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I

(Resolutions, recommendations and opinions)

RESOLUTIONS

COMMITTEE OF THE REGIONS

INTERACTIO – REMOTE – 141ST COR PLENARY SESSION, 8.12.2020-10.12.2020**Resolution of the European Committee of the Regions on the 2021 Work Programme of the European Commission**

(2021/C 37/01)

THE EUROPEAN COMMITTEE OF THE REGIONS (CoR)

Having regard to:

- the European Commission Work Programme for 2021 ⁽¹⁾;
 - the Protocol of Cooperation with the European Commission of February 2012;
 - the CoR Resolution on the European Committee of the Regions' priorities for 2020-2025 ⁽²⁾;
 - the CoR Resolution on the European Committee of the Regions' proposals in view of the European Commission Work Programme for 2021 ⁽³⁾;
1. Underlines the absolute urgency of mitigating the effects of the global pandemic as the coronavirus crisis is widening existing social, economic and territorial disparities, as reflected in the CoR's first Annual Local and Regional Barometer;
 2. Insists that local and regional authorities (LRAs) must be at the core of the design and implementation of the post COVID-19 socio-economic recovery agenda; supports the EU's goal of taking a leading role in the green and digital transitions. The CoR commits to working closely with relevant stakeholders to take stock of the lessons learnt from the management of the COVID-19 crisis so far and to look towards preparedness for the future;
 3. Urges the European Commission to lead a fast procedure aimed at reaching a satisfactory and permanent solution to the problem of the humanitarian crisis in the Mediterranean, firstly focused on protecting migrants' lives, but also on ensuring the respect for human rights and fundamental freedoms. The CoR and the LRAs offer their deepest cooperation;
 4. Supports, therefore, the Commission's approach to charting the EU's political priorities through to the annual Strategic Foresight Report, to which the CoR will contribute with data from LRAs across the EU;

⁽¹⁾ COM(2020) 690 final.⁽²⁾ COR-2020-01392-00-00-RES-TRA (OJ C 324, 1.10.2020, p. 8).⁽³⁾ COR-2020-02622-00-00-RES-TRA (OJ C 324, 1.10.2020, p. 16).

5. Shares the view that the Conference on the Future of Europe must be launched as soon as possible. The full involvement of the CoR, as the voice of LRAs, in all bodies of the Conference would allow the project to be closer to Europe's citizens and to reflect in greater depth on the necessary changes to the EU's policies, processes and institutional framework. The CoR insists that in all public consultations related to the conference, maximum pluralism must be ensured;
6. Calls on the other European institutions to cooperate with the CoR in developing a pilot model for a permanent and structured dialogue with citizens through LRAs, which could also serve to improve the EU decision-making process;
7. Reiterates the need to involve LRAs in the design and implementation of EU policies, not least in those areas where LRAs are most in the lead, notably through the proper application of active subsidiarity and the mainstreaming of multilevel governance principles. The CoR welcomes the Commission's decision to enhance the CoR's participation in the Fit for Future platform and commits to contributing to the platform's objectives through the government group and the dedicated RegHub subgroup. Highlights the need for a more prominent local and regional perspective in the REFIT revision;
8. Reiterates its call for the Commission to closely monitor the application of the Code of Conduct on Partnership in the preparation of the Partnership Agreements and programmes for the 2021-2027 period and to ensure that the involvement of LRAs amounts to full partnership. The principles of partnership and multilevel governance should more closely inspire the governance of the European Semester, particularly as the Semester provides guidelines for the Cohesion Policy programmes 2021-2027 and for the Recovery and Resilience Facility;
9. Will carefully assess the legislative proposals for new own resources, in particular as regards their potential impact on local and regional finances and citizens;
10. Underlines the need to clarify the interactions between the Recovery and Resilience Facility (RRF) and Cohesion Policy funding at local and regional level and, regarding the RRF and Member States in particular, calls for the forthcoming national reform and investment plans to be developed both horizontally and bottom up, and encourages a wide array of EU institutional and stakeholder participants to attend the RRF Forum in October 2021;
11. Welcomes the Commission's commitment to using the UN 2030 Agenda and its Sustainable Development Goals as well as the 2015 Paris Agreement as the basis for building the policy framework for a sustainable recovery in the EU;
12. Welcomes the Commission's 'Fit for 55 package' but believes that a more ambitious emission target for 2030 in line with the European Parliament's position is necessary and feasible. Calls, against this background, on the Commission to present within its 'Fit for 55 package' an ambitious EU adaptation strategy with a clear focus on the central role of LRAs in climate adaptation;
13. Stands ready to prepare a joint COP26 roadmap ahead of the United Nations Framework Convention on Climate Change (UNFCCC) COP26 in Glasgow, aimed at showcasing the engagement of the EU at all levels and promoting the role and contributions of subnational governments in the Paris Agreement and the UNFCCC; in showcasing this, the CoR will emphasise the role of cities and regions in implementing and accelerating climate measures through practical collaboration with industry, universities, citizens and different communities;
14. Highlights the fact that the announced proposal for a Carbon Border Adjustment Mechanism is closely linked to the review of the Emissions Trading System. In order to prevent discrimination between third country and EU businesses, calls for a careful assessment on how the phasing-out of free allowances will impact EU energy-intensive sectors;
15. Will carefully monitor the implementation of the Just Transition Mechanism and suggests holding a Just Transition Forum in the second half of 2021 to draw the initial political conclusions of its implementation;

16. Considers that Multilevel Energy and Climate dialogues should be further promoted and extended to all areas of the Green Deal. Urges the full recognition of the role of cities and regions in the implementation of climate mitigation and adaptation policies and calls for an effective multilevel governance framework through the European Climate Pact. Against this background, the CoR welcomes the Commission's commitment to present a joint action plan for the implementation of the Green Deal, which could include a European Regional Scoreboard to track progress in the implementation of the Green Deal at subnational level;

17. Stresses the urgency of implementing the Renovation Wave strategy and of putting in place mechanisms to adapt that transition to local characteristics and circumstances and to fill existing gaps in terms of financial resources and technical capacities; asks in regard to the Renovation Wave, as well as for other measures, to open up extensive possibilities for direct access of the regions, cities and municipalities to European funds;

18. Welcomes the Commission's ambition to launch a Zero Pollution action plan for water, air and soil as an essential part of the Green Recovery Plan. The plan as well as subsequent legislative acts must be based on key principles of a precautionary approach, that pollution must be tackled at source and that the polluter should pay. The action plan should be developed and implemented in cooperation with LRAs via initiatives such as the Green City Accord and aim to set an ambitious framework while acknowledging differences and varying conditions across EU Member States and allow for national and local adaptations. The risk-based approach must be at the heart of the plan to ensure that actions are taken where they make most sense;

19. Calls for specific targets in the implementation of the New Circular Economy Action Plan (NCEAP) taking into account regional differences, especially for waste prevention and public procurement, public-private partnerships, since these would stimulate innovation technologies and their market uptake, and for recognition of the important role of LRAs in a more circular society;

20. Commits to supporting the implementation of the EU Biodiversity Strategy for 2030, while exploring the contribution of LRAs in addressing the decline of pollinators and in tackling the dangerous pressure on our marine environment. The CoR would emphasise the role of land and agricultural practices as well as sustainable forest management in restoring habitats and increasing the resilience and strength of all European ecosystems and natural areas. The CoR supports the European Parliament's call to the Commission to propose a legal framework for mandatory due diligence along supply chains for forest and agricultural products and products posing a risk to ecosystems that are placed on the EU market, at the same time not placing an undue administrative burden on providers of bio-based products compared to synthetic and fossil based products;

21. Calls for the full involvement of European regions in the implementation and monitoring of the EU Farm to Fork strategy; calls on the Commission to effectively anchor the goals of the Green Deal and, in particular, the biodiversity strategy and the Farm to Fork strategy in the future Common Agricultural Policy (CAP) and its implementation;

22. Urges the EU institutions to translate the new long-term vision for rural areas into an EU Rural Agenda, which should ensure that the principle of rural-urban equilibrium is enshrined in all EU policies, in line with territorial cohesion objectives, and increase the role of the local and regional levels in the governance of rural policies;

23. Regrets the Work Programme's lack of ambition in the maritime domain and emphasises the strategic geopolitical importance of cutting-edge maritime industries and strong coastal and maritime regions. In this regard, calls on the Commission to develop a comprehensive agenda in support of blue industries and maritime regions;

24. Commits to providing input for the legislative initiative for a European green bond standard, as this would be highly relevant to channelling sustainable private and public investment at local and regional level;

25. Highlights the need to address the missing links in cross-border transport infrastructure within the revision of the Regulation on the Trans-European Transport Network (TEN-T) and enhanced connectivity with peripheral and ultraperipheral/outmost regions;

26. Welcomes the Commission's commitment to presenting a legislative proposal to improve the working conditions of platform workers; Also expects the Digital Services Act to address minimum standards for fair teleworking and digital rights at work;

27. Regrets that no proposal to regulate Artificial Intelligence is planned in 2021, as a follow-up to the recently adopted White Paper;

28. Will develop indicators for digital transformation at the local and regional level in order to set targets, accelerate establishing digital platforms and a monitoring mechanism for the Digital Decade 2030, addressing inequalities and preventing a digital divide;

29. Calls for a comprehensive EU approach to the security and resilience of 5G networks, as ensuring broadband connectivity and 5G deployment at local and regional level in both urban and rural areas, as well as mountainous and remote areas and less developed regions, is becoming crucial;

30. Calls on the Commission to reinforce the place-based dimension of the EU's industrial strategy, expanding its sectorial scope and strengthening its political coordination at EU level, notably by involving the CoR and regional governments in the Industrial Forum and in the European Raw Materials Alliance so that regions and cities can take ownership of the twin green and digital transitions of their industries in order to benefit from the economic diversification potential of this strategy, also including industry involvement in VET systems for developing appropriate skill-sets to ensure new occupations;

31. Will, together with willing cities and regions, showcase how ERA Hubs can help in developing place-based regional innovation ecosystems and through their Europe-wide collaboration help in accelerating smart sustainable growth and closing the innovation divide in Europe;

32. Considering that the economic fallout of the COVID-19 pandemic has strongly hit SMEs across EU regions and is exacerbating chronic issues such as unsatisfactory access to finance and late payments, and taking account of the diverse structures and needs of SMEs and the varying economic and institutional conditions across Europe, suggests that the Commission strengthen the local and regional governance of the SME Strategy. For its part, the CoR commits to cooperating with the Commission and the business community in the further development and application of an SME test that is fit for purpose, notably through the European Entrepreneurial Region (EER) network;

33. Calls on the Commission to take into account the difficulties faced by local and regional stakeholders which are preventing them from fully reaping the benefits of the single market and looks forward to the updated single market barriers report and the measures that the Commission intends to take to ensure the full enforcement of the Services Directive. The CoR also asks the Commission to come forward with a new improved proposal on the Services Passport;

34. Welcomes the Commission's emphasis on a Fair Economy package and looks forward to the Action Plan for the European Pillar of Social Rights, which should build on greater empirical and policy use of the Social Scoreboard tool. The CoR will support the Pillar's local and regional dimension by playing an active role in the Conference ahead of the Social Summit in Porto in 2021. Moreover, the CoR will work with the Commission on developing the Local Jobs Fairs initiative;

