copies will also be sent to the Consultation Authorities.

This SEA has played an important role in changing and improving the Operational Programme and although the formal process ends with this Statement the process of implementing recommendations and improving the environmental performance of the Scottish Executive's activities will be ongoing.

Table 7: Proposed Indicators and Final Indicators

Proposed Indicator	Measure	Details		
Programme Indicators – ongoing data collection				
<ul style="list-style-type: none">Area rehabilitatedNumber of energy-saving and resource-efficiency projectsNumber of businesses implementing Environmental Management SystemsNumber of renewable energy projects	<ul style="list-style-type: none">Ha / m³CountCountCount	This data will be collected through the project application process.		
Mid Term Evaluation Indicators – data collection in 2010-2011				
<ul style="list-style-type: none">Greenhouse emissions CO2 and equivalentsNumber of premises / floor space refurbished / constructed to BREEAM standardsPercentage of waste reduced or materials recycledHectares of derelict/vacant land reusedNumber of projects ensuring sustainability and improving the attractiveness of towns and citiesArea of contaminated land remediated	<ul style="list-style-type: none">TonnesCount / m³%Ha / m³CountHa / m³		This information will be collected as part of the mid-term Programme evaluation through a combination of reviewing applications, project descriptions and direct contact with applicants and delivery agencies (interviews and case studies).	
Notes: These proposed indicators, to some extent, encompass the following environmental topics: biodiversity, pollution, land use, soils, landscape, cultural heritage, materials and climate change.				

6.1 Introduction

The final requirement detailed in the Act is for the Statement to detail the measures that are to be taken to monitor the significant environmental effects of the implementation of the Operational Programme. Based on the legislation and on current Guidance, monitoring must include measures which enable the Executive to:

- Monitor the significant environmental effects of the implementation of the Programme;
- Identify unforeseen adverse effects at an early stage and allow appropriate remedial action to be taken; and
- Adopt good practice ensuring that monitoring:
 - Fits a pre-defined purpose / is practical / is customised to the Programme;
 - Is oriented towards problem solving and addresses key issues;
 - Is transparent and readily accessible to the public;
 - Is seen as a learning process relating to the collation of the environmental baseline.

6.2 Requirements of Monitoring

SEA monitoring is supposed to have two effects: firstly, it should monitor the impact of the Programme on the environment; secondly, it should monitor the environment in a more general sense, so that any unforeseen impacts of the Programme are also picked up.

SEA specifically does not require the Responsible Authority to gather any new monitoring information. On the other hand, it does require monitoring for unforeseen circumstances. This presents an immediate problem, as it will be extremely difficult to establish a causal link between the activities supported by the Programme and the evolution of trends in the wider Scottish Lowlands and Uplands environment.

It is only really possible to monitor the direct impact of supported projects and to gauge the relevance of these measurements in the light of larger environmental trends. Also, given the strategic nature of the Programme and the wide range of projects and activities which will be supported, it is not possible to quantify all the environmental impacts in advance. It will not be possible even to quantify them after the fact unless detailed quantitative monitoring of relevant environmental criteria is carried out.

As part of the Environmental Report a number of key indicators were therefore proposed which the Executive could look to monitor. These were developed based on consideration of the topics which are required under SEA, the specifics of the Programme and the relevant environmental baseline, issues, problems and trends identified during the assessment process.

6.3 Proposed Monitoring

The Executive has to monitor how European funding is spent in Scotland. This is primarily focused on economic and social outputs which are set for each of the priorities and sub-objectives. In the 2000-2006 Programme there was also an evaluation of the level to which sustainability had been integrated. Due to a lack of data and collection issues this ended up being more of a qualitative than quantitative study.

The Executive wish to build on this and based round the requirements of SEA undertake more quantitative environmental monitoring of the Programme. Elements of the Programme have still to be established and over the next few months the Executive will develop a detailed delivery framework which will include a monitoring schedule. This will not just be for the purposes of SEA but also to fulfil wider EU sustainability requirements. **Table 7** overleaf presents the currently proposed set of indicators.

5 ALTERNATIVES

5.1 Introduction

Section 18(3)(e) of the Act requires the Statement to detail the reasons for choosing the Operational Programme as adopted, in the light of other reasonable alternatives. The full alternative appraisal is detailed in the Environmental Report a summary is provided here for the purposes of the Statement.

5.2 Alternative Appraisal

In the case of the ERDF Operational Programme, the assessment of strategic level alternatives was extremely limited as much of the Programme's development is strongly led by economic requirements and constraints already established at the international and national level. The RSPB were the only respondents who raised questions on alternatives and this is addressed in **table 5**. All three statutory Consultation Authorities felt that the issue of alternatives had been dealt with sufficiently in the Environmental Report.

The scope and range of activities which the Programme can support is heavily constrained by European Regulations and the national economic development agenda. One of the key documents in this respect is the *National Strategic Reference Framework*. This sets out the types of activities which should be supported within Scotland e.g. research and development, innovation, entrepreneurship, business development etc.

In addition, the Programme has not been developed in isolation but builds on previous rounds of Structural Funding, most notably the 2000-2006 ERDF Operational Programme. In many cases the Programme seeks to build on previous activities to maintain momentum and impact.

Finally, the proposed Programme will also have considerably reduced funding in comparison to previous years, approximately £35M per year for the whole Programme. With reduced funding, the Executive has decided it is critical that the Funds are concentrated.

For the purposes of the SEA, reasonable alternatives were defined as: broad delivery options considered early in the Programme preparation; and small differences in the detailed wording of priorities and sub-objectives. These were assessed in the Environmental Report.

For broad delivery options, the reasons for discounting alternatives and some environmental benefits of the options chosen are reiterated below:

Table 6: Reasons for Discounting Alternatives

Alternative	Comments
'Hard' Support <ul style="list-style-type: none">capital intensive, physical infrastructure	This has been the focus of previous ERDF Programmes. Many large infrastructure projects have now been completed. This approach is no longer appropriate, especially within the context of reduced funding.
No Targeting <ul style="list-style-type: none">even spread of funding across the region	Targeting is essential for adding value e.g. funding aimed at the remediation of contaminated land is best targeted at areas with the most contaminated. Similarly proposals that indirectly aim to reduce congestion on the roads would be best targeted at areas with existing problems.
Standard Development <ul style="list-style-type: none">generic schemes and support for existing projects	The Programme is looking to specifically assist innovation and high value enterprises many of these directly relate to areas and sectors which are beginning to use the environment as economic driver - e.g. renewables and resource efficiency etc. Therefore targeting funding to these areas would help maximise the positive environmental impact.
Assistance for all Sectors <ul style="list-style-type: none">general assistance for all business sectors	Sector targeting within the Programme specifically looks to assist key sectors offering both economic and environmental benefits, such as renewables. Considerably less support would be available to these types of businesses if the assistance were spread across all sectors. To maximise the environmental benefits, specific sectors should be targeted which would offer the best environmental return for the limit funding available.

be supported and should be rejected by selection criteria. Certainly they ought to be more consideration of appropriate ways of mitigating the possible effects on climate change that could arise from the OP. There are also a number of mitigation measures that appear in the environmental baseline section and Appendix A that do not get repeated in the mitigation section. The detailed mitigation measures set out in Appendix A should be inclusive and the final SEA Statement should clearly set out how each of these has been adopted. Ideally each mitigation measure should be set against its particular issue/impact and supported by a signed up Lead Authority.

