

# Official Journal

## of the European Union

C 404



English edition

Information and Notices

Volume 62  
29 November 2019

Contents

I *Resolutions, recommendations and opinions*

OPINIONS

**Committee of the Regions**

**135th CoR plenary session, 26.6.2019-27.6.2019**

2019/C 404/01	Opinion of the European Committee of the Regions — Macro-regional strategies, such as the Danube: a framework for promoting transnational clusters .....	1
2019/C 404/02	Opinion of the European Committee of the Regions — Towards a more efficient and democratic decision making in EU tax policy .....	6
2019/C 404/03	Opinion of the European Committee of the Regions — A place-based approach to EU industrial policy .....	9
2019/C 404/04	Opinion of the European Committee of the Regions — Sustainable Development Goals (SDGs): a basis for a long-term EU strategy for a sustainable Europe by 2030 .....	16
2019/C 404/05	Opinion of the European Committee of the Regions — A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment .....	24
2019/C 404/06	Opinion of the of the European Committee of the Regions — Strengthening STE(A)M education in the EU .....	30
2019/C 404/07	Opinion of the European Committee of the Regions — Towards a comprehensive EU framework on endocrine disruptors .....	34
2019/C 404/08	Opinion of the European Committee of the Regions — Cross-border dimension in disaster risk reduction (DRR).....	39

EN

2019/C 404/09	Opinion of the European Committee of the Regions — A new European agenda to speed up the development of maritime industries .....	44
2019/C 404/10	Opinion of the Committee of the Regions — Multilevel governance and cross-sectoral cooperation to fight energy poverty .....	53

---

### III *Preparatory acts*

#### **Committee of the Regions**

##### **135th CoR plenary session, 26.6.2019-27.6.2019**

2019/C 404/11	Opinion of the Committee of the Regions — A Clean Planet for all — A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy.....	58
---------------	---	----

## I

(Resolutions, recommendations and opinions)

## OPINIONS

## COMMITTEE OF THE REGIONS

135TH COR PLENARY SESSION, 26.6.2019-27.6.2019

**Opinion of the European Committee of the Regions — Macro-regional strategies, such as the Danube:  
a framework for promoting transnational clusters**

(2019/C 404/01)

<b>Rapporteur:</b>	Dainis TURLAIS (LV/ALDE), Member of Rīga City Council
<b>Reference document:</b>	Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of EU macro-regional strategies
	COM(2019) 21 — final

**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

1. Appreciates the Romanian Presidency's invitation for the European Committee of the Regions to express an opinion on the European Union (EU) competitiveness and industrial policy, whose objective is to develop transnational clusters to ensure better economic convergence at the macro-regional level (such as the Danube Region);
2. Welcomes the second report from the European Commission (EC) on the implementation of EU macro-regional strategies (MRS) <sup>(1)</sup>, which assessed the implementation of four MRS which promote regional development and considered the development of these strategies in connection with the possible EU budgetary framework for the post-2020 period. Each MRS was assessed in detail in the attached EC Staff Working Document <sup>(2)</sup>;
3. Is pleased that the EC report notes specific achievements in the fields of the environment and climate change, research, innovation and economic development, and connectivity. At the same time, the EC rightly points to the challenges faced by the implementers of MRS: differing administrative capacities, the level of economic development, the challenges of multi-level governance and the challenge of raising funds;
4. Welcomes the conclusions of the Council of the European Union of 21 May 2019 on the implementation of EU Macro-Regional Strategies <sup>(3)</sup> calling on the participating countries to strengthen ownership and political support at national level while fostering the involvement of local and regional stakeholders, as well as underlines the importance of continuing to use macro-regional strategies as a strategic framework promoting more coherent and synergic implementation of EU policies, programmes and funds;
5. Emphasises that multi-level governance not only requires coordination at the macro-regional and national level, but it is also essential to involve representatives of cities and regions;
6. Reiterates that MRS represent a real and deeply European vision <sup>(4)</sup> and welcomes the fact that the EC report recognises that MRS offer a strong potential and unique and innovative way to promote cooperation both within the EU and between the EU and its neighbours. The Committee reiterates that the EU needs a territorial development vision <sup>(5)</sup> that goes beyond borders;

<sup>(1)</sup> COM(2019) 21 final.

<sup>(2)</sup> SWD(2019) 6 final.

<sup>(3)</sup> <https://data.consilium.europa.eu/doc/document/ST-9895-2019-INIT/en/pdf>

<sup>(4)</sup> Opinion of the European Committee of the Regions on 'The implementation of macro-regional strategies' (COR-2017-02554).

<sup>(5)</sup> Opinion of the European Committee of the Regions on 'Territorial Vision 2050: What future?' (COR-2015-04285).

7. Stresses that the Lisbon Treaty objective of economic, social and territorial cohesion has still not been achieved. Economic growth and its impact on citizens' wellbeing will allow the EU to be truly strong. By harnessing the potential of all existing levels of EU administration in creating economic growth, MRS can make an important contribution to closing the gap in living standards between neighbouring areas within a reasonable period of time, thereby also contributing to the requirement of cohesion set out in the framework contract. Any policy paper must focus on improving the welfare of our citizens;

8. Reiterates that MRS have become an excellent tool for bottom-up territorial coordination through which the combined potential of macro-regions can be used more effectively <sup>(6)</sup>. They provide opportunities for genuine multi-level governance without creating new red tape and at the same time bridge the gap between EU and local policy-making by directly involving representatives of cities and regions;

9. Welcomes the EC's work on cluster policies and calls for a much closer link between cluster policies and MRS. This would contribute to economic growth and to the achievement of cohesion objectives, as the main task of these policies is to increase the benefits of regional competitiveness. Clusters have already made a real and very positive contribution to the implementation of MRS. For example, the 'DanuBioValNet' project <sup>(7)</sup> establishes new value chains for bio-based products in the Danube region. MRS promote the formation of clusters, but in no way limit their activities to the geographical areas of the MRS;

10. Refers to its opinion on The implementation of macro-regional strategies <sup>(8)</sup> whereby the Committee supported the 'three Yesses' principle to improve MRS operation: yes to better synergies with funding instruments, yes to better embedding of existing structures in MRS and yes to better implementation of existing rules. The Committee regrets that the EC has not taken this proposal into account;

11. Fully shares the view of the Italian Presidency of the European Union Strategy for the Alpine Region that embedding EU macro-regional strategies in the legal framework of Cohesion Policy in the years 2021-2027 would be a win-win game, as it would strengthen these strategies and help improve the territorial cohesion of the Union;

12. Is open to an initiative for a new macro-regional strategy that has been jointly developed and supported by several Member States and regions and that aims to meet common challenges in a defined geographical area. When assessing the creation of a new macro-regional strategy, it is necessary to ensure that it does not hamper the ability of existing macro-regional strategies to operate;

13. Supports the initiative to create an EU Strategy for the Carpathian Region, which would form a permanent framework for cooperation between countries, regions and communities of the Carpathians. The creation of a strategic document for the Carpathians region will, on the one hand, focus on the problems faced by the macroregion and, on the other, create opportunities for the specific cultural and environmental potentials of the Carpathian states. The involvement of many actors representing both local and regional as well as national and European level should be emphasized here in the process of the establishment of this strategy, which amongst others is reflected in the activities of the Interregional Carpathian Group within the Committee of the Regions;

14. Supports the discussions of the regions and states that border the Atlantic, and which are currently participating in the Atlantic sea basin strategy, with a view to moving towards the creation of a macro-regional strategy, based on the cooperation between the Atlantic partners that has existed for decades. A macro-regional strategy for the Atlantic region would complement the current maritime strategy by providing it with a political dimension and multi-level governance that could include third countries and regions, extending its scope to territorial issues and promoting greater coherence between thematic priorities and existing funding instruments. The main focus of the macro-regional strategy would be on the maritime domain, including ocean energies, which have been identified as a priority for Atlantic stakeholders, as well as on key areas such as employment and training;

<sup>(6)</sup> Opinion of the European Committee of the Regions on 'The implementation of macro-regional strategies' (COR-2017-02554).

<sup>(7)</sup> <http://www.interreg-danube.eu/approved-projects/danubiovalnet>

<sup>(8)</sup> Opinion of the European Committee of the Regions on 'The implementation of macro-regional strategies' (COR-2017-02554).

## Finance and administration

15. Emphasises the need to further integrate MRS and EU sectoral policy programmes such as Horizon 2020, Erasmus+, Creative Europe, the Programme for the Competitiveness of Enterprises and SMEs (COSME), LIFE, the Connecting Europe Facility and the European Fund for Strategic Investment to ensure synergies in jointly solving priority issues;

16. Welcomes the EC's efforts to ensure better synergies with the European Regional Development Fund through its legislative proposal on European Territorial Cooperation<sup>(9)</sup>. It notes, however, that these adjustments concern only a very small proportion of EU funds;

17. Agrees with the EC recommendation to ensure greater alignment of the priorities mentioned in the MRS with all EU funds through the coordination of the activities of the national authorities responsible for planning with those of the key implementers of MRS before concluding partnership agreements. States and regions involved in MRS need to agree, together and from the bottom up, on the priorities of macro-regional strategies;

18. Calls on the EC to ensure coordination not only between countries and within each country, but also for coordination at a third level: the EU level. MRS relate to many policy areas and their development is not exclusively linked to the EU policy on territorial cooperation. As a result, there is separation between the policy strategies on MRS funding. In order to ensure genuine multilevel governance, they should also be implemented within the areas for which the EC is directly responsible, ensuring that the work of different EC Directorates General is integrated into each MRS;

19. Believes in this respect that the network of national authorities, which has been managing the implementation of the European Regional Development Fund in the Baltic Sea Region since 2016, provides a good example of bottom-up coordination which could be promoted in other sectoral policies and geographical areas;

20. Fully agrees with the European Commission that the engagement of Member States and regions is key for the success of MRS. These strategies cannot be implemented effectively and their potential cannot be reached if the necessary resources – including financial and human resources – are not allocated to them;

21. Emphasises that MRS have demonstrated their importance in promoting and improving the respect of the multilevel governance principle in the implementation of EU projects by helping to coordinate the work and expertise of existing institutions and thus making the use of available financial resources more effective;

## The UK's withdrawal from the European Union

22. Takes the view again, particularly in the context of the United Kingdom's withdrawal from the European Union, that MRS can also contribute to integrated development beyond the EU's borders. It therefore suggests exploring how MRS could contribute to building the future relationship between the UK and the EU and demands that local and regional authorities be closely involved in further discussions on this issue;

23. Points out that the CoR has recognised that MRS, which could comprise UK and EU regions, would be an important means of ensuring sustainable joint programming, coordination and cooperation between UK and EU cities and regions in the future. The CoR calls for the active involvement of cities and regions in the development of this cooperation;

## Clusters

24. Notes that in a world where global competition has evolved from competition between companies to competition between regions, clusters play an important role, as centres where there is a concentration of skills, in increasing the wealth and competitiveness of regions and boosting their economic development, thus contributing to territorial cohesion;

---

<sup>(9)</sup> Article 15(3) of the Proposal for a Regulation of the European parliament and of the Council on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments COM(2018) 374 final.

25. Points out that clusters are important drivers of innovation because they attract the attention of investors and innovators and bring in companies, local administration, research and training institutions. Stresses the considerable importance of involving clusters in developing smart specialisation strategies, in particular in the S3 thematic platforms promoted by the European Commission. Macro-regional strategies can provide a natural impetus for a cluster-based approach; notes the importance of supporting effective alignment of smart specialisation strategies with regional and national policies, with a view to promoting effective interregional cooperation by increasing the presence of clusters and increasing synergies in accessing sources of funding, and thus also promoting the added value to macro-regional strategies for the harmonious development of the areas involved; reiterates the need to provide sustainable forms of funding in order to strengthen cluster initiatives in the implementation of smart specialisation strategies in the framework of interregional and transnational cooperation;

26. Notes that cooperation between clusters is also a promising way to strengthen a region's innovative capacity, which is why cross-border or transregional cooperation between cluster organisations should not be restricted to Europe alone, but should be global, with a view to achieving an end goal of world level clusters. Bringing together EU regions, Member States and, if necessary, third countries, MRS can be a natural framework for such cooperation;

27. Recalls the conclusion of the Council of the EU of 12 March 2018 calling for further development of the European cluster policy with the aim of linking up and scaling up regional clusters into cross-European world-class clusters, based on smart specialisation principles, in order to support the emergence of new value chains across Europe. Funding for cooperation in the area of smart specialisation throughout the EU should therefore be ensured in the next Interreg budget;

28. Welcomes the conclusions of the Council of the European Union of 21 May 2019 on the implementation of EU Macro-Regional Strategies <sup>(10)</sup> inviting to take advantage of the links between smart specialisation strategies and clusters in order to better connect the ecosystems as well as industrial and innovation policies within the macro-regional strategies;

29. Therefore calls on the EC to develop measures to further support the promotion of clusters' work and of inter-cluster cooperation, in particular through boosting the regional dimension of clusters and organise better coherence and synergies between cluster policies in the territorial and regional approach;

30. Believes that MRS can contribute to the creation of an environment in which clusters can thrive. In this way public administrations, in particular local and regional authorities, universities, research centres and businesses will be able to operate in a coordinated manner. By their very nature, cross-border clusters facilitate cooperation both across borders and across sectors, bringing different partners together;

31. Calls on the EU to support transnational collaboration more in its cluster policy, for example by helping to organise events to find international partners for clusters (and their stakeholders) and through small-scale funding for testing and developing collaboration among clusters. This has, for instance, been done with great success within the Baltic Sea Region Innovation Express project <sup>(11)</sup>;

### **Danube region MRS**

32. Notes that there is a wide disparity as regards innovation in the Danube region, with some regions among the highest performing regions in the EU while others lag behind. It notes that this disparity is due to different framework conditions and the wide range of policies governing the research and investment sector. In this respect, it calls for better coordination of public policies in this area and for smarter and better focused investment, including from programmes at the EU level;

33. Points out that the relatively high growth in the small and medium-sized enterprise (SME) sector is one of the key factors behind the competitiveness of the Danube macro-region. Because clusters usually focus on SMEs, and there is a strong and positive link between regional innovation performance and regional competitiveness, this could present an opportunity for the region to boost its competitiveness;

<sup>(10)</sup> <https://data.consilium.europa.eu/doc/document/ST-9895-2019-INIT/en/pdf>

<sup>(11)</sup> <http://www.bsr-stars.eu/innovation-express/>

34. Believes that a more active approach is needed at the macro-regional level to improve competitiveness and that it is necessary to strengthen the framework for the future development of clusters, although a number of promising macro-regional projects and initiatives are already being implemented. It calls on the EC and the institutions implementing MRS not only to monitor and assess the developments and results of such initiatives, but also to draw conclusions, exchange experiences and come up with new mechanisms to support growth and competitiveness at the macro-regional level;

35. Calls for consideration to be given to developing a smart specialisation strategy for the Danube macro-region which should take into account the specific strengths and needs of the region, such as the relatively high growth in the SME sector;

36. Calls for the initiation of a systematic exchange of experiences, information and data with other macro-regional strategies in order to develop the competitiveness of macro-regions focusing on the green economy, the innovation sector and the creation of new job opportunities;

37. Underlines that clusters are also an essential part of the 'triple helix' model involving cooperation between universities, public authorities and the private sector. Their proximity to local markets and local needs makes them natural tools for implementing place-based policies and the bottom-up approach principle;

#### **Final conclusions**

38. Stresses the need to support any initiative which strengthens the unity, cooperation, integration, security, social equality and genuine cohesion of the European Union. MRS can make a significant contribution to closing the gap in living standards between neighbouring areas within a reasonable period of time;

39. MRS represent a deeply European vision, they have great potential and innovatively promote working together to achieve shared goals that are important for citizens regardless of the country or region in which they live;

40. MRS provide opportunities for genuine multi-level governance from local authorities to the EC without creating new red tape and bridge the gap between EU and local policy-making. The interaction between cluster policies and MRS can help speed up the achievement of the Lisbon Treaty objective of economic, social and territorial cohesion.

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the European Committee of the Regions — Towards a more efficient and democratic decision making in EU tax policy**

(2019/C 404/02)

<b>Rapporteur:</b>	Christophe ROUILLON (FR/PES), Mayor of Coullaines
<b>Reference document:</b>	Communication from the Commission to the European Parliament, the European Council and the Council: <i>Towards a more efficient and democratic decision making in EU tax policy</i> , 15 January 2019  COM(2019) 8 final

### POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. agrees with the Commission that globalisation, digitalisation and the development of the service economy are bringing about dynamic changes in taxation;
2. points out that it has already encouraged the Commission to use the passerelle clause to apply qualified majority voting, particularly in tax matters <sup>(1)</sup>; in this context, welcomes the European Parliament resolution of 26 March 2019 on financial crimes, tax evasion and tax avoidance (report by the TAX3 committee) which calls on the Commission to use, if appropriate, the procedure laid down in Article 116 TFEU;
3. underlines that, in accordance with TFEU Article 4(2), internal market is a shared competence area between the EU and the Member States, and TFEU Article 113 provides for mechanisms to enable to the harmonisation of legislation concerning tax policies between Member States to ensure the functioning of the internal market and avoiding distortion of competition. It considers that the proposal to introduce Qualified Majority Voting on this basis, which, the Commission has pledged, should not interfere with Member States' prerogatives for setting direct individual or corporate tax rates, should go hand in hand with greater involvement of the European Parliament and national and regional parliaments — bearing in mind that some regions have legislative powers in the area of tax policy;
4. notes that the Commission proposal does not aim to allocate new competences to the EU; neither is the Commission proposing to interfere in Member States' prerogatives for setting direct individual or corporate tax rates;
5. points out that enhanced cooperation (Articles 326 to 334 of the TFEU) can be applied to tax matters, allowing a minimum of nine Member States to agree on common legislation, as was the case for the proposed financial transaction tax. Nonetheless, enhanced cooperation should be used only as a last resort once all of the options available in the normal operation of the institutions have been exhausted, as it may result in fragmentation of the internal market and is based on an essentially inter-governmental approach;
6. is pleased that, during its current term of office, the Commission has submitted 26 legislative proposals which aim to step up the fight against financial crimes and aggressive tax planning <sup>(2)</sup>, as well as to improve tax collection and tax fairness; highlights that the Council has made some progress on the major initiatives to reform corporate taxation which have however not yet all been finalised;
7. also notes the fact that initiatives other than those relating to tax avoidance, including proposals on the financial transactions tax submitted in 2011 and on the taxation of digital services, which the CoR had supported, were blocked by a minority of Member States in the Council;

<sup>(1)</sup> See point 6 of the resolution on the European Commission's 2019 work programme (RESOL-VI/33), adopted on 6 February 2019.

<sup>(2)</sup> The European Commission defines aggressive tax planning as 'taking advantage of the technicalities of a tax system or of mismatches between two or more tax systems for the purpose of reducing tax liability.'  
[https://ec.europa.eu/taxation\\_customs/sites/taxation/files/taxation\\_papers\\_71\\_atp\\_.pdf](https://ec.europa.eu/taxation_customs/sites/taxation/files/taxation_papers_71_atp_.pdf)



### European taxation and democracy

8. notes the intrinsic link between taxation and democracy insofar as the history of liberal democracies is closely linked to the quest for taxpayers' consent for submitting resources and fiscal expenditure to democratic control, as illustrated by the old adage '*No taxation without representation*';

9. underlines that in a recent Eurobarometer survey <sup>(3)</sup>, three quarters of respondents felt that efforts to combat abusive tax practices constituted a matter for priority action by the EU; it considers, therefore, that the Commission has chosen the right time to publish its proposal with a view to fuelling democratic debate in the run-up to the European elections; believes, moreover, that the EU will be better able to stem anti-European populism if European tax policy is managed more transparently and democratically ('Take back control');

10. notes that tax avoidance by multinational companies remains an issue in the EU and believes that individual investigations should be stepped up as wrongdoing of one entity does not define the behaviour of the collective;

### The cost of unanimity in tax matters

11. emphasises that, within a common economic framework, a balance needs to be found between regulating tax competition between and sometimes within Member States, and the need to avoid the national tax sovereignty of one Member State encroaching on that of another Member State, for instance where there is no appropriate maximum deviation between the respective tax rates or where there are aggressive tax schemes. The taxation decisions of one Member State may indeed significantly affect the revenues of others and their leeway for making their own political choices. Moreover, national tax sovereignty is limited as and when the tax base becomes more mobile. The CoR considers it preferable to put forward the notion of tax sovereignty which is shared at European level;

12. notes that an integration imbalance has been created in parallel to progress in European integration and the significant, rapid transformation of the economy, with capital and services moving freely in the EU while Member States set their tax rules independently. In fact, when the development of the single market was essentially limited to trade in goods, the cross-border effects of taxation were much more limited than they are today, insofar as firms rely to a large extent on intangible assets, data and automation, the added value of which is difficult to quantify;

13. highlights that joint efforts at European and national level are vital for safeguarding the budgets of the EU and its Member States from losses due to tax evasion and unpaid taxes; notes that only tax revenue which is collected fully and efficiently will allow states and local and regional authorities, and indirectly the EU, to provide high quality and cost-efficient public services, such as affordable education, health and housing, security and crime-fighting measures, and to fund climate-protection measures, the promotion of gender equality, public transport and essential infrastructure in order to make progress towards the implementation of the Sustainable Development Goals; this could lead to an eventual decrease of the overall tax burden on European citizens and companies;

14. feels that unanimity in tax matters has also hindered the implementation of other European achievements, particularly as regards the 2030 climate and energy framework, including the review of the Energy Taxation Directive aimed at incorporating CO<sub>2</sub> emissions into fuel tax rates, the circular economy and the reform of the system of own resources;

15. points out that according to a recent study, many firms' tax avoidance strategies have generated revenue losses in the EU estimated at between 50 and 70 billion euros, which includes only loss of revenue due to profit shifting and is equivalent to at least 17 % of taxes on corporate income levied in 2013, or between 160 and 190 billion euros if the estimated loss from the individual tax arrangements of the big multinationals is included;

16. notes that local and regional authorities are also victims of tax avoidance insofar as local and regional taxes are levied on the basis of the national tax base and in most Member States these authorities receive part of the revenue from national corporate taxes;

---

<sup>(3)</sup> <http://www.europarl.europa.eu/news/en/headlines/economy/20160707STO36204/tax-fraud-75-of-europeans-want-eu-to-do-more-to-fight-it>.