35. Looks forward to the new occupational safety and health strategy framework. In this connection, calls on the Commission to pick up the pace in 2021 in order to finally reach the objective of setting 50 Occupational Exposure Limit values (OELs), originally set for 2020;

36. Stresses the need to involve LRAs in the development of the Action Plan for the social economy, with its strong regional and local dimension;

37. Welcomes the fact that the Commission has echoed the CoR's call for a Child Guarantee, which would strengthen the social inclusion and well-being of children as well as the promotion of children's rights;

38. Expects the strategy for the benefit of persons with disabilities to set out ambitious and measurable targets and to encompass all policy areas; is committed to the goals of the UN Convention on the Rights of Persons with Disabilities and would like the European Commission to provide support for its implementation at local and regional level;

39. Notes that the Work Programme 2021 provides for the revision of State aid provisions in nine different domains that are of utmost relevance for LRAs. Commits, therefore, to taking an active part in the revision. For that purpose, the CoR will build on the consultation of the Network of Regional Hubs for policy implementation review, which is already analysing the framework in the areas of Services of General Economic Interest and of regional aid;

40. Welcomes the flexibility provided for with the activation of the general escape clause of the Stability and Growth Pact to allow for policy coordination measures that quickly and forcefully apply. Emphasises that this suspension is important for as long as public authorities are faced with extraordinary costs as they grapple with the pandemic and until lessons can be duly learnt from the current COVID-19 crisis and we are grounded in preparedness for future crises;

41. Regrets the lack of measures in the Work Programme to support a sustainable recovery in the tourism industry, a major economic sector for regions and for local livelihoods across Europe and one that has been heavily hit by the crisis. Reiterates the importance of allocating sufficient financial resources and defining a coordinated regional approach to save the sector and of developing a long-term European tourism policy;

42. Calls for clear milestones and commensurate means for the completion of the European Education Area by 2025. Supports the Commission's efforts to instil a lifelong learning culture and facilitate job transitions in the EU, and asks for a 'minimum qualifications and skills guarantee' for young people, recognised and validated in all Member States, to be achieved in the framework of future individual learning accounts and a European approach to micro-credentials (taking account of the fact that programmes of study are, and continue to be, the main underlying idea for the way in which higher education is organised);

43. Looks forward to fully exploiting the opportunities of the Knowledge Exchange Platform (KEP) with the Commission to promote smart and sustainable specialisation and to support social innovation and inclusion, innovation eco-systems at local and regional level. Recommends piloting KEP and Science meets Regions activities with the Commission on the level of macro-regions as well to promote innovation policy and smart specialisation;

44. Underlines the need to support LRAs in the candidate countries for EU accession and in partner countries in the EU's neighbourhood, to help them pursue the EU's strategic priorities and to avoid a widening gap, with the ultimate aim of rebuilding better after the COVID-19 pandemic and strengthening resilience at community level;

45. Welcomes the Commission's intention to launch a communication on a Renewed Partnership with the Southern Neighbourhood and, in the light of the 25th anniversary of the Barcelona Process, underlines the need to strengthen alliances between the northern and southern Mediterranean shores. In this context, recalls the importance of the European Neighbourhood Policy as a key tool to address common challenges and underlines that its success will depend on the proper engagement of regional and local entities;

46. Strongly supports the commitment of the Commission to upholding its leading role in strengthening rules-based multilateralism and to placing the SDGs at the core of the WTO reform; holds the view that this initiative, in combination with better enforcement of the Trade and Sustainable Development chapters, should help to improve social, environmental and climate standards in third countries;

47. Understands the uncertainty surrounding the ongoing negotiations with the UK but is deeply disappointed by the complete lack of reference in the 2021 Work Programme to the future relations between the EU and the UK, given the direct and dramatic impact of Brexit on many LRAs in the EU. Awaits, therefore, the Commission's proposal on the Brexit Adjustment Reserve (BAR) and insists that the BAR must be designed in such a way that it not only addresses economic shortfalls at Member State level, but also takes into account the territorial dimension of Brexit;

48. Welcomes the emphasis placed by the Commission on the need to protect EU companies and the single market from unfair trade and competition practices, especially through the announced legislative initiatives on levelling the playing field, on public procurement and on sustainable corporate governance. The CoR calls on the EP and the Council to move forward with the negotiations on the Enforcement Regulation, the proposal on dual use exports and the International Public Procurement Instrument relating to the WTO plurilateral Agreement on Government Procurement (GPA);

49. Suggests that the Commission improve and strengthen the relationship between the Cohesion Policy and State Aid window of the Competition Policy, from a legal criteria perspective, in order to avoid technical obstacles and bottlenecks hindering the appropriate implementation of their respective elements, especially those actions cofinanced with European Social Fund, European Regional Development Fund and Cohesion Fund that are affected by State Aid rules;

50. Reiterates the need to involve LRAs in shaping a Health Union, as they have significant responsibilities in the field of public health in most Member States. Welcomes in this context the Commission's intention to reinforce the EU's framework for detecting and responding to serious cross-border health threats, including strengthening the role of existing agencies and establishing a European agency for biomedical advanced research and development; in this respect, welcomes the European Health Union package which aims at strengthening national coordination within the EU and existing structures and mechanisms for better EU-level protection, prevention, preparedness and response against human health hazards. The CoR reiterates the need to include regional and local healthcare providers in those new mechanisms which should also support the provision of medicines, medical and hospital supplies. The CoR also strongly supports the proposal, echoing the CoR proposal of a European Health Emergency Mechanism, to create the possibility for the EU to declare an EU emergency situation that would trigger increased coordination and allow for the development, stockpiling and procurement of crisis-relevant products;

51. Calls on the Commission to control unfair State Aid practices put in place by several actors that are taking advantage of the European State Aid Temporary Framework while there is a real risk of negative impact on the correct functioning of the Single Market, and to put in place corrective actions;

52. Welcomes the Commission's proposal for a European health data space but calls for a thorough impact assessment of the proposal at local and regional level to ensure the interoperability of systems while minimising the administrative and financial burden;

53. Invites the Commission to engage in a dialogue with the CoR and with regions interested in the upcoming evaluation of the Directive on the application of patient rights in cross-border healthcare;

54. Reiterates the need to ensure that the future proposals under the New Pact on Migration and Asylum respect the principle of subsidiarity and are built on solidarity, especially towards the regions which are on the frontline of migratory pressure. The Pact should also recognise the essential role that local and regional authorities play in receiving and integrating migrants and make direct European support available for these tasks. Also maintains that it is crucial to address the root causes of migration and the fight against human trafficking, in cooperation with countries of origin and transit. Stands ready to cooperate by providing data from LRAs and by establishing permanent channels for political exchange between them and the Commission;

55. Reiterates its intention to work with the Commission on a joint project to promote Europe's commitment to the protection of EU values, identities and citizenship via education and culture at the regional and local levels; repeats the call to the European Commission, based on the priorities of the CoR for 2020 to 2025, to implement the proposals of the successful European citizens' initiative for more minority protection in the EU (MSPI);

56. Calls for free movement in the Schengen area to be safeguarded by strengthening coordination between all Member States and regions involved in border management. EU citizens highly value their freedom of movement, especially in light of the restrictions they have recently experienced during the COVID-19 crisis and in view of the fact that it is both an integral part of European citizenship and a crucial element of building a European identity;

57. Strongly supports the cultural and creative sectors (CCS), which have been seriously affected by the COVID-19 crisis, and calls for a culture of solidarity in the recovery phase. Pleads for a solid cultural heritage dimension within the New European Bauhaus announced by President von der Leyen and included in the Renovation Wave, combining performance with inventiveness;

58. Still expects the Commission to come forward with a Proposal for a Directive on strengthening the principle of equal pay between women and men through pay transparency and reiterates its call to the Commission to propose the adoption of a Council decision which, as a follow-up to the Gender Equality Strategy 2020-2025, classifies all forms of gender-based violence as a particularly serious crime in the meaning of Article 83(1) of the Treaty on the Functioning of the European Union; also calls on the Commission to promote the EU's accession to the Council of Europe Convention on preventing and combating violence against women and domestic violence (2011 Istanbul Convention) and welcomes the Commission's statements in this regard in its 2021 work programme;

59. Warmly welcomes by the same token the Commission's intention to present an initiative in order extend the list of EU crimes to include hate crime and hate speech against vulnerable groups of people, notably preventing and fighting racism, anti-Semitism and discrimination of LGBTI+ people;

60. Urges the European institutions to finalise the negotiations and adopt the proposed Regulation on the mechanism to resolve legal and administrative obstacles in a cross-border context (ECBM), which will have a long-lasting, significant and positive impact on the future of cross-border cooperation. Underlines furthermore the need for an adequate EU legal framework to allow for the efficient establishment and management of cross-border public services (CPS), additionally highlighted by the on-going crisis. Current frameworks often come attached with overwhelming administrative burdens and costs, which drive many LRAs to abandon their plans for such services, leaving European citizens living in these regions in a disadvantaged position;

61. Since the European Union has already recognised, at political and legal levels, the unique situation of the outermost regions, calls on the European Commission to establish as a good practice in its future annual work programmes the inclusion of an annex with the specific proposals it intends to present that year to the ultraperiphery with the identification of legislative proposals that include specific measures for the outermost regions. Whether these legislative proposals are based on Article 349 of the Treaty on the Functioning of the European Union, a double legal basis for the Treaty or just a general sectoral legal basis for the Treaty but in which the legislative proposal includes a de facto differentiation for the outermost regions, this annex would also include a mention of other acts (communications, reports) that the European Commission intends to address to the ultraperiphery that year;

62. Reiterates, due to the strong fragility imposed by COVID-19 on the outermost regions of the European Union, that the European Commission update, at the beginning of 2021, its 2017 Strategy Communication *A stronger and renewed strategic partnership with the EU's outermost regions* — COM(2017) 623 final, of 24.10.2017, presenting new effective support measures for the outermost regions in the social, economic, territorial and cultural sectors;

63. Instructs its president to forward this Resolution to the European Commission, the European Parliament, the German, Portuguese and Slovenian Presidencies of the Council of the EU and the President of the European Council.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

OPINIONS

COMMITTEE OF THE REGIONS

INTERACTIO – REMOTE – 141ST COR PLENARY SESSION, 8.12.2020-10.12.2020

Opinion of the European Committee of the Regions — Towards more sustainable tourism for EU cities and regions

(2021/C 37/02)

Rapporteur:	Manuel Alejandro CARDENETE FLORES (ES/RE), Deputy Minister for Tourism, Regeneration, Justice and Local Administration of the Regional Government of Andalusia
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POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Introductory comments