Monitoring

The indicator set for the SEA monitoring programme appears comprehensive. However, for the results of any such monitoring to have meaning they must be put into context. For instance, the number of renewable energy projects supported must be seen in the context of a suitable target. It is also not clear how the data for this monitoring set will be collected. In addition to the indicators listed in this section it would be valuable to record the number of supported applications that meet the criteria described in section 6.3. The Environmental Report refers to some indicators that have been developed for the ERDF Programme as a whole. It would be useful to see these and the reporting timescale that they will be collected according to.

Targets have as yet, not been set for environmental aspects such as renewable energy output. Mechanisms for data collection are still being developed but it is likely that there will be some responsibility on the part of the applicant for reporting. The Programme wide indicators referenced in the environmental report are detailed in a separate monitoring report produced by DTZ.

OP there is no summary description of the trends, problems and issues relating to the environment. The table could also refer to SEPA's State of the Environment Report that described the condition of Scotland's biodiversity as poor.

In the section on climate change (4.11) the report should provide a more detailed description of the implications of climate change on the region and set out how the OP should address these. Climate change is the most important threat to Scotland's people and environment and the OP should play its part in contributing to the Climate Change Programme.

RSPB Scotland is satisfied with the issues identified as being scoped out of the SEA by and welcomes the inclusion of "*Protect and enhance biodiversity*" as an SEA Objective. However, the criteria for assessment should include "not contribute to the loss of biodiversity". In addition the criteria *support projects that meet biodiversity aims* should be changed to read *support projects that enhance biodiversity and contribute to the Scottish Executive's target to halt biodiversity by 2010*.

Assessment of Environmental Effects and Proposed Mitigation

There is actually very little detail of the assessment findings provided in Section 6. There is no easy to follow summary of the environmental impacts to support stakeholders in making their response. The report is also weakened by the absence of any consideration of cumulative impacts arising from the OP. Section 6 ought to highlight the importance of compliance with the Biodiversity Duty under the Nature Conservation (Scotland) Act 2004. The OP could have a positive effect on biodiversity and the environment more widely and the potential for this ought to be described and maximised.

In the consideration of programme delivery alternatives set out in Section 6.2 it would have been good to see an explanation for not adopting an alternative programme that more explicitly reflects the threat of climate change. This would have prompted the development of an OP that set out to be carbon neutral.

Section 6.3 *Suggested Mitigation Measures* has been written with for the purposes of the equal opportunities horizontal theme and not the sustainable development one.

While the detailed mitigation measures set out in Appendix A are important they are not as comprehensive as those suggested as part of the H&Is SEA. In some cases the suggested mitigation measure is too weak. For instance, it is not appropriate to simply *discourage* development away from designated sites. If the OP is to be effective in delivering its sustainable development theme such developments cannot

The Executive do not accept that more detailed analysis of the impact of climate change on the region is required for the OP, as the Environmental Report makes clear that the additional impact of the Programme in match-funding existing policies does not warrant such an analysis. Nevertheless, mitigation measures have been set out and will be pursued.

The strong priority place on meeting Lisbon agenda goals in this Programme precludes any significant support to promote biodiversity objectives unless explicitly linked to Lisbon economic development goals. The aim of the Programme in this area has consequently been defined as protecting biodiversity from any adverse effects and supporting biodiversity goals in individual projects, but only where appropriate.

The points are noted for future SEAs. On biodiversity, the point made above applies.

The purpose of alternative assessment in SEA is to consider the relative environmental merits of options that were actually considered. Whilst a carbon neutral programme would have considerable environmental potential, this was never a realistic option considered by the Executive. Assessment of this would have been an academic exercise.

This is a mistake on the author's part and is acknowledged. The same measures will be applied to both horizontal themes.

Mitigation measures are set out in this Statement for taking forward under the recommendations. As already noted, a common and consistent approach with the H&I Programme mitigation measures will be adopted.

Statement.

Non-Technical Summary

This section is particularly unclear in its summary of the effects of the OP. In particular, it is difficult to identify the findings of the assessment and the headline mitigation measures. This summary also suggests that the OP will identify sites and the fact this has yet to happen limits the efficacy of the SEA. It is RSPB Scotland's understanding that the OP will include particular priorities for geographic areas but not actually identify sites. The SEA Statement should clarify this situation and present a new summary setting out clearly the expected effects and suitable mitigation measures along with the intended monitoring methods.

Introduction

This section would have been improved if it had set out how the comments of the Consultation Authorities at the Scoping stage had been taken into account by the Responsible Authority.

ERDF Programme

This section provides a good overview of the OP.

RSPB Scotland welcomes the inclusion of the Scottish Biodiversity Strategy (SBS) under Section 3.2. The table describing the relationship between the OP and the SBS should highlight the importance of our designated site network. The relationship with other plans should and highlight the forthcoming Energy Efficiency Strategy.

The inclusion of the Gothenburg Strategy is particularly welcome, however the SEA could have made a more complete assessment of how the ERDF programme will meet this strategy. In particular, it could have attempted to highlight the potential for sustainable projects that fall out with the Lisbon earmarked 75%.

Environmental Baseline

The baseline environmental data provides a sound description of the environmental context to the OP. However, this section repeats the fact that the SEA ought to be reviewed once the OP has been finalised and sites have been identified. As stated above it is not RSPB Scotland's understanding that individual sites will be identified in the OP, equally importantly the SEA must inform the production of the OP rather than provide a comment on the finished product as is suggested under 4.2. The section on SSSIs should describe the percentage in favourable condition as is done in the Environmental Report for the H&Is. The associated appendix describes all SACs as candidate sites, this is not the case, there are a number of full SAC sites in the region. The table under 4.6 should be corrected to show that two national parks fall within the area. There are some inaccuracies in the figures presented in Table 11, for instance the number of stable species is 44 rather than 56. Unlike the H&Is

The Executive feels that the summary sets out the key issues sufficiently, although the points are noted for future SEAs. On the issue of sites, it is confirmed that it is geographical areas rather than sites which will be prioritised in the Programme, although this decision had not been made at the time of writing the Environmental Report.

