

# ENEA-MA Working Group on Biodiversity and Cohesion Policy

Final Reporting

ENEA –Plenary Meeting, Budapest,  
April 2011





## Green Infrastructure

Sustainable Investments  
for the Benefit of Both  
People and Nature



- Intergration of Biodiversity conservation / N2000 into Cohesion policy remains crucial tool.
- Cohesion has a very specific role to play – Green Infrastructure
- Ref. SURF - ecosystem services
- Many positive examples, not just new MS, equally from UK, Spain, France..



# Key observations 1/2

- Objective to halt the loss of biodiversity by 2010 have not been met, investments in protecting biodiversity and its ecosystem services were substantial, but insufficient to reach the community objectives
- The amount of funding for biodiversity remains far below the actual management needs (e.g. the costs of managing the Natura-2000 network), as described by several studies
- EU funds, and especially the European Regional Development Fund, offer a significant support for nature conservation and biodiversity related investments



## Key observations 2/2

- The actual use of funds is often hindered by a number of obstacles, not allowing to fully use the possibilities offered, keeping the absorption of funds low, unsustainable other investments..
- Even though there are instruments available to measure the use of funds (coding system of cost categories) the actual amount of funds used for biodiversity protection in “real terms” is hardly visible



# Challenges 1/2

- The integrated funding model, when put together with other means of funding, **should provide sufficient resources** for reaching biodiversity community targets.

Sufficient resources seem available, MS, LIFE, Cohesion policy and Agriculture policies combined, to allow member states and regions in reaching their biodiversity targets.

- Cohesion policy and integrated funding remains a most promising tool but needs to be significantly strengthened, made transparent and
- Real commitment towards integration at all levels will have to be made – increase of efficiency – win win situations



# Challenges 1/2

- The **efficiency** of the use of Cohesion and Structural Funds funding in terms of reaching goals for nature and biodiversity **can clearly be improved** – not only in terms of protective measures, also positively contributing
  - absorption of funds
  - visibility of spending
  - feedback and indicators
  - coordination and planning, monitoring
- Without increasing the level of administration, the **transparency** can be clearly increased, **resources better targeted**.
- Use of Funds have to be **tailored** - allocation of funds vs. actual needs.

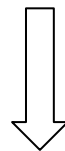


# 10 RECOMMENDATIONS

*Strengthening the integrated funding model (4)*

*Beyond the integrated funding model (4)*

*Cohesion Policy Regulation related (2)*



*WG discussions on Future of CP*



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 1. INCREASE THE TRANSPARENCY OF SPENDING

THE CODING SYSTEM OF COST CATEGORIES SHOULD BE SIGNIFICANTLY IMPROVED TO INCREASE THE TRANSPARENCY OF EU (BIODIVERSITY) SPENDING

#### Current CP System:

- 5 categories apply in various ways, more or less
  - 51. promotion of biodiversity and nature protection
  - 53. & 54. risk prevention
  - 55. & 56. tourism and nature
- Too general, not the type of flexibility that is needed
- Hardly any links to biodiversity objectives ≈ little information on actual spending



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 1. INCREASE THE TRANSPARENCY OF SPENDING

THE CODING SYSTEM OF COST CATEGORIES SHOULD BE SIGNIFICANTLY IMPROVED TO INCREASE THE TRANSPARENCY OF EU (BIODIVERSITY) SPENDING

Revised system of codes should allow:

**transparency**

- Linking expenditures to strategic objectives
- Provide a higher level of detail ~ categories and sub-categories reflecting main groups of eligible activities, differentiation between **direct and indirect investments in biodiversity (GF ?)**
- Comparison across relevant EU financing instruments
- Common methodology of application in all OPs = minimum



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 2. APPLY ADEQUATE FEEDBACK MECHANISMS TO MEASURE THE EFFICIENCY OF THE INTEGRATED FUNDING MODEL

PROPER INDICATORS AT THE EU, REGIONAL OR LOCAL LEVELS REFLECTING EFFORTS AND/OR EFFECTS ON THE CONSERVATION STATUS OF SPECIES AND HABITATS