1. highlights the fact that **tourism is a strategic sector**, a tool for integration and a key driver of social and economic recovery: contributing more than 10 % to the EU's gross domestic product and providing jobs for 26 million people, it accounts for 6 % of total EU exports;
2. underlines the importance of **transport and mobility as key factors for social, economic and territorial cohesion** in the EU, emphasising the need for a smart and sustainable approach to mobility, especially in regions whose economic development is most jeopardised by the fact they rely exclusively on air and maritime transport;
3. points out that a wide spectrum of travellers, from a social and cultural perspective and in terms of age and income, creates a broad range of opportunities for many businesses, from multinational corporations to micro-enterprises. The tourism ecosystem comprises sectors such as accommodation, transport, gastronomy, culture, sport and leisure, as well as tour operator services. It includes a total of around 2,4 million enterprises, of which more than 90 % are SMEs;
4. supports the recommendations and guidelines of the World Tourism Organization (UNWTO), as well as the One Planet vision for the sustainable recovery of tourism and the promotion of the UN 2030 Agenda Sustainable Development Goals (SDGs) in the fields of tourism and transport;
5. subscribes to the UNWTO's definition of **sustainable tourism** as one that 'takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities';
6. underscores the fact that the **crisis caused by SARS-CoV-2** has brought about dramatic change, with immeasurable cost to life and devastating economic consequences which have severely affected Europe, resulting in personal losses, serious financial difficulties and numerous companies going bankrupt, **especially in the tourism and transport sectors**;
7. recognises that these difficulties are exacerbated in the case of the EU's outermost regions, which rely heavily on the tourism sector, and whose prospects for economic recovery are seriously jeopardised by their almost exclusive dependence on air transport and the impossibility of using other modes of transport;
8. underlines the need to promote sustainable tourism services that take into account Europe's rich historical and cultural heritage as well as its unique natural heritage;

9. notes the cross-cutting nature of tourism, which this crisis has exposed, as a decline in tourism activity not only affects sectors such as accommodation, restaurants or transport, but also many areas of the economy with high value;

10. points out that Europe must maintain a proactive stance and show leadership in this and any subsequent crises that may arise, being quick to take the necessary measures to **prevent the collapse** of the tourism sector;

11. recognises that the current health crisis caused by COVID-19 has brought to the fore the particular vulnerability of tourism in island regions, whose resources are scarce;

12. reminds the Member States and the EU institutions of the importance of **allocating sufficient financial resources** to save the sector and of developing a **long-term European tourism policy** for a sustainable, quality tourism industry, based on respect for the environment and the fight against climate change;

13. maintains that now it is time to take action and focus on how to improve the present tourism and transport models, ensuring that they are fully sustainable from the social, economic and environmental perspective and using the **crisis to spark a debate that will lay the foundations for resilience and sustainability** in times to come in the tourism and transport sectors;

On the impact of COVID-19 on the tourism and transport sector in Europe and the EU's short and medium-term recovery and resilience response: the tourism and transport package

14. notes that the UNWTO has estimated that losses caused by the pandemic in the global tourism industry in the first five months of 2020 were already more than three times higher than those recorded in the 2009 international financial crisis ⁽¹⁾;

15. calls for closer coordination **between Member States**, in imposing bans and lockdowns to help reactivate the sector, reducing confusion among tourists and encouraging people to travel; and welcomes the efforts made by the European Commission and the European Centre for Disease Prevention and Control to provide objective and accurate information about the developments of the pandemic;

16. underlines how important it is for the resumption of tourism to adopt a common strategy on the mobility of people within the EU to foster greater confidence in travel, in particular by testing COVID-19 in the country of departure, i.e. before people start their journeys, increasing travel safety and avoiding the need for quarantine;

17. welcomes the **EU's swift response in coming to the rescue of tourism and transport**, in particular the European Commission's communication on *Tourism and transport in 2020 and beyond* and its accompanying recommendations and guidelines — namely the tourism and transport package. These have helped Member States to re-establish safe and unrestricted freedom of movement and to re-open the internal borders, tackling the liquidity crisis and restoring consumer confidence;

18. it is also pleased to see that the following have been approved: the **Temporary Framework for State aid measures** ⁽²⁾, enabling Member States to provide more support to businesses; the new **European instrument for temporary support to mitigate unemployment risks in an emergency** ⁽³⁾ (SURE), to boost household incomes and preserve productive capacity and human capital in businesses and the economy; REACT-EU ⁽⁴⁾, enabling managing authorities to change the allocation of the European Structural and Investment Funds in order to tackle the most urgent effects of the crisis; the **European Globalisation Adjustment Fund**, which benefits workers in the tourism sector who have been laid off as a result of the crisis; and projects such as Re-open EU ⁽⁵⁾— an online platform to disseminate up-to-date information on travel restrictions in Europe, public health and security measures;

19. appreciates the Commission's efforts to promote the fluidity of **increased volumes of State aid** to save European businesses, and proposes that some of the rules (including the modified *de minimis* rule) remain in force for as long as necessary in regions that have been particularly badly hit by the crisis;

⁽¹⁾ <https://www.e-unwto.org/doi/epdf/10.18111/wtobarometereng.2020.18.1.4>

⁽²⁾ https://ec.europa.eu/competition/state_aid/what_is_new/sa_covid19_temporary-framework.pdf

⁽³⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020PC0139>

⁽⁴⁾ https://ec.europa.eu/regional_policy/sources/docgener/factsheet/2020_mff_reacteu_en.pdf

⁽⁵⁾ <https://reopen.europa.eu/en>

20. urges all Member States to **use all types of aid** that are temporarily allowed under the framework to address urgent liquidity needs and cover immediate requirements of working capital and investment, and that make it possible to rescue **businesses** that have fallen into acute difficulty due to the outbreak of COVID-19 ⁽⁶⁾, thus giving them the opportunity to adapt and develop their activities;

21. welcomes the measures agreed on by the EU Member States, representing, in the words of the president of the European Committee of the Regions, 'an example of solidarity'; deems it essential for the EU budget and the **Recovery Plan** to be made rapidly available to cities and businesses in all Europe's cities, regions and municipalities in order to tackle this unprecedented crisis;

22. calls for efforts to ensure that the agreement achieves genuine partnership between all levels of **governance**, promoting shared responsibility and avoiding excessive centralisation;

23. asks the Commission, in cooperation with the Member States, to adopt a set of EU-specific guidelines and checklists for local and regional authorities to serve as **instructions for the initial days of disasters**, even before national and EU actions kick in; notes that the guidelines contained in the tourism and transport package are already an excellent point of reference;

24. considers the measures in the **tourism and transport package** an important first step in improving the response capacity of local tourist destinations in dealing with new waves in the pandemic and other potential disasters that could pose a challenge to recovery in this sector;

25. considers that due to the pandemic there is urgency for new strategies that will support the Horeca sector, and the development of touristic activities on local level, such as rural tourism, local gastronomy, or local traditions. The trends have changed on a global scale and smaller touristic locations, isolated destinations, where families and smaller groups can travel safely have become more attractive. For tourism to survive in the next 2-3 years, we need to direct our tourists to our own destinations;

26. stresses that the **costs arising from COVID-19-related precautionary measures in public transport** could be incorporated into public service contracts (PSCs), so as to avoid shifting high additional financial charges to transport authorities, which are often local and regional authorities;

27. voices its support for **gradually rolling out visa exemptions** in the long term to boost visitor arrivals from third countries and encourage tourists to come back to Europe;

28. hopes that in future the European authorities and border regions will be informed in advance of any decision on the part of national authorities to issue travel bans and temporarily close borders, something that will improve coordination and ensure timely access to information;

29. staunchly supports the recovery plan for Europe to help remedy the economic and social damage caused by the COVID-19 pandemic, start the European recovery process and preserve and create jobs;

On the need for action to make tourism more sustainable

30. notes that tourism has been one of the industries that has enjoyed the most rapid growth in recent years — growth that has laid bare the **difficulties in achieving balanced development** in terms of economic, environmental and social **sustainability**;

31. sets store by the Commission's communications on *Europe, the world's No 1 tourist destination: a new political framework for tourism in Europe* (2010) and *A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism* (2014);

32. points out that tourism is now faced with **new, high-impact challenges that will have to be addressed**, such as climate change, increasing congestion, excessive pressure on infrastructure and water and energy consumption, environmental degradation, that need to be addressed urgently and primarily and the loss of identity and respect for the authenticity of local communities;

⁽⁶⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1587137448000&uri=CELEX:52020DC0112>

33. affirms that tourism can be a model activity in the sustainable environmental transition announced in the Green Deal, and believes that Europe can be transformed into the first climate-neutral continent by 2050 through economic adaptation to the digital age and by promoting equality and social inclusion; and strongly encourages the EU institutions and MS (Member States) to take the means necessary to achieve those goals;

34. acknowledges that it will only be possible to achieve these goals if they are based on solid foundations clearly defining the scope, obligations and implications of introducing genuinely sustainable development in this sector, with a strong commitment to guaranteeing implementation;

On transport modes for travel

35. observes that **tourism** is a complex value chain comprised of numerous stakeholders with a **direct link to passenger transport activities**;

36. points to the need to progress in the tourism industry towards making the circular economy in tourism a reality;

37. notes that forecasts by the UNWTO and the International Transport Forum point to an increase of around 25 % in carbon emissions of transport connected with tourism by 2030;

38. therefore acknowledges the need to explore and put in place or implement ways of enhancing the connectivity of Europe's cities and regions, of supporting the less polluting options and of improving intermodality in line with the ultimate objective of the Green Deal; thus welcomes the **Strategy for sustainable and smart mobility** launched by the Commission in 2020;

39. strongly encourages the EU Member States to join forces to urgently address the lack of sustainable transport alternatives and invest in developing and revitalising long-distance train routes, including night trains, making low-carbon travel a more attractive option;

40. supports **linking public aid to airlines** to commitments by those airlines to meet **pollutant emission reduction** targets;

41. argues that the same commitment should be encouraged **in the different modes of transport**, including both road and maritime transport, paying special attention to cruise ships because of their high environmental impact;

42. regrets that **support for bus and rail transport** (key modes of local and regional transport) is lower than that for aviation, something that places greater pressure on funding for more sustainable forms of transport; calls for a strong commitment to scale up sustainable mobility opportunities throughout Europe by rail transport, reiterating that the Commission listed **improving the contribution of the rail sector to sustainable tourism** in the EU as one of the targets for 2021;

43. draws attention to the importance of carrying out an impact assessment, in the implementation of the future measures on CO₂ emissions in air and maritime transport envisaged in the European Green Deal and in the new Sustainable Mobility Strategy, on the outermost regions of the EU, whose economic and social cohesion depends heavily on air and maritime transport for both the mobility of their citizens and the development of their economic activity

44. stresses the need for **financial support to enable public transport operators**, who have suffered a dramatic drop in revenue, to develop a more sustainable transport fleet with zero and low emission vehicles;

45. is interested in working on **initiatives linking train travel with cultural discovery and tourism** once the crisis is over, developing the #DiscoverEU scheme and cooperating closely with representatives of EU regions to promote rail tourism opportunities during and beyond the European Year of Rail (EYR2021);

46. points to the importance of **recognising EuroVelo ⁽⁷⁾ as another TEN-T** (Trans-European Transport Network) in addition to the existing networks of roads, railways and inland waterways; this will make cycling infrastructure safer, more direct, well-integrated and connected, benefiting all categories of cyclist and providing a significant added boost to cycling tourism;

⁽⁷⁾ European network of 17 long-distance cycle routes crossing and connecting the entire continent.