It is agreed that this approach would have been useful to demonstrate that scoping comments were incorporated. This recommendation will be borne in mind for future SEAs.

No action required.

These comments are noted for future SEAs.

This comment is noted for future SEAs.

The point about sites and areas has been addressed above.

renewable energy technologies the assessment needs to include measures to minimise any negative or cumulative effects on local environments of renewable energy projects

6.3 Suggested Mitigation Options

We welcome the Programme's commitment to mainstreaming environmental sustainability. In addition to the main mitigation measures that the Programme will incorporate, the Report suggests some key criteria that could be considered when deciding whether a project should receive funding. These suggestions are very positive and we encourage their adoption in the final Programme documentation.

Those additional measures which have been adopted are detailed in **section 3** of this Statement.

Summary

RSPB Scotland welcomes the opportunity to comment on this Environmental Report. Structural Funds offer a valuable opportunity to secure a productive economy by investing in our environment.

No action required.

RSPB Scotland recognises that the nature of the Programme is such that many of its impacts are uncertain. This uncertainty set against the European requirement for ERDF monies to be used sustainably, places considerable priority on the application of strong environmental criteria in the application process.

The Programme will contain environmental criteria as part of the application process and where relevant will place environmental conditions on support for projects of a certain type and size

The Environmental Report should provide a clear description of the likely environmental effects identified through the assessment, the mitigation methods required to address these and suitable alternatives. A combination of vague and inconsistent language makes the Report unclear in places and challenges stakeholders to confidently identify the assessment results. The Report could have been improved by simply providing each table with a title and reference number.

These comments are noted and will be taken into account in future SEAs.

Despite containing the various sections RSPB Scotland would hope to see in an Environmental Report, the structure differs markedly from the presentation used for the H&Is SEA. It would have been preferable if both Reports had followed the structure set out for the H&Is OP.

The two SEAs were deliberately prepared by separate consultants on behalf of the Executive. This has resulted in unavoidable differences in approach. It is noted for future SEAs that the Highlands and Islands structure was preferred.

When finalising the OP the Responsible Authority is required to take into account the findings of the Environmental Report and the comments provided during its consultation. We look forward to seeing how these points have been addressed in a SEA Statement.

This is the purpose of this document.

Despite describing numerous possible effects, it is noticeable that the Environmental Report does not provide any recommendations on how the Operational Programme should be improved. This would have made a valuable contribution to the process of producing the Operational Programme and guided the production of the SEA

The Environmental Report does contain some recommendations for improvements to the Programme; specifically with regard the assessment matrices in the appendices.

Royal Society for the
Protection of Birds

The Scottish Ministers (Historic Scotland)	<p>General Comments</p> <p>Thank you for consulting Historic Scotland on the Environmental Report prepared for the environmental assessment of the Lowlands and Uplands ERDF Operational Programme 2007-2013, received by the Scottish Executive SEA Gateway on the 29 November 2006. In this case we have no comments to offer on the report.</p>	No action required.
Scottish Natural Heritage	<p>General</p> <p>Subject to specific comments set out in the annex to this letter, we consider the Environmental Report is comprehensive and makes a fair assessment of most of the potential environmental impacts of the Operational Programme (OP).</p> <p>The Environmental Report (ER) concludes that the OP will not have any significant negative environmental impacts. This is difficult to confirm due to the size of the programme area and the uncertainty of what will comprise the final programme. We agree with the recommendation that once the programme is finalised, more relevant assessment should be carried out.</p> <p>The horizontal theme of environmental sustainability is identified in the ER as being important for the Programme in limiting potential negative impacts. We agree that the way in which the horizontal themes are incorporated into the programme will be critical if the Programme is to avoid negative environmental impacts associated with individual projects.</p> <p>We are content that the report in general addresses the comments that we made on the Scoping Report (2 June 2006).</p> <p>4.6.1 Sites of Special Scientific Interest</p> <p>We gather data on the condition of designated sites. In order to assess the potential impact of the Programme on designated sites, it would be useful to include condition status of designated sites in the environmental baseline.</p> <p>4.6.3 Species Baseline</p> <p>We note that the information provided on species relates to the whole of Scotland. We recommend that the baseline information should relate to the LUPS region so that the impact of the programme can be more effectively evaluated.</p> <p>6.1 Summary Assessment</p> <p>The summary assessment needs to consider the potential negative impacts on landscape and biodiversity associated with development of renewable energy.</p> <p>Appendix A: Assessment Matrices</p> <p>Reduce the contribution to climate change: Whilst supporting the application of</p>	<p>No action required.</p> <p>The Executive do not feel that significant additional work is needed to assess the potential environmental impacts of the Programme, for the reasons set out in the Environmental Report, but it intends to introduce an evaluation of the Programme's environmental sustainability actions at an appropriate juncture in the Programme's lifetime.</p> <p>No action required.</p> <p>No action required.</p> <p>This is noted for future SEAs. Where relevant for the development of environmental criteria and Programme monitoring site condition data may be collated.</p> <p>This is noted for future SEAs. Where relevant for the development of environmental criteria and Programme monitoring more area-specific data may be collated.</p> <p>This is noted for future SEAs. The Executive considers that the treatment of this issue in the H&I Environmental Report applies here and will act in the same way for the L&U Programme.</p> <p>As above, this was noted in the H&I report and will apply in the same way to the Lowlands and Uplands.</p>

With this in mind, this section would benefit from two additions to assist its clarity and coverage:

- Firstly, and as noted earlier, there are a number of mitigation measures which are highlighted elsewhere in the document (notably the baseline chapter, but also in Appendix A) but which do not make it into the mitigation section. This should be addressed and a clear, comprehensive list of mitigation actions identified.
- To assist in this, a second addition is proposed: It would be extremely helpful to set out all mitigation measures in a way that clearly identified the measures required, when they would be required and who will be required to implement them. Without such an approach, it can be difficult to tease out the measures required and does not make any commitment that such measures are indeed put in place. A summary table along these lines could be included as part of the preparation of the SEA Statement prior to the ERDF OP's adoption. The type of approach you *may* wish to consider might be along the lines of the table suggested below:

Issue / Impact Identified in ER	Mitigation Measure	Lead Authority	Proposed Timescale
(e.g.) Need to ensure env issues are considered when funding applications are received and decisions made on them.	(e.g.) Provision of checklists for funding application assessors. This checklist to be incorporated into guidance and must ensure that environmental issues are fully evaluated as part of decision making on all applications for funding under the OP	LU ERDF OP Implementation Body (ESEP Ltd)	Insert as required

Section 6 – Monitoring

SEPA welcomes the proposals in Chapter 7 for monitoring through the life of the 2007-13 Programme. The indicators in particular are useful and cover most areas of the plan's influence. SEPA does question how data may be collected some of these indicators and it would be useful to ascertain this. It is presumed that data will be collected through the application and project monitoring process.

