

# **Advice to the Committee on Budgets: INI REPORT ON FUTURE MFF**

**Textual Recommendations from civil society in line with the Peoples  
Budget campaign advanced by SDG Watch Europe alliance**

**[www.peoplesbudget.eu](http://www.peoplesbudget.eu)**

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## **Disclaimer:**

The textual recommendations in this report have been compiled by some of the many organizations behind the cross sectorial EU wide campaign – see [www.peoplesbudget.eu](http://www.peoplesbudget.eu) for more information. Due to time constraints, not all policy positions alluded to in this report should be taken as representing the endorsement or views of all stakeholders signed up to the campaign. Nevertheless, the positions and reforms advocated are broadly in line with the common call from civil society to sustainability proof the next MFF, for an innovative, people centered, and fully sustainable EU budget.

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We call on the Committee on Budgets to incorporate the following recommendations in its report and resolution: Preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

## **A. CROSS CUTTING RECOMMENDATIONS:**

### **PART. 1 GOVERNANCE, SUSTAINABILITY PROOFING**

*[xx] Recognizing evaluations that have demonstrated the difficulties several Member States have had in mainstreaming sustainable development in non-environmental thematic objectives within the MFF<sup>1</sup>, calls on the Commission to sustainability proof the next MFF, in order to increase the efficiency of the Union spending and to improve coherence and balance of economic, social and environmental dimensions as required by the Treaty. This should take a stepwise process and provide the most effective governance structure through substantive, procedural and institutional tools throughout the policy and implementation cycles.*

*[xx] Believes that the next EU Budget should be a first mover, helping catalyse sustainable finance across the Union. Notes that several of the recent first recommendations of the High Level Expert Group on Sustainable Finance are applicable to the MFF, including the need to 'sustainability test' all future EU financial regulations and policies, and for financial instruments to achieve greater policy steering effects, such as the future EFSI funding 100% renewable energy and energy efficiency.*

*[xx] Considers that the current MFF continues to support types of projects that are in contradiction with some EU environmental and social objectives, and stresses the need to bring the future MFF in line with the UN Sustainable Development Goals, and other overarching EU priorities for 2030 and 2050 through the introduction of specific mechanisms to sustainability proof the next MFF, including:*

*A) A comprehensive review of the current EU spending and lending, also with a view to how EU programmes and schemes work together in a coherent manner based on the principles of sustainability, to be able to identify areas, where incoherently determined objectives or implementation lead to contradictory results and inefficient spending.*

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<sup>1</sup> *Mainstreaming the environment in cohesion policy in 2014-2020* Report of the European Network of Environmental Authorities – Managing Authorities (ENEA-MA) working group.

*B) A clear definition of the criteria of EU value added with a balanced view to the social, economic and environmental dimensions of sustainable development, to reduce ambiguity in decision about EU funding;*

*C) An improved framework and methodological basis for tracking the impacts of all spending against the objectives of the Sustainable Development Goals and the Paris Agreement on climate change, including tracking the negative impacts of spending, as a necessary part of improving the policy coherence of the MFF.*

*D) A methodological basis to improve ex ante and ex post impact assessments at both programme and project level, as is necessary to underpin improved alignment with SDG indicators;*

*E) Strengthening and updating ex-ante conditionalities to account for recent EU commitments and legislation, and to require action plans and needs analysis to help remove barriers to effective public investment from EU funds for sustainable development, including but not limited to developing a sustainability proofing framework for mainstreaming sustainability principles and the SDGs into the policy planning and implementation on national level, the application of partnership principle, and more equitable access to finance and identification of support to the vulnerable;*

*F) Mechanisms to ensure that the various funds better work together to respond to national, regional and local challenges, such as to enable the just transition of coal dependent regions.*

*G) The introduction of an exclusion list to establish investor certainty, ensure improved policy coherence and maximum EU added value by preventing the most harmful, unsustainable or outdated project categories from receiving EU financial support. In addition to excluding the most harmful project categories, including but not limited to fossil fuels, the next MFF should include an enabling framework to review and add to this list of excluded subsidies over time. Recognises that precedent exists for excluding certain project categories, such as nuclear, within certain EU funds.*