17. underlines that EU rules on VAT date back to 1993, although they were supposed to be transitional. The unanimity requirement has made any substantial reform impossible, despite the latest technological developments and market changes. In many cases, Member States still apply different rules for national and for cross-border transactions. The CoR stresses that this is a major obstacle to the completion of the single market and is reflected in onerous procedures for the increasing number of European firms operating across borders. Simplifying and modernising VAT rules in the EU would reduce cross-border firms' administrative costs, generating overall savings for firms of 15 billion euros a year. The current situation is particularly damaging for SMEs which do not have the financial and human resources needed to deal with the legal complexities of tax rules;

18. believes that abolishing the unanimity requirement in tax matters would enable the EU to move beyond defending the position of the lowest European common denominator and so to be more ambitious with regard to the international debate on taxation, particularly as regards the OECD's work on digital taxation and profit shifting measures (BEPS);

#### **On the roadmap**

19. supports the principle of the step-by-step approach proposed by the Commission and feels that this approach should be backed up under the European Semester and allow aggressive tax-planning schemes in particular to be tackled;

20. as a first step, would like qualified majority voting to be introduced for initiatives which do not have a direct impact on Member States' taxation rights, bases or rates, but which are necessary for improving administrative cooperation and mutual assistance between Member States in the fight against fraud and tax avoidance. The CoR also feels that the first stage should also cover initiatives intended to help EU firms comply with tax obligations;

21. wonders why the Commission is only proposing to use the specific passerelle clause set out in TFEU Article 192(2) on the environment in the second stage, when taxation is key to enabling the EU to implement the Sustainable Development Goals; it therefore suggests that the Commission propose using the passerelle clause for environmental taxation from the initial stage. It is particularly urgent to introduce a coordinated European approach to taxation in the aviation sector, which does not currently come under any European tax regime, for example with the introduction of VAT on air tickets or a kerosene tax.

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the European Committee of the Regions — A place-based approach to EU industrial policy**

(2019/C 404/03)

**Rapporteur:** Jeannette BALJEU (NL/ALDE)

Member of the Council of the Province of Zuid-Holland

**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

**Introduction**

1. underlines that industry seen as the production of goods and services is a cornerstone of an innovative, sustainable and diversified economy that is capable of ensuring European competitiveness as well as quality jobs in the European Union;
2. reiterates its conviction that the European Commission and the Member States must harness all the potential of the EU Treaty in the area of industrial policy pursuant to Article 173 TFEU, particularly by opting to 'take any useful initiative to promote coordination (of Member States in the area of industrial policy), in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation', in cooperation with regional stakeholders;
3. stresses that industry is vitally important for European regions and cities and for the tens of millions of jobs it creates and by its nature operates in a global context where trade is an important driver of growth which brings both benefits and challenges;
4. considers that the special importance of small and medium-sized enterprises for value creation, innovation and jobs should be emphasised. SMEs in particular have a particular impact on the ability of industry to adapt to new demands in a flexible way, such as those arising from globalisation or digitalisation. The EU's industrial policy must offer suitable ideas on how to maintain and create favourable conditions for these businesses in particular;
5. sees that the challenges and opportunities within industry are to become 'fit for the future' and maintain its crucial contribution to prosperity and employment, as well as to ensure sustainable development and the creation of a carbon neutral, circular economy;
6. stresses that there is a need for investment in innovative new technologies and digitalisation, in a carbon neutral and circular economy and in related skills across European regions to enhance Europe's competitive advantage;
7. emphasises, therefore, that in order to respond quickly to shifting economic and industrial changes and to maintain a competitive global position, there is a need for a strategic vision for European industry rooted in a place-based approach;
8. believes a coordinated European approach is necessary in order to ensure that European industry is fit to handle global competition, and that this should also focus on improving the consistency of regulatory frameworks and standards, removing excessive and unnecessary regulatory and administrative burdens, facilitating pan-European collaboration and partnerships, ensuring competitive energy costs and providing suitable trade defence instruments both in traditional sectors such as steel and textiles, the chemical industry, agriculture and shipping as well as in emerging sectors. For example, a tariff on steel products urgently needs to be introduced in order to defend the European steel industry;

9. considers that the role of industrial policy is to provide an enabling framework that allows industry to boost its competitiveness, combining a mixture of horizontal and cross-sectoral place-based approaches and, where needed, targeted sector-specific measures in the whole value chain;

10. welcomes the Commission's Communication Investing in a smart, innovative and sustainable Industry: A renewed EU Industrial Policy Strategy <sup>(1)</sup> and its emphasis on partnership with Member States, regions, cities and the private sector as an important step towards providing a tool to stimulate industrial competitiveness and innovation in Europe; welcomes the European Commission's proposal for Cohesion policy post-2020 with its focus on strengthening cooperation between regional ecosystems in all parts of Europe, as well as strengthening the international and industrial dimension of Smart Specialisation;

11. notes that European industry should be supported through both economic and non-economic action and measures, in the latter case for example through policies on education and training or supporting research and innovation;

12. welcomes the Commission's initiative in setting up a High Level Industrial Roundtable 'Industry 2030' in which the Committee of the Regions has observer status <sup>(2)</sup>;

13. welcomes the calls by the European Commission, the European Parliament and the Council to further develop a comprehensive EU industrial strategy with a focus on 2030 and beyond, including medium to long-term strategic objectives and indicators for industry, to be accompanied by an action plan with concrete measures;

14. stresses the need for a multi-level governance approach based on partnership and dialogue with Member States, local and regional authorities and stakeholders <sup>(3)</sup>;

15. calls for the inclusion of a strong territorial dimension respecting the principle of subsidiarity within this strategy; signals its willingness to support the Council and its Presidency in developing a more place-based industrial policy strategy;

16. believes that an EU industrial strategy should also include a detailed and evidence-based revision of EU rules on aid and merger control to ensure a level playing field at international level, in accordance with global trade policies and multilateral agreement. At the same time, this strategy should also include the investment and innovation potential of state aid and merger operations;

17. welcomes the paper from the European Political Strategy Centre <sup>(4)</sup> in which it proposes to find a new balance between openness and protection of the European market to create a more level global playing field, while shoring up industrial innovation and productivity at home;

18. considers that in order to meet the objectives of the Paris Agreement on the response to the threat of climate change <sup>(5)</sup>, industry will need to enact a far-reaching transformation, while ensuring that it remains competitive. The scale of the transformation facing both industry and society requires urgent action, a shared vision and integrated solutions among all stakeholders and at all policy levels, as only a multi-level approach can ensure that the stakeholders get on board with economic policy decisions of such magnitude;

19. supports the policy of a fair single market, associated by the European Commission with the presentation of an EU industrial policy, that responds to the challenge of the changing world of work in the framework of the European Pillar of Social Rights;

**Message 1: A competitive European industry requires a combined approach in which a place-based regional policy is accompanied by inter-regional collaboration**

20. underlines that the competitive advantages of regions are strongly linked to local industries, geographical assets, regional industrial innovation ecosystems, vocational and higher education institutions, and the available labour force and expertise;

<sup>(1)</sup> COM(2017) 479 final.

<sup>(2)</sup> Commission Decision C(2017) 8565 of 15/12/2017 setting up the High Level Industrial Roundtable 'Industry 2030'.

<sup>(3)</sup> Conclusions on a renewed EU Industrial Policy Strategy, Competitiveness Council, 30 November 2017 (705/17).

<sup>(4)</sup> EU Industrial Policy after Siemens-Alstom: finding a new balance between openness and protection, European Commission, March 2019.

<sup>(5)</sup> United Nations (2015).

21. underlines the importance of identifying, extracting and using European primary and secondary raw materials for site development and value chains of industry in the regions. A sustainable place-based approach must therefore look at exploitable, specific regional conditions and potential for development, as well as possible clustering synergies;
22. considers that a place-based approach should build on the potential of business and innovation ecosystems to drive industrial modernisation and develop territorial strategies for innovation and embeddedness, at regional, local, city or cross-border level;
23. notes that this requires well-functioning cooperation networks, such as macro-regional strategies, and clusters involving the key partners; emphasises also that inter-regional cooperation of these networks and clusters is crucial for developing synergies, exchange of experiences, peer learning and reaching critical mass in co-investment for deployment of innovation in industrial value chains across Europe; this inter-regional cooperation approach can only succeed by utilising digitalisation and the sharing of information;
24. underlines that regional and local governments and other organisations have a key role in actively establishing the necessary inter-regional and cross border collaborations;
25. stresses that sustainable collaboration between regions should go beyond 'ad hoc initiatives' and requires a structural framework for collaboration built on long-term commitment, based on the work already done in the existing Smart Specialisation Strategies, in the framework of the future Interregional innovation investments;
26. observes that information on regional activities in innovation, existing capacities (infrastructures, expertise) and circular economy potential is crucial. This existing data is often scattered and fragmented which limits their usefulness for regions; therefore encourages the European Commission to undertake a true evidence collection exercise taking into consideration the local and regional perspective on the EU strategy for industry;
27. recommends that the Commission enhance support for inter-regional and cross border collaboration, also within existing initiatives such as the Vanguard Initiative or Thematic Smart Specialisation partnerships that involve an increasing number of regions, in the context of a renewed place-based approach as proposed by the European Commission Cohesion policy proposals post-2020;
28. in the context of the post-2020 programming period, calls for strengthened EU support for regional eco-systems and clusters in the framework of Interregional Innovation Investments, building on the Smart Specialisation approach and enlarging and broadening existing initiatives such as the Smart Specialisation Platform on industrial modernisation and the pilot initiative on regions in industrial transition; also considers it important to develop instruments for implementing collaborative inter-regional industrial investment projects in close collaboration with regions and Smart Specialisation partnerships;
29. stresses that thematic smart specialisation platforms must be properly funded, as regions do not always have the resources they need to participate properly and in a structured way in these schemes;
30. calls on the Commission to further develop brokerage tools to identify and actively boost collaboration for Smart Specialisation Strategies to facilitate a continuous process in which regions identify the priority areas where collaboration is crucial in order to maintain European leadership;
31. recommends that the Commission encourage industrial innovation based on Smart Specialisation Strategies across all regions by facilitating specific support schemes in which well-developed regions can work together on concrete projects with less developed regions to their mutual advantage, as well as on collaborative projects between developed regions and relevant projects between less developed regions for mutual benefit;

**Message 2: As major societal challenges often require collaboration between European regions, regional governments play a crucial role in mission-oriented initiatives and in bringing sectoral policies into practice**

32. considers that a mission-oriented policy approach can be used as a tool to address major societal challenges and support the multi-governance approach, where the smart specialisation approach can help in aligning regional agendas and investments with EU priorities;

33. stresses that to address societal challenges, further investment in research and innovation is needed to support industrial excellence and exploit new opportunities, and that experimentation and risk-taking should be supported in the discovery process; the Committee encourages facilitating the diffusion of innovation and new technologies in industry;

34. stresses that regions have an important role in connecting, developing and supporting the regional innovation ecosystem, organising the mapping of available capacities, and involving different stakeholder groups in a true demand-driven and collaborative approach to setting industrial goals, therefore calls for regional representation in the governance of the mission orientated approach, including in the partnerships and mission boards;

35. recommends that the Commission set clear mid- and long-term goals in the mission-oriented policies and translate these into policies that are made operational in the Structural and Investment funds, Horizon Europe and Digital Europe;

36. recommends that local and regional authorities actively seek to lead some of these missions and to ensure that an inter-regional approach is created. This needs to be aligned with and facilitated by the available European instruments; therefore calls on the European Commission to ensure active involvement of regional stakeholders in the missions' governance in the new Horizon Europe;

37. calls on the Commission to promote pilots in clusters of regions which allow for experimentation, following the IPCEI<sup>(6)</sup>-like approach but at a smaller scale in order to promote interregional cooperation;

**Message 3: Regional and local authorities should ensure the availability of skills to support the transition of industry, facilitating industry-educational institutes collaboration, supported by a European strategy**

38. observes that the rapidly-changing industrial transformation, energy transition, digitisation and the circular economy require the development of new interdisciplinary skills;

39. welcomes the efforts to coordinate different instruments at European level as seen in the New Skills Agenda for Europe, the Digital Education Action Plan and the Digital Skills Strategy;

40. stresses that there is an urgent need to anticipate, support and promote continuous skills development, re-education and re-skilling of the current workforce, particularly as far as digital skills are concerned;

41. recognises that the European industry workforce constitutes a large number of people who are trained via vocational training;

42. agrees that the benefits of industrial transformation need to be widely spread and that those who are at risk of losing out should have opportunities and be supported to adapt; in this regard, considers that policy initiatives need to give more priority to providing life-long learning opportunities for low-skilled workers in order to ensure that they have fair access to the new technological skills demanded by industry;

43. stresses the importance of active competence development of all professionals in working life throughout all industrial sectors, for this the CoR proposes developing effective concepts for European-wide use in sharing new knowledge, updating skills and developing individual capabilities in collaboration with employers and educational establishments;

---

<sup>(6)</sup> Important projects of common European interest.

44. considers, therefore, that a pan-European approach on skills policy is critical for the future competitiveness of European industry and much higher levels of investment in human capital are needed, in the educational and vocational training systems and lifelong learning and also within industry itself;

45. considers that entrepreneurial education, the promotion of business skills, peer learning and sharing of best practices should be further supported to enable industry players to adapt to the new business models and effectively collaborate in competitive European value chains;

46. recommends that the European Commission strengthen cross-regional educational programmes such as Erasmus+ with an emphasis on vocational training and enabling talent to move across Europe;

47. requests that the authorities responsible provide flexible resources for re-skilling at regional level and not at sectoral level and reiterates its call for the ESF+ to be covered by the Common Provisions Regulation (CPR) on common rules for cohesion policy post-2021, in order to ensure that all requirements concerning the partnership principle and the involvement of the regional level can be applied to the development of programmes under the ESF+;

48. recommends that regional and local authorities cooperate on common education and research agendas to translate common EU skills priorities and support cross-regional learning opportunities;

#### **Message 4: European industry and governments need to show leadership in becoming more sustainable by taking action**

49. considers that the EU is at the forefront of the global transition towards a carbon neutral and circular economy. European industry therefore needs to take the lead in contributing to mitigating climate change, meeting the goals of the Paris Agreement, conserving resources, preventing environmental degradation and responding to changing consumer expectations in the green economy;

50. underlines that the transition of companies into more sustainable and resource-efficient business models will both help the environment and provide competitive advantage, leading to innovation and the creation of new jobs and entrepreneurial opportunities;

51. underlines that it is crucial to inform industries and citizens of the advantages of new approaches such as the circular, carbon neutral and sharing economies. These new approaches require a shift in attitude both by the consumer (e.g. towards re-using, and recycling) and by industry, which needs to progressively adapt to new demands as part of long-term strategic planning;

52. considers that to make the transition to a sustainable industry Europe needs to capitalise on its leadership in all sectors and tackle increasing global competition in green production, bio-economy and clean energy technologies;

53. points out that the transition of a region to a circular and carbon neutral economy is a long-term project that can only be successful with a step-by-step approach, and in some cases radical renewal, that is framed by feasible, intermediate targets, without overburdening the population and sectors such as the automotive industry; special attention should be paid to strengthening the resilience of rural communities who are at risk of being left behind, when it comes to process of economic transition;

54. stresses that there are important barriers to overcome, including a lack of the right market signals and incentives for product design for a circular economy; high transition costs for companies; regulatory obstacles; inadequate consumer information; and poorly-functioning secondary raw materials markets;

55. believes that pan-European and inter-regional collaboration has an important role to play in helping regions develop a strategic approach to realising the potential of the circular and carbon neutral economy;

56. supports the idea of using strategic public procurement as a tool to boost innovation as is recognised by the European Commission in its action plan for the Circular Economy in 2015 (7), and in the relevant public procurement directives, but considers that the complexity of the rules often encourages risk aversion by regional and local authorities;

57. recommends that regional and local governments adopt a multi-sectoral, cross-sectoral economic development perspective, integrating waste and environmental management into an integral circular economy approach;

58. calls on regions and cities to fully exploit the possibilities of Cohesion policy post-2020 to deploy innovative solutions that address the climate and circular economy transition;

59. calls for a holistic, coordinated multi-level governance approach in order to ensure the necessary coherence between different policy instruments and action at different levels. The transition to low carbon and circular economy should take into account the whole value chain and manufacturing industry at large as well as small and medium-sized companies and start-ups;

60. calls on the Commission to further support the development of joint strategies in specific fields, such as hydrogen and synthetic fuels, and to support the market adoption of more sustainable technologies;

**Message 5: Regional innovation-oriented strategic public/private partnerships are crucial to enhance the uptake of new technologies by industry**

61. observes that innovation is difficult, especially for start-ups and SMEs, as the adoption of new technologies is often accompanied by high investments and requires expertise, and underlines that a digital transition gap still exists across sectors and regions in Europe;

62. considers that collaboration between industry, research organisations and regional governments is important for the valorisation of industrial innovations;

63. appreciates Digital Innovation Hubs (DIHs), the EC-testbeds, and Technology infrastructures as examples of strategic innovation-oriented public/private partnerships;

64. supports the focus of the Smart Specialisation Strategies post-2020 which addresses the bottlenecks to diffusion of new ideas to companies;

65. supports the 281 EU Digital Innovation Hubs, as part of the Digital Europe programme (DEP) to enhance interregional collaboration;

66. underlines that to ensure that industry can easily access the existing cutting-edge technologies and infrastructure across Europe, collaboration among these public/private partnerships at pan-EU level should be established; these resources should also be made more visible, and the economic means needed to incorporate them should be provided;

67. considers that there is a further need for a coordinated overall strategy, as well as a strategy to enhance regional collaboration at operational level;

68. stresses, to increase the impact of DIHs, that a DIH should not be separate institute operating on its own and competing with the others, but formed as a core element within a network, the coordination of which may involve several stakeholders, such as universities, research centres, innovation centres etc.;

69. recommends that regional governments should be involved in the selection and the operationalisation of European DIHs in the upcoming DEP;

---

(7) Closing the loop — An EU action plan for the Circular Economy (COM(2015) 614 final).



70. recommends that local and regional authorities promote sustainability and innovation through procurement, supporting smart cities and other relevant initiatives, and connecting the different players from industry, research and educational institutes;
71. recommends involving regions in the establishment of a sustainable collaboration approach between public/private partnerships in areas other than digitisation (including other experimental and testing facilities). This involvement should include establishing a comprehensive overview of activities in the regions and an assessment of their complementarity;
72. stresses that a comprehensive strategy needs to be developed to collect, systematise and disseminate information on available infrastructure and innovation capacities throughout Europe;
73. stresses the increasing importance of artificial intelligence (AI) in the European industrial policy and the leading role of the European Union in this regard by representing 32 % of AI research institutions worldwide. Recalls against this background its own position on AI expressed in its opinion of 6 February 2019 and also endorses the recommendations by the European Parliament <sup>(8)</sup>;
74. welcomes the invitation from the European Council to the Commission to present, by the end of 2019, a long-term vision with concrete steps for the EU's industrial future;

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

---

<sup>(8)</sup> European Parliament resolution of 12 February 2019 on a comprehensive artificial intelligence and robotics (2018/2088(INI)).

