Environmental Policy Integration in Cohesion Policy 2014-2020

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1. Cohesion policy
Introduction to cohesion policy

Aim to promote economic, social and territorial cohesion (TFEU Art 174)

Shared management between Commission and MS

3 funds:

- **ERDF**: entire EU, at most EUR 223.3 bn, including ETC, investment in development and structural adjustment (TFEU Art 176)
- **ESF**: entire EU, at least EUR 84 bn, investment in employment, facilitation of geographic and occupational mobility, facilitate adaptation of workers to industrial changes (TFEU Art 162)
- **Cohesion Fund**: only MS with GNI/capita < 90% EU average, EUR 68.7 bn, investment in TEN-T and environment (TFEU Art 177)
Support for SMEs

Training

Energy efficiency

Research and innovation

Renewable energy

Transport

Cooperation between regions

Transport

Renewable energy

Cooperation between regions
Allocation of funding between regions

- Less developed regions/MS
- Transition regions
- More developed regions

Budget allocation (in %)

Population covered (in millions)

15.8%
11.6%
68.7%
307.1
72.4
119.2
2. EPI
Various definitions of environmental policy integration exist, some frequently occurring elements:

- consider environment in policies not directly targeting environmental issues (e.g. transport, research, training)
- ensure consistency with environmental targets, or even aim at synergies between environment and other aspects
- avoid trade-offs or make trade-offs explicit
- monitor and evaluate environmental consequences
- all stages of policy planning, implementation and follow-up
- importance not only of outcomes but of procedures and institutions
Tools of EPI:

- Procedural
- Institutional
- Legislative
- ...
Treaty references

Article 3.3 TEU
*It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment.*

Article 11 TFEU
*Environmental protection requirements must be integrated into the definition and implementation of the Union policies and activities, in particular with a view to promoting sustainable development.*
3. Environmental performance of cohesion policy
Environmental performance

Positive:

- EUR 105 bn on direct and indirect expenditure on environment in 2007-2013
- ERDF funding results in 23 million more people served by waste water treatment between 2000-2006, 946 unauthorised landfills closed or rehabilitated
- In 2000-2006 in IE, EL, PT, ES 37.4% of environmental investments were financed either by the CF or ERDF

Negative:

- Support for investments with a negative environmental impact, e.g. landscape fragmentation and CO2 emissions from infrastructure investment
Expenditure on Climate Change
2007-2013

European Commission

- Climate Change Indirect Investments
- Climate Change Direct Investments
4. EPI in the regulatory proposals for cohesion policy 2014-2020
Regulatory proposal

Art 8

- in the framework of sustainable development
- promotion of the aim of protecting and improving the environment, as set out in Article 11 of the Treaty
- taking into account the polluter pays principle
- environmental protection, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management
- in the preparation and implementation
- Partnership Contracts and programmes
- information on the support for climate change objectives
3 approaches

Funding

*Horizontal integration in terms of procedures*

*Institutions and partnership*
4.a Funding for environment through cohesion policy 2014-2020
Financial support for...

Supporting the shift towards a low carbon economy in all sectors:
- Production and distribution of RE
- EE and RE in SMEs
- EE and RE in public infrastructures (ERDF and CF) and residential buildings (only ERDF)
- Smart distribution systems
- Low-carbon strategies for urban areas

Climate change adaptation, risk prevention and management:
- Adaptation to climate change
- Investments to address risks

Protecting the environment and promoting resource efficiency:
- Investment in the waste sector
- Investment in the water sector
- Protecting biodiversity, soil protection an promoting ecosystem services, including N2K and green infrastructure
- Action to improve the urban environment including brownfield sites and air pollution
Ringfencing for low carbon economy

Minimum share of ERDF investments on:
- shift towards a low carbon economy
- research & innovation
- competitiveness of SMEs

- More developed & transition regions
  - 80%
  - 20%

- Less developed regions
  - 6%
  - 94%

No more ceiling for investing in EE in housing (currently maximum 4% of ERDF)

⇒ Minimum EUR 17 bn for LCE in 2014-2020
(increase from 2007-2013 EUR when 9.3 bn spent on EE and RE)
4.b Horizontal integration of environment in cohesion policy 2014-2020
Common Strategic Framework

Art 9-10

Key actions to be supported for each thematic objective
Horizontal principles (including SD)
Partnership Contracts

Art 14

Ex-ante evaluations, including SEA where appropriate
Indicative allocation by thematic objective, including total indicative amount for climate change
Horizontal principles
Milestones and targets
An assessment of fulfilment of ex-ante conditionalities
Operational Programmes

Art 24, 87 and 111

Thematic objective, investment priorities, financial appropriations, indicators to assess progress
Actions and timetable to fulfil ex-ante conditionalities
Actions to take account of principles set out in Art 7 and 8
A description of specific actions to take into account environmental protection requirements, resource-efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management in the selection of operations
Actions taken to involve partners and their role
Modulation of co-financing rates at level of priority axis
Projects

Major projects have to undergo EIA and CC mitigation and adaptation assessment (Art 91)
Operations finance to comply with Union and national law (including environment) (Art 6)
Selection procedures (Art 114)
Evaluation

Annual implementation reports (financial data, indicators, targets, milestones, ex-ante conditionalities)

Progress report (contribution to EU 2020, support used for climate change objectives (Rio markers), ex-ante conditionalities, role of partners)

Ex-ante evaluation (contribution to sustainable growth, SEA)

Obligatory output indicators for ERDF and Cohesion Fund, e.g.:

- MW additional RE capacity,
- kWh/yr decrease of primary energy consumption in public buildings,
- Number of energy users connected to smart grids,
- tCO2e GHG emission reduction
4.c Institutions and partnership
Partnership

Obligation for MS to organise a partnership with relevant partners, including environmental partners

Involvement of partners in all the stages of the “policy cycle”

Introduction of a European Code of Conduct

Annual consultation by the Commission of the organisations representing the partners at Union level

Implementation of partnership to be described in PCs and OPs
Thank you for your attention!