*H) As part of ongoing monitoring and evaluation, improved independent oversight of the social and environmental sustainability of all funding lines is needed; highlights this could be achieved by expanding the role of the Court of Auditors or by creating new institutional arrangements as recommended by the High Level Expert Group on Sustainable Finance<sup>2</sup>.*

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<sup>2</sup> High Level Expert Group on Sustainable Finance, Interim Report, July 2017

## **PART. 2 PARTICIPATION AND TRANSPARENCY**

*[xx] Believes that the transparency and accountability of the MFF should be greatly improved; highlights the untapped potential to connect with the EU's digital agenda and invest in new and improved digital platforms to make information about the objectives, beneficiaries and results of spending more visible and accessible to citizens and investors. Recognises that improved visibility of the public good achieved through sustainable transformational EU investments is part of ensuring the MFF operates as a first mover, catalysing sustainable finance in the Union.*

*[xx] Considers that the Partnerships Principle within European Structural and Investment Funds must be strengthened, and notes its potential to help address risks of corruption in public procurement in several regions. In particular:*

- A) By expanding the scope of the Partnerships Principle, that currently exists within the framework of European Structural and Investment Funds, to all funds and programmes in the MFF.*
- B) Through the inclusion of the Code of Conduct as an ex-ante conditionality, to encourage correct implementation, in particular through the early involvement of civil society partners, and through the timely release of information;*
- B) Through the creation of a dedicated funding line to build capacity for civil society groups wishing to participate in Monitoring Committees, as recommended by the European Economic and Social Committee;*
- C) To strengthen the institutional capacity of partners, through improved support for external experts as part of Technical Assistance made available in all Programmes, and through a permanent secretariat on Monitoring Committees, independent of Managing Authorities;*

*[xx] Recognises that citizens and civil society should be consulted in all key phases of the design and programming of the MFF, including prior to formulation of legislative proposals by the European Commission.*

*[xx] Calls for new measures in the next MFF to ensure the meaningful participation of citizens and civil society in EU spending, and recognises the powerful contribution such measures could make to renewing trust and engagement with the European project. Specifically, calls for the introduction of pilots for participatory budgeting processes for sustainable transformation within ESI and other funds, to achieve broader democratic engagement in EU spending towards a common destination for the European project.*

*[xx] In addition to piloting participatory budgeting, calls for incentives to increase the uptake of Community Led Local Development programmes, to ensure a more even distribution of this local spending tool across the Union and to help create jobs in line with the distributive, localised and interconnected sustainable economy of tomorrow.*

*[xx] Recognises that very few societal actors are engaged in defining research and innovation (R&I) priorities in the EU Research Framework Programme, or in monitoring the impact of the third Pillar, Societal Challenges, which has led to a deficit in the societal impact of the programme. Given the importance of communicating, connecting and engaging with European citizens, recommends that the Commission considers the creation of Citizen Conventions, and a Civil Society High Level Group on maximising the societal impact of R&I. Notes that such innovations could be applicable to other programmes within the MFF.*

## **B. SECTORAL RECOMMENDATIONS**

### **PART 3. COHESION POLICY**

*[xx] Notes that the EU's Cohesion Policy seeks to strengthen the process of reducing the gap between the poor and the rich regions of the EU, namely by promoting economic, social and territorial cohesion. It is based on reducing social disparities by enhancing employment and social inclusion.*

*[xx] Stresses that achieving environmental and social goals go hand in hand with the objectives of the Cohesion Policy, in particular the ability to produce sustainable jobs. However, the Cohesion Policy is still not aligned to the objectives of environmental policy, and some of its programmes inadvertently risk increasing inequalities and social exclusion. This is seen both in the Operational Programmes of Member States, and in financing for which the Commission has direct management responsibility, for example in European territorial cooperation.*

*[xx] Stresses that Financial instruments are not suitable for all types of intervention (social inclusion measures). Grants need to remain the main tool to finance Cohesion Policy and 'be complemented by such financial instruments where the latter demonstrate an added value and could have a leverage effect<sup>3</sup>'. Finally, for more efficient use of the existing financial instruments, increased technical assistance is needed.*

