

*Mainstreaming Circular Economy as an eligible area into the
post 2020 Cohesion Policy and corresponding Funds*

- I. Progress of the Action – Main results
- II. Current situation: Provisions relating to circular economy in the proposed regulations for 2021-2027 programming period
- III. The on-going discussion within the EU and the way ahead



I. Progress of the Action – Main results

The aim of the action

- To document the need and formulate policy recommendations for mainstreaming the shift towards a circular economy in the urban areas in the post 2020 Cohesion Policy
- To contribute with specific proposals in the preparation of the new regulatory framework for the EU Cohesion Policy in the programming period 2021-2027

The progress of the action up to date

#	Tasks	Deliverables	Status
1	Mapping of existing funding opportunities	Current situation	Completed ✓
2	Recording the funding needs		
3	GAP analysis		
4	Funding sources/ instruments post 2020	Funding and regulatory proposals	Completed ✓
5	Proposals to feed in the regulatory framework post 2020		
6	Promoting the conclusions/ proposals	<ul style="list-style-type: none"> • List of indicative actions • Material for dissemination 	In process

Results to date

- A relevant position paper as well as a document with proposed ideas and regulatory provisions for the post 2020 cohesion policy framework have been circulated among the European Institutions before the publication of the new regulatory proposals by the European Commission (29 May 2018)
- Some of these proposals can be found in the EC's regulatory proposals
- A complete report including all the produced documents will be available by the end of October 2018

II. Current situation: Provisions relating to circular economy in the proposed regulations for 2021-2027 programming period

Policy Objectives (POs)

for the ERDF, the ESF+, the Cohesion Fund and the EMFF

Policy Objectives of the EU Cohesion Policy post 2020

- **PO1. A smarter Europe** by promoting innovative and smart economic transformation
- **PO2. A greener, low-carbon Europe** by promoting clean and fair energy transition, green and blue investment, the **circular economy**, climate adaptation and risk prevention and management
- **PO3. A more connected Europe** by enhancing mobility and regional ICT connectivity
- **PO4. A more social Europe** implementing the European Pillar of Social Rights
- **PO5. A Europe closer to citizens** by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives.

Relevant Specific Objectives

supported by the ERDF and the Cohesion Fund (1/3)

PO1. A smarter Europe (ERDF)

- enhancing research and innovation capacities and the uptake of advanced technologies
- reaping the benefits of digitilisation for citizens, companies and governments
- enhancing growth and competitiveness of SMEs
- developing skills for smart specialisation, industrial transition and entrepreneurship

Relevant Specific Objectives

supported by the ERDF and the Cohesion Fund (2/3)

PO2. A greener, low-carbon Europe (ERDF and CF)

- promoting energy efficiency measures
- promoting renewable energy
- promoting sustainable water management
- **promoting the transition to a circular economy**
- enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution

Relevant Specific Objectives

supported by the ERDF and the Cohesion Fund (3/3)

PO4. A more social Europe (ERDF)

- enhancing the effectiveness of labour markets and access to quality employment through developing social innovation and infrastructure
- increasing the socioeconomic integration of marginalised communities, migrants and disadvantaged groups, through integrated measures including housing and social services.

PO5. A Europe closer to citizens (ERDF)

- fostering the integrated social, economic and environmental development, cultural heritage and security in **urban areas**

Contribution of the European Social Fund + (ESF+)

The ESF+ shall contribute to

- **The Policy Objective 1, A smarter Europe**, through development of skills for smart specialisation, skills for key enabling technologies, industrial transition, sectorial cooperation on skills and entrepreneurship, the training of researchers, networking activities and partnerships between higher educational institutions, vocational and educational training institutions, research and technological centers and enterprises and clusters, support to micro, small and medium sized enterprises and the social economy
- **The Policy Objective 2, A greener low-carbon Europe**, through the improvement of education and training systems necessary for the adaptation of skills and qualifications, the upskilling of all, including the labour force, the creation of new jobs in sectors related to the environment, climate and energy, and the bioeconomy

Contribution of the European Maritime and Fisheries Fund (EMFF)

“Under direct management, the EMFF shall support the promotion of clean and healthy seas and the implementation of the European Strategy for Plastics in a Circular Economy.”

This might concern coastal cities, harbors, etc

Relevant Types of Intervention (1/3)

for the ERDF, the ESF+, the Cohesion Fund and the EMFF

PO1. A smarter Europe

- **023** Research and innovation processes, technology transfer and cooperation between enterprises focusing on **circular economy**

PO2. A greener, low carbon Europe

- **024** Energy efficiency and demonstration projects in SMEs and supporting measures
- **025** Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures
- **026** Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures
- **027** Support to enterprises that provide services contributing to the low carbon economy and to resilience to climate change

Relevant Types of Intervention (2/3)

for the ERDF, the ESF+, the Cohesion Fund and the EMFF

PO2. A greener, low carbon Europe (cont.)

- **028 - 032** Renewable energy: wind, solar, biomass, marine, other renewable energy (including geothermal energy)
- **040** Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)
- **041** Waste water collection and treatment
- **042** Household waste management: prevention, minimisation, sorting, recycling measures
- **043** Household waste management: mechanical biological treatment, thermal treatment
- **044** Commercial, industrial or hazardous waste management

Relevant Types of Intervention (3/3)

for the ERDF, the ESF+, the Cohesion Fund and the EMFF

PO2. A greener, low carbon Europe (cont.)

- **045 Promoting the use of recycled materials as raw materials**
- **047** Support to environmentally-friendly production processes and resource efficiency in SMEs

PO4. A more social Europe

- **127** Addressing material deprivation through food and/or material assistance to the most deprived, including accompanying measures

PO5. A Europe closer to citizens

- For PO 5 all Intervention Fields under PO 1 to PO 4 may be chosen in addition to those listed under PO 5

III. The on-going discussion within the EU and the way ahead

On-going discussion within the EU (1/2)

Legislative negotiation

- Starting point is the fact that the new regulatory proposals contain adequate provisions allowing investments in the transition towards a circular economy in the urban areas of the EU
- The legislative negotiations of the European Commission with the Council and the European Parliament on the proposed regulatory framework has already started and is estimated to last at least until spring 2019

On-going discussion within the EU (2/2)

Informal dialogue

- An informal dialogue between the European Commission and the MSs on the programming documents (Partnership Agreement and Operational Programmes) is foreseen
 - A “Position Paper” including inter alia investment needs/ challenges/ priorities and governance issues will be prepared by the EC (DG REGIO) for each MS until end 2018
 - On the basis of the “Position Paper” the EC will start the bilateral negotiation process with the MSs early 2019
 - On the basis of agreements reached in the context of the informal dialogue, the MSs should prepare their Partnership Agreements and the Operational Programmes

Next steps of the Action ?

- The Partnership with the support of all its members could intervene at both: policy level and programming level, by providing a relevant communication document :
- Policy level (legislative negotiating process)
 - Lobby the Council of the EU at Presidency level and at MS level (by promoting the Partnership's proposals to the MS competent authorities involved in the negotiating process through their Permanent Representations)
 - Lobby the European Parliament e.g. through the institutions participating in our Partnership
- Programming level (informal dialogue)
 - Communicate Partnership's policy papers, selected best practices and identified innovative ideas that could be part of the MS programming documents/ investment priorities under cohesion policy 2021-2027 to both MS competent authorities and the EC (DG REGIO)