**Opinion of the European Committee of the Regions — Sustainable Development Goals (SDGs): a basis for a long-term EU strategy for a sustainable Europe by 2030**

(2019/C 404/04)

<b>Rapporteur:</b>	Arnoldas ABRAMAVIČIUS (LT/EPP) Member of Zarasai District Municipal Council
<b>Reference document:</b>	Communication from the Commission – Reflection Paper – Towards a Sustainable Europe by 2030  COM(2019) 22 final

## POLICY RECOMMENDATIONS

### THE EUROPEAN COMMITTEE OF THE REGIONS

1. welcomes the EU reflection paper Towards a Sustainable Europe by 2030, and calls on the European Commission and the European Council to acknowledge the implementation of the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) as a priority for their political agenda, and an overarching objective of the next EU strategic plan 2019-2024 and beyond. Also counts on the new European Commission to pave the way for action in the form of an EU-wide Sustainable Development Strategy and an Implementation Plan as already called for by the European Council conclusions of 18 October 2018;
2. agrees with the comprehensive definition of the SDGs as a framework for political action to face our multiple challenges – economic, social, environmental, governance, external – and insists that all actors need a common understanding of sustainable development and of the SDGs to fully implement them for the well-being of people and future generations. The first intention is to alleviate poverty and reduce inequalities – leaving no one behind, having a peaceful world, creating and sharing prosperity, within the limits of our planet;
3. insists that the 17 SDGs are universal and indivisible, and that policy coherence between actions undertaken to implement them is a core element for progress;

### From reflection to action

4. considers that out of the three scenarios put forward by the European Commission to stimulate the debate on the EU's next steps to implement the 2030 Agenda, Scenario 1 is the only option addressing both the EU's internal and external action and encompassing all policy fields;
5. contends that, given the complex nature of the SDGs and the results of the CoR-OECD survey on local and regional action on SDGs <sup>(1)</sup>, there is an urgent need for an EU overarching strategy coordinating implementation between all levels of government with time-bound targets and concrete deliverables for 2030, together with monitoring and review mechanisms, favouring scenario 1;
6. stresses that SDG implementation targets and related policy strategies should be set in a mixed bottom-up and top-down approach, involving all levels of government and relevant stakeholders and generating a set of country-level and regionally differentiated targets. This strategy for a Sustainable Europe 2030 should succeed the current Europe 2020 strategy;
7. insists that the EU institutions and Member States should accelerate their actions immediately on the SDGs and mainstream all policies as listed in scenario 2;

<sup>(1)</sup> This survey received more than 400 replies. Results and more information can be consulted at [https://cor.europa.eu/en/news/Pages/SDGs\\_survey.aspx](https://cor.europa.eu/en/news/Pages/SDGs_survey.aspx)

8. highlights that the external action as presented in scenario 3 is needed. However, a focus on external action only would not only harm the credibility of the EU at international level, but would also fail to recognise that the EU and its Member States are far from achieving all SDGs and would also prevent progress in achieving them in the EU;

9. stresses that the ambition needs to be higher at all levels to implement the SDGs, namely at European, national, regional and local level;

### **The engagement of regions and cities**

10. highlights that the objective of leaving no one behind requires that all levels of government ensure cross-scale integration and the design of mutually supportive and cohesive (territorial) policies. Calls for the establishment of a mechanism to review progress and to identify the key challenges of implementation of SDGs on the ground and to ensure that resources will be used effectively;

11. points out that 65 % of the 169 targets of the 17 SDGs require the firm engagement of regions and cities in implementing and monitoring the SDGs in order to be achieved <sup>(2)</sup>. Cities and regions localise the SDGs on the ground, not as mere implementers but as policy-makers closest to their citizens, business and local communities. The CoR-OECD survey results further confirm the mobilisation of cities and regions, with 59 % of respondents being in the process of implementing the SDGs. Many European regions and cities have been pioneers <sup>(3)</sup> in this SDG localisation process and have demonstrated that regions and cities are essential for implementing the SDGs effectively and rapidly;

12. highlights the role of promising forerunner initiatives such as the OECD's 'Cities and Regions for the Sustainable Development Goals' and the UN's '25+5 SDG Cities Leadership Platform' in helping volunteer regions and cities localise the SDGs, 5 years before 2030 for the latter;

13. stresses, based on its study on a territorial approach to SDGs <sup>(4)</sup>, the importance of building the capacities and capabilities of regions and cities to localise the SDGs, and enhancing the visibility of current initiatives as well as promoting the use by regions and cities of the EU Structural Reform Support Service (SRSS) <sup>(5)</sup>, whose objectives should be aligned with the SDGs;

14. commits to support the 'SDGs localisation and territorialisation' process and avoid duplication of work by fostering partnerships with international <sup>(6)</sup> and European associations <sup>(7)</sup>;

15. underlines the key role of the European Commission and the Committee of the Regions, together with other European organisations, to stimulate peer review, exchange, collaboration and mutual learning between regions and cities throughout the EU;

16. calls for full recognition of the role of regions in localising the SDGs in the EU. Local and regional authorities play an important role in developing values and social relations, which is why there is a clear need to involve them in the work to build the sustainable development of the whole EU;

17. points out that the EU is highly diverse in terms of development, demographics, production structure and degree of industrialisation, which calls for a flexible and place-based approach towards less developed, remote or island regions as well as regions facing energy transition;

18. supports the establishment of a European Regions Community of Practice for the SDGs, led by nrg4SD;

19. underlines the economic, social and territorial divide globally, as well as inside and between EU Member States. While the SDGs capture the challenge of urbanisation with SDG 11, we need to ensure balanced regional development in the EU to make sure that no one and no territory is left behind;

---

<sup>(2)</sup> UN Sustainable Development Solution Network (2016), Getting Started with the SDGs in Cities. A Guide for Stakeholders, <http://unsdsn.org/wp-content/uploads/2016/07/9.1.8.-Cities-SDG-Guide.pdf>

<sup>(3)</sup> Such as the Basque Country, the Aland Islands, Espoo, Ghent, Utrecht and North-Rhine-Westphalia.

<sup>(4)</sup> Study commissioned by the CoR: A territorial approach for the implementation of the SDGs in the EU – The role of the European Committee of the Regions (2019).

<sup>(5)</sup> Opinion of the European Committee of the Regions on The Reform Support Programme and European Investment Stabilisation Function (2018/3764, paragraph 12, Rapporteur: Olga Zrihen (BE/PES)).

<sup>(6)</sup> Organisations such as the OECD, ICLEI, the UNDP-ART Initiative and UN-Habitat, and associations such as nrg4SD, UCLGs or Global Task Force.

<sup>(7)</sup> Such as CEMR, Eurocities, CPMR, ESDN, the EEAC Network.

20. highlights the importance of effective synergy and integration of local, regional, national and EU funds, both public and private, and public-private sector collaboration with strategic development and investments in achieving the SDG targets by 2030;
21. highlights that cohesion is the main EU investment instrument for regions and cities to implement the SDGs and ensure their economic, social and territorial development; thus requests that the next EU cohesion financing 2021-2027 remains accessible to all regions, promoting participation from all citizens, based on a legally binding European code of conduct on partnership. The next EU cohesion policy should have its objectives better aligned with the SDGs, so as to ensure better implementation and coherence of actions;
22. stresses that, while the SDGs include an urban goal, SDG 11, there is no dedicated regional goal, and regional development is only referred to indirectly under the heading on land use. A close alignment of cohesion policy with the SDGs therefore implies that the programming of new EU cohesion policy funding addresses all territory-relevant SDGs and not just SDG 11;
23. highlights the model of the European Urban Agenda to foster dialogue between all levels of government on urban sustainable development. This process could inspire the governance design of the future EU Strategic Agenda 2019-2024, so that the EU can more effectively face the challenges in achieving the SDGs;
24. stresses the potential of the CoR proposal <sup>(8)</sup> that the future cohesion policy post-2020 should support regions and cities to 'localise the SDGs' and to align the implementation of sustainable urban development strategies to their local realities;
25. highlights the importance of EU financing instruments for agriculture, research and innovation and EFSI and their synergic use together with cohesion funds to fully achieve the SDGs;

### **Involving all stakeholders**

26. highlights that given the transformative nature of the SDGs, all tiers of society and economy need to have ownership of the SDGs; highlights the importance of private sector and economic business cases in implementing and achieving the SDG targets by 2030;
27. recalls that people are at the centre of SDGs and that partnership, participation and empowerment are core values of sustainable development. The participation of citizens of all ages, civil society in its diversity, academia, public bodies and the private sector in multi-stakeholder dialogues is needed to identify and co-create solutions to achieve the SDGs while striking the right balances in the inevitable trade-offs;
28. emphasises the crucial role of bottom-up movements, favourable conditions and entrepreneurial spirit in cities and regions in achieving SDG targets and smart, sustainable and inclusive growth;
29. encourages multilateral outreach activities on the benefits of sustainable development in order to shape appropriate social attitudes in each age group and in the long term;

### **An EU governance for the SDGs**

30. calls for the new European Commission to take a leading role in setting up multi-level, multi-stakeholder and cross-sectoral governance, as part of scenario 1, enabling the mainstreaming of all dimensions of the SDGs in all EU policies, while ensuring policy coherence between different sectors, and engaging all levels of government and stakeholders, including citizens, at all stages of policy-making;
31. highlights the crucial importance of learning, as political leadership is of the utmost importance, and notes that both politicians and administrations need to be trained and engaged on the SDGs, and that each EU institution needs to mainstream the SDGs in their own governance;

---

<sup>(8)</sup> Opinion of the European Committee of the Regions on the future European Regional Development Fund and Cohesion Fund beyond 2020.

32. recommends that the next European Commission president appoints a dedicated team attached to her/his office to work with all Commissioners and screen all policy proposals on the SDGs. It should highlight potential conflicts and necessary trade-offs and will be in charge of mainstreaming the SDGs within all EU policies. This will entail strong coordination across directorates-general;
33. urges the next European Commission president to report on the implementation of the SDGs on an annual basis to the European Parliament during her/his State of the Union address, as well as to the Council of General Affairs;
34. urges the Council to encourage the implementation of the SDGs and foster mutual learning at national level via the discussion of voluntary national reviews (VNRs) within the Council of General Affairs, ahead of presentations scheduled during UN high-level political forums;
35. urges the European Parliament, as co-legislator, to mainstream the SDGs within all its relevant policy files and engage all committees on dealing with the implementation of the SDGs; calls for standing rapporteurs on the SDGs in its different committees;
36. commits to work in an integrated and coherent manner on the SDGs and mainstream them in all CoR commissions and opinions;
37. proposes a collaboration with the Commission and other partners on the monitoring of SDG implementation at local/regional level; welcomes the work of the SDG Multi-stakeholder Platform organised by the European Commission as open and participative governance; strongly supports its continuation in order to involve regions, cities, civil society, academia and business in an inclusive sustainability dialogue and to create ownership of the SDGs;
38. welcomes that the European Commission included the recommendations of the platform within the reflection paper;
39. envisions the platform as a permanent advisory body for consultation by EU decision-makers – the European Commission, the Council and the European Parliament – on an overarching strategy for a Sustainable Europe 2030 as well as briefing the new European Commissioners and MEPs on the SDGs;
40. calls for the regular involvement of European, national and subnational platforms in the work of the EU multi-stakeholder platform in order to reinforce its work and representativeness;
41. calls on all EU institutions to engage in a regular interinstitutional dialogue on the SDGs, including the European Commission, the Council, the European Parliament as well as the European Committee of the Regions and the European Economic and Social Committee, in order to ensure policy coherence, in the spirit of SDG 17;

### **Mainstreaming the SDGs within EU policies**

42. encourages the European Commission to use the Better Regulation guidelines as a tool to help design legislation taking into account all dimensions of the SDGs. These guidelines should show clearly all the variables to consider if one wants to adopt a sustainable approach;
43. contends that trade-offs will be inevitable between the different dimensions of the SDGs and calls for systematic *ex-ante* impact assessments to identify possible synergies and conflicts, as well as to assess trade-offs transparently, taking into account immediate and long-term impact. Territorial impact assessment as well as participatory debates with citizens and stakeholders at local and regional level will be instrumental in securing acceptance of decisions and ensuring good policy-making;
44. acting as an example to other institutions and organisations, the Committee of the Regions commits to holding annual conferences during which local and regional experiences and good practices will be presented;

45. calls on all the EU institutions and Member States to align the European semester to the SDGs and a subsequent EU strategy for a Sustainable Europe 2030. Multi-annual guidance should ensure that the European semester enforces the EU strategy and becomes a coordination and enforcement tool for the SDGs and that the Annual Growth Survey therefore becomes the 'Annual Sustainable Development Survey';

46. calls for a multi-annual EU Sustainable Development Survey which will launch a multi-annual national cycle of reviewing and reporting of recommendations. This survey should take stock of the implementation of the EU strategy and the Member States' Sustainable Development Action Plans. This would provide the basis for EU countries' VNRs in the UN context;

47. requests that the governance of the Sustainable European Semester within the Commission involves all relevant Commission services and avoids 'silo initiatives';

48. reiterates its request that the governance of the European semester be based on the principles of partnership and multilevel governance, taking EU regions and cities on board as full partners since the beginning of the annual cycle, based on a code of conduct <sup>(9)</sup> <sup>(10)</sup>;

49. calls on the EU institutions to use the EU budget to mainstream the SDGs in all policies, notably halting subsidies for fossil fuels and reinforcing sustainability criteria in public procurement;

50. reaffirms the need to monitor the implementation of the SDGs and calls for disaggregating data, at least at NUTS2 level, and where necessary at local level, to enable better policy-making where the national average is misleading;

51. reiterates <sup>(11)</sup> the need to go beyond GDP and use additional indicators which are not purely economic in nature but capture the transformative nature of the SDGs, and which should be measured at NUTS2 level at least through disaggregated data relevant to the achievement of the SDGs;

52. points out that pioneering regions and cities do elaborate their own indicators and collect their data in partnership with local actors including the private sector. The development of local indicators represents a good opportunity to foster participation and ownership. However, 40 % of the respondents of the CoR-OECD survey do not use any indicators. EU indicators may not be used because of the lack of data available at NUTS2 level to use them locally;

53. proposes that the EU Joint Research Centre set up an urban SDG data platform to make a European handbook of voluntary cities implementing the SDGs; further notes the work of the World Council City Data which set up ISO standards for indicators for smart and resilient cities, as well as the work of the OECD elaborating a visualisation tool, combining official indicators with modelled ones at regional and local level to take into account regional disparities;

54. calls on Eurostat to include this work and the progress measured in its annual monitoring report, leaving space for qualitative data as well. The CoR is ready to collaborate and foster cooperation with these partners to monitor SDG implementation at local/regional level;

55. reiterates that many regions and cities are stepping forward and becoming forerunners in this transition, with successful bottom-up initiatives, such as the Covenant of Mayors for Climate and Energy and the CoR Ambassadors operating on that. These bottom-up movements can gain a new momentum and a strong step forward in implementing the Sustainable Development Goals;

### **The external dimension of the SDGs**

56. insists that the EU takes into account the external dimension of the SDGs when implementing them, including the external impact of its domestic policies, for example for the CAP or trade. Internal and external dimensions are not separate worlds and the pursuit of policy coherence for sustainable development is essential;

---

<sup>(9)</sup> Opinion of the European Committee of the Regions on Improving the governance of the European Semester: a Code of Conduct for the involvement of local and regional authorities (COR 2016/5386).

<sup>(10)</sup> Opinion of the European Committee of the Regions on The European Semester and Cohesion Policy: aligning structural reforms with long-term investments (2018/5504).

<sup>(11)</sup> Opinion of the European Committee of the Regions on Indicators for territorial development – GDP and beyond - adopted on 11 February 2016.

57. requests a partnership between the EU, national, regional and local level to help implement the SDGs through development cooperation;

58. requests that the role of global supply chains be better monitored to make sure the rule of law and human rights are respected, and that circular economy practices are implemented and overuse of resources is avoided;

59. insists on the key role of decentralised cooperation and CoR initiatives such as the EC-CoR Forum 'Cities and Regions for Development Cooperation', which in February 2019 focused on sustainable urban partnerships, brought together over 500 participants from more than 80 countries and elaborated concrete policy recommendations on promoting sustainable development through regional and local partnerships, or the Nicosia Initiative of support to Libyan municipalities. These CoR initiatives showcase that EU support should not focus exclusively on large-scale partnership projects between big cities, but equally be accessible to decentralised cooperation initiatives of different sizes and involving different types of territories;

60. regrets that the European Commission proposal for the new Neighbourhood Development and International Cooperation Instrument (NDICI) does not include a thematic funding line dedicated to supporting local authorities;

61. calls on the European Commission to support the economic and social integration of young people, women and uprooted populations in developing countries. The partnership logic of decentralised cooperation can help transform the perception of migration as a threat into migration as an opportunity, especially given the key role regions and cities play in integrating migrants into their host societies;

## EU policies

62. agrees with the reflection paper's diagnosis and proposal to work further on four policy clusters and four horizontal enablers as a matter of priority, having, however, the following additional observations:

63. insists that beyond the proposed increase of the climate change mainstreaming target to 25 %, the new MFF should allocate relevant financial resources for sustainable development and also ensure that no funding undermines the implementation of the SDGs;

64. underlines the urgency of adopting the strategies and defining actions towards a resource-efficient circular economy by implementing the Paris Agreement with no further delay;

65. highlights that the CoR further explores in a separate opinion<sup>(12)</sup> the links between UN Sustainable Development Goals, ecological transition and the Paris Agreement on Climate Change. This opinion will set out the strategic view of the EU cities and regions for achieving the transition to a resource-efficient, low-carbon and climate-neutral, bio-diverse economy;

66. insists that sustainable consumption and production also imply a reduction of the use of non-renewable resources in absolute terms to move towards resource sufficiency and not only resource efficiency;

67. emphasises the particular potential of bioeconomy in terms of fostering independence from fossil fuels and counteracting climate change by means of carbon neutrality. The greatest possible use of bio-based products in as wide a range of sectors as possible also helps to secure and create jobs in new, sustainable markets – notably including previously less-industrialised regions;

68. contends that regions can help achieve the objective of significantly increasing the share of innovative bio-based industries as part of gross domestic product in the next decade;

69. calls for a follow-up to the Commission's 'Action Plan on Financing Sustainable Growth' as finance needs to be used to leverage the change that gives returns for sustainability and not only financial returns<sup>(13)</sup>;

---

<sup>(12)</sup> Sustainable Europe by 2030: Follow-up to the UN Sustainable Development Goals, ecological transition and the Paris Agreement on Climate Change (ENVE-VI/039) Rapporteur: Ms Sirpa Hertell (FI/EPP).

<sup>(13)</sup> Opinion of the European Committee of the Regions on Financing Sustainable Growth (2182/2018) adopted on 6 December 2018.

70. calls for the engagement of European business and industry sectors on sustainability as an integral part of the European Industry Strategy 2030 in order to help businesses and industry sectors to accelerate towards more sustainable practices. Such a proposal already listed in the recommendations of the EU multi-stakeholder platform on SDGs should be further discussed by the 'Industry 2030' high-level industrial roundtable and include bioeconomy integrated with the SDGs for discussion;

71. points out that, in order to keep with the Union's policy coherence for development (PCD), the CAP should promote the development of sustainable agriculture in developing countries, which helps maintain rural populations and ensures the security of their food supplies. To this end, EU agricultural and food products should not be exported at a price lower than European production costs;

72. regrets that on mobility the reflection paper does not include the importance of public transport availability for the building of sustainable urban and regional transport systems, and the crucial role of LRAs in this regard;

73. suggests that a new impetus of the EU's sustainable agenda at international level should encompass initiatives to reduce greenhouse gas (GHG) emissions at the level of the IMO (maritime transport) and of the ICAO (air transport), in particular through the EU calling for a global tax on kerosene and, if no agreement is reached to levy such a tax at ICAO level, the EU may consider undertaking unilateral action such as abolishing the tax exemption on aviation fuel for internal EU flights, or imposing a fuel charge on air freight;

74. notes that the European mobility industry needs to increase its competitiveness through innovation. The roll-out plan on alternative fuels and digital road infrastructure needs to be taken up by local and regional authorities in cooperation with the private sector and supported by the EU budget;

75. against the background of huge social inequalities outlined in the Reflection Paper such as more than 22 % of EU citizens being at risk of poverty, reiterates its call to fully implement the European Pillar of Social Rights and to devote the same attention to social sustainability factors as to environmental sustainability in order to prove that the EU aims at leaving no one and no territory behind. Indeed, evidence shows that socially fragile territories are also often the most exposed to the negative impact of a lack of sustainable development;

76. requests a more regionalised monitoring of the European Pillar of Social Rights. The CoR is currently developing a regional social scoreboard, which could be used to this end;

77. notes that special attention needs to be devoted to the promotion of active and healthy ageing among Europeans, making a shift from an institutional approach to a community-based approach;

78. reiterates its call for the implementation of a European Agenda for Housing<sup>(14)</sup>, which following up from the EU Urban Agenda's Partnership for Housing, would significantly contribute to the implementation of the SDGs 11 (sustainable cities and communities), but also 1 (no poverty), 7 (affordable energy) and 10 (reduced inequalities);

79. highlights that with the contribution of EU regions and cities, the development of digital technologies can transform demographic change into a triple-win for Europe: to improve the quality of life of our ageing population, to move towards more sustainable health and care systems and to create sustainable economic growth and jobs in the silver economy;

80. emphasises that local and regional authorities have a crucial role to play with regard to gender balance, but recognises that women are significantly underrepresented across the EU with only 15 % of elected mayors, 32 % of members of municipal councils and 33 % of members of regional parliaments or assemblies<sup>(15)</sup> being women;

81. supports the recognition and publicising of non-formal and informal learning in youth work. Youth and sports organisations that provide non-formal and informal educational programmes for active citizenship outside school are especially important for improving young peoples' skills and competences;

<sup>(14)</sup> Opinion of the European Committee of the Regions on Towards a European Agenda for Housing (CDR 1529/2017) adopted on 1 December 2017.

<sup>(15)</sup> European Institute for Gender Equality, Gender statistics database, 2017.