On the impact on the natural environment

47. is concerned that global warming may reduce the attractiveness or even jeopardise the livelihoods of some tourist destinations and reaffirms its determination to **combat climate change** in a timely manner and according to the latest state of science using the range of initiatives and policy measures set out in the opinions of the European Committee of the Regions;

48. points out that tackling climate change will be crucial for destinations including many coastal and island regions at risk of rising sea levels, ski resorts affected by lack of snow and regions struck by forest fires, floods or blizzards ⁽⁸⁾;

49. considers that tourism has the potential to make a meaningful contribution to Europe's **circular economy** ambitions and insists that regions and cities must be part of the discussion on how to move the agenda forward on the ground;

50. recommends that the tourism and transport industry boost the supply of **climate neutral products** by using clean energy, reducing the use of harmful chemicals and plastics, and implementing rainwater and domestic waste water recycling processes ⁽⁹⁾ that significantly reduce demand for drinking water from the supply network, and recycling of waste, and that these processes be used more systematically;

51. draws attention to the need for **greater support for cycling tourism**, which benefits local economies by making it possible to visit areas that are normally off the beaten tourist track and using local firms and services; moreover, the infrastructure required for cycling also benefits local residents by increasing connectivity, helping to guarantee long-term sustainability in local communities;

52. is in favour of continuing the work of the DG Mare-European Boating Industry working group on end-of-life of vessels with a view to developing a joint EU research and innovation roadmap to increase recycling of materials for building boats;

53. stresses the importance of promoting sustainable coastal maritime tourism that fosters activities to interpret and preserve the marine environment. In addition, sees great potential in **navigation, wind and wave sports, diving and water sports in general** for science, environmental awareness, ocean mapping and research on environmental issues;

54. highlights the **importance of tourism for rural development**, which should no longer be interpreted exclusively in terms of agricultural development, but as a driver for the progress of less developed rural areas, with farmland that is marginal and of low productivity but of great value to the environment and landscape and for protecting biodiversity; for this reason, the European institutions should make appropriate efforts to include tourism and the opportunities it offers in the Biodiversity Strategy, the Farm to Fork Strategy, the new Common Agricultural Policy and the Natura 2000 network and in the long-term vision for rural areas;

55. considers it important to promote more sustainable tourism with greater added value for the regions by including zero-mile products in tourism services, and believes it is necessary to promote natural and protected areas and the potential of the sky as a tourist resource (astrotourism);

56. points to the importance of using 5G, IoT, AI and Big Data digital technologies to provide innovative, sustainable, scalable smart tourism services, with high added value, capable of promoting new, more efficient, accessible and inclusive tourism models, extended to all regions, with a special focus on rural areas, and to the importance of having telecommunications technologies that provide sufficient connectivity in these areas;

On the social and economic impact and the need to avoid tourism being perceived as a problem

57. reiterates that tourism, and in particular **overtourism** (exceeding the physical, ecological, social, economic, psychological and/or political capacity of destination thresholds ⁽¹⁰⁾), like all human activities, has an impact on the social environment where it is carried out;

⁽⁸⁾ [https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_BRI\(2017\)603932](https://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_BRI(2017)603932)

⁽⁹⁾ <https://ec.europa.eu/environment/emas/takeagreenstep/pdf/BEMP-5.7-FINAL.pdf>

⁽¹⁰⁾ A recent EP study found 105 EU destinations at risk of overtourism; see: [https://www.europarl.europa.eu/RegData/etudes/STUD/2018/629184/IPOL_STU\(2018\)629184_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2018/629184/IPOL_STU(2018)629184_EN.pdf)

58. draws attention to the need to avoid the negative impact of overtourism, resulting in: more congestion; pressure on infrastructure; increased energy and water demand; environmental degradation; damage to historical sites and monuments; loss of identity and authenticity; and increased cost of living for local residents, not to mention rising inequality among them; finds that measures and initiatives should urgently be considered by the EU institutions and Member States to avoid the negative impact of overtourism;

59. underlines that promoting and developing tourism in rural areas can lead to economic development and create wealth, helping to attract people to or halt population decline in areas affected by depopulation;

60. recommends that policies be implemented to promote and empower women. Women play a key role in preserving tourist businesses, as they are the main players in combating depopulation. Making sure they are employable is a way of anchoring people in an area. This means assessing their needs and giving them targeted training with tools to acquire skills and become more competitive;

61. points out that some models of tourism based on the intensive use of low-cost means of transport and mass passenger travel encourage overtourism; at the same time, social media and peer-to-peer exchange platforms may also go too far in advertising destinations; for this reason calls for debates on the growth and quality of tourism;

62. defines the Barcelona Declaration of NECSTouR '**Better Places to Live, Better Places to Visit**' as a benchmark demonstrating that the sectors of tourism and cultural heritage, both tangible and intangible, can work closely together for the benefit of the people of Europe and cultural heritage;

63. points out that **tourism should be seen as part of the solution and not as the problem**; therefore highlights the need to propose new initiatives that are different from — and provide a more decisive boost to — those that are already under way; to this end, notes the need to regulate the new forms of tourism and the collaborative economy platforms so that they comply with fair competition criteria, to strengthen monitoring and inspection systems and to guarantee the quality and legality of services provided within a common framework of free commercial competition; at the same time, the heritage, culture, identity and quality of life of the resident population must be preserved;

64. notes, in this regard, the benefits of **disseminating best practice, strategies and methodologies for sustainable tourism** developed in the various European programmes such as PANORAMED, MED horizontal projects, MITOMED+ and WINTERMED, in order to promote their capitalisation and replicability;

65. consequently, recommends continuing the **European Capital of Smart Tourism Award**;

On digitalisation and data, and their advantages in setting up a monitoring and traceability system for actions

66. draws attention to **the significant changes in distribution channels and in the way tourism is consumed**, enabling many companies to reach their customers directly, an opportunity that has not been sufficiently exploited by small firms;

67. highlights the fact that **information is a raw material** that is fundamental for tourism, something that is being used by more disruptive initiatives in this sector;

68. points to the importance of the UNWTO initiative **Towards a Statistical Framework for Measuring the Sustainability of Tourism** ⁽¹¹⁾, including the economic, social and environmental perspectives;

69. underlines that regarding data, the level of detail, quality, interpretation and correct usage will have a **direct impact on the effectiveness of the political action** to address the COVID-19 crisis and the pursuit of a climate-neutral Europe;

⁽¹¹⁾ <https://www.unwto.org/Measuring-Sustainability-Tourism>

70. is concerned about the **lack of harmonisation and the fragmentation of data** in terms of the economic impact of tourism, a state of affairs that undermines systemic decision-making in support of the tourism and transport sector;

71. stresses that official data cannot produce information fast enough to keep up with the current situation, meaning that **regions and cities have had to resort to other measuring mechanisms** that are not yet included in official data;

72. welcomes the fact that in March 2020 the Commission reached an **agreement with collaborative economy platforms** ⁽¹²⁾ to publish key data on tourism accommodation, and encourages it to jointly explore indicators to define recovery strategies that will benefit the tourism sector;

73. recalls that collaborative economy platforms are rising local housing costs by shifting the destination of the dwellings from serving local residents to serving travellers. Despite the decision of the European Court of Justice, collaborative economy platforms are not a simple information provider. Therefore, calls the European Commission to legislate to give the possibility to regional and local authorities to regulate the activities of such platforms in their territories to make sure that it complies with the same administrative rules concerning summer renting comparing to more traditional stakeholders;

74. points to the need to establish **standardised tools** that can guide cities, regions and the business sector in their search for more sustainable policies that are embedded in the new European statistical programme and that strengthen the **economic, social and environmental monitoring of tourism**; highlights the need to facilitate accessibility to data, to enhance the updating and interconnection of such data and to provide a harmonised mapping system;

75. recommends that a legal framework be defined for producing and publishing **Tourism Satellite Accounts** in each of the EU Member States;

76. calls for better data collection **at NUTS level 3** on the number of tourists and people going on trips, on other new forms of accommodation and on the type of transport, together with a regional breakdown and the main local destinations according to accommodation statistics;

77. recommends introducing a measuring system for monitoring water consumption and emissions produced by the tourism sector, including the tourism industry and its characteristic products, in **statistical accounts for water, air and energy**;

78. encourages Eurostat to further explore **big data as a source** for tourism statistics, taking into account the challenges related to collection, independence, trustworthiness, access, quality and availability over time;

79. calls for the **problem of overtourism to be analysed** by including qualitative data on the attitudes of residents to tourism in studies on incomes and living conditions, in flash estimates of the impact of tourism and in the report entitled *Quality of life in European cities* drawn up by the Commission;

80. recommends that further action be taken to make use of and optimise the extensive work carried out in recent years by the Commission, such as the ETIS **system of indicators**, the **S3 Platform** ⁽¹³⁾ for digitalisation and safety for tourism and the **Tourism of Tomorrow Lab**;

81. urges the Commission and the European Parliament to include in the next **European statistical programme** systems and monitoring tools that are better tailored to meeting the specific needs of regions and cities, allowing for proper traceability of the tourism policies implemented;

On the need for renewed recognition of tourism as a key EU policy commensurate with its contribution and potential for growth and for tourism to be more committed to sustainable development

82. hopes that the current crisis will act as a wake-up call, encouraging the European Commission to pursue a more ambitious tourism policy for Europe at the environmental, economic, and social levels;

⁽¹²⁾ https://ec.europa.eu/commission/presscorner/detail/en/IP_20_194

⁽¹³⁾ <https://s3platform.jrc.ec.europa.eu/tourism>

83. welcomes the Commission's initiative to organise a **European tourism convention** in order to draw up a roadmap for 2050 towards a sustainable, innovative and resilient European tourism ecosystem (European Agenda for Tourism 2050) where regions are actively involved;
84. states its willingness to organise a **stakeholder conference involving public and private bodies** in order to share experience related to the recovery routes chosen by the different destinations and the shape of EU tourism in the future;
85. expects the European Parliament's Committee on Transport and Tourism to join forces with the CoR in seeking a **robust tourism policy in the EU**;
86. proposes a **joint session of the European Parliament's Committee on Transport and Tourism and the CoR's NAT commission** to discuss the future of EU tourism policy in the wake of the COVID-19 crisis, tying in with discussions on the Multiannual Financial Framework for 2021-2027;
87. looks forward to maintaining close cooperation with the **European Parliament's Tourism Task Force** and asks to be fully associated with it so as to bring the local and regional voice into its discussions;
88. reiterates how important it is for Member States and their regional authorities to include tourism priorities in their post-2020 **operational programmes** in order to promote access to European funding to finance tourism projects;
89. points out that it is **difficult for SMEs and destinations to access the current funding mechanism and proposes introducing practical tools** (one-stop shop or online tool), linked to the managing authorities of the European funds, to facilitate applications and processing;
90. recommends that the European Committee of the Regions strengthen its **cooperation with the UNWTO** through a memorandum of understanding and the development of joint action plans;
91. calls on the Council to involve the European Committee of the Regions and its local and regional authorities in **Council working groups and meetings** on tourism;
92. proposes drawing up a new **European Sustainable Tourism Framework**, aligned with the Green Deal and the UN 2030 Agenda, taking account of relevant regional strategies and incorporating the various policies that the EU is developing — and may develop — in this area, such as: supporting the digitalisation of the sector, promoting smart tourist destinations, decarbonising activity, promoting the circular economy, boosting inclusive and accessible tourism, curbing rural depopulation, and improving participatory governance and public-private partnerships;
93. calls on the European Commission to look into the possibility of setting up a **dedicated directorate-general for sustainable tourism**, and likewise asks the European Parliament to give thought to establishing a special parliamentary committee focused on sustainable tourism.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

