

ENEA-MA Working Group on Biodiversity and Cohesion Policy, 2009-2010

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Örs Marczin

Ministry of Rural Development, Hungary



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Working Group Statement (March 2009)

...aims to develop strategies on how to adjust more efficiently policy planning and integration objectives for nature and biodiversity, and how to fit these objectives into the post 2010 EU strategy and renewed targets...

...continues the work of the former working group “Natura 2000 and Cohesion Policy”, carried out during 2007-2008...

...covers coordination aspects among various funds, differences in the approach of integration needed for different Member States, as well as the role of indicators and cross compliance in the allocation of the various community funds



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Composition

- Ministries responsible for environment:
 - Belgium/Flemish Gov., Bulgaria, Hungary, Italy, Poland, Romania, Slovakia, Spain
- Managing authorities:
 - Italy, Romania
- National ENEA-MA networks:
 - Spain
- NGOs:
 - WWF Germany, REC CEE, REC Bulgaria, RSPB UK
- European Commission – DG Environment

Diversity in terms of countries and players ~ new & old MS, countries with differences in size/complexity of administration, economic background, presence of convergence regions, natural background, etc.

Meetings & Focus

- Start in March 2009, 5 meetings
- No outside expertise involved – sometimes an obstacle

Focus:

- Starting from findings of the WG on Natura 2000 and Cohesion Policy
- Screening NSRF documents and relevant OPs of 11 Member States (Bg, Cz, Ee, Es, Hu, Lv, Lt, Pl, Ro, Sk, Si) for activities, indicators, beneficiaries & allocations for biodiversity and Natura 2000
- Gathering information from WG members related to biodiversity in relevant OPs of their countries
- Following relevant community level processes and projects – e.g. BAP mid-term review, cohesion reporting, WWF and IEEP reports, TEEB project, etc.
- Following a “moving target”: biodiversity in 2007-2013 OPs → new cohesion policy, financing beyond 2013

Aim: to come up with a set of policy recommendations as practical & constructive as possible for a better cohesion policy in terms of reaching Community objectives on biodiversity



Key observations

- The EU objective to halt the loss of biodiversity by 2010 will not be met
- Investments in protecting biodiversity are insufficient
- The amount of EU funds available for biodiversity remains far below actual management needs (i.e. the costs of managing the Natura 2000 network)
- ERDF and other EU funds offer a significant amount of money for biodiversity projects
- The use of funds is hindered by a number of obstacles – as a result the absorption of funds is low, possibilities offered are not utilised fully
- There are instruments to measure the use of funds – e.g. the coding system of cost categories –, still the actual amount of funds used for biodiversity protection in “real terms” is hardly visible

The integrated funding model does not deliver enough resources for meeting biodiversity targets and it has deficiencies e.g. in terms of absorption, visibility of spending, feedback & indicators, coordination

Conclusion

We seem to have significant resources, but these are still not enough for reaching our biodiversity targets.

On the other hand, we don't manage to spend the money we have, and we don't know whether money was spent well in the end.



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Recommendations...

...on strengthening the integrated funding model:

1. Increase the transparency of spending
2. Apply adequate feedback mechanisms to measure the success of the integrated funding model
3. Develop national Natura 2000 financing programmes as a tool to harmonise management needs and funding
4. Set up collaboration platforms between managing authorities and environmental authorities in all Member States



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1. Transparency of spending

The existing coding system of cost categories should be enhanced and expanded, to increase the transparency of actual EU biodiversity spending

- Current system:
 - 5 categories* applied in various ways, too general, no links to biodiversity objectives ≈ little information on actual spending
- The revised system of codes should:
 - Allow the linking of expenditures to strategic objective
 - Provide a higher level of detail ~ categories and sub-categories reflecting main groups of eligible activities, differentiation between direct and indirect investments
 - Allow comparison across relevant EU financing instruments
 - Common methodology of application in all Operational Programs

***Current categories:** 51. promotion of biodiversity and nature protection (including Natura 2000); 53. & 54. risk prevention; 55. & 56. tourism and nature

2. Measuring efficiency of integration

Community spending on biodiversity has to be evaluated for efficiency, using indicators at appropriate levels, sensitive to effects on the conservation status of species and habitats