OP indicators and national systems of **monitoring** should:

- **Measure efforts and/or effects** on the conservation status of species & habitats - not only project progress, or cubic meter of concrete
- **Common monitoring** methodology + tailored
- Differentiate between activities with a **direct biodiversity impact and supportive measures**
- In case of non-biodiversity projects, be able to record on the share of project resources allocated to accompanying biodiversity measures



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 3. DEVELOP MS/REGIONAL FINANCING PROGRAMMES FOR BIODIVERSITY AND NATURA 2000

A PROGRAMME BASED APPROACH IS NEEDED FOR A BETTER COORDINATION OF FUNDING LINES, AND TO IMPROVE COMPLEMENTARITY AMONG EU AND OTHER FUNDS

Content of National **Natura 2000** financing programmes:

- Identification of key national/regional priorities for the whole period
- Description of measures
- Contribution of funds (both EU and MS)
- Implementation plan
- Monitoring and evaluation plan



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 3. DEVELOP MS/REGIONAL FINANCING PROGRAMMES FOR BIODIVERSITY AND NATURA 2000

A PROGRAMME BASED APPROACH IS NEEDED FOR A BETTER COORDINATION OF FUNDING LINES, AND TO IMPROVE COMPLEMENTARITY AMONG EU AND OTHER FUNDS

- Reflected in discussions on Prioritized Action Framework (PAF) – on how to run and finance N2000
- Input into the current debate on introducing multiannual financial planning (PAF) at MS/regional level



## 10 RECOMMENDATIONS *Strengthening the integrated funding model*

### 4. SET UP COLLABORATION PLATFORMS BETWEEN MANAGING AUTHORITIES AND ENVIRONMENTAL AUTHORITIES IN ALL MEMBER STATES

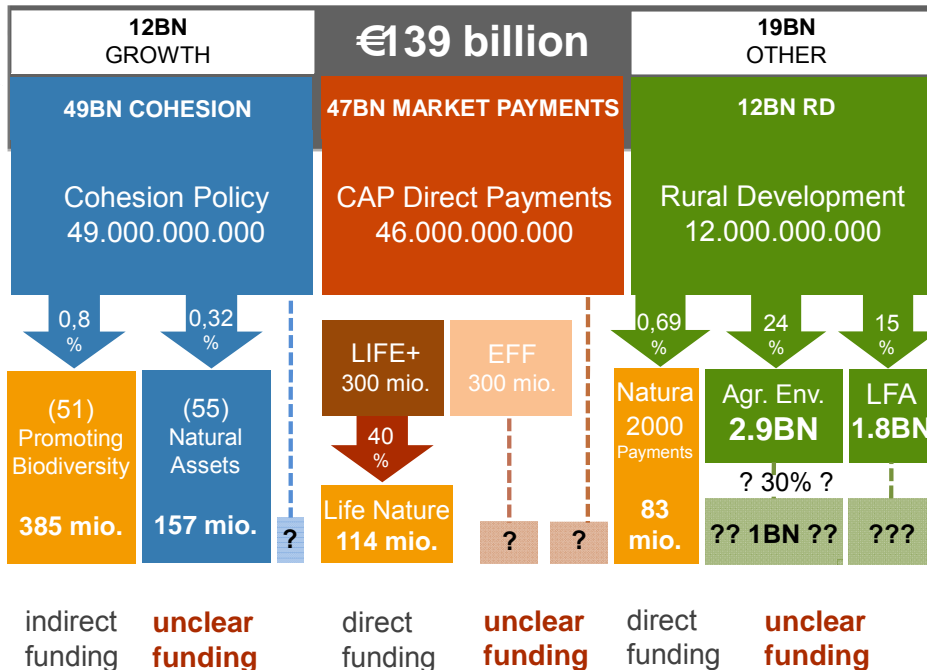
AN EFFECTIVE INTEGRATION OF BIODIVERSITY REQUIRES A BETTER GOVERNANCE ENSURING A BETTER **COORDINATION** AMONG DIFFERENT AUTHORITIES INVOLVED

