

## Proposals for Amendments to the Regulation of the European Regional Development Fund

**Coalition of NGOs for a sustainable EU Budget**

**January 2012**

### Amendments on the

#### **Proposal<sup>1</sup> for a Regulation of the European Parliament and of the Council on specific provisions concerning the European Regional Development Fund and the Investment for growth and jobs goal repealing Regulation (EC) No 1080/2066 (COM(2011) 614/3**

NGOs call on MEPs to support the following amendments to effectively contribute to the achievement of Europe 2020 Strategy targets: delivering an EU economy that is:

- smarter and stronger (through eco-innovation and green technologies),
- more resilient and sustainable (through the emphasis on climate protection, biodiversity conservation and sound natural resources management) and
- more inclusive (through the creation of millions of green jobs in Europe and reduced energy bills for consumers).

#### **Amendment 1. Clarify sectors prohibited in developed regions (article 3)**

Text proposed by Commission	NGO Amendment
<p>1. The ERDF shall support: (...) In more developed regions, the ERDF shall not support investments in infrastructure providing basic services to citizens in the areas of environment, transport and ICT</p>	<p>1. The ERDF shall support: (...) In more developed regions, the ERDF shall not support investments in infrastructure providing basic services to citizens in the areas of environment, transport and ICT, <b>but shall be open to innovative solutions in the fields of ecosystem services, biodiversity and green infrastructures, environmental friendly transport solutions and green ICT.</b></p>

*Justification: It is sensible that large scale investments in grey infrastructure for the environment, transport and ICT are no longer a priority in more developed regions that have been benefiting of CP for a long time. However, Article 3 should not prohibit investments in innovative solutions for ecosystems protection, green infrastructure and biodiversity and environmentally friendly transport systems whatever the level of development of the region is. These are often the most cost effective investments fostering new skills and business opportunities. They should be promoted everywhere, the contrary would be counterproductive with EU 2020 environmental targets.*

<sup>1</sup> [http://ec.europa.eu/regional\\_policy/what/future/proposals\\_2014\\_2020\\_en.cfm](http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm)

## Amendment 2. Improve thematic concentration for a low carbon economy (article 4)

Text proposed by Commission	NGO Amendment
<p>(a) in more developed regions and transition regions: (...) (ii) at least 20% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] ;</p>	<p>(a) in more developed regions and transition regions: (...) (ii) at least <b>25%</b> of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR];</p>
<p>(b) in less developed regions: (...) (ii) at least 6% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR].</p>	<p>(b) in less developed regions: (...) (ii) at least <b>15%</b> of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR];</p>

*Justification: Energy savings efforts done or announced so far by Member States up to 2020 will only reach 9% energy efficiency improvement, failing by half the 2020 target; annual renewable energy investments must also be doubled to meet the 2020 target according to the Commission. Increasing the prioritisation of EU and regional investments to these aims is crucial to achieve the energy saving and renewable energy targets by 2020. This will also support policies to provide local jobs, economic opportunities and more energy security, developing lead markets of the future.*

## Amendment 3. Support thematic concentration for environment and resource efficiency (article 4)

Text proposed by Commission	NGO Amendment
<p>(b) in more developed regions and transition regions: (i) at least 80% of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3 and 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] ; and (...)</p>	<p>(c) in more developed regions and transition regions: (i) at least 80% of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3, <del>and 4</del> <b>and 6</b> of Article 9 of Regulation (EU) No [...] /2012 [CPR] ; and (...) <b>(iii) at least 10% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 6 of Article 9 of Regulation (EU) No [...] /2012 [CPR];</b></p>
<p>(b) in less developed regions: (i) at least 50% of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3 and 4 of Article 9 of Regulation (EU) No [...] /2012 [CPR] ; and (...)</p>	<p>(d) in less developed regions: (i) at least <b>60%</b> of the total ERDF resources at national level shall be allocated to the thematic objectives set out in points 1, 3, <del>and 4</del> <b>and 6</b> of Article 9 of Regulation (EU) No [...] /2012 [CPR] ; and (...) <b>(iii) at least 15% of the total ERDF resources at national level shall be allocated to the thematic objective set out in point 6 of Article 9 of Regulation (EU) No [...] /2012 [CPR];</b></p>

*Justification: Biodiversity loss costs EU 450 billion a year, and resource inefficiency makes Europe increasingly dependent from costly imports. Nature based innovation and action to restore ecosystems and conserve biodiversity can create new skills, jobs and business opportunities. Europe needs to start to re-invest in its ecosystem basis today. The “more developed” and “transition” regions invest less in basic environment infrastructures (water and waste) than “less developed” regions so need a lower thematic concentration.*