82. emphasises the potential of the EU smart specialisation methodology to be an essential part of Sustainable Europe 2030 policy. The JRC Smart Specialisation Platform helps regions use structural funds in integrating their regional innovation strategies with the SDGs, including via the 'Science meets regions' events organised by the CoR and the JRC. Complementarity between smart specialisation and the implementation of the SDGs at regional level brings essential added value for sustainable growth;
83. stresses that the Emissions Trading Scheme should be among the essential next steps in implementing the reflection paper;
84. regrets that on trade, no reference to the 'comprehensive continent-to-continent free trade agreement between the EU and Africa' was announced during the last State of the Union address. This agreement should be guided by the SDGs and the huge role that trade can play in helping to achieve them;
85. calls for renewed social dialogue in corporate governance to promote the SDGs and new business models to strengthen economic democracy for sustainable growth;
86. insists on the positive role of the social economy in tackling unemployment and promoting inclusive and sustained growth. This is particularly important in regions marked by emigration, a rapidly ageing population, lack of economic dynamism and a low level of entrepreneurship. In such regions, social economy organisations represent one of the ways in which good intentions will promote entrepreneurship and attract the best use of local resources;

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the European Committee of the Regions — A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment**

(2019/C 404/05)

<b>Rapporteur:</b>	Jácint HORVÁTH (HU/PES), Member of Nagykanizsa Municipal Council
<b>Reference document:</b>	A sustainable bioeconomy for Europe: strengthening the connection between economy, society and the environment  COM(2018) 673 final

**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

**General comments**

1. welcomes the Commission's communication on *A sustainable bioeconomy for Europe: strengthening the connection between economy, society and the environment*, which sets out an action plan to implement the renewed European bioeconomy strategy over the next years. The Committee considers that it can play a key role in the dialogue with the European Commission;
2. considers that this action plan is sufficiently ambitious and that rolling out the measures listed in it is vital to ensure that the European bioeconomy develops at an appropriate pace;
3. also considers that the development of the bioeconomy has great potential in terms of growth and jobs and points out that this development will only be possible if regional and local stakeholders cooperate closely and work towards the same goals. The Committee further stresses the importance of sustainable bioeconomy for the attainment of the Sustainable Development Goals;
4. firmly believes that European, national, regional and local initiatives on the bioeconomy need to be aligned, leveraging multi-level governance to establish optimal conditions for bioeconomy development in Europe. Furthermore and also with regard to the bioeconomy, the local and regional tier plays an important role in promoting cooperation between universities, industry, government and civil society, thanks to the quadruple helix model;
5. flags up the fact that the 2021-2027 period has remarkable potential for developing the bioeconomy. Local and regional authorities are pivotal when it comes to implementing EU cohesion policy and many regional smart specialisation strategies which co-finance programmes and projects bolstering the bioeconomy;
6. also points out that from 2021, the Commission plans to make it mandatory to draw up bioeconomy action plans at the most appropriate territorial level – meaning that local and regional authorities will play a bigger role – and to manage the programmes as close to the sectors and people concerned as possible, in line with the principles of subsidiarity and multilevel governance. In order to create a sustainable and circular bioeconomy, the activities involved should be firmly embedded at regional and local level, given that local communities have a good knowledge of the existing value chains in the regions. The regions invest in basic services and capacities, and so the local and regional approach guarantees a strong connection with regional features and specialisation;
7. with a view to ensuring that the vision of expanding the bioeconomy as widely as possible becomes reality, considers that the legal framework will need to be reviewed periodically in order to remove legal barriers to investment;
8. believes that a sustainable European bioeconomy will create jobs, particularly in coastal and rural areas, as primary producers will be more involved in the local bioeconomy. Estimates for the bio-based sectors suggest that a million new jobs could be created by 2030;
9. urges all EU Member States to draw up a national bioeconomy strategy by 2021 in connection with preparations for the forthcoming 2021-2027 Multiannual Financial Framework, in order to facilitate the coordination of development programmes;

10. encourages all European regions, being one of the most appropriate territorial levels for the implementation of bioeconomy strategies, to adopt bioeconomy action plans by late 2024 or to provide for a chapter dedicated to the bioeconomy in their global development strategy. The Committee also considers that, given that the ecological boundaries of bioeconomy go beyond administrative ones, interregional strategies should also be envisaged in order to strengthen cross-border and interregional cooperation (twinning, networks) with regions of a similar profile. At the same time, bioeconomy partnerships should be promoted in macro-regional and sea-basin strategies;

11. hopes that green public procurement will grow as vigorously as possible in the EU, and points out that the development of the bioeconomy is a prerequisite for that growth. Points out to this effect that public procurement is an important tool that can support the development of bio-sourced products and solutions. Supporting and enabling this often requires support from the EU, in the form of ecodesign requirements, standards, climate and environmental product declarations, and strategies for development measures;

12. notes with concern that, according to a recent Joint Research Centre paper 'in the period 2015-2030 about 11 % (more than 20 million ha) of agricultural land in the EU are under high potential risk of abandonment due to factors, related to biophysical land suitability, farm structure and agricultural viability, population and regional specifics' <sup>(1)</sup>. In view of the above, the Committee underlines the important potential of abandoned agricultural land for the increased production of various types of bio-resources, provided that such diversified use does not endanger High Nature Value (HNV) farmland nor does it reduce biodiversity and the potential for habitat restoration and re-wilding;

13. points out that in a previous opinion on the reform of the Common Agricultural Policy <sup>(2)</sup>, with regard to the environment and food the Committee stressed that land used for organic farming in the Member States would need to increase twofold compared to 2017 levels, i.e. at least 30 % of the Member States' useful farming land;

14. endorses the conclusions of the report on the mid-term review of the EU forestry strategy, which argue that the review of the forestry strategy would need to be coordinated with the reform of the bioeconomy strategy. EU policies will have to be harmonised with a view to the development of the forest-based bioeconomy and the promotion of innovation;

### **Strengthening and scaling-up the bio-based sectors, unlocking investments and markets**

15. considers that bioeconomy innovations currently only attract investors if those innovations are related to the development of high added value products. Aid regimes need to be fine-tuned in order to develop technologies connected to bio-sourced products which have a low market value but will replace fossil fuels. There is a need for clearer pricing mechanisms for bioenergy resources, without specifying in detail how those resources are to be used. Appropriate pricing for fossil resources is a key factor in making the bioeconomy competitive;

16. is of the opinion that rolling out a harmonised system regulating standards for products which can be manufactured sustainably and the resulting waste, and guaranteeing the EU-wide stability of this system would be a major step forward for organisations active in the research, development and manufacturing of bio-sourced products;

17. calls on the European Commission to support the processes involved in the production and sale of bio-based products in EU Member States and the multiplication of technologies in the field of sustainable bioeconomy. The EU should profile itself as the leader in the sector by developing state-of-the-art bioeconomy-related technologies with a view to promoting job creation and securing the supply of high-quality bio-sourced products;

18. stresses that applicable rules should avoid imposing an excessive administrative burden on users of bioresources. At present, such sustainability- and economy-related reporting requirements (including for business partners) come both from state aid rules and from the Renewable Energy Directive (RED II). It is also important to avoid micromanaging the use of different bioenergy resources, provided those resources meet the requirements of reducing climate impact and improving sustainability. Particularly in biorefineries, different resource streams are used for a variety of different purposes, including biofuels;

<sup>(1)</sup> Agricultural Land Abandonment in the EU within 2015-2030', JRC Policy Insights (October 2018), accessible at <https://ec.europa.eu/jrc/sites/jrcsh/files/jrc113718.pdf>

<sup>(2)</sup> Opinion of the European Committee of the Regions on 'CAP reform' (COR-2018-03637).

19. considers that the development of the bioeconomy, particularly in less advanced regions, is connected to tangible projects, and that by delivering flagship innovations it will be possible to keep up the pace. With regard to BIOEAST and other such initiatives in which more than one Member State is involved, the Committee proposes that the Commission encourage the reinforcement of positive synergies through thematic programmes and subsidies. The link between technology transfer and regional biomass resources should also deliver real results for society at large, which would prove that the sustainable bioeconomy is the green beating heart of the circular economy;

20. believes that, in order to speed up the energy transition and to make renewable energy more competitive on the market compared to fossil fuels without this being deemed unauthorised state aid, adjusting the Energy Taxation Directive and the state aid rules should be considered;

21. is pleased that the European Commission is considering implementing a tool over the next few years to support policies addressing regional imbalances with regard to the bioeconomy, but would point out that this tool will need to remain operational until at least the end of 2027 in order to successfully reduce the regional disparities which have emerged in this field;

22. is pleased that biotechnology has been included in the smart specialisation strategies (RIS3) of several EU countries. Drawing up smart specialisation strategies was an *ex ante* condition for gaining access to European research, development and innovation (RDI) funds under the 2014-2020 planning period, and these strategies are also instruments for political action which, by painting a picture of regional and territorial features, sectors and technological priorities, are benchmarks for enacting policies. Further considers that bioeconomy-related regional RIS 3 are more effective if based on coordinated efforts both between neighbouring regions and at Member State level, in order to safeguard the environment in the long term and protect biodiversity and to tap the potential of the bioeconomy;

23. considers that support for biotechnology needs to be stepped up, as regards the priorities for both research and innovation (R&I) and investment. Thanks to its knowledge base and tools and because it links up the various stages of biomass processing, biotechnology can reduce harm to the environment and promote the sustainable development of bio-based industries;

24. endorses action 1.5 of the action plan, which provides for the development of 300 sustainable biorefineries<sup>(?)</sup>. The Committee proposes that when building a new biorefinery, data from the single system of indicators and follow up be used to help regions which are less advanced when it comes to the bioeconomy to catch up, in accordance with CAP rules and subsidies and the ninth framework programme. The introduction of technological innovations alongside the development of related knowledge transfer systems will make it possible to harness the ecosystems' potential in an ecologically rational way, which could result in sustainable biomass value chains;

25. believes that in order to optimise, convert and integrate value chains, it is essential to actively engage local and regional stakeholders, and in particular SMEs so that the whole business chain beyond the primary producers is involved. It is essential to support the engagement of SMEs in their technology and business conversion processes towards the bioeconomy;

### **Deploying local bioeconomies rapidly across Europe**

26. recommends that the European Commission pay particular attention to briefing those responsible in urban and rural administrations so that they integrate options for producing and converting biomass into strategic planning and long-term budgeting processes;

27. emphasises that consultations between neighbouring regions should lay the groundwork for mutual cooperation in which technologies and solutions for circular organic farming can be developed;

28. considers that cities should become major circular bioeconomy hubs. Circular management of materials and recycling (or, where applicable, re-refining) of waste, including organic waste, in urban centres are very important, and these processes need greater public awareness as well as infrastructure and systems for collection, processing and recycling (or re-refining). The Committee calls on the European Commission to take coordinated action to provide the resources needed; this includes the joint and complementary development of technological adaptations and knowledge transfer systems;

---

<sup>(?)</sup> OECD, *Meeting Policy Challenges for a Sustainable Bioeconomy*, 2018, ISBN 9789264292345; BIO-TIC, *A roadmap to a thriving industrial biotechnology sector in Europe*, 2015.

29. considers in particular that, in point of fact, neither the strategy nor the action plan addresses governance issues. In order to achieve the processes laid out in the action plan, clear responsibilities need to be attributed to the relevant actors and in full respect of multi-level governance in order to ensure the effective and efficient implementation of each part of the strategy;

30. considers that the legislation needs to be aligned, as the 28 Member States currently apply different rules to both the streams of biomass which are the main raw materials used in key bioeconomy value chains and to the waste streams produced during processing;

31. is of the opinion that organisations (such as the European Chemical Regions Network – ECRN), platforms (such as the Bio-Based Industries Consortium – BIC) and clusters able to maximise the potential of the findings and knowledge acquired and to combine local and regional initiatives can promote bioeconomy processes quite effectively. In future, it will be particularly important to include them in knowledge transfer systems;

### **Understanding the ecological boundaries of the bioeconomy**

32. proposes that rather than administrative boundaries, ecological boundaries and ecosystems should be used as a basis for assessing biomass production potential. In order to achieve the action plan's goals, the precise amount of biomass produced should be assessed and recorded in a single system. This will require close cooperation between regions, and standardised methods for measuring and checking must be devised and identified for use during this assessment;

33. is pleased that, in line with action 3.2 of the action plan, the Commission has supported the development of mapping and statistical systems to monitor the ecosystem. However, the Committee proposes to devise and implement a uniform European system of indicators to oversee biomass production. A single information framework must be implemented for rolling out upstream processing technologies and ensuring that they operate as efficiently as possible as regards energy efficiency, the protection of the environment and biomass logistics;

34. proposes that a single system of indicators be developed, which is capable of providing information on activity in the regions by means of basic and specific indicators. With regard to the basic indicators, the Committee suggests watching the following parameters: (1) GDP per region (percentage of national GDP); (2) international RDI activity; (3) fossil fuel savings; (4) emissions reductions, particularly ammoniac ( $\text{NH}_3$ ) and key greenhouse gases ( $\text{CO}_2$ ,  $\text{CH}_4$ ); (5) production of renewable energy (in this case, the measurement used should be standardised). The specific indicators capable of defining the regions' performance set against the bioeconomy strategy action plan would be as follows: (1) number of new jobs (linked to the development of the bioeconomy); (2) role of the bioeconomy with regard to regional performance; (3) scale of the efforts made to maintain and develop biodiversity (funds allocated); (4) environmental conservation and reduction in the quantity of waste;

35. considers that extending cross-border systems providing support for innovation processes and cooperation which specifically support the development of the bioeconomy would contribute effectively to the cross-border coordination of the strategies in the neighbouring regions. Cooperation based on similar ecological, social and economic approaches can steer specialised local-level training and have a positive impact on sectoral employment rates;

36. recommends promoting mechanisms which can strike a compromise between biodiversity and production and seek out synergies between policies. As climate change gains pace, it will bring about changes at microregional level;

37. calls for a global development framework to be devised which would help coordinate climate policy measures at EU level in order to combat biodiversity loss and environmental changes, preserving and improving resources and soil fertility;

38. welcomes a bioeconomy strategy which is in tune with sustainability objectives and flanked by an action plan the cornerstone of which is protecting production zones against overexploitation and promoting biomass potential. The Committee also welcomes the protection of resources underpinning production and calls on the Commission to guarantee that the regions will have more equal access to funds for raising awareness;

## Financing the bioeconomy

39. is pleased that with its proposals for the forthcoming Multiannual Financial Framework for 2021-2027, the Commission aims to spur on systemic research and innovation in the areas and sectors covered by the bioeconomy; in particular, it plans to allocate EUR 10 billion <sup>(4)</sup>, i.e. around 10 % of the estimated budget, to Horizon Europe's food and natural resources cluster <sup>(5)</sup>. The Committee also particularly welcomes the inclusion of 'Sustainable, inclusive and circular bio-based solutions' to the programme's eight partnership areas;

40. would however point out that bioeconomy development requires a global approach, which also means that it will have to be financed by means of simultaneous and coordinated take-up of different resources. The Committee considers that the European Commission must enhance complementarities of a number of financial instruments and devise suitable tools for coordinating resources (under the European Regional Development Fund, the European Social Fund Plus, the European Maritime and Fisheries Fund and the common agricultural policy, along with resources available for RDI and InvestEU financial instruments) in order to empower Member States and regions to make full use of the funds available to cover support for the bioeconomy;

41. stresses that the InvestEU programme must be given due prominence as a future source of bioeconomy financing; accordingly, calls for funds to continue to be channelled towards the bioeconomy which should remain on the list of areas financed by InvestEU;

42. points out that the stated objective of ensuring that 25 % of EU budgetary expenditure is directed towards achieving the climate goals is too low to reach the Paris Agreement targets. The Committee previously pointed out in its opinion on the Multiannual Financial Framework package for the years 2021-2027 <sup>(6)</sup> that the proposal on the forthcoming financial perspectives should aim to open the door to bringing these commitments up to over 30 %. They would therefore contribute to greening the energy sector, industry and the transport system and to the transition to the circular economy. These goals would help the bioeconomy develop at an appropriate pace;

43. reiterates that the Commission proposal for a regulation of the European Parliament and of the Council establishing Horizon Europe – the Framework Programme for Research and Innovation justifies specific measures for the EU's outermost regions as regards access to the EU's cross-cutting programmes on the grounds of their structural, social and economic situation. The Committee considers it unfortunate that recognition of this situation is not spelled out in the proposed text, so that the programme would struggle to allow for either these regions' specific features or their unique advantages as research and innovation testbeds in fields such as the bioeconomy and climate change, in accordance with their smart specialisation strategies;

## Education, training and raising awareness about the bioeconomy

44. is concerned about the statistics showing that the average age of producers and entrepreneurs active in the bioeconomy is going up each year. Unless a younger generation can replace the ageing population with the accompanying knowledge transfer and the necessary acquisition of new skills and competences, the future supply of sufficient, not to say increasing amounts of, good quality food stuffs will be endangered. Priority must be given to both developing appropriate systems for knowledge transfer in bio-based sectors and to the innovative, social, economic and ecological dimensions of the links between sectors;

45. considers that the labour force necessary for sustainable, bio-based value chains adapted to the ecosystem will be available in the long term if efforts are made to meet the specific labour needs of bioeconomy sectors by means of progressive and consistent education modules from primary education on, as well as training and lifelong learning modules, which are elaborated by Member States on the basis of the open method of coordination. The Committee considers that developing these modules is paramount since the knowledge about environmental culture and sustainability needs to be transferred at every level of education, as well as training and lifelong learning. Calls to this effect on the European Commission to facilitate Member States to jointly identify and define common objectives as well as the means to achieve them at EU level;

---

<sup>(4)</sup> COM(2018) 435 of 7.6.2018: *Proposal for a regulation establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination.*

<sup>(5)</sup> COM(2018) 321 final of 2.5.2018: *A modern budget for a Union that protects, empowers and defends the Multiannual Financial Framework for 2021-2027.*

<sup>(6)</sup> COR-2018-02389.

46. points out that the development of the bioeconomy hinges on establishing market demand for bio-based products; flags up the need to carry out awareness-raising activities and to support demand, which requires cooperation between the European Commission, the regions and municipalities.

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the of the European Committee of the Regions — Strengthening STE(A)M education in the EU**

(2019/C 404/06)

**Rapporteur:** Csaba BORBOLY (RO/EPP), President of Harghita County Council**POLICY RECOMMENDATIONS**

## THE EUROPEAN COMMITTEE OF THE REGIONS

1. welcomes the recognition by a large proportion of European local and regional authorities of the fact that significant opportunities and responsibilities lie before them when it comes to defining a coherent and integrated approach to STEM (science, technology, engineering and mathematics) education and the development of skills and abilities relating to these subjects, which are increasingly found all over the world and at every level of education;
2. points out that while the growth of innovation-intensive economic sectors such as ICT, robotics, automation, technical research and development, logistics and various engineering activities is expected to continue in a sustained way, it could be hampered by inappropriate implementation of STEM education;
3. considers that while, in the case of STEM, there are certainly decades-old, tried and tested teaching methods, the material conditions for which are in place, there is nevertheless a need for further action given the importance of having more teachers able to cross the traditional boundaries between disciplines and foster an interdisciplinary educational approach based on applied research and scientific method and on projects, and in light of the fact that in many cases, the need to invest in this field has not so far been reflected in the national educational policies of the Member States;
4. emphasises that STEM education does not mean simply passing on the various scientific subjects or disciplines separately. One of the basic principles is that their teaching must be planned and delivered not in isolation, but as part of a coherent cross-subject approach under a system which in practice is multi-disciplinary;
5. notes that, according to various studies, in the medium to long term the number of jobs in sectors related to STEM will rise significantly, and in almost all Member States unemployment rates are lowest in these sectors;
6. warns that, according to the World Economic Forum <sup>(1)</sup>, the dichotomy between humanities and sciences does not prepare new generations for the new cross-functional roles for which employees will need technical, as well as social and analytical skills. Thus, calls for a strong STEAM focus, that equips pupils and students with complex problem solving, creativity, critical thinking, people management and cognitive flexibility;
7. attaches importance to the fact that, given the results in STEM subjects at international level, it is worth focusing not only on higher education but also on laying the foundations for these subjects at all levels from primary education onwards. This can be achieved by broadening the range of basic skills that should be available to everyone to include basic STEM skills, and particularly technical and scientific literacy;

---

(1) The World Economic Forum, Global Challenge Insight Report, January 2016.



8. considers that, in keeping with the principles of subsidiarity and multi-level governance, thought should be given to how the local and regional level can help, on the basis of the open method of coordination, to fill existing gaps and mismatches between STEM-related training systems, workforces and jobs by means of coordination, so creating a European level playing field;

9. with a view to subsidiarity and decentralisation within the Member States, calls for a full awareness of the role that local and regional authorities who finance or in some other way support education networks unquestionably have in this process, since they play a key role in mobilising EU funds;

10. considers that STEM-related initiatives, strategies, action plans and public-private partnerships implemented at local and regional level can play an important role in bridging the gap in development between the various regions. In many cases, improving competences linked to STEM-related jobs does not require the use of expensive traditional educational infrastructure, and there are also many opportunities, especially in vocational education and adult training, for organising specialised, short-term training courses, sometimes only a few months in duration. Local and regional authorities may have a positive impact in this regard, given that the presence of a competent STEM workforce is a decisive factor in determining the competitiveness of a region. Treating STEM subjects as a local and regional educational priority, as well as prioritising collaborative initiatives and investment with regard to their development, can go a long way towards limiting the harmful effects of the brain drain by offering career opportunities that are suitable for the active STEM workforce;

11. considers that professional bodies and organisations that are active and well established at local and regional level should also be involved in planning and carrying out training courses; this would increase the effectiveness of the STEM-related approach and promote local and regional added value and interests;

12. in view of the programming of the cohesion policy funds for 2021-2027, and in line with the European Semester Country Reports issuing guidance to this effect, urges the European Commission and the Member States to give due priority to supporting STEM-related initiatives at local and regional level and take the measures needed to ensure that the necessary investment is drawn from Member State or EU funds, and that cohesion policy planning has a more targeted approach to shortages of STEM skills. Also urges the Commission, when drawing up the Employment Guidelines and under the 'Enhanced labour and skills supply', which addresses structural weaknesses in education and training systems, to encourage Member States to duly support STEM-related initiatives since they can, contribute to preserving a knowledge-based economic model in Europe that can develop successfully while also being inclusive and supportive of equal opportunities;

13. considers that it is now time for the European Commission, alongside the ambitious European Education Area plans, to ensure that all the STEM-related priorities are addressed in its direct management of relevant EU programmes; further recommends that the Commission fosters the showcasing and exchange of best practices in the STEM field also through a dedicated EU portal;

14. recommends that coordinated efforts should be taken by the European Commission and by the Member States in ensuring

— a non-gender biased approach in STEM education, counselling and curriculum development,

— the Women in Digital (WID) scoreboard, which is the European Commission's annual scoreboard to monitor women's participation in the digital economy, be extended to assess also women's acquisition of STEM skills and inclusion in STEM jobs,

— that the language rights of ethnic and linguistic minorities are safeguarded in innovative educational efforts too, so their educational materials and curricula must not lag behind,

— direct and effective action and exchange of good practices in reaching out to youth in the education system and NEETs both to attract them to STEM courses and jobs.

Also calls for concrete actions to challenge gender stereotypes, promote women's STEM skills and education and advocate for more women in STEM-related employment and entrepreneurship;

15. is concerned at the fact that three major shortcomings have been observed in relation to STEM in recent decades:

- i. there is a Europe-wide shortage of teachers specialised in STEM at all levels of education;
- ii. in many cases, students' interest in STEM is decreasing;
- iii. the results produced by the education system are not always in line with the needs of the labour market;

16. believes however that these issues should not be seen as a problem but as a practical challenge to be met, and that an effective response hinges on appropriate planning, setting up local and regional partnerships and cooperation with employers; furthermore, the fact that only nine Member States currently have a national STEM strategy underlines how urgent it is for this question to be addressed by all Member States and optimally through local and regional strategies;

17. points out that the proportion of women in these training courses and professions remains low, meaning not only that an enormous amount remains to be done in terms of gender equality, but also that this field and these professions offer potential for growth. For young girls, role models can play an important part in encouraging them to consider a STEAM field. For all ages, it is necessary to introduce a number of measures, including career guidance programmes and targeted study and apprenticeship grants. Studies show that closing the gender gap in STEM would contribute to an increase in EU GDP per capita of 2,2 % to 3,0 % and would increase employment in the EU by 850 000 to 1 200 000 jobs by 2050, while equal participation of women in the rapidly growing yet highly segregated ICT sector would lead to a gain of around EUR 9 billion in EU GDP each year <sup>(?)</sup>;

18. notes that currently, across 35 European countries, fewer than 1 in 5 computer science graduates are women <sup>(?)</sup>. Points out that, addressing the gender STEM-related skills gap is all the more essential since job creation is increasingly concentrated in STEM-related sectors, with some 120 000 ICT new jobs being created each year. According to the European Commission, Europe could face a shortage of up to 900 000 skilled ICT workers by 2020 <sup>(4)</sup>. Underlines to this effect that helping more girls and women to embrace STEM requires a partnership among parents, educational institutions, all levels of government and industry, with encouragement and mentoring and promotion of female role models being key components;

19. also detects significant opportunities for regional and civic universities in disseminating STEM, as STEM-related university courses and disciplines can be internationalised, which can make them particularly attractive for ambitious universities. This is also due to the fact that reorienting STEM, i.e. developing teamwork, facilitating inter-professional synergies, supporting and increasing the availability of internships, strengthening project-based education and increasing the participation of disadvantaged or disabled students or those from minority backgrounds in education and training activities, can transform regions, universities and vocational schools into pioneers when it comes to ensuring that they are able to seize the opportunities offered by STEM at an early stage;

20. emphasises that if STEM courses are organised at local and regional level, specific local knowledge can be incorporated into the available training, which in turn will also increase opportunities and skills for local and regional authorities in this regard;

21. points out that STEM subjects could also benefit from specific local and regional solutions and traditions through the incorporation of elements related to the arts, creativity and design and that, at the same time, this addition provides STE(A)M with real opportunities for innovation in teaching and training which — if successfully applied — could also enable Europe's regions to set a good example across the world, giving additional impetus to their growing capacity for innovation, since incorporating the arts could give a major boost to creativity in this field. Recalls that, according to a recent OECD study <sup>(?)</sup>, arts education is increasingly important in innovation-driven societies, with an increasing number of universities developing new types of interdisciplinary curricula;

---

<sup>(?)</sup> European Institute for Gender Equality (EIGE), 2017: Economic Benefits of Gender Equality in the EU.