- Integration = be around the table **at every step** of the processes: Planning, Approval, Follow up, Mid-term Evaluation..
- Where possible, national networks should be established to support MS level implementation of the integrated funding model
- Relevant OPs include operation of national networks + budget
- “Network of networks” approach ~ integration between the Community level (ENEA-MA) and the national level should be further stressed



### 5. INCREASE THE BUDGET FOR NATURE AND BIODIVERSITY

**FUNDS FOR NATURE HAVE TO BE SUBSTANTIALLY INCREASED - THROUGH THE INTEGRATED APPROACH OR AND MS/REGIONAL FUNDING - IF FURTHER BIODIVERSITY LOSS IS TO BE HALTED.**



**About 4 times below of what is needed for N2000 is covered.**

**Even less for overall objective**

Average figures based on Financial Framework 2007-2013 © WWF



### 5. INCREASE THE BUDGET FOR NATURE AND BIODIVERSITY

**FUNDS** FOR NATURE HAVE TO BE SUBSTANTIALLY INCREASED - THROUGH THE INTEGRATED APPROACH OR AND MS/REGIONAL FUNDING - IF FURTHER BIODIVERSITY LOSS IS TO BE HALTED.

- 0.22% of the EU budget allocated to environment, while 60% of EU legal initiatives seem to be related to the topic
- 0.1% of EU budget allocated to CORE biodiversity (also MS Resp)  
**With Integration included core = 0.5-0.7% EU Budget for Biodiv.**
- Estimated costs of maintaining the Natura 2000 network: EUR 6 billion, max. 3,5% of the EU budget



### 5. INCREASE THE BUDGET FOR NATURE AND BIODIVERSITY

**FUNDS** FOR NATURE HAVE TO BE SUBSTANTIALLY INCREASED - THROUGH THE INTEGRATED APPROACH OR AND MS/REGIONAL FUNDING - IF FURTHER BIODIVERSITY LOSS IS TO BE HALTED.

- Natura 2000 costs covered: 25 - 28,5% under the most optimistic scenario
- A great part of EU natural wealth is **outside** Natura 2000,
- “common nature” is under great stress
- Maintaining EU natural it is much less covered by EU funds – task for AGRI + Cohesion – link to Green Infrastructure



### 6. ENHANCE THE ABSORPTION OF FUNDS FOR BIODIVERSITY

SPECIFIC OR MS/REGIONALLY TAILORED SOLUTIONS TO IMPROVE THE **ABSORPTION** OF FUNDS AVAILABLE FOR BIODIVERSITY

Bottlenecks of spending:

**TAILORED - FLEXIBILITY**

- Narrow interpretation of eligible activities by MS
- Difficulties in mobilising possible beneficiaries – co-funding
- Small projects with lots of administration
- Limited administrative capacities of nature conservation bodies.
- No resources for pre-financing, own-contribution and bank guarantee



### 6. ENHANCE THE ABSORPTION OF FUNDS FOR BIODIVERSITY

SPECIFIC OR MS/REGIONALLY TAILORED SOLUTIONS TO IMPROVE THE **ABSORPTION** OF FUNDS AVAILABLE FOR BIODIVERSITY

Possible solutions:

- Funding programmes tailored to beneficiary groups
- Potential beneficiaries involved from early stages of programming
  
- Capacity building actions
- Wider application of simplified procedures
- Schemes to reduce the burden of pre-financing



### 7. **BEYOND GDP** POSITIVE FINANCIAL DRIVES TO MAINTAIN THE NATURAL CAPITAL OF THE EU

EFFORTS TO FULFILL COMMUNITY OBJECTIVES IN TERMS OF BIODIVERSITY CONSERVATION SHOULD BE POSITIVELY REWARDED

**Positive** incentives budget allocations = contribution to reach or maintain a favourable state of conservation of species and habitats under the Bird and Habitat Directives.