Opinion of the European Committee of the Regions — EU strategy for Rural Revival

(2021/C 37/03)

Rapporteur: Cllr Enda STENSON (IE/EA), Member of Leitrim County Council**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

Introductory comments

1. Notes that rural and intermediate areas account for 88 % of the EU's territory, are home to 55 % of its population, generate 43 % of its gross value added and host 56 % of its jobs. Also notes that rural areas are not homogeneous, but that some of them are affected by major demographic challenges (depopulation, ageing problems, etc.) which hinder their economic and social development. Rural development is therefore extremely important to the Committee of the Regions, and a vital tool for achieving the territorial cohesion objective enshrined in the Lisbon Treaty;

2. Underlines that the new long-term vision for rural areas should be transformed into a concrete policy framework — the Rural Agenda. The Rural Agenda should propose a set of integrated policies that enable and empower rural communities to turn challenges into advantages; these challenges include decarbonisation, climate change, digitalisation, active management of natural resources, sustainable mobility and fair job and income opportunities, generational change, integration of new migrants and social innovation;

3. Highlights that the Rural Agenda should:

- ensure that mutually beneficial rural-urban linkages are integrated into all EU policies in line with territorial cohesion objectives by making the most of the strong interdependencies between rural and urban areas;
- diversify entry points and mainstream rural issues into all EU policies. The needs of rural areas go far beyond what rural development policy can achieve, but what EU funding currently offers is lacking in terms of both quantity and quality;
- harmonise the different regulations and reintegrate the European Agricultural Fund for Rural Development in the common provision regulation in order to encourage and facilitate multi-funded projects in rural areas, not necessarily linked with agriculture;
- monitor EU spending using a rural proofing approach;
- rethink the urban-rural typology to improve the targeting of support;
- increase the role of the local and regional levels in the development and governance of rural policies. The involvement of local action groups in deploying this type of governance must be increased, due to their capacity to represent local areas and implement development policies tailored to the requirements and needs of areas that are depopulated or at demographic risk by an engagement of rural stakeholders and citizens through bottom-up initiatives like LEADER/CLLD;
- combat depopulation and social exclusion by for example promoting the smart villages initiative, the bioeconomy and social innovation and closing the digital divide;

4. Highlights the objective for formulating a true agenda for rural revival which must incorporate the following: support sustainable and vibrant rural communities, support enterprise, education, training, employment and job creation, foster urban development that reflects the local demographic situation, improve digital, public service (health, education, justice, etc.) and infrastructure connectivity, ensure sustainable exploitation of resources, maximise the potential of rural tourism in a healthy and diverse natural landscape and embrace rural areas' creativity and cultural potential;

5. Highlights that cultural and biological diversity are strongly linked all over Europe and form together a unique identity for regions, and linking them stronger has a great potential for reaching sustainability goals of the European Union. A deeper understanding is needed, since traditional ecological knowledge is not included in rural development strategies and nature directives. It is needed to take forward the links between man and nature through the concept of biocultural diversity, as an essential identity element. The rich natural capital of European regions are key importance in the economy and significantly contributes to the EU's sustainable development and biodiversity goals. There are multiple links between local communities and their land, the rich traditional ecological knowledge and environmentally friendly technologies. These elements are present all over Europe even nowadays, however they need more linkage and recognition on all levels of society;

6. Highlights that the current pandemic crisis has exposed and exacerbated the consequences of a number of long-standing threats faced by rural areas, and has added to the urgency for rural revival in regions across the European Union. Rural areas and rural towns and villages have been decimated by, *inter alia*, a reduction in demand for agricultural products due to the shutdown of the tourism and hospitality sectors, an inability to source supply of critical seasonal labour, pronounced social isolation and comparatively higher vulnerability to the pandemic due to the limited services present in small regional hospitals;

7. Notes that taking a longer perspective, the pandemic can change consumption and production patterns, remote working habits, the importance of quality of life and forms of mobility, which may open new opportunities for sustainable growth in rural regions, particularly the ones close and well connected to the metropolitan centres. Reevaluating the relocation of production chains could also open new opportunities in some rural areas;

8. Notes that the EU's rural regions have great potential to produce solutions to current and emerging challenges. Rural regions make significant contributions to achieving the SDGs and the European Green Deal by responding to climate change, biodiversity loss and economic depression; by providing measures for greenhouse gas mitigation, and capture (sink effect), biotopes, and economic opportunities through sustainable food production and renewable energies, while acknowledging that it is in urban areas that greater emphasis needs to be put on reducing pollution by greenhouse gas emissions;

9. Recommends that, in the spirit of territorial cohesion and rural-urban equilibrium, it is important for all European policies and resources to ensure that the principles known as the three E's are complied with:

- **Equivalent** living standards for the rural and the urban, which should be included as a basic principle in all European policies;
- **Equal** rights for all, whether they live in cities or in rural areas (ref. Charter of Fundamental Rights);
- **Equity** in means and practices across all players and territories, in particular making use of exchanges and shared competencies to compensate for the specific needs of rural territories;

Funding the rural development policy

10. Calls for rural areas to be better taken into account, in the next programming period by increasing the level of the EAFRD and by making sure that all the EU policies pay the relevant attention to rural development in a broad way, and not only focusing on agriculture related issues;

11. Calls for increases to the European budget dedicated to rural development, given the importance of rural areas in Europe. Worryingly, the new MFF allocation is significantly lower than in the current programming period and the CoR calls for this to be reversed and rural funding increased, especially for the 2023-2027 period; at the same time calls for using new recovery and resilience funds and programmes in large scale for rural development as the rural areas belong to the most vulnerable ones;

12. Rejects the idea of increasing co-financing for the second pillar of the CAP, as this would most disadvantage the poorest farmers, less developed regions and rural areas;

13. Proposes to transfer up to 15 % of funds from CAP pillar 1 to pillar 2 without co-financing, along with an additional 15 % for environmental and climate measures and 2 % for young farmers;

14. Requests that entry points be diversified and rural issues mainstreamed into all EU policies. All structural policies should make rural development one of their priority objectives, in accordance with the territorial cohesion objective enshrined in the Lisbon Treaty;
15. Calls for the creation within the new MFF of a Rural Development Fund specifically dedicated to rural areas;
16. Requests that financial instruments be developed further and adapted to small-scale projects, possibly through the creation of 'rural development banks', which could act as intermediaries between lending institutions and loan recipients;
17. Calls for greater harmonisation between the European Agricultural Fund for Rural Development (EAFRD) and other European funds, such as the European Regional Development Fund (ERDF) and Horizon Europe, to address sustainable development in rural areas. These synergies would enable rural actors to better tackle cross-cutting issues, improve cooperation and improve the quality of life in rural areas;
18. Encourages simplification of the Structural and Investment Funds and asks for simplification of reporting and monitoring of the programmes, particularly thanks to new technologies of information and communication;

Increase the role of the local and regional levels in the governance of rural policies

19. Notes that the legislative proposal on CAP strategic plans tends to marginalise or even jeopardise the role and autonomy of European regions in the management of the CAP, granting them merely the task of implementing measures established at national level;
20. Advocates a future CAP that maintains a direct relationship with rural territory areas through the active role of the EU's regions, which play a crucial role when it comes to defining and implementing rural development policies at local level;
21. Calls for flexibility in state aid rules and the introduction of rural and village renewal schemes to allow for the development of rural areas. Furthermore, there needs to be stronger recognition of local and regional strategies on rural development and those strategies need to be integrated into national planning frameworks. Local and regional authorities can act as innovation brokers in local communities;

Depopulation

22. Notes the worrying trend of rural depopulation that, as farming evolves, concentrates job creation mainly around urban centres with resulting declines in rural service provision;
23. Urges that criteria be set enabling sub-NUTS3 rural areas with depopulation problems to be defined, so that population decline in such areas can be addressed and existing imbalances reduced;
24. Suggests, however, that depopulation requires new ways of thinking about rural development which re-envision **shrinkage not as a burden, but as a potential positive opportunity**;
25. Believes that accepting shrinkage can help to reorient rural policies and investment decisions to re-grow on a greener and smaller basis, provide new openings to be innovative and modernise governance and public services through more **holistic, proactive and place-based strategies**;
26. Encourages the use of teleworking and digitalisation, digital education and training. Believes that mobile and remote education and training, working during the current pandemic shows the potential of what could be achieved in rural areas if the services were available;

27. Believes that accepting the trend towards rural depopulation and abandonment of farms means that rural policies and strategies must be devised geared to boosting the resilience of abandoned areas to the effects of climate change such as erosion, floods and large-scale fires; reduction of the carbon footprint must be stepped up and nature and landscape conservation promoted. For this reason, considers that promoting the forestry sector and supporting communities that own mountain areas offer great potential;

28. Points to the need to highlight the rural way of life and counter the cultural and social dominance of the urban way of life, in order to do away with stereotypes, thereby helping to enhance the image and reputation of the areas worst affected by demographic risks, generating a feeling of solidarity between areas, and encourages territorial marketing: rural areas need to improve their image and to promote the better quality of life available to people when they choose to live there. This can be done by developing regional representation, welcoming policies and better communication on job offers, including remote working and training options, available in the region;

29. Thinks that a specific focus should be on the needs of young people to encourage them to stay in rural areas, providing them with desirable educational, skilling/reskilling and training options, delivered locally, to avoid the necessity of leaving for their studies (including through distance learning when needed), and introducing measures so they can return to their places of origin following education or training;

30. Calls for modernisation of the vocational training, skilling/reskilling opportunities on offer in rural areas, and to tailor this to worldwide competition conditions and the needs of local businesses and to further developed ESF funding for vocational training in rural areas;

31. Reiterates its call on the European Commission and Member States to be more proactive in encouraging and facilitating the establishment of women in rural areas, by promoting activities that help them to achieve a work/life balance more easily ⁽¹⁾, and by broadening the range of care services for children and dependent family members;

Green growth

32. Recognises that rural areas must seize opportunities to develop local energy and food ecosystems and stronger rural/urban integration;

33. Considers it essential to increase women's involvement and leadership in local action groups and rural development networks, recognising their role as crucial to the territorial, economic and social structure of rural areas;

34. Welcomes the European Green Deal and Farm2Fork strategy and is of the view that they can create jobs and avoid economic leakage from rural areas. Investment is required to capitalise on sustainable projects that are community-led and directed towards circular economy models that make best use of production chains, creating jobs and reducing the carbon footprint;

35. Supports a CAP that is sustainable in its triple economic, social and environmental dimensions and that, by means of its environmental standards, acts as a further instrument to apply the Farm 2 Fork and Biodiversity strategies, and is capable of meeting the objectives of the European Green Deal;

36. Recommends that farmers, stock breeders and foresters be trained and financed to identify opportunities in sustainable management for the environment and marketing-options for their products, supplemented by production in the energy, tourism and carbon storage sectors and local ecosystems. The establishment of co-ops to bring small producers together in all sectors should receive greater support;

Digital Connectivity

37. Notes that much of this investment has focused on high-density areas, but rural investment must be prioritised to ensure rural areas have adequate digital connectivity infrastructure, for example Digital and innovation Hubs which facilitate remote education, working, entrepreneurial space and delivery of training to utilise new technologies which will help, for example, in the promotion and marketing of locally-based products;

⁽¹⁾ OJ C 225, 27.7.2012, p. 174 and OJ C 207, 30.6.2017, p. 57.