*[xx] Notes that strengthening the link between the MFF and the EU Semester should not lead to less investment in social and environmental sectors in the long-term.*

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<sup>3</sup> INI Report of REGI Committee of the European Parliament on Post- 2020 Cohesion Policy

*[xx] Thus urges the Commission to put in place a new Cohesion Policy that aims to place all EU regions on a sustainable development path, in line with the SDGs and specifically supporting strategic investments in nature based solutions. The following principles should therefore be supported:*

- 1. Priorities and objectives need to be redefined “beyond GDP” and should focus on enabling sustainable development that takes into account the ecological limits of the planet.*
- 2. At least 25% of the financing under cohesion policy should go towards nature based solutions such as floodplain restoration and greening cities.*
- 3. Investments should be refocused in favour of ecosystem-based solutions in order to protect biodiversity, and reduce the current emphasis on hard physical infrastructures.*
- 4. In line with repeated EU political commitments, fossil fuel subsidies must be ended by banning specific types of financing that are fundamentally perverse, contradict EU climate objectives and harm the environment, including support for air transport, oil and gas.*
- 5. As contributing to resilient communities, Cohesion Policy should start investing in structural adaptation of living environments due to the demographic evolution and changing the ways of living (increased influx of refugees, increased number of people needing care at home, disability is increasing)*
- 6. Cohesion Policy should keep UIA to encourage cities to work together with actors of social inclusion to tackle modern challenges. The long-term (more than 3 years) cooperation between actors can bring a sustainable result.*
- 7. Stresses that due to the increasing poverty and inequalities in Europe, the current earmarking of Cohesion Policy for social inclusion should be kept and strengthened.*
- 8. Spending categories have to be revised, better defined and need clear guidelines to avoid contradictory approaches (e.g. natural flood protection versus the destruction of floodplains for water infrastructure) and provide guidelines for eligible measures, linked to measurable targets in line with clear objectives for each spending category.#*

## **PART 4. SOCIAL INCLUSION**

*[xx] Acknowledges the Council Conclusions of 16 June 2016 on ‘an Integrated approach on combating poverty and social exclusion’<sup>4</sup> which invites the European Commission to keep prevention and fight against poverty high on the political agenda as well as to encourage comprehensive, continuous and coordinated interventions.*

*[xx] Stresses that the European Commission needs to make sure that the different EU funding programmes do not further increase inequalities and social exclusion, even if their primary*

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<sup>4</sup> <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2564&furtherNews=yes>

*objective lies in economic or environmental fields, and when investing in social inclusion measures, the preventative approach is emphasised.*

*[xx] Stresses that the allocations should target investments in the long-term well-being of citizens, which should be achieved inter alia through more responsible social infrastructures like long term health and care, housing supply and education;*

*[xx] Stresses that the European Social Fund of the Structural Funds share should be kept and strengthened, and its Technical assistance needs to be strengthened to make sure that new innovative measures are applied by MSs in addition to the employment related activation;*

## **PART. 5 ENERGY AND CLIMATE CHANGE**

### **5.1 ENERGY AND CLIMATE CHANGE**

*[xx] Believes significant reforms are needed to ensure the quality of spending within climate mainstreaming, and in particular, to track and prevent the GHG impacts of investments in other spending.*

*[xx] Supports higher thematic concentration of funds for investment in clean energy transition, and significantly increasing the overall ambition of the EU budget to help deliver the objectives of the Paris Agreement.*

*[xx] Believes that support for the production, consumption or transportation of fossil fuels should not be eligible in the next MFF.*

*[xx] In addition to increasing the level of climate mainstreaming, recognises that changing how Cohesion Policy funds are allocated, including to take account of the location of overarching policy challenges like climate change, represents an important opportunity to achieve more targeted and impactful spending of ESI Funds for energy, and assist Member States and regions at risk of lock-in to high carbon pathways to undertake necessary reforms.*