Nature **EU value** – European network should be given means = Earmarking

N2000 = Asset, not a handicap, Local development potential

Usefulness of **microfunding of territories, regions or local communities** with a high territorial coverage of Natura 2000 – incentives to develop or strengthen local or regional economic potentials related to N2000



### 8. AVOID SUBSIDIES THAT ARE **HARMFUL** CONCERNING TRANSVERSAL OR REGIONAL PRIORITIES

SECTORAL INVESTMENTS AND RELATED EU POLICIES SHOULD BE PROOFED FOR THEIR COMPATIBILITY WITH SUSTAINABILITY, CLIMATE CHANGE AND BIODIVERSITY GOALS

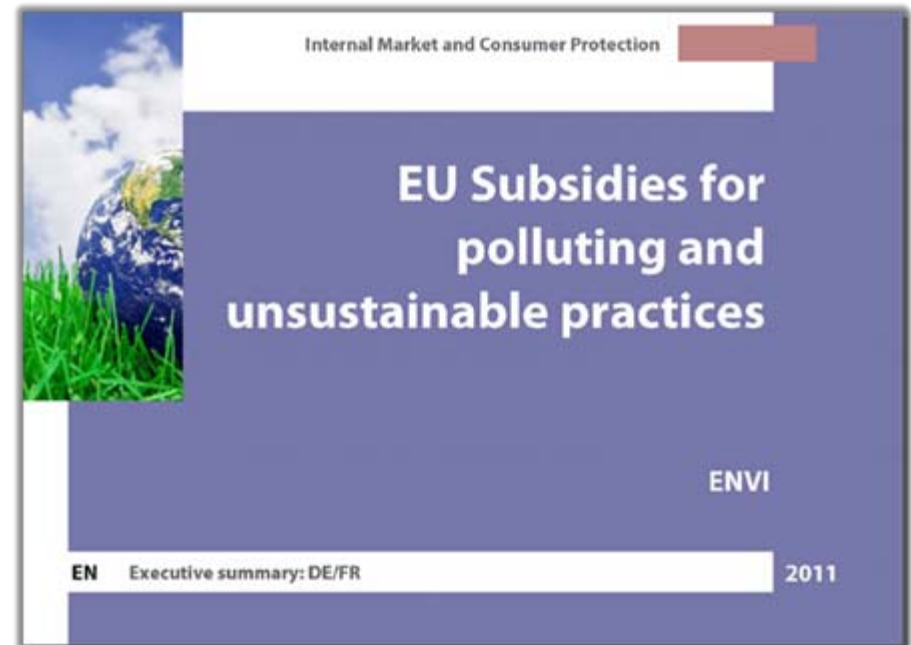
- ENEA WG on Territorial cohesion:  
Analysis of environmental aspects of the EU Cohesion Policy in selected countries

-EEA Technical report 10/2009

-ENVI Report 2011

-Importance of SEA EIA evaluations

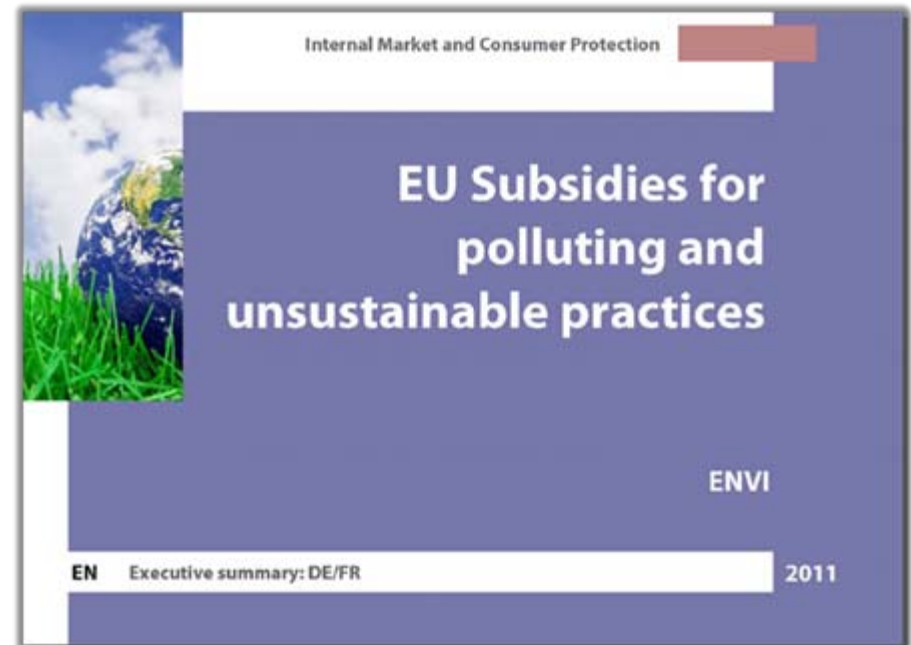
-Sustainability proofing also of EEB financing strategies