38. Emphasises that high-speed telecommunications networks are critical for rural competitiveness and economic growth and efforts must be made to guarantee the same capacity for all regions, in accordance with the objectives set in the context of the 2020 Digital Agenda for Europe;

39. Requests that the Recovery and Resilience Facility with a budget of EUR 560 billion invest in more and better connectivity and focus on closing the digital divide between rural and urban areas;

40. Asks for:

- recognition of internet access as a public right at EU level and of the need to accelerate the development of high-speed internet in rural areas;
- support for access to funding for investment in broadband networks for small-scale projects;
- recognition of the need to digitalise public services, roll out training to different population age brackets in the use of digital technologies and adapt teaching to target audiences;
- steps to boost ICT training, awareness and development for SMEs;
- measures to facilitate the provision of complete territorial coverage by internet service companies;

Access to services

41. Highlights that rural communities do have a right for a basic standard of services, such as health services (GP services), the ability to access postal, banking and assurance services in rural areas, political participation and arts and culture;

42. Notes the overlap between the lack of availability of digital infrastructure and the lack of access to services and calls on Member States to assure harmonious accessibility for all, as well as in businesses based in rural areas. Hubs can be developed for multipurpose use such as remote education, working, training, health and e-health centres, coffee shops, post offices, creative spaces, mobile fab labs and community centres;

43. Notes the need for sustainable/innovative transport systems to allow access to essential services, such transport systems being understood as the extension of basic public services from more-populated municipalities to less-populated ones in the countryside;

Quality of life

44. Notes that economic growth and employment creation are important but need to be complemented by, *inter alia*, a sufficient supply of good-quality services, housing, education and training, life-long learning and health systems to ensure that rural areas are not only sustainable but also attractive places to live;

45. Welcomes the development of interoperable data infrastructure under the European Commission's strategy for data of 19 February 2020, which includes specific data spaces (e.g. mobility data space, environmental data space, agricultural data space, administrative data space, health data space and energy data space). This is based on the infrastructure for spatial information in Europe under the Directive 2007/2/EC of the European Parliament and of the Council⁽²⁾ (INSPIRE) as a cross-cutting component, and thus can guarantee the sustainable and efficient provision of public and private services in rural areas;

46. Calls for an innovative action plan to address the lack of transport connectivity to rural, mountain, island and outermost regions; encourages sustainable mobility for all, by promoting the development of new, clean and alternative transport modes for people and goods (electric or hydrogen vehicles, car-sharing and car-pooling, and a combination of different types of services for cost reduction — transport on-demand);

47. Promotes inter-municipal cooperation, called 'city-countryside reciprocity contracts', which acknowledge the diversity of rural areas and seek to foster urban-rural linkages;

⁽²⁾ Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an Infrastructure for Spatial Information in the European Community (INSPIRE) (OJ L 108, 25.4.2007, p. 1).

48. Highlights that this kind of spatial planning approach requires broader strategies that recognise the importance of a polycentric urban network to the development of areas linked to these metropolitan areas, including small and medium-sized towns located nearby. The aim is to close the gap between urban and rural areas by promoting win-win partnerships in areas such as the environment and energy transition, economic development, quality of services and administrative organisation and also to close the gap between urban and rural communities in education and training areas;

49. Welcomes the outcomes of the SIMRA ⁽³⁾ (Social Innovation in Marginalised Rural Areas) project, which has demonstrated that social innovation can be a vital ingredient in addressing rural challenges such as out-migration, diversification of rural businesses, climate change, changing lifestyles and restructuring of rural economies;

50. Welcomes the targeted Horizon 2020 calls depending on the development stage of social innovation and calls for this improvement to be implemented for all European Structural and Investment Funds (ESIFs);

Smart rural areas and villages

51. Welcomes the European Commission's initiative on EU Action for Smart Villages which is a first step towards recognition of the need for targeted actions to support the revival of rural areas as sustainable places in which to live, study and work, although this is not sufficient;

52. Notes that the CoR opinion on Smart Villages calls for this agenda to be integrated across policy and funding opportunities. It deals not only with providing broadband but also how to find smart ways to develop energy provision, services to communities, and a true new revolution as to how to integrate facilities into rural areas;

53. Welcomes the European Network for Rural Development (ENRD) toolkit of rural development measures that Member States can implement to support smart villages, and thus social innovation, including: cooperation (in particular LEADER), knowledge exchange, CAP networks, installation of young entrepreneurs and rural business and industry start-ups, investments, etc. However, it has highlighted that there is also a need for more flexible support measures for innovation in non-agricultural activities that are integrated and contribute to the primary activity and that enable the bioeconomy to be boosted and best use to be made of the local area; this entails, alongside supporting business start-ups, the possibility of supporting development of non-agricultural businesses, which should be included in Article 69 of the CAP Strategic Plan Regulation;

54. Calls for medium sized rural towns to also have access to urban funding; highlights that these towns are vital to rural areas and are often excluded from programmes due to their size;

55. Highlights the positive role of future LEADER programme multi-fund Community-led local development (CLLD) and other bottom up initiatives;

56. Highlights that rural areas are about their people and their communities as well as the environment in which they live. The CoR believes that EU policies for the active management and conservation of rural areas and working across programmes and policy fields, more could be delivered to ensure rural areas are great places to live, engage in production, work and raise a family.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

⁽³⁾ <http://www.simra-h2020.eu/>.

Opinion of the European Committee of the Regions — From farm to fork — the local and regional dimension

(2021/C 37/04)

Rapporteur: Guido MILANA (IT/PES), Member of Olevano Romano Municipal Council (Rome)**POLICY RECOMMENDATIONS**

THE EUROPEAN COMMITTEE OF THE REGIONS

1. warmly welcomes the 'Farm to Fork' strategy (hereinafter 'the strategy') , which, together with the 'EU Biodiversity Strategy for 2030' ⁽¹⁾, is at the heart of the European Green Deal ⁽²⁾ and is essential to making Europe a climate-neutral continent by 2050; emphasises that the two strategies must dovetail perfectly in order to limit the impact of food systems on the climate, sustainable environment and biodiversity, by promoting soil health, the protection of pollinators, and the use of biological resources for integrated pest management, water and ecosystems, and ensuring safe and healthy food at the same time. They must also help to tackle the issue of the depopulation of rural areas; considers that food autonomy is equally strategic and entails maintaining production capacity; this requires sufficient budgetary support from the EU;
2. stresses the need for consistency between the various food-related policy areas, such as agriculture, livestock farming, forestry, fisheries and maritime affairs, and environmental, energy and health, consumer, production, employment, rural development and forestry policies, through a multilevel governance approach so that concerted action at European level can help the implementation of the strategy for achieving ambitious and shared reform objectives. The contribution of local communities and rural communities needs to be better acknowledged and integrated into policies. Recoupling the cultural identity of the regions with the ecosystems is essential;
3. points out that the COVID-19 pandemic has made us acutely aware of the interrelations between our health, ecosystems, supply chains, consumption patterns and planetary boundaries. The current pandemic is just one example: the increasing recurrence of droughts, floods, forest fires and new pests is a constant reminder that our food system is under threat and must become more sustainable and resilient, capable of functioning in all circumstances and of providing people with a sufficient supply of healthy, adequate and affordable food;
4. notes that sustainable agriculture cannot be developed if the EU continues to import cheap agricultural products which do not comply with European production standards and are in unfair competition with European production and to export its own surpluses at prices below European production costs; calls for the urgent introduction of new multilateral rules that are fairer and more solidarity-based so that the economic sustainability of EU producers' farms is not undermined; hopes that such a new approach is directed towards strengthening producers' economic perspectives and the links between producers and consumers, and supports diversified food systems and alternatives that complement conventional production systems; would like to see a more equal redistribution of value, which better remunerates producers that provide quality public goods and ecosystem services;

⁽¹⁾ COM(2020) 380 final.⁽²⁾ COM(2019) 640 final.

5. calls on the European Commission to consistently use existing indicators (e.g. the SDG Indicators) for monitoring progress in achieving the target to unite sustainable food production, ecosystem services and fair economic perspectives for farmers and employees across different sectoral policies; new indicators should be introduced only in areas that have not yet been adequately captured; hopes to see all players in the food system actively participate in monitoring and assessing the implementation of the strategy;

6. hopes that the role of regions and cities as key players in the food transition will be recognised and supported; among its other functions, the European Committee of the Regions is a reservoir of knowledge of European cities' and regions' practices, and can therefore be an important intermediary for communication and mutual learning between levels of government; in the context of implementing and framing the future CAP, it is essential that European regions be able to continue to perform their role as managing authorities in order to support the transitions set out in the Farm to Fork strategy as locally as possible and to ensure that the future strategic plans meet local needs. In this regard, it would be essential to regionalise the first pillar in the strategic plans, so that eco-schemes can be managed as important tools to support the implementation of the strategy in a way that corresponds to the specific needs of each region;

Support for producers, promotion of short and transparent supply chains

7. recommends closer monitoring of the trend towards land concentration in favour of agribusiness, the increase in the price of land, the abandonment of land in marginal areas and the consequent loss of agricultural land by small to medium-sized producers and new farmers; therefore recommends changes to existing instruments under the Common Agricultural Policy (CAP), such as a possible cap on direct payments per farm, in order to facilitate access to agricultural land for local small to medium-sized farms and for new agro-ecological farmers operating individually or in groups, avoiding the loss of active farmers; recommends that the balance between the economy and the environment under the CAP be preserved; also encourages the use of reclaimed water for irrigation in deficit areas and the promotion of agroforestry;

8. is pleased that the Commission plans to boost organic farming, announcing that it is willing to ensure, following an impact study, that at least 25 % of the EU's agricultural land is used for organic farming by 2030, and to bring about a significant increase in organic aquaculture; likewise calls on the Commission to assess other cultivation and production systems that deliver environmental benefits; in this regard, recommends considering and supporting the role of local and regional policies as a means of preserving and increasing land used for organic, precision and integrated production, which takes care to preserve environmental resources, through programmes such as local food policies (including bio-districts, eco-regions and bio-regions⁽³⁾) and training processes; hopes that, under the CAP, the transition will match developments in the consumption of organic products; also calls for measures to support the structuring of the whole organic sector and not only the development of production, in order to preserve the added value associated with this method of production and processing in various regions, including encouraging the provision of water networks so as to provide organic producers with water compatible with organic farming legislation;

9. calls for greater emphasis to be placed on short supply chains and for recognition of the diversity of production systems across Europe, including alternative production systems, aimed at promoting local and regional forms of production, processing and marketing, based on nutritional quality and animal and environmental well-being; calls for a European framework to be established for promoting and strengthening short supply chains, based on innovative practices adopted successfully at local level; calls for greater support for collective local projects that involve processors, local authorities, farms, forest holdings, traders and local consumers to develop a local food offer; also calls for support for the diversification of production and local and regional processing, for the development of new sectors (such as plant proteins, particularly vegetables and high-quality sectors such as berries and nuts, etc.), that factor in the promotion of secondary supply chains linked to secondary and waste flows, in order to create added value in the various stages of the food chain, examining the possibility of introducing sustainable production certification, which would include water and soil management; points out here that concepts such as local and regional should be considered in the context of the product in question; the starting point is ensuring that the product has a small environmental footprint, avoiding unnecessary journeys, and improving the relationship between producers and consumers;

⁽³⁾ An example here is BioRegio Bayern 2012, which set the goal of 30 % of its land to be used for organic farming by 2030 (Source: *The role of local and regional authorities in making food systems more sustainable*, study commissioned by the CoR).

10. recognises that the production, processing, retailing, packaging and transportation of food contribute to air, soil and water pollution and greenhouse gas (GHG) emissions, and have a profound impact on biodiversity, and therefore would like to see the promotion of secondary flows towards a circular economy; in line with the Commission, deems the following measures to be imperative:

- (a) reduce the overall use and risk of chemical pesticides by 50 % and the use of more hazardous pesticides ⁽⁴⁾ by 50 % by 2030, while ensuring that farmers are offered genuine alternatives to both the pesticides and farming practices used that do not limit their productivity, with more resources being allocated to research in this area and ensuring faster market access;
- (b) reduce nutrient losses by at least 50 %, while ensuring that there is no deterioration in soil fertility;
- (c) reduce the use of fertilisers by at least 20 % by 2030;
- (d) reduce sales of antimicrobials for farmed animals and in aquaculture by 50 % by 2030;
- (e) continue to reduce GHG emissions from the agricultural sector and from land use, in particular nitrous oxide and methane, the latter also produced by the livestock sector, as well as agricultural use of moorland sites, thus ensuring that the sector contributes appropriately to the European Climate Law process; to this end, calls on the Commission to publish, as soon as possible, a 2030 climate target plan to increase the GHG emissions reduction target to 55 % compared with 1990 levels ⁽⁵⁾, implementing a coherent plan with adequate financial commitments;
- (f) increase grassland and the production of protein feed in Europe through a reduction in the amount of imported feed and protein falling below European climate and environmental standards;

11. calls on the Commission to produce, as part of its ongoing work, impact assessments on the design of the quantified targets. It is important for countries that use large quantities of antibiotics, chemical plant protection products and plant nutrients to be given greater consumption reduction targets than those countries whose consumption is already low;

12. suggests that transparent impact assessments be carried out and communicated, in order to monitor the medium-term targets reached and renegotiate any necessary adjustments in consultation with the Member States, local and regional authorities and agri-food players;

13. recommends introducing more stringent measures against the environmental impact of intensive industrial livestock farming; calls for the officially certified animal welfare labelling envisaged in the strategy to be made compulsory at EU level; recommends clear, mandatory labelling of the husbandry method, covering the animal's lifecycle, such that producers can obtain recognition of improvements in their practices and consumers can choose products in line with their wishes; suggests phasing out cage-rearing in a planned manner throughout the European Union, including through livestock density limits on the relevant farms, and supporting extensive aquaculture; calls for a livestock density limit on farms as a condition for access to CAP payments and for stronger CAP conditionality regarding animal welfare legislation;

14. calls for the new eco-schemes to provide an equitable, obligatory, effective and increasingly important funding stream to promote sustainable production practices that significantly improve, among other things, carbon sequestration (carbon farming) by farmers and foresters, as well as biodiversity; points out, however, that the agri-environment-climate measures under the second pillar of the CAP have proven to be by far the most effective greening measure of the CAP and that this is linked to the bottom-up approach used in designing these measures in the case of regional management; therefore calls for more use of the options for switching from the first to the second pillar of the CAP and for regional authorities to be involved in designing the eco-schemes at both European and national levels to ensure greater consistency and complementarity between the eco-schemes and the AECMs, and for better account to be taken of the needs of the

⁽⁴⁾ These are plant protection products containing active substances that meet the cut-off criteria as set out in points 3.6.2 to 3.6.5 and 3.8.2 of Annex II to Regulation (EC) No 1107/2009 of the European Parliament and of the Council (OJ L 309, 24.11.2009, p. 1) or are identified as candidates for substitution in accordance with the criteria in point 4 of that Annex.

⁽⁵⁾ The same request was made in the opinion on the *European Climate Law: establishing the framework for achieving climate neutrality* (COR-2020/01361 — rapporteur: Juan Moreno Bonilla (EPP/ES)) (OJ C 324, 1.10.2020, p. 58).

regions; also recommends support for extensive livestock farming with a lower environmental impact; with a view to balanced environmental, economic and social sustainability, it should be permitted to compensate farmers with European and national assets, for additional costs involved in agricultural production;

15. in parallel with changes in agriculture, the shift to sustainable fish and seafood production also needs to be accelerated; recommends measures aimed at protecting and promoting small-scale fishing operators, such as those who work sustainably in the outermost regions, and combating intensive cage-rearing, illegal industrial fishing and overfishing, including by introducing more appropriate measures when revising the Common Fisheries Policy (CFP) and concluding trade agreements;

16. calls for proposals to be drawn up aimed at establishing maritime spatial planning and creating a network of areas in which all forms of fishing are prohibited for a sufficient period of time in order to more effectively achieve a balance between exploiting fish stocks and the sea's capacity to replenish those stocks; also calls for efforts to focus on ensuring greater efficiency when establishing fisheries management plans in the areas that are most vulnerable from an environmental point of view;

Food environment, combating obesity, promoting responsible and critical consumption

17. reiterates the importance of consumer food choices and eating habits as a key driver of food system change; supports the Commission in its intention to facilitate the transition to healthy and sustainable diets, in line with Goal 12 of the 2030 Agenda on Sustainable Development⁽⁶⁾; therefore calls on the Commission to implement a consistent and targeted package of measures to promote the Mediterranean diet, which has been found to be healthy, as well as healthy diets that contain more vegetables and an appropriate and responsible amount of fat and sugar;

18. calls on the Commission to devise more appropriate schemes for the nutritional labelling of food, agreed at European level and based on the most up-to-date scientific research data; asks the Commission to explore the possibility of creating a European database on nutritional values and of establishing a European programme on nutritional labelling. In order to stimulate a conscious consumption, the aim should be to provide transparent, complete and clear information on nutritional quality, taking into account the origin of products, the environmental impact of transportation and the production methods;

19. also stresses the importance of going beyond information labelling measures, and deploying educational measures, incentives and structural measures geared towards encouraging critical and responsible consumption and promoting healthy food environments accessible to all; thus recommends information campaigns and educational programmes on healthy eating and plant-based, fibre-rich diets; supports the adoption of tax incentives to encourage consumers to opt for healthy and sustainable diets; also encourages the roll-out of measures to discourage the agri-food industry from marketing and advertising highly processed and unhealthy foods, which are rich in sugar, salt and saturated fats;

20. strongly supports measures to ensure that the price of food reflects its real environmental and social costs and that primary producers receive a fair income for their work; thus calls on the Commission to discuss with the Member States measures to limit the purchasing power of processors and retail and strengthen the negotiating position of primary producers, considering the scientifically-proven cost involved in terms of the environment and public health; where a fair price for the products requires a higher price for consumers, the CoR considers this to be acceptable⁽⁷⁾;

21. calls on the Commission to make the right to food one of the cornerstones in the implementation of the strategy; thus suggests working with the Member States and local and regional authorities on developing short- to medium-term measures, e.g. through economic support and long-term measures (structural social policies) aimed at easing access for the most vulnerable groups to a more sustainable and healthy food system, thus helping to combat obesity and malnutrition; calls for a post-2020 EU action plan on childhood obesity to be drawn up; underlines that the affordability of healthy food should be supported preferably by direct social policies and measures while ensuring fair product prices for farmers and employees at the same time;

⁽⁶⁾ SDG 12: Responsible consumption and production.

⁽⁷⁾ See for example Willet, W., et al. (2019). *Food in the Anthropocene: the EAT–Lancet Commission on healthy diets from sustainable food systems. The Lancet Commissions*, 393 (1170), pp. 447–492. See also Howard, P. et al. *Global Meat: Social and Environmental Consequences of the Expanding Meat Industry*. MIT Press, 2019.

Sustainable public procurement, Green Food Procurement, educational programmes

22. calls for greater emphasis to be placed on the role of 'green food procurement' as a means of supporting healthy and sustainable diets and of strengthening and promoting local and regional agriculture based on specific regional features, thus ensuring market shares for local and regional producers ⁽⁸⁾;

23. strongly advocates establishing more flexible criteria for the introduction of local and regional products in public procurement, particularly by adopting the zero-kilometre principle in school canteens; advocates, furthermore, introducing an effective advisory system or a simplified European guide, in order to provide public authorities with clear guidance on how to introduce more sustainability criteria;

24. supports the Commission in encouraging the Member States and local and regional authorities to put in place educational programmes on agriculture, food, the environment and climate in schools; considers it essential to encourage critical consumption and to instil education on agriculture, food culture and environmental awareness among the younger generation and the most vulnerable groups;

Reducing and preventing waste, promoting a circular economy

25. urges the Commission to present ambitious legislation and binding targets on food waste prevention and reduction; hopes that the Commission sticks firmly to the binding target of halving food waste by 2030, on the basis of work done with the EU Platform on Food Losses and Food Waste, and calls on the Commission to pay greater attention and give more support to outermost regions, given that it is very important to boost the circularity in their economies and improve the management, recycling and reuse of waste and by-products of the agri-food and fishing industries;

26. recommends taking a holistic approach to the food chain, providing for measures on limiting waste upstream (primary production), and during processing, during the transport and marketing of food, and when it comes to the consumption of food both in and outside the home; suggests encouraging supermarkets to stock products more efficiently and introducing measures to tax supermarkets for inefficient use of surplus stock; welcomes the initiative of some Member States regarding mandatory donations of surplus stock;

27. calls for more appropriate expiry information on food labels, assessing both the 'preferable' timeframe for consumption and the point at which the product is 'inedible'; communication and consumer awareness campaigns aimed at encouraging good habits in limiting food waste are also important; also recommends a bottom-up approach aimed at increasing awareness of and strengthening innovations and good practices that are emerging in many cities and regions;

28. supports the introduction of measures to promote the deployment of zero-waste, re-use and circular-economy production and territorial development models throughout the chain, including the plastics sector; stresses that public procurement is a powerful instrument through which LRAs can set standards and drive the market towards more sustainable and local products and services; suggests a bottom-up approach, with programmes to support positive circularity measures that involve urban, peri-urban, rural areas and the outermost regions ⁽⁹⁾;

International trade, solidarity and sustainable development in third countries

29. considers it necessary to adopt a comprehensive approach to the transition to sustainable agri-food systems through cooperation with third countries and international trade policies; points out that the EU, which is the world's largest importer and exporter of food, has increased its dependence on third countries and has, to date, developed a trade policy in contradiction with its social and environmental objectives; urges the Commission to actively search for solutions on this topic especially when it comes to international agricultural trade rules, price development on EU and international markets and to a sustainable balance between demand and production in the meat and dairy sectors;

⁽⁸⁾ Recalls and reiterates, in this context, point 19 of the Resolution on Sustainable Food (OJ C 313, 22.9.2015, p. 5), which 'recommends that the various stakeholders in sustainable production and responsible consumption (...) be informed of the possibilities of including sustainability criteria in their invitations to tender (...) and was adopted at the 113th plenary session in July 2015.

⁽⁹⁾ An example here is the city of Maribor in Slovenia, where synergies can be seen between a city and a rural area through the conversion of bio-waste into fertilisers (Source: *The role of local and regional authorities in making food systems more sustainable*, study commissioned by the CoR).