Omissions

A significant omission from the Environmental Report in SEPA's view is the lack of any recommendations as to how the Strategy itself could or should change. Many of the mitigation measures are for post adoption, but there may be changes which could be made to OP also which could assist protection and enhancement of the environment.

This is noted for future SEAs. The mitigation actions are set out in this Statement. In most respects, they will be common and consistent across both ERDF Programmes.

Suggestions on format and approach are welcomed. The key proposed mitigation measures are detailed in **section 3.3** of this Statement.

Monitoring proposals are detailed in **section 6**. Much of the desired information will be collected through the application process i.e. be a condition of funding, and through standard project monitoring required under the Programme such as the Mid Term Evaluation.

The Environmental Report examined the range of alternatives for the OP strategy and set out the rationale for the selection of objectives and actions taken. No other changes are anticipated with respect to the strategy, though a number of mitigation measures will be implemented, as set out in this document.

SEA Objectives

SEPA notes that its suggestions for tightening the wording of some of the objectives have not been taken forward. This is the prerogative of the Responsible Authority. SEPA has no comments on the objectives used other than the fact that they are referred to as both SEA objectives and environmental objectives. Given the potential for confusion, consistent use of a single term is preferred.

This point is noted for future SEAs.

Assessment Findings

This section does not provide an easy to find or easy to understand summary of the key environmental effects which may arise from the programme. The effects are rather lost in the summary in 6.1 or in the matrices in Appendix A. It would have been more helpful both to SEPA as a consultation authority, but also to both the wider public and the plan-maker if the potential effects were much more clearly identified.

These points will be noted for future SEAs.

The matrices are generally quite good at describing effects and are very good at identifying possible mitigation measures connected with each SEA topic, but a simple summary of the key findings would assist greatly.

There is little or no reference regarding the anticipated timescale of the effects. While this reflects the uncertainty regarding projects that will come forward under the programme, it would, where possible, be helpful to have some temporal reference. Similarly, there is no reference to other types of effects such as cumulative effects. Again, SEPA understand the difficulties in being able to address this given the uncertainties about what projects will be sponsored by the OP.

As noted, the Programme is a strategic document which means it was not really possible to comment on these issues in any meaningful way.

Mitigation

In general, the section on mitigation makes some attempts to address potentially adverse effects which have been identified. It is though not as clear as it could be and in 6.3 focuses on equal opportunities rather than environmental effects. While the three headings of capacity, selection and management are appropriate mitigation techniques, the supporting text should relate to their use in ensuring environmental effects are avoided. It would appear that this has been copied and pasted incorrectly and without appropriate thought.

These comments are accepted. This is a mistake on the author's part and is acknowledged. The same measures will be applied to both horizontal themes and this should have been picked up and written specifically about environmental sustainability, not equal opportunities

As noted in our Scoping response, SEPA is of the view that the key matter to address is putting into place effective delivery and decision making mechanisms that take full account of environmental considerations when implementing the programme and deciding upon which projects are funded. The Environmental Report recognises this and this is welcomed. SEPA would be pleased to be involved in the development of these processes as the Programme is taken forward.

The application of environmental criteria will be included in the delivery of the Programme (refer to **section 3.3**). In addition, as a 'Competent Environmental Authority' for the purposes of ERDF in the region, SEPA will be involved in the ongoing development of aspects of the Programme.

been helpful in the section on water. Widespread use of private drainage facilities can lead to future pollution problems where such facilities are not maintained correctly. Such matters are picked up through planning and application of the Controlled Activities (Scotland) Regulations 2005, however some reference to available capacity for new rural development would provide some context.

- There is no information in the baseline regarding flood risk in the area. Although we recognise that it is not appropriate for the Environmental Report to comment on flood risk at a detailed level, some indication of flooding characteristics and trends would be helpful. You should be aware that flood maps outlining flood risk across Scotland are now available at www.sepa.org.uk/flooding/mapping/index.htm. These maps should be used to influence decisions about projects where flood risk may be an issue.
- In the chapter on climate change, SEPA would have expected more information about the implications for the area covered by the OP and in particular about what the Programme can do to play its part. Climate change is one of the most important environmental issues facing Scotland and it is very important that the Programme plays its part in contributing to the challenging targets that have been set in Scotland's Climate Change Programme. You should be aware that SNIFFER recently published its handbook of climate trends across Scotland which provides data setting out recorded climate patterns from 1961 to 2005. This is available at: www.sniffer.org.uk/climatehandbook/. Reference to the challenges of climate change adaptation and the role the OP could play in this would also be helpful.
- There is no reference to waste within the environmental baseline despite this being covered in an SEA objective used for the assessment. This is an area that the OP can have significant influence over in terms of its priorities for waste minimisation, business efficiency etc and SEPA would have expected this to be included – e.g. what are the rates of business waste, what are the trends, how much business waste is recycled etc.
- Within the description of the environmental baseline, there are suggestions of mitigation actions which are not referred to in the mitigation chapter. For example, 4.11.8 provides some thoughts on resource efficiency and renewable energy, 4.6.1 refers to the need to consider designated sites in more detail as projects are considered, and 4.9.3 talks about ensuring all new developments funded by the OP include SUDs. All of these are recommendations for implementing the plan which should be made more explicit and certainly identified in the suite of mitigation measures.

process.

These were not available at the time of writing for the Environmental Report but will be used to inform decisions where flooding may be an issue.

Again, the specific report mentioned was not available at the time of writing the Environmental Report but will be used as reference material during the project application and selection process within the Programme. This process will consider both the impacts of climate change on projects e.g. the potential for adaptation, as well as projects' contribution to climate change.

This is an omission on the part of the authors. A key element of the Programme will be business resource efficiency.

This noted for future SEAs.

have been taken into account is provided in 3 below. You may wish to consider this in respect of future work.

The section on alternatives is useful in introducing the options available, but is perhaps better located slightly later in the document.

The table in 1.5 is quite helpful, although it would be helpful to have explained what the ex-ante evaluation is and how this relates to the preparation of the Operational Programme. A certain amount of knowledge about the Structural Funds has been assumed, but which may not be possessed by some readers.

The ERDF Programme

This Chapter provides a clear summary of the Lowlands and Uplands Operational Programme and its priorities. Indeed, a summarised version of this would have been most helpful for the non technical summary.

One matter that is not clear is how the Lowlands and Uplands area will be prioritised. It is SEPA's understanding that given the level of funding available and the wide geographic scope of the area that some spatial prioritisation would be part of the OP. It is not clear if such decisions have been made and, if they have, it is certainly not clear how these have been reflected in the Environmental Report. If it is intended to focus delivery of the OP on priority areas, then this really should be factored into the assessment process.