*[xx] Recognises that the uneven impacts of climate change on different parts of Europe will aggravate inequalities in the future, which also needs to be reflected in the investment priorities for climate change adaptation, climate change monitoring and related risk assessment.*

*[xx] Recognises that great inequalities exist across regions as concerns eligibility and access of citizens to EU Funds supported schemes for thermal renovations in households using EU funds<sup>5</sup>. Recommends the introduction of specific requirements for MSs to take account of vulnerable and low-income families and citizens in the design of Operational Programmes, including to encourage the setting of affordable and tailored support schemes co-financed through the MFF.*

*[xx] Believes that the next MFF should involve greater use of incentives to help address the wide disparities between regions in RES production, and to encourage improved policy stability for RES investors.*

*[xx] Recommends linking a set aside or performance reserve within the MFF to incentivise increased ambition in milestones from National Climate and Energy Plans, and to encourage the development of national capital raising plans for the clean energy transformation with longer term horizons. Increased investments in energy and resource efficiency should be integral part of urban development strategies.*

*[xx] Recognises the EU added value of the next MFF helping facilitate access to finance and overcome specific barriers for energy citizens and prosumers, and that without this, the EU's vision of putting citizens at the heart of the clean energy transition will not materialise in many Member States and regions of Europe.*

*[xx] Acknowledges that a gap exists for prosumers when compared to EU schemes helping to aggregate and de-risk energy efficiency investments, believes a strong case exists for pooling existing funds in the MFF to create investment platforms designed to unlock crowdsourcing and other forms of innovative financing, as well as to facilitate improved access to grants, revolving loans, or equity capital tailored for 'prosumers' of renewable energy.*

*[xx] Believes that creating a set aside pooling existing EU funds, and an EU enabling framework for innovative financing to help aggregate citizen and community owned renewable power, support prosumers, can make a powerful contribution to the Future of Europe debate, empowering and reconnecting citizens to the European project through the clean energy transformation.*

*[xx] Recommends that local governments should play a strong role in coordinating such investment platforms, and calls on the Commission to establish processes to ensure improved*

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<sup>5</sup> For example, in Poland, single Family homes are not eligible for EU funds for energy efficiency according to the Partnership Agreement. And in Hungary, EU funds that were planned to be used for energy efficiency in households have been diverted to the commercial and public buildings sectors.

*dialogue with local authorities for the design of the next MFF, and programming of ESI Funds, in general.*

*[xx] Highlights that the Paris Agreement requires all financial flows to be aligned to the globally agreed long-term climate targets (article 2.1c); stresses that the next MFF falls directly under this commitment.*

*[xx] Stresses the significant but untapped potential of the MFF to catalyze the clean energy and zero carbon transition, especially in sectors falling under the Effort Sharing Decision.*

*[xx] Emphasizes the need to integrate the next MFF into the 2030 climate and energy framework, in particular by creating links to the National Energy and Climate Plans currently under negotiation.*

*[xx] Calls for an increase of the minimum earmarking for climate action to 50%.*

## **5.2 EX-ANTE CONDITIONALITIES FOR ENERGY AND CLIMATE**

*[xx] Notes the positive effects of ex-ante conditionalities for energy efficiency in helping ensuring swift transposition of the Energy Performance of Buildings Directives in Czech Republic, Poland, Spain and other Member States<sup>6</sup>. Calls for retaining and improving the role of ex-ante conditionalities to help overcome unstable policy frameworks or institutional weaknesses that hinder effective public spending towards the citizen led clean energy transition<sup>7</sup>. Highlights the role that new and strengthened ex-ante conditionalities can play in helping address national barriers to the citizen led clean energy transformation.*

*[xx] Calls on the Commission to consider new ex ante conditions for energy, with corresponding ex-post assessments to ensure their constant achievement:*

- A) Requirements for energy poverty Action Plans containing a needs analysis of housing stock identified as at risk of energy poverty, as well as measures for how Member States propose to address this, including through the use of EU funds for grants for thermal renovation to vulnerable households, the setting of affordable levels of co-financing for loan schemes to low to middle income families, and fairer eligibility for households, including single family dwellings, to benefit from EU funded schemes.*

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<sup>6</sup> DG REGIO, 7th Cohesion report, page 180

<sup>7</sup> DG REGIO, 7<sup>th</sup> Cohesion report.