- OP indicators and national systems of monitoring should:
 - Measure actual effects on the conservation status of species & habitats (not only project progress)
- National systems of monitoring should:
 - Differentiate between activities with a direct biodiversity impact and supportive measures
 - Link project-level efforts to EU biodiversity objectives
 - In case of non-biodiversity projects, record the share of project resources allocated to accompanying biodiversity measures
 - Link project activities to categories and sub-categories of expenditure

3. National Natura 2000 financing programmes

To assure better planning for financing Natura 2000 a programme based approach is suggested that allows better coordination among funding lines, and improves complementarity among EU and other funds

- Content of National Natura 2000 financing programmes:
 - Identification of key national priorities for the whole period
 - Description of measures
 - Contribution of funds (both EU and MS)
 - Implementation plan, at national or regional level
 - Monitoring and evaluation plan
- Conditions:
 - Common methodology e.g. provided by DG ENV
 - Rules and possibilities stipulated in new funding regulations
 - TA budgets available for preparation

4. MA-EA collaboration platforms

Effective integration of biodiversity in EU Funds requires better and more integrated governance that ensures coordination among different authorities involved at different levels

- ENEA-MA & existing national EA-MA (environmental and management authorities) networks (e.g. Spain, Italy, Poland):
A good model for institutional level integration:
 - Further national networks should be established to support MS level implementation of the integrated funding model
 - New funding regulations should provide regulatory background
 - Relevant OPs should describe the operation of national networks
 - Technical Assistance budget should be made available for setting up and operating such networks
 - “Network of networks” approach ~ integration between the Community level (ENEA-MA) and the national level should be further stressed

Recommendations...

...beyond integration:

5. Increase the budget for nature and biodiversity with a better balance between the main funding Instruments
6. Enhance the absorption of funds for Biodiversity
7. Apply GDP-neutral positive financial drives to maintain the natural capital of the EU
8. Avoid subsidies that are harmful concerning transversal or regional priorities



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5. Increase the budget for nature and biodiversity

The substantial increase of EU funds for nature is needed if management needs of the Natura 2000 network and the target to stop further biodiversity loss are to be met

- 0.22% of the EU budget allocated to environment, while 60% of EU legal initiatives are related to this topic
- 0.1% allocated to implementing the EU biodiversity strategy
- Estimated costs of maintaining the Natura 2000 network: EUR 6 billion, max. 3,5% of the EU budget
- Natura 2000 costs covered: max. 28,5% under the most optimistic scenario
- A great part of EU natural wealth is outside Natura 2000, and even “common nature” is under great stress ≈ Maintaining EU natural capital perhaps costs much more, and it is much less covered by EU funds

6. Enhance absorption of funds for biodiversity

Introduce innovative solutions to improve the absorption of funds available for biodiversity projects under different financing instruments

- Bottlenecks of spending:
 - Narrow interpretation of eligible activities by MS
 - Difficulties in mobilising many possible beneficiary
 - Small projects with lots of administration
 - Limited administrative capacities of nature conservation bodies.
 - No resources for pre-financing, own-contribution and bank guarantee
- Possible solutions:
 - Funding programmes tailored to beneficiary groups
 - Potential beneficiaries involved from early stages of programming
 - (TA supported) capacity building actions
 - Wider application of simplified procedures
 - Schemes to reduce the burden of pre-financing

7. GDP-neutral financial drives for nature

Structural funding supporting the conservation of nature of Community value is needed, irrespective of the economic performance of Member States or regions

- Member States should be rewarded for their contribution to maintaining European Union natural capital:
 - Besides GDP and economic performance Natura 2000 surface considered as a factor in allocating EU funds
 - Targeted funding to regions with a big contribution to Natura 2000, supporting the development of new pathways of economic growth



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8. Avoid harmful subsidies

Sectoral investments and related EU policies should be proofed for their compatibility with sustainability, climate change and biodiversity goals.

- All projects co-financed shall comply with the EU environmental law and policy
- Sustainable development is a horizontal priority according to the current EU funding regulations
- Suggestions by the ENEA WG on Territorial cohesion, analysis of environmental aspects of the EU Cohesion Policy in selected countries (EEA Technical report 10/2009)
- Importance of SEA and EIA evaluations
- Sustainability proofing also of EEB financing strategies



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THANK YOU FOR YOUR ATTENTION!



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