Two further minor points for clarity are: (1) the priorities set out in 2.4 would appear to be often referred to as "objectives" which is confusing; and (2) RTD is not defined.

Other Relevant Plans and Programmes

SEPA notes that you have only referred to those other plans and programmes which are most relevant to the Operational Programme. This is appropriate given the wide scope and geographic scale of the programme.

Section 4 – Environmental Baseline

Chapter 4 provides a summary of the environmental baseline in the Lowlands and Uplands OP area. This is considered to include a level of detail that is relevant to the geographic area covered by the programme and the section which explains the influence of the OP on each SEA topic is helpful. There are, however, some specific comments which are provided below: It would have been helpful for some of the data to have been more clearly referenced;

- Given the OP will likely provide support for a range of rural developments, some comment on the drainage and water supply capacity of the rural areas would have

This is noted for future SEAs.

At the time of writing the Environmental Report, a decision on spatial targeting had not been taken. Following the completion of public consultation, Ministers have agreed to apply spatial targeting. The recommendations and environmental principles present in the report will apply to the operation of this targeting in Programme delivery.

The definition and difference between priorities and objectives is set out in the Operational Programme. RTD stands for research and technology development.

No action required.

No action required.

This is noted and will be considered when developing environmental assessment criteria as part of the application

process of SEA can easily find out about the types of environmental effects that may occur and what steps are being put into place to minimise adverse effects. With this purpose in mind, it has to be said that the summary provided is unclear and in places quite confusing. The key purpose of SEA is to understand potential effects of a plan's proposals and to both communicate them and try to do something about them. Anyone wishing to find out such information from the summary would likely be disappointed.

For example, the reference to objectives throughout the summary is very confusing in that "ERDF objectives", "programme objectives", "SEA objectives", "environmental objectives" and "Lisbon and Gothenburg objectives" are used without explanation and sometimes interchangeably.

Equally, the key findings of the assessment are very unclear. One or two are hidden away in the section titled "environmental assessment", but this information, along with the mitigation should be the headline of the non technical summary.

Similarly, the monitoring section is very light and contrasts with the Highlands and Islands OP SEA, which presented some detailed proposals for monitoring.

Further, a description of the Lowlands and Uplands Operational Programme is completely lacking, with just passing reference to ERDF at the EU level.

More specifically, the summary also suggests that sites will be identified as the OP is finalised and that additional data should be collected and analysed when these are known. It is not SEPA's understanding that the OP will identify *sites* for development, but rather will prioritise geographic areas within the Programme (see comments in 2.3 below). This should be clarified.

SEPA would advise you to reassess this whole section with a view to providing (through the SEA Statement) a *very clear* summary of (a) what the Lowlands and Uplands Operational Programme is about, (b) what significant effects on the environment it may have and (c) what mitigation measures will be put into place to address any adverse effects. Further advice on this is provided below.

Section 2 – Introduction

This section provides a reasonable introduction to the SEA and the stages undertaken. What would significantly enhance this section would be to provide a summary of all the views expressed by the Consultation Authorities at the scoping stage and to explain how the Responsible Authority has taken account of those views. A summary of SEPA's comments at scoping and how we consider these

All these comments are noted for future SEAs.

The same arrangements will apply for both ERDF Programmes to ensure a consistent, robust approach across Scotland.

The Executive can confirm that it is geographical areas rather than sites which will be prioritised in the Programme, although this decision had not been made at the time the Environmental Report was written.

This is addressed in this Statement.

All these comments are noted for future SEAs.

4.3 Consultation Comments

Table 5: Consultation Responses and how they have been taken into Account

STATUTORY CONSULTATION AUTHORITIES		
Respondent	Comments	Commentary
<i>Detailed in alphabetical order.</i>	<i>Summary of consultee comments (reference to sections in the Environmental Report is included where appropriate).</i>	<i>How the comment has been integrated / taken into account in making the decision to adopt the final Operational Programme.</i>
Scottish Environment Protection Agency	General Comments Firstly, SEPA appreciates the extent to which the Executive has sought to engage the Agency in the process of developing the Operational Programme (OP) and its SEA, in particular through the meetings held in May and November 2006. This has considerably helped understanding of the new structural fund arrangements and the context within which the Lowlands and Uplands programme sits.	No action required.
	1.2 Generally, the Environmental Report covers all of the elements that SEPA would expect to see in an Environmental Report, although we do have some specific comments which are set out in (2) below.	These have been addressed below.
	1.3 Many of SEPA's comments at the scoping stage have been taken into account and this is welcomed. Specific comments on this are provided in part 3 of this response.	This is addressed below.
	1.4 The Report is very technical in nature and correspondingly quite difficult to read in places. To some degree this reflects the technical nature of the Programme, but some simplification would have been helpful.	Effort was made to clearly set out the Programme and explain all terminology.
	1.5 There is a marked difference between the approach to the Environmental Report across the two Scottish ERDF areas. The Highlands and Islands OP is noticeably clearer and provides more information about the potential effects. While this is to a certain degree inevitable due to the different priorities of the programmes and to the different geographic areas they cover, some consistency of approach may have been helpful.	This is noted for future SEAs.
	Non Technical Summary The non technical summary is an important part of the Environmental Report in that it is through this that those with less of an understanding about the OP or about the	

4 HOW CONSULTATION COMMENTS HAVE BEEN TAKEN INTO ACCOUNT

4.1 Introduction

The Act requires that opinions expressed during the public consultation period be taken into account (including any consultation required with other EU member states) in the development of the final Programme. This section of the Statement considers how this has been done through including the following in the table below:

- a list of all the consultees / respondents (where they have given permission to be listed);
- a summary of the consultation responses, starting with those from the statutory consultation bodies; and
- details as to how those comments have been taken into account in making the decision to approve the final Operational Programme.

4.2 Responses

Responses were received from the three statutory Consultation Authorities on the Environmental Report. A further response was provided by the Royal Society for the Protection of Birds (RSPB). These detailed responses are contained in **table 5**.

Over 100 other responses were received during the consultation. To help provide a structure for respondents, the public consultation was based around a question and answer format. This directed respondents to answer specific questions about the draft Operational Programme and accompanying Environmental Statement.

The key question asked with regards to the SEA was Question 9: *“What are your views on how the principle of environmental sustainability has been integrated into the Operational Programmes?”* To ensure respondents were not however restricted there was also the opportunity for all respondents to provide any additional comments they felt appropriate. Those who specifically provided feedback on environmental issues have been detailed and responses are given.

As the results of the public consultation process were limited this has been included as an **Appendix**. Limitations are mainly due to the fact that respondents concentrated on answering Question 9 despite the consultation containing sections for other comments. Very little in the way of additional explanation was offered. Most of the comments raised also duplicate issues raised by the Consultation Authorities which are dealt with in the main body of the Statement.