#### **Amendment 4. Improve the investment priorities for the environment (article 5)**

Text proposed by Commission	NGO Amendment
(5) promoting climate change adaptation, risk prevention and management: (a) supporting dedicated investment for adaptation to climate change; (b) promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems;	(5) promoting climate change adaptation, risk prevention and management: (a) supporting dedicated investment for <b>eco-system based</b> adaptation to climate change; (b) promoting investment to address specific risks, ensuring disaster resilience and developing <b>eco-system based</b> disaster management systems;

*Justification: Ecosystem-based climate change adaptation, mitigation and risk-prevention and management create numerous additional benefits (economic biodiversity, employment) and are often the most cost-effective solutions; they ought to be promoted to contribute to the achievement of multiple complementary European objectives.*

#### **Amendment 5. Improve the proposed common indicators (annex) – Productive investment**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
<b>Productive investment</b>			<b>Productive investment</b>		
	enterprises	Number of enterprises receiving grants		<b>enterprises</b>	<b>Number of enterprises receiving grants</b>
	enterprises	Number of enterprises receiving financial support other than grants		<b>enterprises</b>	<b>Number of enterprises receiving financial support other than grants</b>
	enterprises	Number of enterprises receiving non-financial support		<b>enterprises</b>	<b>Number of enterprises receiving non-financial support</b>
	enterprises	Number of new enterprises supported		<b>enterprises</b>	<b>Number of new enterprises supported</b>
			<b>New:</b>	<b>full time equivalents</b>	<b>share of jobs created in environmental goods and services sector.</b>

*Justification: If member states shall be motivated to orient the support according to results to be achieved, then preference shall be given to indicators such as number of jobs created directly and indirectly, including the criteria of sustainability of jobs rather than the type and number of beneficiaries. The indicator proposed by the Commission doesn't add information on objective and result of the support. Moreover it can misguide authorities to attempt to disburse support to as many entities as possible, which might undermine the effectiveness of support.*

## Amendment 6. Improve the proposed common indicators (annex) – Transport (Railway)

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
<b>Transport</b>			<b>Transport</b>		
Railway	km	Total length of new railway line	Railway	km	<b>Total length of new railway line</b>
		of which: TEN-T			<b>of which: TEN-T</b>
	km	Total length of reconstructed or upgraded railway line		km	<b>Total length of reconstructed or upgraded railway line</b>
		of which: TEN-T			<b>of which: TEN-T</b>
			<b>Railway</b>	<b>Tons of CO<sub>2</sub> eq.</b>	<b>Contribution of newly built, reconstructed or upgraded railway lines to decrease of GHG emissions</b>
					<b>of which: TEN-T</b>

*Justification: One of the main goals of the Europe 2020 strategy is the reduction of GHG emissions by 20 %. Transport sector is alongside with energy the key to this achievement. We propose to replace the indicators measuring the length of built or reconstructed infrastructure with measurement of the immediate effect of such support on greenhouse gases (GHG) emissions. This proposed indicator for transport sector would describe the positive immediate outcome of investments. Evaluation of contribution of each infrastructure project to GHG emissions reduction is an obligatory part of environmental impact assessment (EIA), therefore these data are already available for each project.*

## Amendment 7. Improve the proposed common indicators (annex) – Transport (Road)

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
Roads	km	Total length of newly built roads	Roads	km	<b>Total length of newly built roads</b>
		of which: TEN-T			<b>of which: TEN-T</b>
	km	Total length of reconstructed or upgraded roads		km	<b>Total length of reconstructed or upgraded roads</b>
		of which: TEN-T			<b>of which: TEN-T</b>
			<b>Roads</b>	<b>Tons of CO<sub>2</sub> eq.</b>	<b>Contribution of newly built, reconstructed or upgraded roads to decrease of GHG emissions</b>
					<b>of which: TEN-T</b>
				<b>Percentage share of each mode of transport, expressed in passenger-kilometres</b>	<b>Modal split of passenger transport</b>
				<b>Percentage share of each mode of transport, expressed in tonne-</b>	<b>Modal split of freight transport</b>

				<b>kilometres</b>	
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*Justification: We propose to introduce outcome indicators "Modal split of passengers transport" and "Modal split of freight transport". Modal split is the key results indicator for support in transport sector. Desired outcome is the decrease of use of passengers' car-kilometers and roads, and increase of public transport modes (trains, trams, buses) and railways transport.*