<sup>(?)</sup> OECD Gender Data Portal, Where are tomorrow's female scientists (<https://www.oecd.org/gender/data/wheraretomorrowfemaleScientists.htm>).

<sup>(4)</sup> Digital skills, jobs and the need to get more Europeans online ([https://ec.europa.eu/commission/commissioners/2014-2019/ansip/blog/digital-skills-jobs-and-need-get-more-europeans-online\\_en](https://ec.europa.eu/commission/commissioners/2014-2019/ansip/blog/digital-skills-jobs-and-need-get-more-europeans-online_en)).

<sup>(?)</sup> Art for Art's Sake? The impact of Arts education ([https://read.oecd-ilibrary.org/education/art-for-art-s-sake\\_9789264180789-en#page1](https://read.oecd-ilibrary.org/education/art-for-art-s-sake_9789264180789-en#page1)).

22. considers that, firstly, it would be helpful to extend STEM- and STE(A)M-related awareness and promotion activities to parents and, secondly, that it is crucial to identify the best methods for attracting children's attention in an appropriate way to STEM subjects at a very early stage, starting at the pre-school level;
23. calls on the European Commission to take the necessary measures concerning the continuation and renewal of the Bologna process and work leading to the automatic recognition of qualifications, and urges it to ensure that the question of the rapid mutual recognition of qualifications and training in the STEM and arts areas be addressed urgently and appropriately;
24. encourages Member States and the European Commission, using the available tools and in agreement with local and regional authorities, by involving regional and civic universities too, to map out curricula for STEM and STE(A)M at different levels of education. This would make it possible to introduce STEM more easily and flexibly, even as a local education programme; calls on the European Commission to propose an integrated STEM competence framework with a view to improving comparability and attainment standards in the EU;
25. urges the European Commission and Eurostat to fine-tune the data-gathering method in line with their relevance, to ensure that education systems in which STEM are taught as separate disciplines and systems based on a holistic interpretation of STEM can be clearly distinguished, and to clarify the overall regional dimension, which will also make it easier to prepare local and regional STEM strategies.

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the European Committee of the Regions — Towards a comprehensive EU framework on endocrine disruptors**

(2019/C 404/07)

<b>Rapporteur:</b>	Uno SILBERG (EA/EE), Chairman of Kose Municipal Council
<b>Reference document:</b>	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — Towards a comprehensive European Union framework on endocrine disruptors  COM(2018) 734 final

## POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

### General comments

1. considers it important that the Commission has launched a comprehensive review of the existing EU legislative framework on endocrine disruptors, and agrees that it is necessary to update the EU's approach to dealing with endocrine disruptors based on the increase in knowledge, findings and experience, so that it can continue to keep pace with the latest technology and enables consistent treatment of these substances across the various fields;
2. is concerned to note that there has been increasingly compelling scientific evidence since 1999 on the link between exposure to endocrine disruptors and disorders in humans or adverse effects on flora and fauna;
3. is concerned about the superficial nature of the information on endocrine disruptors that has so far been addressed to the public, as the terms 'endocrine function' and 'endocrine disruptors' are likely to be unfamiliar to many people;
4. supports the Commission's initiatives to provide a high level of protection for EU citizens and the environment while at the same time adapting the single market to take account of new circumstances and benefit consumers;
5. draws attention to the conflict that could arise between a high level of protection for people and the environment and profit-driven businesses; this must be addressed by taking into account beforehand the consequences of the measures and the risks to business;
6. calls on the Commission not to further delay the development and adoption of the new strategy on endocrine disruptors;
7. demands that the new strategy be accompanied by a detailed timetable to implement appropriate criteria for endocrine disruptors in all relevant EU laws and make progress in reducing exposure to these chemicals, in particular for the most vulnerable groups;
8. calls on the Commission to address as soon as possible existing differences across the EU laws and to harmonise the way in which endocrine disrupting chemicals are treated, namely with a presumption that no safe threshold for exposure can be set with sufficient certainty;
9. calls on the Member States and the Commission give priority to citizens' health outcomes while also taking into account the interests of consumers and the industry and to significantly increase funding for independent, public research into endocrine disruption and into safe substitutes and other innovative solutions;

10. believes that Europe has a leading role in terms of international collaboration on testing, screening and identification of endocrine disrupting chemicals (EDCs); is in favour of improved data collection and sharing and supports the idea of international classification of EDCs;

### Research into endocrine disruptors

11. is convinced that public authorities at all levels of governance should contribute to financing research on EDCs, filling the knowledge gaps and providing much needed evidence;

12. stresses the need for information on how and to what extent people and other living organisms are exposed to endocrine disruptors, how these substances are spread, and what impact they have on human health and flora and fauna;

13. very much supports the proposal laid out in the communication to finance through Horizon Europe research activities focusing on the cocktail effect, hazard and risk assessment; on elimination of substances of concern in the production and end-of-life phases; on eco-innovation and remediation of environmental pollution and on interference between chemicals, products and waste;

14. calls on the European Food Safety Agency (EFSA) and the European Chemicals Agency (ECHA) to cooperate and coordinate their work more closely in an effort to make effective use of the resources available to carry out comprehensive assessments;

15. draws attention to the report 'The Cost of Inaction' <sup>(1)</sup> commissioned by the Nordic Council of Ministers that estimates the (undiscounted) costs linked to the effects of endocrine disrupting substances on male reproductive health in the EU-28 at EUR 1 267 million per year;

16. highlights the findings of another study <sup>(2)</sup> linking endocrine disrupting chemicals with IQ loss and associated intellectual disability; autism; attention deficit/hyperactivity disorder; endometriosis; uterine fibroids; childhood obesity; adult obesity; adult diabetes; cryptorchidism; male infertility, and increased mortality associated with reduced testosterone. This study estimates that the annual cost for Europe will reach EUR 163 billion (equivalent to 1,28 % of EU GDP);

17. has doubts about the definition set out in 2002 under the International Programme on Chemical Safety – a joint programme of various UN Agencies, including the World Health Organization – according to which 'an endocrine disruptor is an exogenous substance or mixture that alters function(s) of the endocrine system and consequently causes adverse health effects in an intact organism, or its progeny, or (sub)populations'. Based on current evidence, this definition is too narrow and does not take sufficient account of the impact on flora and fauna;

18. proposes that consideration be given to the following definition of endocrine disruptors based on the current state of knowledge: 'Endocrine disruptors are exogenous chemicals or mixtures of chemical substances that alter the functioning of hormones and the endocrine system, and negatively affect physiological and developmental processes, including the health of humans and animals or their offspring';

19. stresses that it is not enough to investigate just the link between endocrine disruptors and disorders in humans; the matter must be handled specifically from the angle of human health, flora, fauna and the environment and the need to avoid possible consequences – both social and economic – for society more broadly;

20. stresses that, while it is agreed that the most critical window of exposure to endocrine disruptors are key development stages, such as the development of the foetus and puberty, it is nevertheless worrying that such exposure in these periods can have lasting effects and lead to increased susceptibility to disorders in later life;

21. recommends deepening our knowledge of the causes underlying the development of medical conditions, for example the increase in children born with autism or the rising incidence of testicular cancer, and publicising this information;

<sup>(1)</sup> <https://www.norden.org/en/publication/cost-inaction>

<sup>(2)</sup> <https://www.ncbi.nlm.nih.gov/pubmed/27003928>

22. stresses equally that current science does not provide a sufficient basis for setting a limit value below which adverse effects do not occur. Endocrine disruptors should therefore be regarded as 'non-threshold' substances, which means that any exposure to such substances may entail a risk, especially during critical windows of development (prenatal, postnatal and puberty), and that the effects of mixtures should be taken into particular account;

23. is concerned that research has so far concentrated in essence on a limited number of endocrine modes of action: in recent years, however, it has been demonstrated that there are other areas of the endocrine system that could be susceptible to endocrine disruptors and that together these disruptors have an additive ('combining' or 'cocktail') effect, so that exposure to a combination of endocrine disruptors at sufficient concentrations can provoke an adverse effect not established for such disruptors individually;

24. sees a need for further research, financed notably under the Horizon 2020 programme, that could clarify the effects of exposure to endocrine disruptors in relation to the aetiopathogenesis and development of disorders, including in the case of flora and fauna;

25. sees a need for research leading to the design, development and validation of test methods and for the development of predictive models;

26. supports the fact that, under the auspices of the Organisation for Economic Cooperation and Development (OECD), a concentrated effort is being made to make test guidelines for the identification of endocrine disruptors more available and to eradicate at EU and international level the shortfalls identified in the test methods;

27. calls on the Commission to support targeted research projects, including the development of new testing and analysis methods, on substances likely to affect the endocrine system and to emphasise the adverse effects at low concentrations or through combined exposure;

28. calls on the Commission to develop *in vitro* and *in silico* methods in order to minimise animal testing for endocrine disruptor screening;

29. is pleased to learn about research funded and committed to date and hopes to see a significantly larger envelope earmarked for future funding for research on endocrine disrupting chemicals;

### **Current EU policy and regulation of endocrine disruptors**

30. welcomes the Commission's various initiatives and proposals regarding the management of endocrine disruptors, including the proposal for a regulation on the transparency and sustainability of the EU risk assessment model, the European strategy for plastics, the Drinking Water Directive, the New Deal for Consumers, the Goods Package and the updating of the existing legal framework in the area of health and safety at work;

31. notes, however, that in Decision No 1386/2013/EU of the European Parliament and of the Council of 20 November 2013 on a General Union Environment Action Programme to 2020 'Living well, within the limits of our planet' <sup>(?)</sup> the Commission committed itself to have undertaken – by 2015 – horizontal measures on 'minimisation of exposure to endocrine disruptors' and to have a full EU strategy ready by 2018; in this respect, the CoR expresses its regret that the current document falls short of the promise made in 2013;

32. points out that 'Better Regulation' principles should not delay any measure aimed at averting or reducing potentially serious or irreversible consequences for human health and/or the environment, as compelled by the precautionary principle enshrined in the EU Treaties;

33. reiterates that the European Union has committed itself to act on hazardous substances internationally and points to the WHO Europe Parma and Ostrava declarations;

34. applauds the direction taken by France, Sweden, Denmark and Belgium to increase the level of protection for their citizens through comprehensive sets of national measures restricting use of EDCs; calls on the Commission to draw inspiration from these leading Member States and deliver the highest possible level of protection to all Europeans;

---

<sup>(?)</sup> OJ L 354, 28.12.2013, p. 171.

35. considers that all legislation needs to focus more on upstream activities, in other words that stricter requirements need to be imposed on chemicals manufacturers, the pharmaceuticals industry, etc. It is not cost-effective to focus on additional purification steps in drinking water plants and sewage works;

36. is concerned that – unlike in the case of e.g. tobacco – it is not possible to avoid endocrine disrupting chemicals entirely as they are found everywhere and contaminate European citizens' bodies without their knowledge and consent;

37. urges the Commission and the Member States to provide Europeans with reliable information – presented in an appropriate form and in a language that they can understand – about the dangers of endocrine disruptors, their effects, and possible ways of reducing exposure;

38. calls for a ban on bisphenols and phthalates in all food contact materials;

39. points out that Bisphenol A (BPA) is often replaced with Bisphenol S (BPS), Bisphenol F (BPF) and Bisphenol HPF (BHPF), which are less studied but appear to have similar hormone-disrupting effects; is therefore of the opinion that co-legislators should regulate groups of related chemicals, rather than taking a substance by substance approach. In the absence of good data to the contrary, chemicals with a similar structure should be assumed to have toxicological properties as harmful as those of the most toxic known substance in the group;

40. observes that an approach based on, and strict adherence to, the precautionary principle is also in the interests of the (chemical) industry, contributes to investment in research into and development of innovative, environmentally friendly products and safe, sustainable alternatives, and thus has a positive impact on the development of the single market and the wider economy;

41. proposes that the EU's legal framework and safeguards related to endocrine disruptors, which have a direct effect on human health, be updated so that, for example, legislation and guidelines on cosmetics also cover the protection of pregnant women;

42. suggests identifying high-risk areas and territories, such as agricultural land and grassland fertilised with sewage sludge, areas around landfills and incinerators and, more broadly, regions such as the Baltic, the Mediterranean and the Danube Region;

#### **Promoting EU policy on endocrine disruptors – the impact of the planned measures at local and regional level**

43. welcomes the Commission's introduction of a fitness test to gauge whether the existing EU legislation on endocrine disruptors achieves the overall objective of protecting human health and the environment by minimising exposure to these substances;

44. welcomes an understanding of endocrine disruptors based on the latest scientific evidence available and the framing of policy on this basis;

45. considers it essential for the public to be given as much information as possible about endocrine disruptors, their spread, and the dangers they pose;

46. considers it important for the Commission to make every effort to identify toxic chemicals, including endocrine disruptors, in products, and to establish and implement appropriate informative product labelling etc.;

47. takes the view that, although local and regional authorities usually lack the powers to adopt legislation on endocrine disruptors (in most EU Member States it is the regional level that is responsible for health services), they are nonetheless obliged to attend to the well-being of their populations;

48. considers it therefore both crucial and ethically and economically important for the local and regional level to take a stance on endocrine disruptors, given that they are known to affect the health of present and future generations;

49. is in no doubt that local and regional authorities are prepared to protect future generations and will not be thwarted by increasing pressure from a powerful industry and some of the EU's trading partners;

50. In the absence of adequate and comprehensive national and European legislation on endocrine disruptors, highlights the initiatives such 'EDC-Free cities and territories', 'non-hazardous cities', 'pesticides-free cities', adopted by local and regional authorities to reduce the exposure of their inhabitants to endocrine disrupting chemicals, in particular for the most vulnerable groups, children and pregnant women;

51. considers it essential that EU policy on endocrine disruptors is taken forward and the impact of the planned measures at local and regional level analysed;

52. points out that the use of certain phthalates is currently necessary in healthcare, to make medical devices sufficiently soft. It is important to push forward with the development of new products with the same properties before reducing phthalate content. While these substances remain in use, it is also important to ensure that the devices are properly disposed of after use, by means of effective collection systems and destruction;

53. is convinced that prioritising human health indicators over the interests of industry and the single market will entail new challenges for the development and use of sustainable technologies for health and the environment and would probably improve the competitiveness of companies by pushing them to innovate and invest in smarter long-term solutions. It must, however, be based on sound science and matched by an analysis of socioeconomic consequences.

Brussels, 26 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---



**Opinion of the European Committee of the Regions — Cross-border dimension in disaster risk reduction (DRR)**

(2019/C 404/08)

**Rapporteur:** Roberto CIAMBETTI (ECR/IT), President and Member of the Veneto Regional Council

**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

1. emphasises that the growing intensity and frequency of damage caused by disasters is having an impact both on human lives and financially. Every year, around 90 000 people die in natural disasters and almost 160 million are affected worldwide. Between 1980 and 2016, natural disasters caused by weather and climate-related conditions account for about 83 % of financial losses in the EU Member States;
2. stresses that disasters recognise no borders and that developing prevention, resilience and effective emergency responses therefore requires cross-border cooperation. Effective cross-border cooperation would bring significant advantages for the 37,5 % of the EU population living in border areas;
3. stresses that the possibility of a large-scale cross-border power failure, a so-called 'blackout', could also cause major emergencies, and specific disaster risk-reduction measures and stronger cross-border contacts should be urgently recommended for such a scenario;
4. reiterates the need to incorporate the capacity to significantly reduce the risk and consequences of disasters in all EU policy strategies in terms of investment, so that public funds help communities to become more resilient to the adverse effects of disasters and ensure that people's lives are not at risk. It regrets that under the Structural Funds and the European investment funds in general, and the Cohesion Fund in particular, a disaster risk assessment is not a prerequisite for carrying out infrastructure projects financed by the EU;
5. whilst noting that the EU currently has two instruments (the Civil Protection Mechanism and the EU Solidarity Fund) which it intends to use to contribute to response coordination and building resilience to natural disasters, a more robust multi-level governance approach is needed to achieve the objectives of the Sendai Framework for Disaster Risk Reduction 2015-2030 (SFDRR), in close engagement with the UN Office for Disaster Risk Reduction. Moreover, the principle of investing in disaster risk reduction must be firmly embedded in the future of Europe, including in the European Semester and the EU funds;

**General comments**

6. observes that in previous opinions the CoR has drawn attention to cross-border threats and disasters affecting regions in two or more EU Member States, calling for closer cooperation between neighbouring regions to ensure that preventive efforts are shared and response activities coordinated <sup>(1)</sup>;
7. notes the need for planning that proactively takes account of the evolving needs of the various regions, including the outermost regions, linked to risks, vulnerability and exposure;
8. notes that Europe has a very diverse landscape in terms of risk management structures and methods at national or appropriate sub-national levels. The cross-border dimension of risks could therefore benefit from a more systematic approach to future risk assessments;

<sup>(1)</sup> Opinion of the European Committee of the Regions on *Post 2015 Hyogo Framework for Action: Managing risks to achieve resilience* (OJ C 271, 19.8.2014, p. 61).

9. supports and encourages the establishment of national, regional and local risk management strategies and plans, including the development of joint cross-border strategies for border regions and effective coordination between such strategies; the CoR has also called for sufficient resources to be allocated to programmes supporting cross-border cooperation in the field of disaster risk reduction and crisis management <sup>(2)</sup>;

10. considers that risk prevention and management plans should include among other things risk scenarios on a broad cross-regional scale for the purposes of surveillance and monitoring of expected events, so that these scenarios can more effectively contribute to a regional understanding and assessment of risks. Studies on vulnerability and risk exposure and on hazard and environmental characterisation that result in risk mapping are the prerequisites for risk prevention and management plans. At cross-border level, these should be publicly available and adequately publicised on both sides of the border in order to prevent, mitigate and prepare a response to disasters;

11. highlights the need to strengthen risk management governance by promoting cross-border collaboration;

12. stresses the importance of improved understanding of the cross-border dimension of disaster risk reduction in Europe, not to mention the need for and added value of this understanding for more effective, long-term reduction of disaster risks;

13. reiterates that it has approved <sup>(3)</sup> the Commission's proposal for a regulation establishing a European cross-border mechanism <sup>(4)</sup> as part of efforts to remove obstacles to cross-border cooperation, including in the area of disaster risk reduction. In order to achieve a better cross-border cooperation and prevent disasters, new preparatory projects can be launched for the most vulnerable regions, such as the outermost regions, the islands and the coastal regions;

14. points out that when a disaster cannot be dealt with by one country alone, participating states step in and provide assistance via the Union's Civil Protection Mechanism. However, when cross-border threats and disasters affect regions in two or more EU Member States, more effective cooperation is needed between neighbouring regions to ensure that the prevention efforts are shared and response activities coordinated;

15. notes that, in addition to specific coordination and communication strategies, knowing the language of neighbours along the border is very important in order to be properly prepared for any disaster and to ensure the best possible communication in the event of a crisis;

16. notes here that most countries have signed bilateral agreements with their neighbours (not necessarily restricted to only two countries) which also cover cross-border cooperation in the event of disasters. Greater attention should however be paid to prevention and risk mitigation, as well as the preparation of response strategies;

17. welcomes the fact that the European Parliament and the Council have reached a provisional agreement on strengthening the EU's current civil protection mechanism and the EU's response to disasters — rescEU — which, among other considerations, places greater emphasis on cross-border risks;

### **The role of local and regional authorities and cross-border projects**

18. recommends involving local and regional authorities more closely in EU-funded projects related to disaster risks, to ensure that they have continuity over time and can be replicated in other areas facing similar risk situations;

19. calls on the Member States to also involve local and regional authorities in the screening of planned investments in all relevant programmes and in discussing possible changes;

---

<sup>(2)</sup> Opinion of the European Committee of the Regions on *Action Plan on the Sendai Framework for Disaster Risk Reduction 2015-2030* (OJ C 272, 17.8.2017, p. 32).

<sup>(3)</sup> Opinion of the European Committee of the Regions on the *Cross-border mechanism* (adopted on 5 December 2018, not yet published in the Official Journal).

<sup>(4)</sup> *Proposal for a Regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context*, COM(2018) 373 final.

20. calls for more active implementation of cross-border disaster risk reduction projects, the aim being to make more extensive use of the Structural Funds designated for this purpose;
21. would like to see more EU-level incentives directed towards local and regional levels to promote cross-border cooperation in disaster risk reduction, not least in the area of prevention, training and exercises;
22. emphasises the central role of local actors in reducing disaster risks and building resilience, and the value of existing initiatives at promoting local level disaster risk reduction such as the Making Cities Resilient Campaign of the UN Office for Disaster Risk Reduction;
23. believes it particularly important to use the European Civil Protection Mechanism and the EU Solidarity Fund to invest, including financially, in planning in relation to risk reduction, especially with a view to climate change and the resulting extreme events;

### **Cross-border cooperation**

#### *Planning*

24. points to the need for cross-border continuity planning that takes into account risk scenarios affecting several countries, jointly identifying and evaluating the risks and mapping them, both to develop cross-border areas and to protect more extensive areas, including for the purpose of surveillance and monitoring of expected events;
25. hopes that scientific committees will be set up to define risk scenarios more accurately and promote knowledge and skills networking, bringing together specialist expertise based on similar risk factors for homogeneous areas (for example Mediterranean forest fires, sudden or gradual flooding in central Europe, etc.) and affording the possibility of rapid intervention and dialogue with local authorities in order to access financial, human and material resources;
26. points out that with the decrease in funding in some local and regional authorities, it is becoming even more important for civil protection decision-makers to have a better assessment of communities, of individuals and of civil protection projects. Considers that the INDRIX social resilience index, one of the outcomes of the cross-border INDRIX project co-financed by the EU, is adequate for assessing a community's resilience based on statistical information and on data entered specifically for this purpose: the project has used selected social indicators (education level, state of health, unemployment rate, services offered, etc.) to estimate risk perception in various communities and, in particular, to pinpoint communities that are most exposed to risk and most vulnerable. Calls on the relevant institutions to consider developing compulsory insurance policies against natural disasters, to be standardised at European level, with insurance premiums linked to the level of risk. This would raise awareness and promote understanding of the importance of prevention on the part of individuals, reduce the moral hazard and guarantee fair and uniform compensation for all European citizens;
27. notes that there is a need to set up a shared database in certain cross-border areas, identifying materials, resources, equipment, specialised volunteers and resource deployment and logistics;
28. notes that this database should be established and managed not just to boost disaster preparedness, but also with a view to strengthening the socioeconomic and cultural recovery of disaster-affected areas from a shared cross-border perspective;
29. considers it important to take into account and replicate existing positive examples of cross-border cooperation, such as:
  - the joint German-Danish civil protection exercises such as DANGEREX 07, DANGERFloodEx 2010 and emergency responses without borders,
  - flood preparedness and mitigation of transnational damage in the Sava basin (county of Brod Posavina in Croatia and the district of Mačva in Serbia),

- RiKoSt: risk communication strategies (in Carinthia, Austria and Alto Adige, Italy, up until October 2020),
- U-SCORE-II: city-to-city peer reviews (pilot projects in Portugal, Italy and the United Kingdom),
- the Mobile Inland Water Training Facility (MÜB) in the Upper Rhine and the congress of the French-German-Swiss Conference of the Upper Rhine on 'Blackout — Large-scale cross-border power failure' (2016);

### **Training**

30. underscores the importance of providing incentives for young people to undertake training and urges the Member States and local and regional authorities to promote specific university courses and projects on risk mitigation activities. Emphasises, moreover, that young people can take part in solidarity work in the disaster risk prevention sector through the European Solidarity Corps <sup>(<sup>5</sup>)</sup>. This work can take the form of volunteering, apprenticeships, traineeships and work experience;

31. notes the need for specific training for local administrators (also in line with the Making Cities Resilient campaign) to raise their awareness and provide them with better information tools given that they are directly responsible for the local inhabitants and the protection and development of the area;

32. recommends paying greater attention to training volunteers and technicians, making them more specialised by providing incentives and introducing training courses based on the risks facing the different countries, particularly in cross-border areas, with the aim of improving local geographical knowledge and undertaking joint, coordinated action for monitoring, surveillance and emergency intervention;

33. reiterates the need for information campaigns run by the local authorities or volunteers to inform people of the risks and of how to protect themselves, and for mutual learning initiatives at local and regional level through peer reviews between cities and regions;

34. stresses that transnational training should be in accordance with the risk scenarios set out in the cross-border risk prevention and management plans. All those directly involved in the risk – including technical experts and volunteer organisations – should take part in these training courses on both sides of the border, if possible jointly;

35. underlines the need to boost e-learning platforms along the lines of the EU Civil Protection Mechanism training programme, for example, and to increase the availability of open online courses in the field of civil protection;

36. considers that the EU Solidarity Fund provides enhanced information campaigns for the regions through support measures that are already functioning well for EU Member States and candidate countries. The EU Solidarity Fund is an essential support instrument for the regions concerned when exceptional efforts are needed to rebuild areas affected by natural and weather-related disasters, since natural disasters do not stop at borders;

### **Emergency responses**

37. highlights the need to promote a shared and standardised cross-border alert system, including real-time notification of any disruption or disaster that could have an impact on a region in another Member State;

38. notes that cross-border agreements are needed to standardise and speed up rescue system and volunteer activation times, identifying legal obstacles and calling for cooperation in order to optimise the logistics of material and personnel. It also calls for agreements to be reached in the area of water systems to develop better knowledge of the organisational and operational management of dams and thus ensure prompt action to reduce water-related risks downstream in the territory of another Member State;

39. requests that acronyms be introduced to refer to aid coordination centres at various territorial levels in order to standardise the terms used;

---

<sup>(<sup>5</sup>)</sup> Opinion of the European Committee of the Regions 2018/03892, *European Solidarity Corps and the New EU Youth Strategy* (rapporteur: Matteo Bianchi).

40. calls for standardised communication on prevention and for shared operational procedures in emergencies;
41. recommends using IT applications that can be used to alert citizens in real time;
42. urges the Member States to recognise and certify professional posts (best defined as 'disaster risk managers') with multidisciplinary and cross-cutting knowledge, skills and competencies, who would assist local and regional administrators particularly in emergency situations and in planning;

#### **The subsidiarity principle**

43. agrees that the European Union shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States in the area of civil protection;

#### **Best practice**

44. stresses that there are a number of examples of best practice in cross-border cooperation in disaster risk reduction that could be followed and developed in an ideal way, such as:

- joint practical exercises to ensure a common approach, mutual understanding and the same level of preparedness in the event of an actual disaster,
- sharing of standardised information, exchange of best practice and learning from the initiatives, methods, tools, etc. of neighbouring regions,
- joint awareness and education campaigns for people living in high-risk cross-border areas, with the participation of different stakeholders (e.g. disaster risk reduction days in different cities/municipalities);

45. strongly supports the 'b-solutions' project of the Association of European Border Regions (AEBR), which aims to identify legal and administrative obstacles to cross-border cooperation in disaster prevention and reduction. Points out that in the first call for proposals in 2018, the AEBR identified ten such instances which were turned into pilot projects, but that many other obstacles have yet to be resolved (ambulances, fire engines or helicopters that can enter some border regions but not others, administrative formalities for transferring remains, asymmetrical cross-border service provision, problems relating to insurance, recognition of diplomas, etc.). Encourages all regions facing similar obstacles to participate in future calls for proposals;

46. stresses that regions affected by disaster must put forward joint solutions to their respective national governments. One example of this is the cooperation between northern Portugal and the Spanish region of Galicia, which submit their priorities to their central governments regarding issues that can be resolved in connection with the 'Iberian summits', or the close cooperation between the outermost regions of the Canary Islands, the Azores and Madeira through the MAC Interreg programme, which has also been joined by neighbouring third countries such as Cape Verde, Mauritania and Senegal.

Brussels, 27 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the European Committee of the Regions — A new European agenda to speed up the development of maritime industries**

(2019/C 404/09)

**Rapporteur:** Christophe CLERGEAU (FR/PES), Member of the Pays-de-la-Loire Regional Council

**POLICY RECOMMENDATIONS**

1) *Key policy recommendations to speed up the development of European maritime industries*

**Recognising the challenges and choosing a new, more proactive industrial policy**

THE EUROPEAN COMMITTEE OF THE REGIONS

1. calls for awareness both of the development opportunities for and the threats to European maritime industries, which need to rally together, with the support of the European, national and regional authorities, if they are to make a success of their environmental and energy transition, as well as their digital transformation and industrial revolution, and make careers in the sector attractive again. They are being confronted with these challenges at a time when they are also being exposed to new competition from Asia in the high-added-value vessel segments, where Europe is the current leader. This competition, which is aiming to capture European technologies, is an unfair form of competition characterised by social and environmental dumping, and is extensively funded by public aid, contrary to international trade rules. This is an issue that the European authorities need to address in the interest of establishing a level playing field. It should be noted that this unfair competition now also applies to the fisheries sector;

2. highlights the diversity of the sectors within the maritime industries, which is an asset in boosting the synergies between sectors and the territorial impact: civilian and military shipbuilding, repair and scrapping (from ocean liners to pleasure craft, and from fishing boats to service vessels and passenger ships, not to mention military fleets), marine renewable energies, oil and gas industries, port, coastal and offshore infrastructure, fisheries, aquaculture, shellfishing and the blue bioeconomy;

3. calls for continued commitment to the development of fishing, shellfishing and aquaculture, both in terms of balance and of environmental, social and economic sustainability; likewise stresses the need for generational renewal, the two core components of which would be training and improving on-board conditions.

4. considers that the maritime industries, like the space and aeronautical industries, need an ambitious industrial strategy and a concrete implementation framework tailored to their specific characteristics: the issue of sovereignty, high capital intensity, short production runs, long cycles and high risk levels, and significant research, innovation and training needs;

5. points to the need to support the development of off-shore, deep water wind energy as a means of reducing the occupation of shallow coastal areas in favour of other specifically blue-economy activities;

6. points out that the maritime industries are the second-largest sector within the blue economy in terms of employment: in a context of global growth, Europe is in a leading position in a number of areas, and is creating many highly skilled, sustainable industrial jobs;

7. draws attention to the important role played by ports, which are strategic infrastructure elements that act not simply as trade and transport hubs but also, increasingly, as industrial and innovation platforms whose interface with neighbouring towns and cities could be better harnessed. It is therefore important to plan appropriate support for all onshore businesses <sup>(1)</sup> which are already related to the blue economy or which could develop such links through tried and tested methods of diversification;

8. points to the socioeconomic importance of fishing and maritime activities for providing safe, good quality food; notes the importance of their cultural and heritage-related dimension, which is fundamental to reinvigorating tourism; stresses the necessary synergies and complementary aspects between these traditional activities and new sectors to be developed, to the benefit of employment and sustainable development;

<sup>(1)</sup> NAT-V-044 – ‘Innovation in the Blue Economy: Realising the potential of our seas and oceans for jobs and growth’, rapporteur Adam Banaszak.

9. sees the maritime industries as one of the key levers in achieving the Sustainable Development Goals (SDGs) set out in Europe, as their products, services and innovations make a crucial contribution to supporting the activities necessary for successful transitions, in particular:

- ocean exploration, development of knowledge of the sea and the sea bed;
- doing more to combat climate change, in particular via maritime transport;
- developing marine renewable and offshore wind energy and electricity interconnections between EU countries in order to increase the weight of renewable energies in the electricity mix and their integration at European level;
- presence at sea, surveillance and security; ocean initiatives, including efforts to combat the presence of plastics;
- knowledge and development of marine bioresources, sustainable development of fisheries, aquaculture and the blue circular economy;

10. shares the conclusions of the assessment of the LeaderSHIP 2020 initiative adopted by the EESC in 2018 <sup>(2)</sup>, which highlights the limitations encountered in its implementation and the lack of precise and quantifiable objectives;

11. calls for the establishment of a new, thoroughly revised 'LeaderSHIP 2030' approach setting out a 'European Blue New Deal' incorporating three elements: a trade and competition policy aimed at safeguarding our interests and building European champions; mobilisation and adaptation of all European policies to meet the needs and characteristics of the maritime industries; and the adoption of six operational objectives around which to rally local, national and European players during the 2020-2027 period:

- decarbonising maritime transport and building clean ships – zero emissions, zero discharge at sea, zero noise;
- eliminating ocean debris, in particular plastics;
- maritime industries 4.0, a cross-cutting approach to improving the performance and quality of jobs in all maritime industries;
- positioning Europe as a global leader in all marine renewable energy technologies;
- a European strategy for a new blue bioeconomy, boosting fisheries, aquaculture and exploitation of marine bioresources;
- launching a European ocean exploration mission to improve our knowledge of marine environments all around the world;

These six objectives entail specific challenges for industry and must also be taken into account in the open debate on a maritime mission under Horizon Europe;

12. encourages the adoption of strategies for the maritime industries in Europe's outermost regions and islands, with a view to accelerating progress in three priority directions: ports, cheaper low-carbon energy autonomy, and the blue bioeconomy, including fisheries and aquaculture;

13. points out that it is important for the future of maritime industries that maritime issues be placed at the centre of future EU policies as well as at the centre of the deployment of regional policy funds;

#### **European Sea Tech: building European networks to link regional innovation ecosystems, mobilising the regions to develop industrial value chains**

14. takes the view that the maritime industries are primarily characterised by their local roots in maritime regions, which have developed regional excellence and innovation ecosystems devoted to these industries. National and European policies need to build first and foremost on these regional innovation ecosystems and their associated smart specialisation strategies if they are to be agile and effective;

---

<sup>(2)</sup> <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/leadership-2020-maritime-technology>

15. suggests launching a 'European Sea Tech' scheme to link regional innovation ecosystems, by establishing a number of cooperation networks:

- to invigorate sub-sectors and build European value chains;
- to better identify and support the challenges of industrial change, including with regard to the environment, energy and digitalisation;
- to develop new services, products and economic models that are more integrated and better equipped to face global competition.

The Commission would launch calls for expressions of interest in setting up thematic networks, and each regional (or inter-regional) ecosystem could apply to join a number of networks in line with the region's smart specialisation strategies. Ecosystems combining multiple competences and bringing together several networks would form the 'central ecosystems' of the European Sea Tech scheme.

Each network would aim to be as inclusive as possible, involving all the competences of the various European regions. Within the networks, the issues of sustainable development, R & D, industrial performance, financing and skills would be systematically addressed.

These networks would be more effective than a centralised European platform in providing a foundation for developing intra-regional cooperation and for setting up operational projects of relevance to the EU's various policies.

The role of European Sea Tech would also be to boost the transfer of technology, experience and skills between the various networks and sectors of the maritime industries;

16. points out that European Sea Tech is key for a crosscutting approach in maritime industries and speeding up the transition towards green, digital maritime industries by mobilising all the technologies and skills of sectors across maritime industries to make them available to other sectors;

17. reiterates its support for the Marine Knowledge and Innovation Community, but notes that this project focuses on the sustainable management of marine resources and can therefore at best be just one of the networks making up the European Sea Tech scheme;

18. hopes that projects carried out by European Sea Tech's innovative ecosystem networks can be supported by European partnerships and co-funded by Horizon Europe and other available funds. These projects must be able to include financing of pilot lines, prototypes and demonstrators;

19. also reiterates its request for a maritime roadmap under Horizon Europe, for the scientific and technological challenges facing maritime industries to be explicitly included in Pillar 2, and for 10 % of Horizon Europe's budget to be set aside for funding projects with a significant impact on the blue economy and maritime industries;

II) *Practical proposals for harnessing and adapting the European Union's post-2020 policies in the interests of the maritime industries*

### **International trade and competition**

20. stresses the need, with regard to the maritime industries and services, for a new 'realistic' and reciprocal trade policy to safeguard European sovereignty and jobs in response to the aggressive and unfair strategies pursued by major maritime countries, in particular in Asia. Wherever possible and effective, this policy should favour a stable, multilateral, rules-based trading system, based on rules which are fair and transparent so as to guarantee conditions of fair competition, seek beneficial agreements with trade partners and build on the role of the WTO;

21. considers, with regard to globalised world markets, that competition policy needs to enable the development of European champions, while always ensuring that there is fair and balanced competition within the EU, and reaffirms the added value of the guidelines on State aid to maritime transport and the need for a simple, stable and competitive tax framework to achieve this goal;



22. draws the Commission's attention to the importance of improving controls on foreign investment flows and of limiting and reducing the potentially harmful effects that technology transfers can have on European industry, especially those included in major international contracts;

23. calls for precise commitments to be made in the management of civilian and military public procurement, with, for example, firm requirements for the supply of certain products and services identified in advance as strategic or particularly vulnerable to global competition;

### **Project funding**

24. calls for the swift completion of the Blue Economy Investment Platform project, which must include both an assistance facility and a specific investment fund for innovative, high-risk projects. The platform should focus primarily on making financing available at preferential rates for projects deemed to be too high risk by traditional actors, and will therefore correct a gap in the market. This instrument will have to operate in close cooperation with the Member States and regions, in order to ensure complementarity between policy instruments and continuity in project support. This platform will need to draw on the networks and 'central ecosystems' in the European Sea Tech scheme;

25. calls, in addition, for the Commission to set an objective and method for harnessing European investment vehicles for the benefit of the blue economy and the maritime industries, to be launched under InvestEU, in connection with the Horizon Europe programme;

26. highlights the need for tools to reduce the financial cost of structural projects and to allow for efficient pre-financing of particularly expensive purchases and investments (ocean liners, LNG equipment, marine renewable energy, etc.);

27. reiterates the need for specific funding for the outermost regions, taking account of their constraints and specific features. These regions give Europe an exceptional maritime and ocean dimension, thanks to their strategic position in the Atlantic Ocean, the Indian Ocean and the Caribbean Sea, and are unique natural assets, as the European Commission itself has recognised;

28. points out that it would be beneficial to support innovative procurement, which allows for more flexible rules on tenders when purchasing an emerging technology which is not yet available in a standardised form on the market. Innovative technologies could thus be placed on the market more speedily as companies providing new services and products could more rapidly identify their first clients;

29. emphasises that the regulatory constraints in place in the maritime sector and the time required to process applications are a major barrier to carrying out tests and trials at sea; suggests setting up a European working group bringing together the Commission, the Member States, the regions and economic actors to disseminate best practices and promote positive developments in national reference frameworks;

30. considers it worth envisaging going even further and ultimately setting up a 'Maritime Advanced Research Projects Agency', based on the US DARPA, and thus provide support for disruptive innovation by way of a dedicated funding framework, recognising the right to failure and giving full consideration to the development constraints faced by SMEs and mid-cap companies;

31. suggests that, in a post-Brexit context, stakeholders in the maritime industries should be granted some of the specific funding allocated to supporting the most heavily affected areas, in order to create new prospects for development and employment;

32. points to the importance of the European Sea Tech initiative in bringing a cross-cutting approach to the maritime industries and speeding up the transition to green and digital maritime industries by harnessing all the technologies and skills across all maritime industry sectors in order to make them available to other sectors. This cross-cutting approach must also be encouraged between maritime and coastal activities, and other industrial and digital sectors that bring innovations which can be directly harnessed or usefully adapted to the maritime world;

### **Maritime industries 4.0**

33. draws attention to the challenges of Industry 4.0 in terms of the environmental and energy transition, industrial performance, digitalisation (including of production processes), and cooperation within local and European value chains; in this regard, supports the objective of Green Shipyard 2050 for exemplary shipyards in the environmental and energy transition;

34. also points out that lifelong learning, more and better jobs, working conditions, and harnessing employees' experience and creativity are all intrinsic elements of this industrial transformation;
35. feels that productive investments and innovations in this field should be a priority for European policy to support maritime industries, and should focus particularly on SMEs;
36. stresses that cooperation between the civilian and military sectors provides shared leverage for progress, not least by facilitating transfers – in both directions – of technology and know-how along with mobility for skilled people;
37. highlights the benefits of encouraging offshore oil and gas companies to make the transition and to develop strategies for diversifying into other sectors within the blue economy; these companies have considerable maritime expertise, experience in dealing with long, complex projects, and valuable skills which can be useful for developing maritime industries (supply vessels, underwater robotics, anchoring systems, automated applications, etc.). They could usefully and collectively plough back part of the profits made from oil into blue economy investment funds and renewable sea-based energy;
38. notes that the technological revolution means that from being analogue units, ships are now becoming digitalised transport platforms, creating opportunities for greater integration and interconnection with different digital systems. Working methods in the sector are changing as a result, e.g. interaction between ships and land-based offices, contacts between ships and other ships, and between ships and the authorities. It is important in this regard for the European maritime industry and authorities to grasp the opportunities that digitalisation brings to international competition;
39. stresses the imperative need to allow for and support digitalisation and more broadly the new forms of artificial intelligence (AI) in maritime innovation;
40. suggests that support and funding programmes should take account of a range of subjects that are not purely technological in nature but also relate to the development of new services, such as autonomous underwater vehicles (AUVs), maritime surveillance and predictive maintenance, where contractual commitments to results and performance are increasingly taking priority over commitment of funds. The creation of platforms to bring about the convergence of different surveillance technologies in use in the various Member States should be encouraged, so as to increase the interoperability of these activities, to increase the efficiency of operations at sea, to facilitate the implementation of EU legislation and policies in this area and, as a result, to promote better monitoring of the European maritime area;

### **Employment, skills and training**

41. recognises the importance of stimulating sectoral social dialogue and of organising the relationship between employment and training in the maritime industries; calls for specific platforms to fulfil these tasks not only in marine transport and bioresources but also in the manufacturing industry and shipbuilding. Attention is drawn in particular to the need to promote tailored training for the maritime and fishing industries so as to support generational renewal in fishing, aquaculture and shellfishing, as well as to the need to promote tailored university-level courses relating to merchant shipping. Similarly, there is a need to set up a system to ensure that training programmes are efficient and trainers sufficiently qualified;
42. stresses that the growth of offshore activities involves mobilising employees with strong maritime skills or providing significant additional training to those who are not familiar with life at sea. In this respect, it is clearly necessary to conduct campaigns among young people in order to attract talent and integrate new professionals into maritime industries, merchant shipping and fisheries, for operations both on land and at sea;
43. welcomes the progress made thanks to the adoption of the recent posted worker directives, which are highly relevant to the maritime sector, and calls for a system to be devised recognising professional qualifications (not just diplomas and certificates) in order to fully implement the principle of equal pay for equal work;
44. considers that worker mobility within the EU is a positive factor when it comes to structuring value chains in maritime industries as efficiently as possible and coping with developments in the various sectors. Efforts must be made to reach this goal while keeping up and bolstering the skills needed to meet companies' needs, firstly at local level and then at European level;

III) *An approach and specific proposals for the major sectors within the maritime industries*

**Digitalisation of maritime industries**

45. points out that it is paramount to allow for and support digitalisation and, more generally, new artificial intelligence (AI) technologies in maritime innovation;

suggests that support and funding programmes should take account of a range of subjects that are not purely technological in nature but also relate to the development of new services, such as autonomous underwater vehicles (AUVs), maritime surveillance and predictive maintenance;

**Blue bioeconomy**

46. highlights the promising, but as yet poorly realised, potential of the blue bioeconomy sector, which has numerous market applications (food and feed, pharmacology, cosmetics and energy) and significant local impact; stresses that priority must be given to the most developed and important economic sectors: fisheries, aquaculture and marine crops;

47. welcomes the mobilisation around this emerging sector, not least via the Blue Bioeconomy Forum led by DG MARE; takes the view that, following a major R & D investment phase, priority should be given to industrialising and marketing new processes that have been tried and tested on a small scale;

48. hopes that this sector will be given new priority through investment in the entire value chain from the extraction or controlled production of bioresources to the processing and use of the products;

49. suggests to this end building bridges with more mature maritime sectors such as fisheries and aquaculture, with a view to developing the downstream value chain for and processing of fishery products, generating the greatest added value;

50. highlights the importance of the maritime circular economy in supporting the development of the blue bioeconomy (implementation of zero discards in fisheries, recovery of drift line debris, seaweed processing residues, processing of waste and plastics, etc.);

51. calls on the European Union to support the exploration of all of the world's seas and oceans, particularly with a view to improving knowledge of the marine environment and climate science (carbon cycle and CO<sub>2</sub> absorption, acidification and rising sea levels, etc.), and to identifying the various energy and non-energy deposits so as to better assess the potential uses of marine resources (geothermal energy, strategic minerals, etc.);

**Civilian and military shipbuilding**

52. highlights the strategic nature of European investment in differentiating factors in the shipbuilding sector, particularly in relation to digitalisation and the environmental and energy transition. By innovating, we can improve our competitiveness and regain market share. Financing issues are also hugely important in shipbuilding;

53. draws attention to the new markets linked to these transitions: integrating clean propulsion in ships, innovative carbon-free propulsion systems (new sailing concepts), fuelling vessels, electric ferries, short-haul freight vessels, port and coastal service vessels, etc.;

54. stresses that it is important to strengthen links and local cooperation between shipyards and their co-contracting chains in the framework of maritime clusters; also stresses the need to support shipbuilding and ship repair regions, where a large number of small and medium-sized enterprises operate; would like to see specific support for value chains in the parts manufacturing sector, which accounts for 50 % of global market share and has twice the turnover of shipbuilding itself. In its trade and financing policy, the EU must also promote the use of European parts in ships built outside the EU;

55. calls for systematic efforts to be made under European Sea Tech to include new actors in shipbuilding value chains which can help boost production capacity, mobilise skills and increase European competitiveness;

56. emphasises that the repair and construction of small vessels are strategic industries for the outermost regions, as the fleets and floating structures operating in their waters are subject to the constraints of their island location and remoteness from the European mainland. This has a crucial effect on the logistics, maintenance and repair of small vessels: consequently, specific support must be given to these industries in order to support efficient growth of maritime activity in these regions;

57. considers that maritime issues must be placed at the heart of new defence and security policies, which will require paying particular attention to military shipbuilding; to this end, suggests taking greater account of support for the development of dual technologies that can be used in both civilian and military sectors;

58. stresses the need to boost the capacity of the fleets performing sovereign surveillance and security tasks, believes that these sovereign tasks must be carried out by European-built ships, and takes the view that, especially in view of Brexit and migration challenges, the proper organisation of these tasks entails building on existing national fleets in close partnership with Frontex and requires European solidarity in supporting the countries most involved in these tasks of major common interest;

### **Marine Renewable Energy (MRE)**

59. regards MRE as a sector with substantial potential to contribute significantly to renewable energy production while at the same time creating an industrial value chain that generates sustainable local jobs in multiple regions and delivering success in export markets, and stresses that it must be developed in an environmentally-friendly way that is compatible, or even in synergy, with pre-existing activities;

60. stresses that costs are being driven down particularly impressively in fixed-foundation offshore wind farms in Europe since the first farms were set up in 1991 and, most significantly, as a result of the efficient European industrial sector established over the last decade;

61. emphasises the importance of the repairs and checks to which vessels are subject, and the fact that they must be scrapped when their service life ends. Recommends in consequence that the Commission draw up a specific plan to equip the EU with suitable installations for these functions to be performed correctly, including the budget commitments required for this purpose;

62. points out that the further development of this sector will involve pursuing the efforts being made at European level, particularly in R & D (over EUR 3 billion of investment), but now requires clear policy choices that are primarily down to the Member States: setting ambitious volumes and timetables for calls for tender, not only for fixed-foundation wind power, which is currently the most developed sub-sector, but also for new technologies such as floating wind turbines, tidal power and wave power, which are in dire need of sufficient and guaranteed returns to trigger investment and start their industrialisation;

63. calls for dedicated investment support tools to be established at European level, along with project insurance and risk management tools. This could substantially reduce financing costs and thus more rapidly drive down the cost price of the electricity generated;

64. welcomes the significant progress made in recent years in testing prototypes and demonstrators for emerging technologies in real use conditions, particularly as regards tidal power. Costs are set to shrink as they are properly managed and become increasingly credible, which should enable the market to really open up thanks to adapted feed-in tariffs and European actors to remain strong global leaders;

65. insists that Europe must aim to become a global leader in the sector of floating wind turbines, and recommends that the Commission and the Member States look into coordinated or joint calls for tender in order to provide greater volume and higher visibility. A similar approach could be developed for tidal and wave power with regard to pre-commercial pilot farms;

66. highlights the importance of taking a specific approach in non-interconnected areas, especially in island regions, that will make it possible to offer general solutions for low-carbon energy autonomy that combine technologies – including MRE – in different ways depending on the characteristics of each territory; with this in mind, moves to develop mid-range powered machines must be stepped up;

67. proposes that these autonomous energy solutions should also be tested and proven effective in planned multi-use offshore facilities, as such facilities are a precursor to an increased maritime orientation of industrial operations and, in the long term, human life in the broader meaning of the phrase. It should be borne in mind that these longer-term perspectives will have to comply with strict criteria regarding sustainability and environmental impact management throughout the projects' lifecycle;

IV) *Ports – a key element for dynamic maritime industries*

#### **Port hubs and port, coastal and offshore infrastructure**

68. draws attention to the potential of ports as areas for developing Blue Growth projects, due to the combination of their activities and their potential. They can then serve as an example that can be extended to all coastal regions;

69. stresses that, regardless of their status, ports must continue to be regarded as strategic assets in which the public authorities have a responsibility to invest, and that competition and state aid rules must allow such investments;

70. stresses the need for the EU to provide financial support for port infrastructure in the outermost regions, given that they do not have alternatives for the transport of goods and the fact that their purely local nature means that state aid granted to such infrastructure does not lead to distortions in competition in the European internal market;

71. highlights that the function of a port is both to be a maritime transport hub and to house maritime industries and associated innovation and training activities; draws attention to the regional attractiveness factor that ports provide in attracting new industrial activities to their own land and the surrounding area;

72. stresses the importance of logistics and maritime services sectors in ports and the need to develop, in addition to innovative technologies, new business and service models within ports, based for example on gradual digitalisation (smart ports), and to develop the potential for process improvement and optimisation offered by data processing (big data);

73. recommends encouraging better links between ports and their urban environment, while at the same time enhancing port communities' decision-making autonomy and ensuring that port land is retained to allow for future development;

74. suggests creating, within the European Sea Tech scheme, a network of ports involved in growing the blue economy, building on the work of the European Ports Forum and its 'ports as hubs for blue growth' and 'green ports' sub-groups;

75. highlights the importance of the civil and environmental engineering sectors in ports and coastal areas in the development of sites and coastlines and in supporting climate change adaptation;

76. suggests making ports the incubators, and perhaps ultimately the operators, of new infrastructure projects at sea, whether they are offshore ports or, more generally, shared hubs for blue economy activities (transshipment, logistics hubs, MRE production, aquaculture, ship repair, science bases, etc.);

77. proposes opening up a debate on the functional role of 'secondary' ports, focusing on specialising in low-volume markets and reinforcing/complementing major neighbouring industrial ports;

#### **Decarbonisation of ports and maritime transport**

78. considers that support for investment in ports for LNG bunkering and more broadly for infrastructure which helps reduce ships' carbon footprint (power connection at quayside based on low-emission technology) needs to be stepped up as a matter of urgency; regards the transition to cleaner fuels and new energy vector as a priority with a view to meeting targets for reducing emissions of greenhouse gases and gases harmful to human health, and considers that shipowners should be supported in adapting and renewing their fleets; stresses that biogas produced from bioresources (plant, agricultural and food) can also contribute to the LNG value chain, reducing greenhouse gas emissions even more than current solutions;

79. proposes assessing the case for establishing a blue LNG corridor for European islands and outermost regions, in line with the European Parliament resolution of 25 October 2018 on the deployment of infrastructure for alternative fuels in the EU: time to act! (2018/2023(INI));

recalls, in this context, the need for suitable financial instruments to support these kinds of investment, which remain relatively high in these areas;

80. highlights the need to support research and development of off-shore aquaculture, combining current ocean engineering knowledge with that of industry 4.0, as a means of reducing the presence of aquaculture farms in coastal areas in favour of other specifically blue-economy activities that need to use the same marine areas;

81. indicates that R & D work opens up a possible path to liquid synthetic fuels produced using the carbon and renewable energy value chain; feels that this path should be explored with caution and that these technologies must prove that they are competitive compared to other alternatives, have a low environmental footprint and contribute to combating the greenhouse effect throughout the cycle. At this stage, this proof has not yet been provided;

82. recognises that the use of LNG can only be an interim solution, and calls for uses to be developed for on-shore power supply for ships, electric ships, for solar and wind power, to be exploited on ships, and for competitive production and use of renewable hydrogen in maritime transport to be sought (in conjunction with developing marine renewable energies, in particular those with high production potential such as fixed-foundation and floating offshore wind farms);

83. calls for the smart network infrastructure needed to integrate distributed sources of electricity from renewable sources, deployment of quayside energy supply systems, electric mobility and all other technologies relating to smart networks to be put in place in ports.

Brussels, 27 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

**Opinion of the Committee of the Regions — Multilevel governance and cross-sectoral cooperation to fight energy poverty**

(2019/C 404/10)

**Rapporteur:** Kata TÜTTŐ (HU/PES), Representative of Local Government of District 12 of Budapest**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS,

**Introductory remarks**

1. notes that it has already stressed the importance of taking energy poverty into account when designing different policies in a number of previous opinions and considers the explicit recognition of the need to consider the social consequences when shaping climate and energy policy, now and in the future, to be one of the most important political developments in recent years. Thus, combating energy poverty should be comprehensively taken on board by all relevant national and EU legislation;
2. emphasises that with regard to these social consequences, one of the main problems is energy poverty, which is closely linked to the Committee of the Region's current priorities;
3. believes that taking into account both the general EU view and local and regional specificities when managing the fight against energy poverty can help to boost citizens' trust in the EU and to bring Europe closer to its citizens, but can also contribute to implementing the Paris Agreement and the Energy Union;
4. welcomes the fact that the European Commission legislative framework 'Clean Energy for All Europeans' acknowledges the importance of eradicating energy poverty and refers to it explicitly many times;
5. highlights the fact that following the establishment of an EU framework, the next challenge is to translate the general provisions of the clean energy package into adaptations of the different specific elements of the legislation, taking full account of the needs of different regions. This will involve both maintaining compliance with the general EU framework and setting out the necessary frameworks and measures based on knowledge and recognition of the various aspects of energy poverty;
6. welcomes the progress made in the legislative process on important elements of the clean energy package, in particular the European Parliament's position on the common rules for the internal electricity market and its explicit recognition of the need for comprehensive data collection on energy poverty by Member States, the suggested flexibility for Member States to intervene in the market to address energy poverty, and the widening of the definition of 'vulnerable consumers' (art 28) <sup>(1)</sup>;
7. supports in particular the EP's demand for guidance by the European Commission on the criteria to be used to define a 'significant number of households in energy poverty' (also in the context of Art 3.3.d of Regulation (EC) No 2018/1999 on the INECPs) and fully endorses the EP's premise that 'any proportion of households in energy poverty can be considered to be significant';
8. points out that since energy poverty is already a well-known problem and is now being increasingly recognised in the EU's legislative framework with explicit obligations on Member States, nobody will be able to claim in the future that they were unaware of the issue: policies and specific measures are needed; notes, however, that the precise definition of the different aspects and effects of energy poverty as well as the necessary indicators to measure them need to be developed with full attention to the diversity of regional and local circumstances in order to ensure that policy measures can be targeted and implemented effectively;

---

<sup>(1)</sup> P8\_TA-PROV(2019)0226 adopted on 26.3.2019

9. stresses, however, that pioneering experience in tackling energy poverty has already been gained at local and regional level, including the valuable work produced by the partnership on housing under the EU Urban Agenda;

10. notes that one of the best ways to eradicate energy poverty on a European level is through investments in energy efficiency and having a properly-functioning and competitive single market that delivers low prices;

11. welcomes the fact that the new Regulation on Governance of the Energy Union provides the framework for local and regional authorities to have their voices heard and to prioritise dealing with energy poverty;

12. recognises that energy poverty is a major societal challenge, with social, economic and environmental consequences that must be addressed urgently at all levels of governance and which call for a holistic, cross-cutting approach that takes account of the relationship between social and environmental objectives and instruments;

### **What do we essentially mean by energy poverty?**

13. notes that the Covenant of Mayors for Climate and Energy defines energy poverty as 'a situation where a household or an individual is unable to afford basic energy services (heating, cooling, lighting, mobility and power) to guarantee a decent standard of living due to a combination of low income, high energy expenditure and low energy efficiency of their homes';

14. points out that one in ten Europeans cannot heat their homes properly in winter, one in five EU citizens cannot afford air-conditioning in the summer and that more than 80 million Europeans live in damp housing which contains traces of mould. The latter is also linked to the difficulties they experience heating and cooling their homes properly;

15. notes that – as is the case for many other forms of poverty and in combination with them – women are more severely threatened and affected to a greater extent by energy poverty. More specifically, this is due to income inequality and the unequal division of domestic and family tasks between men and women and to the fact that a higher proportion of single parents and elderly people living alone are women;

### **The need for a comprehensive approach**

16. recognises that energy poverty is an extremely complex issue, which can only be resolved by taking a joint and coordinated approach to the different social, technical, economic and budgetary aspects;

17. notes that in order to take stock of energy poverty and work towards solutions, a wide range of information must be collected and a detailed analysis of it carried out; stresses in this context in particular, as noted by the CoR's own territorial impact assessment, the need for additional information broken down to the NUTS 3 level and below where appropriate, for a further development of appropriate indicators to measure the different aspects and effects of energy poverty at the local level, and for a more effective collection/processing of already available information in order to make it accessible to policy makers;

18. underlines that tackling energy poverty requires the use of various public policy instruments which take into account both energy efficiency and social protection issues;

19. insists, however, that a comprehensive, cross-cutting approach may under no circumstances be used as a pretext for pursuing political objectives and sectoral or commercial interests that have nothing to do with tackling energy poverty;

20. draws the attention of European local and regional authorities to the fact that the implementation of such a comprehensive approach is particularly important, but relatively simple to achieve at local and regional level. However, for this approach to be possible, it is essential to exchange experiences and make use of other forms of cooperation;

21. stresses that situations encountered by households affected by energy poverty are very diverse and each case has its own specific features. Those affected may be tenants or owners who live in urban or rural areas and who generally also face other difficulties that call for a fair, innovative, open and inclusive approach, in which all parties concerned must work together;



22. points out that energy poverty is not only about the state of housing, it also has a direct impact on the physical and mental health of those concerned and hinders their social relations, learning, their opportunity to do business and many other activities;

### **Support not only for monitoring energy poverty — but for eradicating it too!**

23. takes the view that the success of public policies at EU level is generally achieved by setting objectives that are ambitious, specific and measurable enough;

24. stresses that, while the only possible goal for a policy aiming to wipe out energy poverty is the complete eradication of the problem, more short-term objectives are needed to ensure the effectiveness of the policy process;

25. calls on the European Commission to propose specific objectives for reducing energy poverty by 2030 and eradicating it by 2050;

### **Action to be taken at EU level**

26. welcomes the fact that guaranteed access to energy is not only one of the UN's Sustainable Development Goals, but that the European Pillar of Social Rights, launched in November 2017, also puts special emphasis on the question of social protection. Energy poverty is a typical case where action is required also at EU level;

27. warmly welcomes the strategic vision 'A Clean Planet for all', adopted by the European Commission in 2018, which aims to establish a climate-neutral Europe by 2050, while ensuring not only greater prosperity and job creation but also social justice for a fair transition;

28. calls on the EU institutions and the Member States to ensure that everyone can effectively enjoy the right to affordable energy and, to this end, to consider the possibility of a moratorium on the termination or suspension of public services due to a failure to pay, so that no household is left without supply of basic heating or cooling;

29. takes the view that limiting excessive energy costs cannot be left to the sole discretion of competition and market self-regulation and that the EU must therefore put in place legal frameworks providing Member States and local authorities with the right tools to ensure affordable energy. To keep energy prices low, the EU and other authorities must first ensure that there is sufficient supply on the energy market, that monopoly pricing is resisted, and that methods of promoting energy transition are cost-effective and do not drive up prices excessively;

30. stresses the need for appropriate measures to prevent or off-set possible negative repercussions of energy efficiency renovations, such as increased housing costs; in this context, it is crucial to guarantee a fair distribution of costs and benefits of energy efficiency between homeowners and tenants;

31. considers that local and regional authorities should facilitate the provision of free and independent advice to the public and support the more active involvement of households in generating energy;

32. is of the view that European legislation could be much more ambitious and national governments need to cooperate openly and actively with local and regional authorities to ensure effective multi-level governance;

33. considers it essential to simplify and widen access to EU funds, as the limited means of action for people and groups affected by energy poverty and their reduced access to services offered by public administrations often plays a role in bringing about or aggravating this problem; Furthermore, points out that renovation and energy efficiency measures may be limited by the financial situation of occupants, and by rent regulations that make it difficult to recover costs; stresses therefore the need to ensure appropriate incentives to invest in energy efficiency improvements for both tenants and house-owners, and the protection of vulnerable consumers;

34. calls for closer cooperation between the European Energy Poverty Observatory, the Covenant of Mayors for Climate and Energy and Eurostat;

35. stresses that it is essential to include transforming energy consumers into 'prosumers' as an instrument for eradicating energy poverty. To this end, initiatives should be encouraged at all levels to enable energy-poor consumers to become energy producers;

### **The role of local and regional authorities**

36. notes that local and regional authorities are on the front line in the complex fight against energy poverty, as they can identify the people affected and pinpoint the specific causes of the problem and provide directly practical advice and guidance to citizens. Moreover, many of the measures to combat energy poverty can be implemented at local level;

37. given that energy poverty is an extremely complex problem, emphasises that it is not possible to apply the same solutions to the different regions of the EU. Local and regional authorities also need to adopt a new comprehensive approach to finding appropriate means, by involving relevant local government offices with expertise in various fields in order to find the best remedy. Local and regional levels of government have certain key powers in relation to energy efficiency and energy production policy, through their own energy companies, housing associations, cooperation with the private sector, project funding, guidance, etc.;

38. draws attention to the possibility that policies to manage energy poverty may bring other benefits for these local authorities, for example, by boosting the success of other policy objectives and supporting policies such as those aimed at energy efficiency, reducing greenhouse gas emissions, improving citizens health, social inclusion and social protection and thus overall their quality of life and sustainability;

39. highlights that tackling energy poverty effectively could help local and regional authorities to further extend the social base for climate change action by involving social groups that have thus far been less active and have received less attention;

40. insists, however, all of this will only be possible if the local and regional authorities' legal and financial instruments are sufficiently strengthened;

### **Housing stock and energy efficiency**

41. stresses that energy efficiency is an important link between climate neutrality objectives and those relating to a fair energy transition, including the management of energy poverty;

42. considers improving the energy efficiency of the housing stock to be one of the main areas of work for local and regional authorities and urges them to avoid focusing exclusively on social housing, particularly in Member States with low rates of social housing;

43. emphasises that the obligation to renovate 3 % of buildings belonging to Member States' central governments annually with a view to improving their energy efficiency should be followed by ambitious investment and support to also accelerate renovation in other parts of the housing stock, otherwise efforts to eradicate energy poverty will have no chance of succeeding in the foreseeable future, let alone of achieving climate objectives;

44. highlights the need to allocate as large a share of EU funds as possible to an overall renovation of the building stock which takes account of energy poverty, in order to specifically avoid a delay in the energy upgrading of the homes of the poorest tenants and owners, which would increase energy poverty and hamper the achievement of climate objectives;

45. urges Member States to transpose into national laws the updated EPBD<sup>(?)</sup> as soon as possible and latest by March 2020, as the improvement of the energy performance of the existing building stock in the EU is directly linked to the full implementation of the existing legislative framework;

### **The importance of the Covenant of Mayors**

46. welcomes the fact that the Covenant of Mayors for Climate and Energy has established the issue of energy poverty in the third pillar, playing a leading role in keeping this issue on the agenda and finding solutions; highlights the valuable role played by the Covenant of Mayors in sharing knowledge and experience and in supporting methodological guidelines provided to European local and regional authorities and other key players;

---

(?) Directive (EU) 2018/844 of the European Parliament and of the Council of 30 May 2018 amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency (OJ L 156, 19.6.2018, p. 75).

47. stresses that the Covenant of Mayors can continue to count on its support, given the great value brought to European citizens by its active role and its deep social roots;

48. calls on European local and regional authorities and their leaders to sign up to the Covenant of Mayors and other climate action networks and to actively participate in their activities, with particular focus on exchanging local good practices;

49. notes that a group of CoR members act as ambassadors for the Covenant of Mayors, with the aim of publicising its activities and encouraging the greatest possible number of signatories. The Committee is of the view that the efforts of these ambassadors should be properly supported;

### **The Energy Poverty Observatory**

50. emphasises that a precise definition and measurements of energy poverty are essential for planning and implementing appropriate public policy solutions and measures;

51. regrets that two thirds of Member States are not monitoring the development of energy poverty using quantitative metrics;

52. notes that, up to now, the Energy Poverty Observatory set up by the European Commission has operated fully in line with the objectives set when it was established;

53. as the Observatory's scheduled lifespan is approaching an end, calls on the European Commission to look at the conditions for extending its activity, to extend its purpose and work as far as is necessary, and to develop possibilities for data collection and evaluation, given that the information collected by the Observatory will continue to be essential for the proper development of public policies in the future.