For completeness all comments received on the Environmental Report have been detailed, regardless of content.

Further consultation during the finalisation of Programme delivery will take place. In terms of sustainability and environmental issues, this is most likely to be held with SEPA and SNH as the designated Competent Environmental Authorities (CEAs) for structural funding in Scotland.

The inclusion of environmental sustainability as one of three key horizontal themes in the Programme (social inclusion has been added along with equal opportunities) is central to ensuring that negative environmental impacts are minimised or at least mitigated and where possible positive impacts are maximised.

As a final improvement, the Executive proposes to offer extra funding to those applicants who can demonstrate they are carbon neutral or who reduce project carbon emissions significantly. This is likely to be made an additional eligible cross-cutting activity.

Primarily through mainstreaming the horizontal theme of environmental sustainability the Programme specifically incorporates a range of mitigation measures designed to minimise the negative environmental impacts of its support. These were detailed in section 6.3 of the Environmental Report but in summary, include:

- The use of expertise in training and developing parts of the Programme delivery system to mainstream environmental sustainability on a continuing basis through the Programme lifetime;
- Embedding the principle of environmental sustainability into the application and selection system for projects. All projects will be required to demonstrate a commitment to environmental sustainability as a core programme criterion at each part in the application form, showing – where relevant – how the issue has been taken fully into account at all stages of project design, implementation and evaluation. A minimum level of commitment needs to be demonstrated for project selection; and
- Management of environmental impacts through relevant indicators and a project monitoring system including an independently conducted mid-term evaluation.

requirements the Executive has committed to:

A thematic evaluation of environmental impacts at the mid-term point in the Programme. This will collect data and make assessment of Programme impact on the following:

- Greenhouse emissions CO2 and equivalents
- Number of premises / floor space refurbished / constructed to BREEAM standards
- Percentage of waste reduced or materials recycled
- Hectares of derelict/vacant land reused
- Number of projects ensuring sustainability and improving the attractiveness of towns and cities
- Area of contaminated land remediated

Priority-Specific Issues

A number of recommendations were also made in the Appendix of the Environmental Report regarding mitigation and environmental opportunities for each of the draft Programme priorities. Whilst these priorities have changed, the activities supported have not significantly, so the recommendations, and the Executive's response to these, remain valid.

For all 4 Priorities (Research and Development, Enterprise Growth, Urban Regeneration and Rural Development), the Executive will:

- Encourage development on lower-quality sites and discouraged from adjacent biodiversity sites;
- Target areas with lower life expectancy, although this will occur under the Urban Regeneration priority;
- Target areas with smaller settlements, particularly through the Rural Development priority;
- Ensure that projects do not adversely contribute to flooding risks;
- Encourage investment in energy-efficiency, waste-recycling and other environmental technologies;
- Support development of local enterprises, particularly under the original Priorities 2 and 3 (now 3 and 4);
- Encourage efficient energy use within buildings;
- Support green design in townscape projects; and
- Ensure developments do not have an adverse impact on the historic environment.

3.3 Environmental Report Findings

The changes listed above are in addition to measures which already form a core part of the Programme and aim to improve its environmental performance and minimise potential negative impacts. Please refer to the Environmental Report for full details but a summary of existing measures incorporated include:

- promotion of energy efficiency and carbon audits in SMEs;
- support for sustainable commercial use of renewables technologies;
- small-scale sustainable infrastructure developments as part of community regeneration;
- the application of environmental building standards;
- use of derelict and brownfield sites for development; and
- the use of environmental assessment criteria in the application process.

As part of the last bullet point in the list above, projects will be assessed to ensure that they will not have a damaging impact on the following issues (these combine the 12 SEA topics considered relevant to the Programme):

- Biodiversity (to include Flora and Fauna)
- Water
- Climate
- Air Quality
- Material Assets (to include Soil)
- Cultural Heritage
- Landscape
- Population and Health

3 HOW THE ENVIRONMENTAL REPORT HAS BEEN TAKEN INTO ACCOUNT

3.1 Introduction

The Act requires that the findings of the Environmental Report be taken into account in the development of the final Programme. This section of the Statement considers how this has been done.

The Scottish Executive has provided a detailed response to the recommendations made in the Environmental Report, sections of which are reproduced in this Statement (in *italics*):

"The Executive welcomes the Environmental Report for the SEA of the Lowlands & Uplands Scotland ERDF Programme. We acknowledge the context and environmental baseline set out in the Report and respond here to the Report's main recommendations. Overall, we accept the key message of the SEA, that the Funds provide a good opportunity to achieve positive environmental impacts within the economic framework set by the Programme. We recognise that the environment is a key economic driver and have drafted and revised the Operational Programme to reflect this principle."

3.2 Key Changes to the Operational Programme

Following the public consultation on the programmes, the priority structure for the Programme has changed, although the same sets of activities are broadly covered, so the issues raised by the Report remain pertinent. The new priority structure will be:

- Priority 1: Research and Development
- Priority 2: Enterprise Growth
- Priority 3: Urban Regeneration
- Priority 4: Rural Development

Table 4: Key Changes to the Operational Programme

Award Criteria

In section 6.3 of the Environmental Report, a number of recommendations were made with respect to criteria to employ in assessing project awards.

The Executive will make use of the following:

- *Ensure that built development will be on 'lower' quality land (and out with the 1:200 yr flood plain) wherever practical and that there are no negative impacts on biodiversity and habitats*
 - *Support for environmental technologies*
 - *Ensure that development will comply with existing regulatory controls*
 - *Promote re-use of contaminated sites*
 - *Support development of low-emission public transport, where possible*
 - *Promote energy efficiency within buildings and the use of renewable energy, where possible*
 - *Encourage green design for urban / townscape projects*
-

Indicators and Monitoring

One set of recommendations made by the Environmental Report was with respect to how the Programme can be monitored. Indicators were proposed in section 7.2. In response to this:

The Executive will introduce the following Programme indicators for which data collection will be ongoing:

- *Area rehabilitated*
- *Number of energy-saving and resource-efficiency projects*
- *Number of businesses implementing Environmental Management Systems*
- *Number of renewable energy projects*

Given the limited funding of the Programme, The Executive considers it is unlikely that many of the activities proposed in section 7.2 of the Environmental Report would be significantly supported. The number of projects that would fall into the other proposed indicator categories is considered to be too few to warrant on-going monitoring. Instead, to address SEA and wider European monitoring

2.4 Strategic Environmental Assessment Process

The Lowlands and Uplands Programme has been subject to a process of SEA, as required under the Act. This has included the following activities:

- Taking into account the views of SEPA, SNH and Historic Scotland regarding the scope and level of detail that was appropriate for the Environmental Report;
- Preparing an Environmental Report on the likely significant effects on the environment of the draft Operational Programme which included consideration of:
 - the baseline data relating to the current state of the environment;
 - links between the Programme and other relevant strategies, policies, plans, programmes and environmental protection objectives;
 - existing environmental problems affecting the Programme;
 - the Programme's likely significant effects on the environment (positive and negative);
 - measures envisaged for the prevention, reduction and offsetting of any significant adverse effects;
 - an outline of the reasons for selecting the alternatives chosen; and
 - monitoring measures to ensure that any unforeseen environmental effects will be identified allowing for appropriate remedial action to be taken.
- Consulting on the Environmental Report;
- Taking into account the Environmental Report and the results of consultation in making final decisions regarding the Operational Programme; and
- Committing to monitoring the significant environmental effects of the implementation of the Operational Programme, including measures to be able to identify any unforeseen significant adverse environmental effects and enabling appropriate remedial action to be taken.