### **Amendment 8. Improve the proposed common indicators (annex) – Transport (Public Transport)**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
Urban transport	passenger trips	Increase of passenger trips using supported urban transport service	<b>Urban Public</b> transport	passenger trips	Increase of passenger trips using supported <b>public urban</b> transport service

*Justification: Support in passengers transport shall not be limited to urban areas but it shall cover rural areas as well. This is a very sensitive issue as in the rural areas the public transport is often the only affordable option especially for elderly or socially disadvantaged people. We propose to focus on urban transport within the Urban Development section.*

### **Amendment 9. Improve the proposed common indicators (annex) – Transport (Inland Waterways)**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
			<b>Inland waterways</b>	<b>Tons of CO<sub>2</sub> eq.</b>	<b>Contribution of improved inland waterways to decrease of GHG emissions</b>

*Justification: Water transport is considered the least polluting therefore it shall easily prove its contribution to GHG emission reduction by replacing the road transport which is the most dependent on use of fossil fuels.*

### **Amendment 10. Improve the proposed common indicators (annex) – Environment (Solid Waste)**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
<b>Environment</b>			<b>Environment</b>		
Solid waste	tonnes	Additional waste recycling capacity	Solid waste	<b>tonnes persons</b>	<b>Additional waste recycling capacity Additional population served by public schemes for waste separation and recycling</b>

*Justification: We propose to replace the solid waste indicator with one that measures the immediate output of the support. More than additional capacity for recycling it is important to monitor at the level of outcome the effect on population as the capacity is not necessarily fully used. Therefore analogically to waste water treatment the indicator shall measure how many people will benefit from these additional waste separation and recycling capacities. Equally to water sector, beneficiaries of the financial support shall be also able to evaluate what number of population will be served by supported projects, so data are available already in the stage of project preparation (EIA) and then more precisely after the project completion.*

### Amendment 11. Improve the proposed common indicators (annex) – Waste Prevention (resource efficiency)

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
			Solid waste	<b>Kilograms per capita</b>	<b>Household waste arising per person</b>

*Justification: This indicator reflects EU's current effort to produce less waste (e.g. waste framework directive for mandatory waste prevention plans on member state level) and increase resource efficiency (see Commission's resource efficiency roadmap). Waste arising from households is one of the key measures for indicating the effective use of resources at personal level. According to EU legislative waste prevention, it is the most important step in waste management. Consequently the EU in order to boost waste prevention needs an appropriate indicator for waste prevention and a solid financing base for implementation measures. The data on household waste arising per person are collected by Eurostat.*

### Amendment 12. Improve the proposed common indicators (annex) – Environment (Risk prevention and management)

Risk prevention and management	persons	population benefiting from anti-flood measures	Risk prevention and management	<b>persons Hectares</b>	<b>population benefiting from anti-flood measures Area of land with increased capacity to prevent and mitigate floods and extreme weather conditions</b>
	persons	population benefiting from forest fire protection and other protection measures		<b>persons Hectares</b>	<b>population benefiting from forest fire protection and other protection measures Area of land with increased capacity to prevent and resist forest fires</b>

*Justification: The proposed indicator will be based on the capacity of the landscape to prevent floods and extreme weather conditions (e.g. heats) and will also address the positive effect of such measures on climate. The methodology for such measures are widely known and available at relevant scientific and water management institutions. In the past the anti-flood measures supported from ERDF and CF were concentrated exclusively on building of dikes and canalisation of riverbeds in order to speed-up the river flows and flood wave. Such measures on middle or upper parts of watersheds move the threat of floods downstream. Data on such landscape capacity are part of EIAs.*

*In case of forest fires there are (besides urban areas) ecosystems under threat of destruction or serious deterioration. Prevention and increase landscape resistance to fires will as well protect the urban areas but will bring about additional value of protection of the ecosystems.*

### Amendment 13. Improve the proposed common indicators (annex) – Environment (Nature and Biodiversity)

Nature and biodiversity			Nature and biodiversity	<b>hectares</b>	<b>New green infrastructure</b>
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*Justification: Target 2 of the EU 2020 Biodiversity Strategy endorsed by EU 27 Member States in December 2011 provides that by 2020 ecosystems and their services are maintained and enhanced by establishing green infrastructure and restoring at least 15% of degraded ecosystems. To secure adequate investment to this goal, an indicator on new green infrastructure is essential. Green Infrastructure is aimed at strengthening*

ecosystems by developing an integrated land management. It shall protect and restore Europe's rich natural heritage and counter the loss and fragmentation of the natural environment. Data will be provided by beneficiaries and reported by national authorities.

#### **Amendment 14. Improve the proposed common indicators (annex) – Research and Innovation**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
<b>Research, Innovation</b>					
	Enterprises	Number of enterprises cooperating with assisted research institutions		<del>Enterprises</del>	<del>Number of enterprises cooperating with assisted research institutions</del>
	Enterprises	Number of enterprises that introduced new or significantly improved products, new to the market as a result of supported innovation or R&D projects		<del>Enterprises</del>	<del>Number of enterprises that introduced new or significantly improved products, new to the market as a result of supported innovation or R&amp;D projects</del>
	Enterprises	Number of enterprises that introduced new or significantly improved products, new to the firm as a result of supported innovation or R&D projects		<del>Enterprises</del>	<del>Number of enterprises that introduced new or significantly improved products, new to the firm as a result of supported innovation or R&amp;D projects</del>
				Tons of CO <sub>2</sub> eq.	Contribution of supported innovation to decrease of GHG emissions

*Justification: We propose to abandon the indicator "Number of enterprises (\*\*\*) ... " as it provides very low informative value in terms of success of research institutions. There are criteria missing on how such cooperation shall look like. Such indicator motivates the beneficiaries not to focus on real effects of research and potential cooperation.*

*Instead the indicator should be replaced with "Contribution of supported innovation to decrease of GHG emissions". Innovations should not be taken as a universal positive goal. It is important to look in more details at innovations which are helping to achieve other goals, especially the goals defined under Europe 2020 strategy. These are especially the renewable energy sources, energy efficiency and expansion of public transport which will help to decrease greenhouse gases emissions.*

#### **Amendment 15. Improve the proposed common indicators (annex) – Energy and Climate Change (Renewables)**

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
Renewables			Renewables	%	Share of renewable energy sources in final energy consumption

*Justification: This is an official headline indicator of the Europe 2020 strategy, with a set target.*

### Amendment 16. Improve the proposed common indicators (annex) – Energy and Climate Change (Renewables)

Energy efficiency	kWh/year	Decrease of primary energy consumption of public buildings	Energy efficiency	kWh/year	Decrease of primary energy consumption of <b>public</b> buildings
				<b>Tonnes of oil equivalent</b>	<b>Gross energy consumption per sector</b>

*Justification: The energy efficiency criteria shall apply to all construction works financed within projects. Decrease of primary energy consumption shall be made a condition for financing of all projects involving construction or reconstruction of buildings, no matter whether private or public. We propose to introduce a new indicator on "Gross energy consumption per sector". Energy consumption is important indicator for energy efficiency and is complementary to indicators on use of renewable energy. Apart from the energy intensity of the economy from the point of view of environment it is important to measure overall energy consumption*

### Amendment 17. Improve the proposed common indicators (annex) – Urban Development

Text proposed by Commission			NGO Amendment		
	UNIT	NAME		UNIT	NAME
	Persons	Population living in areas with integrated urban development strategies		<del>Persons-</del>	<del>Population living in areas with integrated urban development strategies-</del>
				square metres	New green space in urban areas
	square metres	New public or commercial buildings in urban areas		square metres	<del>New public or commercial buildings in urban areas-</del>
				Person	Urban population benefiting from new open and green spaces
				passenger trips	Increase of passenger trips using supported public urban transport service
				% of each mode of transport, expressed in passenger-kilometres	Modal split of passenger transport in supported urban areas

*Justification: We propose to abandon the indicator "Population living in areas with integrated urban development strategies" and use more concrete output oriented indicators. The beneficiaries shall be able to demonstrate not just the adoption of the strategy but significant progress in four main areas of integrated urban development: Environmental Risk Management, Sustainable Urban Transport, Sustainable construction - decrease in CO2 emissions, Sustainable urban design (appropriate land-use planning). The new indicator "New green space in urban areas" is complementary to the "New open space in urban areas" indicator. To mitigate climate negative impacts in urban areas, it is necessary to enlarge quiet, safe, green urban zones. We propose to introduce the output indicator "Urban population benefiting from new open and green spaces". It is important not only to build or reclaim urban green areas but also to make it accessible to public. Finally, modal split in transport is the key indicator for results of the support. Desired outcome is a decrease of passengers cars transport and increase of public modes (trains, trams, buses).*



## **For further information**

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