#### 8. AVOID SUBSIDIES THAT ARE **HARMFUL** CONCERNING TRANSVERSAL OR REGIONAL PRIORITIES

SECTORAL INVESTMENTS AND RELATED EU POLICIES SHOULD BE PROOFED FOR THEIR COMPATIBILITY WITH SUSTAINABILITY, CLIMATE CHANGE AND BIODIVERSITY GOALS

- OPs and actions should be proofed or even selected on performance for sustainability, climate and biodiversity
- Urgent need for methodology



### 9. THEMATIC AND INVESTMENT PRIORITIES

- NATURA 2000 AND BIODIVERSITY AND ITS ECOSYSTEM SERVICES PRIORITIES HAVE TO BE IN THE **REGULATION**.
  - MEMBER STATES AND REGIONS NOT USING COHESION FUNDING IN THIS RESPECT, MUST SHOW HOW TO FULFIL AND FINANCE THEIR OBLIGATIONS TOWARDS REACHING THESE COMMON OBJECTIVES.
- 
- Cohesion Policy has to remain be a major instrument contributing in reaching goals for Natura 2000, biodiversity and its ecosystem services.
  - Thematic priorities in the Regulation **have** to reflect this, offer the possibilities for use



### 9. THEMATIC AND INVESTMENT PRIORITIES

- NATURA 2000 AND BIODIVERSITY AND ITS ECOSYSTEM SERVICES PRIORITIES HAVE TO BE IN THE **REGULATION**.
- MEMBER STATES AND REGIONS NOT USING COHESION FUNDING IN THIS RESPECT, MUST SHOW HOW TO FULFIL AND FINANCE THEIR OBLIGATIONS TOWARDS REACHING THESE COMMON OBJECTIVES.

-Unlikely that biodiversity and related ecosystem services will be on the short list of priorities of most member states or regions.

-Member states and regions not using Cohesion funding in this respect, should be able to **show how to fulfil and finance their obligations towards reaching the common objectives** = sort of Conditionality



### 10. SMART USE OF THE CONDITIONALITY PRINCIPLE

EX-ANTE **CONDITIONALITIES** ON INVESTMENT PRIORITIES SHOULD HELP TO REACH EU OBJECTIVES RATHER THAN BE AN OBSTACLE FOR MEMBER STATES AND REGIONS TO INVEST IN BIODIVERSITY.

Conditionalities should help member states/regions to reach their objectives NOT be an obstacle

Most of the goals and MS and regions obligations in terms of biodiversity conservation are covered, not only by the *acquis communautaire* but also by multilateral agreements at eg. the CBD level.

Additional conditionalities on top of the already rigorous *acquis communautaire* therefore are to be treated most carefully not to be an obstacle for fulfilling goals and objectives for Natura 2000 or biodiversity conservation.



## WG Next steps (?)

- **Follow up of Regulation Proposals concerning N2000 & ES**
- **Provide input on Common strategic framework discussions**
- **Upcoming EC communication on N2000 Financing**
- **Flagship Resource Efficiency, Biodiversity aspects**
- **Possible input on financing aspects of new Biodiversity Action Plan - June 2011**

Concentrating on aspects of CP

- **Assess existing examples of Good Practice**



# ENEA-MA Working Group on Biodiversity and Cohesion Policy

Final Reporting

ENEA –Plenary Meeting, Budapest,  
April 2011