This statement deals with the final two bullet points in this list.

Frequency of Updates	Between 2007 and 2013 a mid-term evaluation will be undertaken to assess the progress of the OP. Depending on the outcomes of this evaluation, the Programme may be revised to some degree. Fundamental changes to priorities or focus are not expected to be made.
Programme Area	The area covered by the Programme corresponds to all the land to the south and east of Highland Council and part of Argyll and Bute Council plus the eastern half of Moray Council. The Isle of Arran, which falls under the jurisdiction of North Ayrshire Council, is included in the Highlands and Islands programme.
Summary of Programme	<p>ERDF is allocated by the European Community to provide investment in socially and economically challenged areas of Europe. It was set up in 1975 to stimulate economic development in less prosperous regions of the EU. As EU membership has grown, ERDF has developed into a major instrument to help redress regional imbalances. The overall vision of the ERDF Programme for the Lowlands and Uplands Scotland area is to contribute towards the sustainable growth of the region's economy through increasing competitiveness. The Programme does not operate in isolation, funding is intended to complement key Scottish policies within the context of the Lisbon growth and jobs agenda. Furthermore, it does not intend to support all activities that can contribute to this goal and rather concentrates support on those areas where added value can be clearly demonstrated. It also acts within a wider sustainable development context as set out in the <i>Scottish Sustainable Development Strategy</i>. This stipulates that activities must minimise environmental damage as well as try to increase environmental sustainability. The strategic vision of the Programme operates through three sets of interlocking objectives namely RTD and enterprise development; community regeneration, particularly in urban areas; and rural development. The former will have a region-wide focus and concentrate on the key areas of economic competitiveness, while the later two address the spatially distinctive needs of different parts of the study region.</p>
Programme Contents	<p>The 2007-2013 Programme contains the following main sections:</p> <ul style="list-style-type: none"> ▪ <i>Socio-economic background</i> ▪ <i>Policy background</i> ▪ <i>Objectives and priorities</i> ▪ <i>Co-ordination with other funds;</i> ▪ <i>Implementing provisions; and</i> ▪ <i>Evaluation, monitoring and reporting.</i>
Date Adopted	The Programme will be sent to Brussels in April and adopted and implemented sometime in 2007.
Website	<p>The following documents are available on the Executive's website at http://www.scotland.gov.uk/structuralfunds</p> <ul style="list-style-type: none"> ▪ <i>The Lowlands and Uplands Scotland European Regional Development Fund Operational Programme 2007-2013;</i> ▪ <i>Environmental Report for the Strategic Environmental Assessment of the Lowlands and Uplands ERDF OP 2007-2013; and</i> ▪ <i>The Post-Adoption SEA Statement.</i>
Contact Details	<p>The documents detailed above may also be inspected free of charge (or a copy obtained for a reasonable charge) at the main Scottish Executive European Structural Fund offices in Glasgow:</p> <ul style="list-style-type: none"> ▪ Phil Raines - Head of the Cohesion and Coordination Team ▪ Scottish Executive, Enterprise, Lifelong Learning and Transport Department (ETLLD), European Structural Funds Division, 1st Floor, Meridian Court, Glasgow, G2 6AT. ▪ E-mail: europeanstructuralfunds@scotland.gsi.gov.uk

2 INTRODUCTION

2.1 Introduction

This document (referred to as the post-adoption SEA Statement or just the Statement) has been prepared in accordance with Section 18 of the Environmental Assessment (Scotland) Act 2005 (the Act). It sets out the post-adoption SEA Statement for the Strategic Environmental Assessment (SEA) undertaken on the Scottish Executive's Lowlands and Uplands European Regional Development Fund Operational Programme for 2007-2013 (subsequently referred to as the OP or the Programme). The key stages provided for are:

Table 2: Key SEA Stages

Screening	Determining whether the plan/programme is likely to have significant environmental effects and whether an SEA is required.
Scoping	Deciding on the scope and level of detail of the environmental report, and the consultation period for the report - involving the statutory Consultation Authorities (CAs): Scottish Natural Heritage (SNH); the Scottish Ministers (Historic Scotland); and the Scottish Environment Protection Agency (SEPA).
Environmental Report	Publishing an Environmental Report (ER) on the plan or programme and its environmental effects, and publicly consulting on that report.
Adoption	Providing information on: the adopted plan/programme; how consultation comments have been taken into account and; methods for monitoring the significant environmental effects of the implementation of the plan/programme. This document relates to this SEA stage.
Monitoring	Monitoring significant environmental effects and taking appropriate remedial action for any unforeseen significant environmental effects.

2.2 SEA Activities to Date

As required by the Act and in accordance with good practice, a range of activities have been undertaken during the SEA process, culminating in the preparation of this Statement. **Table A1 in Appendix A** provides a summary of this process.

2.3 SEA Statement

Summary details and key facts relating to the Statement are set out in **table 3** below. These are based on the [SEA tool kit](#) and templates provided by the Scottish Executive.

Table 3: Key Facts Relating to Post-Adoption SEA Statement

Responsible Authority	The Scottish Executive
Title of Programme	The Lowlands and Uplands Scotland European Regional Development Fund (ERDF) Operational Programme (OP) 2007-2013.
Programme Purpose	The Programme, as managed by the Scottish Executive, will set out the priorities for the ERDF allocated to Lowlands and Uplands Scotland and provides aims and objectives to guide how the funds should be spent across the region. The purpose of the Programme is to identify what broad types of activities will be funded. For more information please refer to the Programme document.
What Prompted the Programme	The Programme is required by European regulations governing Structural Funds.
Programme Subject	Economic Development.
Period Covered	The proposed Programme is intended to run from January 2007 to the end of 2013 however spending under the Programme will continue until 2015.

1.7 Information Requirements

Part 3 of the Act details *Post-Adoption Procedures* and within this, section 18(3) lays out the particulars to be contained in the final SEA Statement. The table below sets out those requirements and where they can be found in the body of this document.