Brussels, 27 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

## III

*(Preparatory acts)*

## COMMITTEE OF THE REGIONS

135TH COR PLENARY SESSION, 26.6.2019-27.6.2019

**Opinion of the Committee of the Regions — A Clean Planet for all — A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy**

(2019/C 404/11)

<b>Rapporteur:</b>	Michele EMILIANO (IT/PES) President of the Puglia Region
<b>Reference document:</b>	Communication from the Commission to the European Parliament, the European Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank: A Clean Planet for all — A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy  COM(2018) 773 final

**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

**Implementation of the 2050 long-term strategy**

1. welcomes the communication on A clean planet for all and supports the goal of achieving greenhouse gas neutrality (net-zero emissions) in the EU by 2050; to achieve this goal, calls on the European Commission to frame an even more ambitious roadmap by adopting measures to limit global warming to 1,5 °C compared to pre-industrial levels and prioritising the most ambitious scenarios; calls on the Commission to evaluate the impact of the different scenarios on climate, health, environmental, economic and social aspects and to propose a corresponding comprehensive regulatory framework based on this evaluation and in line with the strategy to implement the UN Sustainable Development Goals (SDGs); also welcomes in this context the ongoing work at EU level on the reflection paper on sustainable Europe, including in the Committee of the Regions on how to involve local and regional authorities in the essential transformation processes;
2. underlines the need to invest in education and awareness raising about climate issues among citizens in general and focused on young people in particular, who are increasingly concerned by what they see as too slow progress in addressing this challenge; stresses that local and regional authorities, in cooperation with educational institutions and civil society organisations, have an important role to play in fostering this engagement, and in responding to the expectations of young people;
3. reiterates its call on the Member States and the European Commission to establish a permanent multi-level platform for dialogue on energy as defined in the regulation on the governance of the energy union, including climate and environmental aspects, to support regions and local authorities, civil society organisations, businesses and other stakeholders in the energy transition <sup>(1)</sup>; states in this context its willingness to set up, if requested by the European Commission, a structure for technical exchanges on implementing the Clean Energy Package at local or regional level;

<sup>(1)</sup> Opinion of the European Committee of the Regions on Energy Union Governance and Clean Energy (2017/C 342/13), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52017AR0830>

4. notes the crucial role that regions and local authorities play in delivering public policy on climate and energy and in nurturing the behavioural changes necessary for their effective implementation and ensuring the acceptance of these changes by all citizens, following a defined decarbonisation strategy geared to achieving the zero emissions goal; in this connection highlights the initiatives undertaken by the Covenant of Mayors for Climate and Energy and calls on the Commission to continue promoting this and endorse similar initiatives to boost action at local level and to set up a permanent consultation mechanism based on the Talanoa Dialogue <sup>(2)</sup>;
5. draws attention to support for initiatives such as the Covenant of Mayors for Climate and Energy. By directly linking the local authorities and the Commission, the covenant promotes the bottom-up development of a specific plan which leverages the SECAP and thus is becoming an integrated territorial management plan for combating climate change, in coordination with other territorial interest groups involved in the NECPs and in supporting the SDGs;
6. calls on the Commission to guarantee that the national energy and climate plans (NECPs) and national long-term plans are harmonised with the Paris Agreement, the 2050 strategy and the SDG's; considers it crucial that they are drafted using participatory, multilevel dialogue and are based on best regional and local practice; also suggests shortening the interval for periodical review of these plans and providing an institutional framework for the system of regionally determined contributions (RDC) and locally determined contributions (LDC) to link it with the system of nationally determined contributions (NDC);
7. calls on the Commission to actively take into account the particular vulnerability of certain areas, such as the outermost regions, and people undergoing transition to a climate neutral Europe so as to avoid the rejection of the transition process; also calls for the establishment of a European Climate Neutrality observatory to contribute to the fulfilment of national reporting obligations under the Energy Union governance and to assist in mapping and monitoring such vulnerabilities, together with a renewed EU skills audit under the EU Skills Panorama. These measures, aimed at achieving a climate neutral Europe, must take account of regional and local skills needs: the aim is to align the roll-out of sustainable policies with skills growth for future-proof quality jobs in the most vulnerable regions and to facilitate effective exchange of best practices between these regions, building also on the existing composite indicators and on any others that may be identified;
8. draws attention to the diversity of Europe's regions when it comes to climate, environment, landscape, mobility and economic and social structure, highlighting the importance of tailoring implementation of the strategy to geographical geopolitical and economic characteristics and seeing beyond mere administrative boundaries;
9. underlines the need to ensure a holistic approach bringing together the instruments and strategies under the EU's general policies on the SDGs, cohesion and the circular economy, but also specific action regarding for example energy policy, climate mitigation and adaptation and the transition of coal regions;

### **Climate neutrality of the energy system**

10. noting the crucial role that regions and local authorities play in the participatory implementation of energy and climate policies, recognises the role of public authorities in setting an example in all sectors, starting with management of public buildings and publicly run companies; in the light of this, accentuates the importance of energy efficiency plans for public buildings, along with application of the Sustainable Public Procurement (SPP) criteria and energy and environmental management systems, while respecting minimum environmental requirements <sup>(3)</sup>;
11. calls on the European Commission to continue promoting energy efficiency of buildings as a priority in order to cut the emissions from existing buildings and to ensure that public subsidies and financial instruments enable owners to improve the energy efficiency of buildings by renovating them. In addition, the necessary investments and state aid should be classified as capital costs so as to increase the room for manoeuvre for local and regional authorities. This plays a major role in raising the average annual rate of building renovation;

<sup>(2)</sup> <https://unfccc.int/topics/2018-talanoa-dialogue-platform>

<sup>(3)</sup> European Commission communications COM(2008) 397 — *Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan*, COM(2008) 400 — *Public procurement for a better environment* and COM(2015) 614 — *Closing the loop — An EU action plan for the Circular Economy* adopted by the Council of Ministers of the European Union.

12. signals the importance of protecting the vulnerable from energy poverty and of ensuring equal access to basic energy services for all Europeans;

13. calls on the Commission to promote a circular approach in the designing, erection and operation of new buildings, which will need to be sustainable or include energy efficiency and the use of renewable sources, starting with the example of the Level(s) initiative<sup>(4)</sup>. Climate and environmental performance standards must also be set from a life-cycle perspective for building materials and processes and for the documentation of materials used, which will require continued investment in standards, ecodesign requirements, environmental product declarations, and information systems for life-cycle analyses;

14. believes strongly that the 32 % target for renewable energy at EU level should be revisited further in the future in the light of technological developments with a view to reaching 40 % by 2030 in order to achieve climate neutrality by 2050, and that, in any case, European regions that manage to exceed that threshold should be incentivised and supported appropriately;

15. welcomes the formal establishment of local energy communities in the Clean Energy Package<sup>(5)</sup>, calls on the Member States to harness their potential<sup>(6)</sup> and highlights the need to set up targeted financial support schemes, which prioritise regions that may be affected by obstacles such as those with electric systems that are isolated and not connected to major European networks. Public and private energy companies are important vehicles for energy transition at local and regional level;

16. stresses the importance of fostering decarbonisation, pursuing the zero emissions goal and calling on the Member States to establish, together with the regions, specific roadmaps for the conversion of plants and infrastructure using fossil fuels and of nuclear power plants, in so doing encouraging the use of renewable sources (such as hydrogen) and technologies to decarbonise the European gas sector and drawing on BREFs as the basis. Notes that appropriate pricing of fossil-based energy through emissions allowances and socially acceptable taxation is a key element of the transition to renewable energy; welcomes therefore the recent Communication by the European Commission on 'a more efficient and democratic decision making in the EU energy and climate policy' and believes that many of the suggestions in this document, notably with regard to the crucial element of energy taxation, are essential in order to ensure a coordinated, coherent and timely response to the enormous challenges the EU faces;

### Land-use planning and climate neutrality

17. notes the central role of regions and local authorities in implementing policies for the sustainable mobility of people and goods, including through urban and regional planning aimed at modal rebalancing and through a reduction in the use of motor vehicles and land take;

18. reaffirms the need to make transport climate neutral, this being the only sector where CO<sub>2</sub> emissions still top 1990 levels<sup>(7)</sup>, including by increasing financial and technical support to European platforms such as S3P Energy<sup>(8)</sup>;

19. calls on the Commission to unlock European funding to speed up the roll out of recharging points for vehicles to ensure that current infrastructure does not hamper the uptake of clean mobility across Europe to meet the future demand;

20. underscores the importance of encouraging and funding the transition towards collective, shared, multimodal and intermodal transport modes, including through the development of local and regional logistics platforms and mobility management plans, while also bearing in mind the distinct traits of sparsely populated and outlying, outermost and island regions;

<sup>(4)</sup> <http://ec.europa.eu/environment/eussd/buildings.htm>

<sup>(5)</sup> <https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/clean-energy-all-europeans>

<sup>(6)</sup> Models of local energy ownership and the role of local energy communities in energy transition in Europe (CDR 2515/2018), <https://cor.europa.eu/EN/our-work/Pages/OpinionTimeline.aspx?opId=CDR-2515-2018>

<sup>(7)</sup> Promoting seamless mobility solutions (CDR 3560/2017), <https://cor.europa.eu/en/our-work/Pages/OpinionTimeline.aspx?opId=CDR-3560-2017>

<sup>(8)</sup> <https://e3p.jrc.ec.europa.eu/articles/smart-specialisation-platform-energy-s3p-energy>

21. stresses that it is important that mobility plans tie in with increased production and distribution of green electricity and renewable fuels <sup>(9)</sup>, that they are channelled to achieving zero traffic emissions and that they are backed up by urban and territorial planning and, where relevant, the Action Plans for Sustainable Energy and Climate; notes that these policies have a crucial role to play in improving the lives and health protection of the public;
22. highlights the need to pay particular heed to potential decarbonisation measures in the transport system by promoting the use of renewable energy sources and alternative fuels, and thus the deployment of specific infrastructure to ensure an environmentally friendly and diversified supply, especially by strengthening local distribution network operators;
23. stresses the importance of the interplay between land use, climate change mitigation and the adaptation potential, as well as the importance of addressing the enormous climate impact of agriculture as essential elements of any strategy to reconcile compliance with the Paris Agreement and the sustainable development goals (SDGs) with better environmental, health and economic and social well-being;
24. highlights the role of island communities as potential laboratories for climate neutrality policies and the need for measures to decarbonise maritime transport, taking into consideration the vulnerable territories which are highly dependent on maritime transport;

### **Climate neutrality of the economic system**

25. highlights the role of SPP in promoting the development of the green economy and of behavioural change and the importance of moving swiftly towards circular public procurement and of using environmental management systems in the private sector, starting with full implementation of the IED <sup>(10)</sup> and BREFs for each production sector and the EMAS and ISO environmental certification system <sup>(11)</sup>;
26. stresses the lack of reference in the strategy to the waste sector to the European hierarchy of waste and to the principles of the circular economy <sup>(12)</sup> and proposes, therefore, that measures be introduced to quickly specify uniform end-of-waste criteria, with a view to reducing disposal operations, promoting recovery and minimising pollutant emissions from related industrial processes; points out that waste should also be minimised by setting ecodesign requirements for products in respect of chemical content and recyclability, and through investment in waste sorting and recovery of materials and energy;
27. points out the importance of paying special attention to regions that have energy-intensive industries and energy infrastructure in order to ensure a rapid start to the transition, as well as the fair and inclusive management of this transition, by limiting or offsetting social and environmental impacts, and stresses the importance of guaranteeing that local and regional authorities, individuals and relevant NGOs, the business sector, universities and research institutes are involved in shaping measures to offset the potential negative impact of the energy transition;
28. notes the need to ensure a fair distribution of environmental costs and health, environmental, economic and social benefits for people affected by the location of energy infrastructure and the changes which are necessary in the transition. In particular, it stresses the importance of involving local and regional authorities in areas of transit for large energy flows together with the national authorities responsible, in establishing criteria for the distribution of environmental costs and benefits, ensuring a fair share of the revenues generated for the benefit of the citizens most affected; also stresses that all EU policies, including EU trade policy with non-EU partners need to be brought in line with the goal of climate neutrality;

<sup>(9)</sup> Delivering on low-emission mobility (CDR 6151/2017), <https://cor.europa.eu/en/our-work/Pages/OpinionTimeline.aspx?opId=CDR-6151-2017>

<sup>(10)</sup> Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32010L0075>

<sup>(11)</sup> Commission Regulation (EU) 2017/1505 of 28 August 2017 amending Annexes I, II and III to Regulation (EC) No 1221/2009 of the European Parliament and of the Council on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) (OJ L 222, 29.8.2017, p. 1), <https://www.iso.org/home.html>

<sup>(12)</sup> Directive (EU) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste (OJ L 150, 14.6.2018, p. 109), Directive (EU) 2018/852 of the European Parliament and of the Council of 30 May 2018 amending Directive 94/62/EC on packaging and packaging waste (OJ L 150, 14.6.2018, p. 141), Directive (EU) 2018/850 of the European Parliament and of the Council of 30 May 2018 amending Directive 1999/31/EC on the landfill of waste (OJ L 150, 14.6.2018, p. 100) and Directive (EU) 2018/849 of the European Parliament and of the Council of 30 May 2018 amending Directives 2000/53/EC on end-of-life vehicles, 2006/66/EC on batteries and accumulators and waste batteries and accumulators, and 2012/19/EU on waste electrical and electronic equipment (OJ L 150, 14.6.2018, p. 93).

### Emission absorption and offsetting strategies

29. welcomes the update of the EU Bioeconomy Strategy <sup>(13)</sup>, which supports the development of production systems that deliver GHG emission reductions;

30. notes the crucial role of urban and rural green areas in the fight against climate change, as ecological systems acting as natural equivalents of carbon sinks, particularly in the more vulnerable regions, including the outermost and island regions; highlights the importance of improving the management of organic soils, restoring peatlands and wetlands, and of all farming practices and systems for emissions capture in reducing emissions; also stresses the need to promote and support the protection and proper management of forest assets, as well as the full integration of agricultural and forestry policies with hydrogeological and climate risk management policies;

31. calls on the European Commission to bring regions and local authorities on board in implementing the Effort Sharing Regulation (ESR) and the regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF) <sup>(14)</sup>, setting emission reduction targets for 2030 and configuring realistic initiatives with which to achieve them;

32. highlights the competences cities and regions have in collecting the data needed to carry out the inventory of GHG emissions in sectors covered by LULUCF and ESR and recommends that the Member States and the Commission support them in promoting their capacities <sup>(15)</sup>;

33. stresses the need to further develop all techniques and technologies for full mass and energy recovery in production systems and all forms of environmental compensation for diffuse and fugitive emissions, including carbon dioxide, which will have to be compensated for with natural ecological systems and, if no other possibilities exist, using carbon capture and storage (CCS) techniques; stresses, however, that such technologies have yet to prove that they are effective and safe and that, therefore, absolute priority must be given to measures designed to avoid emissions;

### Financing climate neutrality

34. notes the importance of ensuring sufficient financial coverage to achieve a zero GHG emissions economy, by increasing the percentage of GDP invested annually in the energy system and its infrastructure, and welcomes the action plan on financing sustainable growth published by the Commission in 2018 <sup>(16)</sup>;

35. reiterates the need to raise the EU climate budget spending target to at least 30 % and fully implement the commitments made under the Paris Agreement, including long-term dedicated funding by national governments <sup>(17)</sup>;

36. underlines that, given the important social consequences to be expected from the transition to a zero GHG emissions economy, it will be necessary to envisage a dedicated just transition fund to support those regions or sectors of society where the short-term effects of moving away from fossil fuels will be felt most acutely;

<sup>(13)</sup> A sustainable Bioeconomy for Europe: strengthening the connection between economy, society and the environment (2018).

<sup>(14)</sup> Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26) — Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (OJ L 140, 5.6.2009, p. 136), <https://unfccc.int/topics/land-use/workstreams/land-use-land-use-change-and-forestry-lulucf>

<sup>(15)</sup> Opinion of the European Committee of the Regions — Legislative proposals for an Effort Sharing Regulation and a LULUCF Regulation (OJ C 272, 17.8.2017, p. 36), <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52016AR5780>

<sup>(16)</sup> European Commission communication COM(2018) 97 final — Action Plan: Financing Sustainable Growth.

<sup>(17)</sup> The InvestEU Programme (CoR 2018/03766), rapporteur: Konstantinos Agorastos (EL/EPP).



37. notes that substantial financial resources are required to develop innovative solutions including renewable energy sources and bring them to market: it is important to frame an integrated and common approach between authorities at all levels in order to bring together the various funding sources and trigger a multiplier effect, increasing awareness about the existence of different instruments and improving their overall accessibility; also points out that EU rules on renewable energy and state aid must be revised to be progressive and push on with the development of new zero-emission technologies with respect to climate benefits and sustainability. For example, the Energy Tax Directive and state aid rules should be adapted so as to reduce energy taxes on renewables and make them competitive with fossil-based energy;

38. points out that investment in environmentally sustainable infrastructure has proven to be highly profitable in the long term, since it can usher in strong growth in both GDP and employment rates; also notes that this investment yields economic savings by enabling lower energy consumption and reduced fossil fuel imports;

39. reiterates the importance of laying down clear, streamlined and uniform rules for public procurement and for legal procedures to encourage investment <sup>(18)</sup> and welcomes the Commission's ambitiousness in simplifying the rules for the 2021-2027 programming period and moving to a single regulation to cover both the ERDF and the Cohesion Fund <sup>(19)</sup>;

40. notes the importance of making climate neutrality, environmental sustainability and climate change adaptation cross-cutting components in all funds and funding programmes that are required to include climate neutral economy targets to be met through the fixing of specific indicators and welcomes the Greening the European Semester initiative <sup>(20)</sup>, while calling for further efforts on this front; in this context, also suggests the inclusion of climate-related indicators in the Commission's Alert Mechanism Report framework;

41. suggests that *ex ante* impact assessments of EU legislative proposals be accompanied by a climate impact assessment and an assessment of how they will help to meet the Paris Agreement goals <sup>(21)</sup>; also calls for an appropriate impact assessment of European funds devoted to sectors and regions affected by the energy transition to be conducted, so as to ensure that they support this process effectively;

42. stresses the importance of having high rates of EU co-financing in order to guarantee access for small local and regional authorities, highlighting the need to determine specific methodologies and indicators that take into account climate neutral economy targets in assessing projects to be funded;

43. highlights the role of the insurance industry in coping with loss and damage and so strengthening local resilience;

44. welcomes the reference to expected savings in the health sector as a consequence of climate and environmental policies and calls on the Commission to further explore the possibility of quantifying such savings by identifying specific indicators, including with the involvement of the WHO <sup>(22)</sup>; in this regard points to the experience of a structure like the WHO Healthy Cities Network and calls for more efforts to create synergies between such initiatives and those focused on the energy transition and climate change in cities;

45. endorses the goals of the Sustainable Finance Action Plan to support sustainable growth and the desire to enable the financial sector and private investors to play their part in achieving ambitious and common climate and environmental sustainability goals recognises that the mobilisation of private capital requires long-term planning and regulatory stability at EU, national, but also at local and regional level;

<sup>(18)</sup> Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts (OJ L 94, 28.3.2014, p. 1), Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65) and Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

<sup>(19)</sup> European Regional Development Fund and Cohesion Fund, rapporteur Michiel Rijsberman (NL/ALDE).

<sup>(20)</sup> [http://ec.europa.eu/environment/integration/green\\_semester/index\\_en.htm](http://ec.europa.eu/environment/integration/green_semester/index_en.htm)

<sup>(21)</sup> Opinion on Climate finance: an essential tool for the implementation of the Paris Agreement, (COR2108/2017), <https://cor.europa.eu/EN/our-work/Pages/OpinionTimeline.aspx?opId=CDR-2108-2017>

<sup>(22)</sup> <https://www.who.int/publications/guidelines/en/>

46. stresses the importance of having a sound financing framework for research and in the field of climate neutrality technology and welcomes the establishment of the Innovation Fund, calling for swift approval of the implementing regulation <sup>(23)</sup> and the establishing of 'free knowledge spaces' benefiting from significant tax breaks;

47. points out that it is important for regions and local authorities to have a coherent and manageable integrated framework for obligations and best available techniques using a portal that hosts the BAT for each sector, H2020 projects and Covenant of Mayors initiatives.

#### **Maintaining the links with international commitments and existing legislation**

48. welcomes the EU's ambitious goal of promoting the adoption of policies and initiatives at global level to reverse the current unsustainable emissions trajectory and calls on the EU institutions and Member States to further a stable, lasting and systematic involvement of regions and local authorities in the implementation of the Global Agenda for Sustainable Development and the related 17 Sustainable Development Goals <sup>(24)</sup>, as well as the Paris Agreement, including by involving the CoR in preparatory work on COP25, in order to ensure that the EU's negotiation position is supported by all tiers of government;

49. calls for a representative of the CoR to have observer status in all preparatory work of the UNFCCC bodies in order to make sure that the needs and the potential of contributing with concrete measures of local authorities and the regions are taken properly into account and can feed into the open, inclusive and transparent evaluation of the joint work carried out within the overall review.

Brussels, 27 June 2019.

*The President*  
*of the European Committee of the Regions*  
Karl-Heinz LAMBERTZ

---

<sup>(23)</sup> Proposal for a Commission Delegated Regulation of 26.2.2019 with regard to the operation of the Innovation Fund (C(2019) 1492 final).

<sup>(24)</sup> Sustainable Development Goals = SDGs.



ISSN 1977-091X (electronic edition)  
ISSN 1725-2423 (paper edition)



**Publications Office of the European Union**  
L-2985 Luxembourg  
LUXEMBOURG

EN