- B) A Renewable Energies Investment Environment Test, requiring a regularly updated identification of the impact of national legislation and policies, including in MFF programming, on RES investment. The test should also assess impacts of national policies and legislation on prosumers wishing to generate, storing, or sell their own renewable energy, and be accompanied by plans to mitigate any negative impact on investors, potential investors in RES, or subcategories thereof.*
  
- C) A Strategic policy framework in place to ensure the achievement of defined milestones and criteria from National Climate and Energy Plans. The strategic policy framework should also be accompanied by national measures put in place to remove barriers for energy citizens and set national goals for an increase in the amount of citizens and communities generating their own RES.*
  
- D) Requirements related for national legislation on climate adaptation and mitigation that allow concerned countries to use the tools of Cohesion Policy for measures in residential buildings.*

## **5.3 EUROPEAN FUND FOR STRATEGIC INVESTMENTS (EFSI)**

*[xx] Believes that the future EFSI 3.0 should be fossil free and 100% climate proof. The future EFSI requires full alignment with the Paris Agreement on climate change, and its objectives must be firmly linked with the EU's sustainable development objectives.*

*[xx] EFSI 3.0 requires significant improvements in transparency, and must ensure its governing bodies are accountable for decisions.*

*[xx] Earmarking mechanisms would be essential in EFSI to ensure more investment in economically, socially and environmentally sustainable development.*

*[xx] At the same time, EFSI should not undermine the long-term perspective of Cohesion Policy as it is additional to it. Therefore, long term investments should be prioritised by the European Commission.*

## **PART 6. NATURAL RESOURCES**

## 6.1 COMMON AGRICULTURAL POLICY AND NATURE

*[xx] Points out to the overarching principle of the EU budget that public spending must be result-oriented, and therefore sees the clear necessity to also address the Common Agricultural Policy (CAP) within the MFF debate.*

*[xx] Notes that the existing CAP has created a food and farming system that is failing on all fronts. It fails farmers at the social and economic level, so that many smaller farms disappear and generational renewal is at risk. At the same time, agriculture has been identified as the main driver of biodiversity decline in Europe. The CAP has not adequately either halted this decline or reversed these worrying trends. Last but not least, it puts tax payers' acceptance of support to farmers at risk.*

*[xx] Therefore calls upon the Commission to transform the current CAP into a new European Food and Land-Use Policy that would be designed to meet today's challenges as well as the SDGs. A policy that is fair, environmentally sustainable, healthy and globally responsible.*

*[xx] Asks for the implementation of a set of principles that deliver such a transition not only in environmental but also in social and economic terms:*

- A. Open up the decision making process to all societal interests affected by this policy. In particular, decisions on environmental components of the policy must be taken by the relevant environmental authorities – from EU to local level.*
- B. Ensure that the future policy helps the EU meet its global commitments under the Sustainable Development Goals (SDGs), in particular related to the establishment of sustainable agriculture by 2030, as well as halting biodiversity decline by 2020.*
- C. Ensure full coherence of the policy with established principles, strategies and legislation of the EU, such as the "the polluter pays" principle, the precautionary principle, the strict and effective enforcement of ambitious environmental and animal welfare regulation and the end of environmentally harmful subsidies.*
- D. Make agriculture payments effective and efficient by replacing the current "two-pillar system" with targeted support based upon the principle of "public money (only) for public goods". Any new payment system should be based on a programmatic approach as well as co-financing of Member States.*
- E. Invest in the transition to sustainable agricultural production, short supply chains, fair prices and consumers' demand for high quality and healthy food. Also invest in minimising food waste.*
- F. Establish a new "contract on nature conservation" between society and land users. Farmers must receive reliable and attractive income for specific nature conservation services through a dedicated EU funding instrument under the lead of environmental authorities.*

G. *Manage risks with tools that support farm diversification and knowledge transfer, rather than publicly financed "risk management" instruments for price volatility.*

*[xx] Proposes four main instruments for a new European Food and Land-Use Policy:*

- A. *Transition instrument for sustainable farming – a temporary investment fund (limited to two financial periods of the EU) that should help farms switch to a high-quality, nature-and-animal-friendly and profitable economic model and invest in healthy, economically diverse rural areas. It should support the long term goal to make farming sustainable and independent from public subsidies.*
- B. *Sustainable Food instrument – a set of investments to build up sustainable value chains, reduce food waste and increase the demand for healthy and environmentally sound food at fair prices.*
- C. *Nature and Biodiversity instrument – the central EU fund for financing about 75% of the costs of implementation of the EU nature legislation (e.g. Natura 2000) and other key biodiversity action in Member States. In particular, the fund should reward specific biodiversity action undertaken by farmers, foresters and other land users with an earmarked minimum budget of 15 billion EUR per annum. The fund should be programmed under the lead of environmental authorities.*
- D. *"Space for Nature" instrument – area-based entry level payment scheme, accessible for the vast majority of farmers, which dedicates a varying percentage of each farm to (strictly non-productive) natural elements, thereby fostering biodiversity and ecosystem services across the agricultural landscape. The scheme must be free of any exemptions, equivalences or weighting factors.*

*These instruments should be complemented by a system to raise revenue from the polluters.*

## **6.2 LIFE PROGRAMME**

*[xx] Stresses that large scale biodiversity decline and loss is a new challenge, and finding ways to address it requires out-of-the-box thinking, experimenting and exchange of experience. This is the "raison d'être" of the already existing, centrally managed LIFE fund.*

*[xx] Underlines that since its creation in 1992, LIFE has proven to be a very efficient tool to finance innovative projects in the field of biodiversity protection: it has saved many species and habitats in the EU. It delivers innovative solutions, helps sharing and rolling out best practices across the EU and contributes to sustainable development, including through job creation, also after projects have ended.<sup>8</sup>*

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<sup>8</sup> European Commission (2013): LIFE – creating green jobs and skills. Luxembourg: Publications Office of the European Union.

*[xx] Is concerned that the LIFE instrument only receives 0.3% of the entire EU budget while its absorption rate is close to 100%, which suggest that the potential benefits of LIFE are largely limited by lack of funding.*

*[xx] Calls upon the Commission to ensure that the LIFE programme remains centrally managed by the DG Environment and should be significantly strengthened. The budget of the priority area “Nature and Biodiversity” under the LIFE sub-programme Environment should be increased from approximately 150 million Euros per annum today to 1 billion Euros per annum under the next MFF.*

### **6.3 PRIORITY TRANS-BOUNDARY GREEN CORRIDORS (TEN-G)**

*[xx] Reminds that European ecosystems have been fragmented by human activities, and that this is detrimental to nature. Migrating species must be able to move freely throughout their migration cycles. Different populations must be able to mix genes to ensure survival of their species.*

*[xx] Points out that the concept of a Trans-European Network for Green Infrastructure (TEN-G) was developed as part of the Commission’s Green Infrastructure Strategy.<sup>9</sup> According to the Strategy, the TEN-G should be equivalent to the Trans-European Networks for Energy (TEN-E), and Transport (TEN-T) and financed through the Connecting Europe Facility. It should consist of large scale green infrastructure initiatives along Trans-European priority axes that maintain the connections of habitats and facilitate migration and adaptation of species e.g. to changing environmental conditions.*

*[xx] Asks the Commission to provide a sum of at least 1 billion Euros per year to be earmarked in the Connecting Europe Facility under the next MFF to fund projects which clearly and demonstrably contribute to the integrity of the Natura 2000 network and other protected areas such as nature reserves, national parks etc. This “TEN-G” tool should only benefit certain large scale transboundary projects, at regional level and beyond, for which currently no adequate EU funding opportunities exist. The management of this tool is to be overseen by DG Environment.*

### **6.4 A SUSTAINABLE OCEAN FUND**

*[xx] Recalls that the European marine ecosystems provide important services including not only as a source of food, income and employment, but also ecosystem services such as coastal protection and carbon sequestration. Marine Protected Areas (MPAs) play a key role in the*

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<sup>9</sup> <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013DC0249>.