Table 1: Information required in the Post-Adoption SEA Statement

Part 3, section 18(3) of the Act: Information to be contained in the Statement		Where is this detailed?
(a)	How environmental considerations have been integrated into the plan or programme;	Section 3
(b)	How the environmental report has been taken into account;	Section 3
(c)	How the opinions expressed in response to the invitations mentioned in section 16 have been taken into account;	Section 4
(d)	How the results of any relevant consultation under regulation 14 of the Environmental Assessment of Plans and Programmes Regulations 2004 (S.I. 2004/1633) have been taken into account;	Section 4
(e)	The reasons for choosing the plan or programme as adopted, in the light of the other reasonable alternatives considered; and	Section 5
(f)	The measures that are to be taken to monitor the significant environmental effects of the implementation of the plan or programme.	Section 6

-
- Greenhouse emissions CO2 and equivalents
 - Number of premises / floor space refurbished / constructed to BREEAM standards
 - Percentage of waste reduced or materials recycled
 - Hectares of derelict/vacant land reused
 - Number of projects ensuring sustainability and improving the attractiveness of towns and cities
 - Area of contaminated land remediated
-

Priority-Specific Issues

A number of recommendations were also made in the Appendix of the Environmental Report regarding mitigation and environmental opportunities for each of the draft Programme priorities. Whilst these priorities have changed, the activities supported have not significantly, so the recommendations, and the Executive's response to these, remain valid.

For all 4 Priorities (Research and Development, Enterprise Growth, Urban Regeneration and Rural Development), the Executive will:

- Encourage development on lower-quality sites and discouraged from adjacent biodiversity sites;
 - Target areas with lower life expectancy, although this will occur under the Urban Regeneration priority;
 - Target areas with smaller settlements, particularly through the Rural Development priority;
 - Ensure that projects do not adversely contribute to flooding risks;
 - Encourage investment in energy-efficiency, waste-recycling and other environmental technologies;
 - Support development of local enterprises, particularly under the original Priorities 2 and 3;
 - Encourage efficient energy use within buildings;
 - Support green design in townscape projects; and
 - Ensure developments do not have an adverse impact on the historic environment.
-

1.3 How the Environmental Report has been taken into Account

The findings of the Environmental Report have been taken into account in the development of the final Programme in a number of ways. Small changes have been made but the key change has been the development of the set of bullet points detailed in **section 1.2**. These have been developed largely to enhance the potential positive impacts of existing Programme objectives but also to ensure that the environmental impact of the Programme is monitored.

1.4 How Consultation Comments have been taken into Account

During the public consultation, around 100 responses were received which made specific mention of the Environmental Report. The most detailed responses came from statutory Consultation Authorities. Some of the comments received were positive or did not lend themselves to a response or action on the part of the Executive. For the remaining comments, a range of issues were raised which have been responded to in detail in the Statement.

1.5 Alternatives

In the case of the ERDF Operational Programme, the assessment of strategic level alternatives was extremely limited as the Programme's development is strongly led by economic requirements and constraints already established at EU and the national level, including priorities stipulated by European Guidelines and the *National Strategic Reference Framework*. The Consultation Authorities felt that the issue of alternatives had been dealt with sufficiently in the Environmental Report.

1.6 Monitoring

To meet the needs of the SEA process and European requirements regarding structural funding, a range of monitoring will be undertaken by the Executive on the Programme over the coming years. This will include a number of environmental indicators. In particular, as part of a mid-term Programme evaluation the impact of supported activities on a broader range of environmental indicators will be assessed. The coming months will be used to establish Programme delivery mechanisms including the detail of the monitoring framework.

1 NON-TECHNICAL SUMMARY

1.1 Introduction

This SEA Statement details how the Strategic Environmental Assessment Environmental Report prepared for the Scottish Executive's Lowlands and Uplands Scotland European Regional Development Fund Operational Programme 2007-2013 and comments received during consultation have been taken into account in the development of the final Operational Programme.

The Environmental Report was prepared by RSK ENSR and the consultation period on the draft Operational Programme and the Environmental Report ran from 13th November 2006 to 29th January 2007.

The ERDF Programme will be the main focus of European support for economic development in the Lowlands and Uplands of Scotland over the period 2007-2013. EU and national legislation require that a Strategic Environmental Assessment (SEA) be undertaken to establish the impact of the Programme on the region's environment prior to adoption.

Full details of the assessment process and findings are provided in the Environmental Report. The purpose of this Statement is to detail how the findings of the SEA process, including recommendations made in the Environmental Report, and comments received from the statutory consultees, other organisations and the general public during consultation have been taken into account in the final approved Operational Programme.

The Programme has a level of environmental protection built in through European requirements for ERDF monies to be used sustainably. In addition, there is a level of existing environmental protection within Scotland for a range of environmental aspects. However, there are a range of additional measures which the Scottish Executive could look to include within the Programme. These were detailed in the Environmental Report. This Statement looks at the degree to which these have been taken into account in the final adopted Operational Programme.

1.2 Key Changes to the Operational Programme

A number of changes have been made to the Programme based on the findings detailed in the Environmental Report and the responses received during consultation. Full details are given in the Statement. The bullet points detailed below address some of the issues and recommendations raised by the SEA.

Award Criteria

The Executive will make use of the following:

- *Ensure that built development will be on 'lower' quality land (and out with the 1:200 yr flood plain) wherever practical and that there are no negative impacts on biodiversity and habitats*
 - *Support for environmental technologies*
 - *Ensure that development will comply with existing regulatory controls*
 - *Promote re-use of contaminated sites*
 - *Support development of low-emission public transport, where possible*
 - *Promote energy efficiency within buildings and the use of renewable energy, where possible*
 - *Encourage green design for urban / townscape projects*
-

Indicators and Monitoring

The Executive will introduce the following Programme indicators for which data collection will be ongoing:

- *Area rehabilitated*
- *Number of energy-saving and resource-efficiency projects*
- *Number of businesses implementing Environmental Management Systems*
- *Number of renewable energy projects*

A thematic evaluation of environmental impacts at the mid-term point in the Programme. This will collect data and make assessment of Programme impact on the following:

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APPENDIX A – SEA ACTIVITIES TO DATE

APPENDIX B – PUBLIC CONSULTATION COMMENTS and RESPONSES

**SEA Statement for the approved
Lowlands and Uplands Scotland
European Regional Development Fund
Operational Programme for 2007-2013**

for

The Scottish Executive

SEA Statement for the approved
Lowlands and Uplands Scotland
European Regional Development Fund
Operational Programme for 2007-2013

Prepared by:



Statement based on the Scottish
Lowlands and Uplands ERDF
Operational Programme 2007-2013
(SEA) Environmental Report

Prepared by:

