The EU Sustainable Development Strategy and Cohesion Policy

The coalition of environmental NGOs firmly support the European Commission’s reference to the EU Sustainable Development Strategy (SDS) in its regulatory proposals for European Cohesion Policy, in particular that:

- Cohesion Policy must incorporate the Community’s priorities for Sustainable development as defined at the European Council’s of Lisbon and Göteborg (preamble, general regulation), and
- ERDF shall focus its activities in the context of regional sustainable development strategies

However, we believe that the Commission and Member States must take further steps if they are to move beyond a rhetorical commitment to sustainable development. The framework governing how the Structural Funds and the Cohesion Fund are implemented must be firmly bound to the objectives of the EU Sustainable Development Strategy.

Environmental NGOs’ top 4 recommendations:

There are four key areas where the link between the draft regulations and the EU SDS needs to be strengthened:

1. The objective and mission of the EU Cohesion Policy outlined in Article 3.3 of the General Regulation must state that assistance from the Funds will be rendered in the context of the European and national sustainable development strategies.
2. Under the heading ‘Sustainable Development’ the General Regulation and implementing regulations (for ERDF and ESF) must require Member States to demonstrate how environmental protection and improvement is promoted during the implementation and monitoring of the Funds.
3. Criteria used by Member States to allocate Funds to operational programmes and to select projects must include environmental and social indicators of need – and the financing of major projects through the Cohesion Fund must be assessed according to their contribution to the EU SDS.
4. The regulations must include requirements to monitor, report, and reward the Funds contribution to sustainable development objectives through the choice of impact indicators, annual and cohesion reports and allocation of the Community performance reserve.
EU Sustainable Development Strategy

EU environmental NGOs suggested amendments to the draft regulations for the Structural Funds and the Cohesion Fund:

1. EU Cohesion Policy must state that assistance from the Funds will be rendered in the context of European and national sustainable development strategies.

Amendment to the General Regulation

Objectives

3.3 “Under the three objectives, assistance from the Funds shall, according to their nature, take into account on the one hand specific economic and social features, and on the other hand specific territorial features. The assistance shall, in an appropriate manner and in the context of the European and national strategies for sustainable development, support urban regeneration particularly as part of regional development and the renewal of rural areas and of areas dependent on fisheries through economic diversification and the development of environmental capital. The assistance shall also support areas affected by geographical or natural handicaps which aggravate the problems of sustainable development, particularly in the outermost regions (Guadeloupe, French Guiana, Martinique, Reunion, the Azores, Madeira and the Canary Islands) as well as the northern areas with very low population density, certain islands, island Member States, and mountain areas.”

2. The General Regulation and implementing regulations (for ERDF and ESF) must require Member States to demonstrate how environmental protection and improvement is promoted during the implementation and monitoring of the Funds.

Amendment to the General Regulation

Sustainable development

New Article 14: “The Member States and the managing authorities shall ensure and demonstrate that environmental protection and improvement is promoted during the various stages of implementing the Funds.”

Amendment to the ERDF and ESF regulations

Sustainable development

ERDF: new 8; ESF new 6 “In the framework of each operational programme, Member States and managing authorities shall pay particular attention to the promotion of Sustainable Development. In doing so, the Member States and managing authorities shall ensure that operational programmes include a description on how environmental protection and improvement is promoted in the implementation and monitoring of programmes, in accordance with Article 3 of the General Regulations (EC ).”

3. Criteria used by Member States to allocate Funds to operational programmes and to select projects must include environmental and social indicators of need – and the financing of major projects through the Cohesion Fund must be assessed according to their contribution to the EU SDS.

Amendment to the General Regulation
Major projects: decision of the Commission

40.1 “The Commission shall appraise the major project, if necessary consulting outside experts, including the EIB, in the light of the factors referred to in Article 39, its consistency with the priorities of the operational programme, its contribution to achieving the goals of those priorities and its coherence with the European Sustainable Development Strategy and other Community policies.”

Amendments to the General Regulation

National Strategic Reference Frameworks: content

25.3 (last paragraph) “In order to permit monitoring of their contribution to sustainable development, the main goals of the priorities [of the Funds] shall be quantified and a limited number of performance and impact indicators shall be identified”

Annual examination

29.1 “The annual report by the Commission referred to in Article 28 shall be sent to the Council together with the BEPG implementation report, an assessment of the contribution to the European Sustainable Development Strategy, the joint report on employment and the Internal Market Strategy implementation report, with a view to the spring European Council.

Evaluation: general provisions

45.5 The Commission establishes the evaluation methods and standards to be applied, including an assessment of the Funds contribution to EU sustainable development objectives, in accordance with the procedure referred to in Article 104(2).

Community reserve for quality and performance

48 (first paragraph) “Within the context of the annual debate referred to in Article 29, the Council shall in 2011, in accordance with the procedure laid down in Article 161 of the Treaty, allocate the reserve referred to in Article 20 among the Member States to reward progress made in delivering sustainable development as compared with the initial situation.”