*protection of marine biodiversity and ecosystems. Although that is their principal objective, MPAs also provide benefits beyond biodiversity conservation. In particular coastal and marine nature-based tourism employs over 3.2 million people and generates 183 billion Euros per year in gross value added in the European Union<sup>10</sup>.*

*[xx] Is concerned that the marine environment faces multiple challenges, driven by human pressures that are expected to rise. However, very little financing has been made available to manage these pressures in a way which ensures the conservation of the marine environment.*

*[xx] Notes that although the EU Budget through the current European Maritime Fisheries Fund (EMFF) has made efforts to finance management of the marine environment and MPAs and tackle challenges such as fisheries bycatch, the reality is that very little funding has actually been spent on these objectives. On the contrary, EMFF funding is still focused on trying to directly finance economic activity without any guarantee of public goods delivery, and over 85% is directed especially at national fisheries and aquaculture activities,<sup>11</sup> despite other very important demands on the fund's resources.*

*[xx] Overall considers that the current EMFF is not fit for purpose and needs to be overhauled, having failed to not only to deliver for the improvement of the marine environment but to also achieve its aims, in particular to help fishers move to sustainable fishing models, support coastal communities in diversifying their economies, finance projects to create new jobs and improve quality of life, and to make it easier for applicants to access financing.*

*[xx] Thus asks the Commission to base a new Sustainable Ocean Fund on the following principles:*

- A. The continued overwhelming emphasis on directly supporting the fisheries and aquaculture sectors is no longer acceptable and should be replaced with a more balanced and conditional approach, as existing EMFF environmental objectives are insufficiently funded and the diverse pressures from many other sectors mean that a much more broadly-based fund is needed.*
- B. A new fund for the marine environment should be entirely re-focused on sustainable management of the marine environment. It should total 7 billion Euros for the entire period 2021-2027 and tackle all challenges and pressures faced by the marine environment, focusing on (1) data collection and monitoring of pressures; (2) enforcement and control of rules including via improvement of surveillance technology at sea; (3) testing mitigation techniques to identify solutions to pressures; (4) active management of MPAs; (5)*

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<sup>10</sup> [https://ieep.eu/uploads/articles/attachments/d3a4f32e-4867-4a48-9746-38b1c2c360d3/Socio - Economic Benefits of EU MPAs.pdf?v=63664509951](https://ieep.eu/uploads/articles/attachments/d3a4f32e-4867-4a48-9746-38b1c2c360d3/Socio_Economic_Benefits_of_EU_MPAs.pdf?v=63664509951).

<sup>11</sup> [https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/2015-cfp-funding\\_en.pdf](https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/2015-cfp-funding_en.pdf).

*Education, awareness raising (e.g. ocean literacy) and training; and (6) diversification of the sectors that links to the improvement of sustainability.*

- C. This new ‘Sustainable Ocean Fund’ would not discriminate eligibility for accessing of funds, and instead focus on delivering quality results to support the management of the marine environment.*

## **6.5 GLOBAL ENVIRONMENTAL GOVERNANCE**

*[xx] Stresses that DG International Cooperation and Development (DEVCO), European Neighbourhood Policy and Enlargement Negotiations (NEAR) and the European External Action Service (EEAS) command significant external aid resources, which have the potential to significantly influence protection of the natural environment in neighbouring and developing countries.*

*[xx] Asks that the Commission respects the following principles for the next MFF:*

- A. The SDGs as well as other Multilateral Environmental Agreements (MEAs) such as the CBD, CMS and UNFCCC should be strongly mainstreamed through DG DEVCO, DG NEAR and EEAS, with the role of biodiversity and ecosystem services in supporting poverty alleviation and sustainable livelihoods integrated into programming.*
- B. Neighbourhood Policy should explicitly seek to bring the EU’s neighbours up to its high environmental standards, to provide a level economic playing field. This should be linked to supporting countries to achieve the requirements of the MEAs to which they are parties, thus supporting global environmental governance.*
- C. Current EU funding, channelled through DG DEVCO, should be scaled up to significantly contribute to the implementation of the “Larger than...” strategies, which estimate conservation needs in Africa (terrestrial), Africa (coastal and marine), Asia and South America<sup>12</sup>.<sup>[11]</sup> This should happen in collaboration with other donors. Dedicated programmes and funds should be considered to facilitate the implementation of the strategy and ensure funds are accessible as well to CSOs.*

## **PART 7. RESEARCH POLICY**

*[xx] Acknowledges that the current Horizon 2020 facility has seen an improvement in aligning its research with European policies under its ‘Societal Challenges’ section, but is concerned that there are still several inconsistencies. Stresses that in particular Horizon 2020 focuses on theoretical research and lacks applied research. There are very few new data collected and most*

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<sup>12</sup> *Larger than Elephants*, the strategy for African conservation, estimates that 7 700 million Euros is needed over 10 year.

*projects involve meta-analysis of existing data. Furthermore, under “Societal Challenges”, research consortiums currently restrict participation of stakeholders.*

*[xx] Points out to the fact that Horizon 2020 also lacks opportunities for delivering much-needed research for biodiversity. On the contrary, it often focuses on enabling growth at the cost of biodiversity. For example, in the context of “Blue Growth”, the work programmes have focused on delivering innovation to commercially apply new technologies, and labelling these “sustainable”. Therefore, not only does Horizon 2020 fail to apply a precautionary approach in its research priorities, it also fails to gather relevant data on ecosystems that is needed before enabling innovation to commercially exploit natural resources.*

*[xx] Thus urges the Commission to respect the following aspects for the new research policy:*

- A. Active incentives need to be built within a new research facility that enables the cooperation between scientific institutions and stakeholders such as NGOs and practitioners. At least one member of the consortium must be from a stakeholder.*
- B. A new research fund should implement a facility that utilises new methodologies and technologies to identify protected areas, especially at sea, including through the use of tracking devices of species. This facility should also support the sensitivity mapping of threats to biodiversity, especially to support spatial planning.*
- C. A targeted small research grants facility for conservation should be applied to identify solutions for specific ecological challenges, for example: rapid decline of seaduck species; the impact of pharmaceuticals on raptors; testing different methods to remove the invasive alien algae in the Mediterranean coast.*
- D. Repeated systematic monitoring of biodiversity is fundamental to understand ecological changes and to drive sustainable innovation. Therefore, a new research facility must have a specific allocation for basic biodiversity monitoring needs to complement the monitoring activity funded by the Nature and Biodiversity Instrument and the Sustainable Ocean Fund, for example to meet wider biodiversity needs beyond those of protected areas and species, particularly in especially costly cases such as marine monitoring.*
- E. Increased research is needed to support European species where information is lacking on their ecology and threats beyond the EU’s borders. Therefore the new facility should establish a work programme to conduct research outside the EU on migratory species, such as birds and marine mammals, which spend part of their life cycle in other continents.*

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## **CONTACTS:**

## General contact:

Mr David Holyoake  
Co-lead, PeoplesBudget campaign (peoplesbudget.eu)  
EU Policy Advisor – CEE Bankwatch Network  
[david.holyoake@bankwatch.org](mailto:david.holyoake@bankwatch.org)

## Sectoral expert contacts:

On cohesion policy:

Edit Lakatos  
[Edit.Lakatos@housingeurope.eu](mailto>Edit.Lakatos@housingeurope.eu)

On climate and energy:

David Holyoake  
[david.holyoake@bankwatch.org](mailto:david.holyoake@bankwatch.org)

On housing and social inclusion:

Edit Lakatos  
[Edit.Lakatos@housingeurope.eu](mailto>Edit.Lakatos@housingeurope.eu)

On Nature and Common Agricultural Policy:

Raphael Weyland  
[Raphael.Weyland@nabu.de](mailto:Raphael.Weyland@nabu.de)

On health and research policy:

Fanny Voitzwinkler  
[fvoitzwinkler@ghadvocates.org](mailto:fvoitzwinkler@ghadvocates.org)