30. insists on the need to assess trade agreements with due regard to the GHG emissions reduction target and for such agreements to be based on the concept of sustainable development; calls for more robust chapters on sustainable forest management and the fight against deforestation and human rights violations, and in support of animal welfare⁽¹⁰⁾;

31. considers that trade policy which does not ensure outside markets are held to the high European standards in regards to sustainability and food safety can severely undermine the internal market, and can endanger our agricultural sector; regards European trade agreements as instrumental in ensuring an equal level playing field between the internal market and the external market, safeguarding the competitiveness of European farmers and guaranteeing a fair return; calls for strict reciprocity to be negotiated with third countries on production rules, putting crop protection and environmental regulations on the same level, identifying local early plantings if applicable, and for control of products on entry into the single European market to be strengthened; supports a border tax on carbon, preventing EU companies from moving production to countries with less stringent environmental standards;

Governance, implementation, monitoring

32. recommends that the future CAP, CFP, operational programmes and national CAP strategic plans be consistently adapted to the objectives set out in the European Green Deal, notably within the 'Farm to Fork' and 'Biodiversity for 2030' strategies; in this regard calls for common quantifiable and measurable European targets for the national strategic plans to be included in the CAP regulation; suggests establishing clear impact indicators to set targets and track results; calls for the regions to play a prominent role in the governance of the strategic plans, particularly with regard to the second pillar; hopes that the territorial and regional approach will not be lost in the CAP reform plans;

33. regrets that the share of the MFF 2021-2027 allocated to the CAP in the position taken by the European Council in July has decreased by 6,4 % compared to the current period. Ambitious goals for implementing a green transition in European agricultural production should go hand in hand with an ambitious budget for the CAP, and in particular for the European Agricultural Fund for Rural Development; also laments the fact that efforts to overhaul the CAP to make it more public interest-oriented, sustainable and protective of resources have not to date been more apparent in proposals for regulations, and that the approaches adopted will be very slow to have any impact owing to the long transition periods;

34. welcomes the intention to involve all food-system stakeholders — without overlooking civil society and representatives of local and regional authorities — in the implementation and monitoring of the strategy; considers it necessary for the strategy to put in place cross-cutting and multi-level governance systems conducive to a joined-up approach by the relevant directorates-general of the Commission; would like the strategy to draw on the example of participatory models such as the food policy councils that have been set up in many local and regional authorities;

35. suggests that the Commission enter into close cooperation not only with Parliament but also with the European Committee of the Regions and the European Economic and Social Committee on implementing and monitoring the two strategies.

Brussels, 10 December 2020.

*The President
of the European Committee of the Regions*
Apostolos TZITZIKOSTAS

⁽¹⁰⁾ The same request was made in the opinion on *Stepping up EU action to protect and restore the world's forests*(COR-2019/04601 — rapporteur: Roby Biwer (PES/LU)) (OJ C 324, 1.10.2020, p. 48).

Opinion of the European Committee of the Regions — Economic governance review

(2021/C 37/05)

Rapporteur:	Elio DI RUPO (BE/PES), Minister-President of Wallonia
Reference document:	Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions — Economic governance review COM(2020) 55 final

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. welcomes the European Commission's communication on the *Economic governance review*, presented on 5 February 2020, and the willingness it shows on the part of the Commission to reform the economic and budgetary rules;
2. also applauds the fact that on 20 March the European Commission presented its proposal to — for the first time in the history of the euro area — make use of the general escape clause already provided for in the current Stability and Growth Pact (SGP) in order to strengthen emergency budgetary measures in response to the COVID-19 pandemic;
3. believes that this escape clause should continue to apply until the financial and budgetary consequences of the COVID-19 crisis, in terms of both Member State debts and deficits, are fully known. The same logic holds for any gradual lifting of the temporary state aid framework at EU level, which can only be envisaged once the macroeconomic situation has stabilised and the European Commission, the Council of Ministers and the European Parliament have discussed their various positions;
4. also stresses that, according to the World Health Organisation, the pandemic could well continue for the next two years and that it seems likely that it will only be possible to finalise effective vaccines or medicines in 2021;
5. also points out that added to the social and economic impacts of the COVID-19 pandemic there have been radical economic and financial changes since the last reform of the SGP in 2013: interest rates are at a historic low and the real cost of public borrowing is negative in many countries, compared with around 3 % on average in the euro area at the beginning of the decade;
6. consequently believes that the Commission should fully and thoroughly reassess the situation in each Member State and revise the economic governance review project;
7. emphasises that the European economic governance framework has major effects on all levels of government, more specifically local and regional governments, which are responsible for almost a third of public spending and more than half of public investment in the EU as a whole, with wide variations between Member States ⁽¹⁾;
8. thinks that the SGP and other aspects of the current European economic governance framework currently have four major flaws: i) procyclical effects: a Member State in recession may be forced to reduce its spending at the risk of further aggravating the recession, despite the situation-based flexibility set out in the 2015 interpretative communication ⁽²⁾, which is insufficient. This procyclicality has particularly affected public investment, which has too often played the role of adjustment variable in austerity policies; ii) complexity: multiple objectives, flexibility, exceptions, escape clauses and differences between the situations to be taken into account have resulted in an overly complex and technical framework that is moreover based on indicators that cannot be directly observed, such as structural deficit and the output gap; iii) lack of efficiency and effectiveness: although excessive deficits had almost disappeared in 2018, changes in debt were much less

⁽¹⁾ 2018 figures, Eurostat, data codes: TEC00023 and TEC00022.

⁽²⁾ European Commission (2015) — *Communication: Making the best use of the flexibility within the existing rules of the stability and growth pact*; ref: COM(2015) 12 final.

positive, even before the tax impact of the COVID-19 crisis in 2020. The number of Member States exceeding the limit of 60 % increased from 9 in 2008 to 14 in 2018 ⁽³⁾. Applying financial penalties would be so counter-productive that it is not a credible option; iv) a lack of transparency and legitimacy: the economic governance framework's complexity and technicality make it opaque. Neither the European Parliament, local and regional governments, nor civil society and other stakeholders are really involved in it. Moreover, the current framework does not establish a correlation between the responsibilities of governance levels in the implementation of the SGP and only recognises collective national responsibility independent of effective budget management at the various levels. These structural flaws in the existing framework related to its adverse effects and its lack of efficiency and effectiveness have seriously harmed its legitimacy, particularly in the Member States that were worst affected by the euro area crisis and subjected to conditionality measures, thereby encouraging a rejection of the EU and a shift towards the political extremes;

9. points out, in line with the Commission's findings from the communication, that the six-pack and two-pack reforms have led to closer coordination of budgetary policies in the euro area. The strengthened surveillance framework served as a basis for Member States to consolidate their budgetary structures, even though the EU continued to suffer from very large regional and social heterogeneities before the outbreak of the COVID-19 pandemic;

10. welcomes the success of the social bonds issued by the Commission on 17 October 2020 to finance temporary support, amounting to EUR 100 billion, to mitigate unemployment risks in an emergency (SURE). This scheme will run until 31 December 2022 in the form of loans to Member States that need to mobilise significant financial resources to tackle the negative economic and social consequences of the COVID-19 pandemic in their country. The CoR considers that if the SURE programme has a lasting positive impact, it could pave the way for the establishment of a European unemployment reinsurance scheme;

Indicators

11. insists that national, regional and local governments and the public should be able to clearly understand the rules to be applied. To that end, the applicable rules must be based on indicators that are directly verifiable and that incorporate cyclically adjusted countercyclical stabilisation;

12. also believes that economic governance must strike a balance between indicators related to budgetary discipline and non-budgetary indicators. The CoR therefore believes that, in keeping with the macroeconomic imbalance procedure (MIP), which encompasses more varied indicators, including unemployment rates, a reformed economic governance must take into account the greater need for investment and the public spending required ⁽⁴⁾ to support transition in the key sectors of health, food, transport, digital technology and energy, including improving the energy efficiency of buildings. Some of this spending will have to be covered by national budgets to supplement private and EU funding. And there will also be pressure on public spending in adapting the economy to continuing climate change or cushioning the social impact of higher carbon taxes;

13. agrees with the criticism against using 'potential GDP' as an indicator, potential GDP being the output capacity that can be realised by fully utilising the productive capital stock and labour supply without creating inflationary pressure. This concept ignores both energy as a factor of production, including the risk of productive capital becoming obsolescent sooner due to restrictions on the use of carbon-based energy, and the physical limits on expanding human activities;

14. also calls for a rebalancing to take revenues more closely into consideration. Cutting expenditure in the social, educational and health sectors is often seen as the easiest way to reduce debt in the short run, but coordinating fiscal policies and taking measures to prevent tax fraud can considerably ease pressure on public budgets. VAT fraud alone is responsible for losses of EUR 147 billion ⁽⁵⁾ annually, whereas the total deficit for all the EU Member States in 2018 was EUR 109 billion;

15. highlights the need for better coordination of economic policies of the Member States in order to reduce cyclical discrepancies and the differential in convergence; for the same reason also supports the Commission's wish to rebalance surpluses and deficits between the Member States. The Member States with current account surpluses should pursue more expansionary fiscal policies to stimulate domestic demand, while countries with structural imbalances due to weak productivity and competitiveness should increase their investment targeted at modernising their production activities. All the Member States must also increase investment in training, research and development, which is still insufficient at this stage to ensure the competitiveness of the European economy;

⁽³⁾ Eurostat, data code: TEINA225.

⁽⁴⁾ EUR 260 billion a year (around 1,7 % of EU GDP) is needed, according to European Commission estimates.

⁽⁵⁾ COM(2019) 8 final on 'Towards a more efficient and democratic decision-making process in EU tax policy', p. 4.

16. again suggests that the MIP be extended to auxiliary indicators relating to regional disparities. The CoR thinks that it could more fully take into account the progress made in the implementation of the 17 United Nations Sustainable Development Goals (SDGs) that cover not only environmental protection but also social, economic and governance criteria;

Public investment and the golden rule

17. believes that the European economic governance framework is partly responsible for the sharp drop in public investment that occurred following the euro area crisis because it does not sufficiently take into account the distinction between current expenditure and investment expenditure. Between 2009 and 2018, public investment as a whole fell in the EU by 20 % as a share of GDP. Investment by local and regional authorities decreased by almost 25 %, and by 40 % or more in some of the Member States worst affected by the crisis ⁽⁶⁾;

18. stresses that the European Fiscal Board established that Member States that had a high public investment rate tended to significantly reduce it during excessive deficit procedures (EDPs) ⁽⁷⁾, and that the Commission itself noted that the budgetary framework has not prevented a drop in investment or made public finances more conducive to growth and that neither the SGP's 'investment clause' nor Article 126(3) TFEU (which requires the Commission to also take into account whether the government deficit exceeds government investment expenditure when determining whether the criteria are met for initiating an excessive deficit procedure) seem to have had a major impact ⁽⁸⁾;

19. emphasises that the CoR already felt in its opinion on the 2015 interpretative communication on the matter ⁽⁹⁾ that the existing flexibility in the SGP was too restrictive and limited to have any real benefits on public investment;

20. believes that high-quality and well-targeted public investment, grounded in territorial impact assessment and sound economic analysis in terms of public spending costs and benefits, must be countercyclical to benefit future generations. In this current context of extraordinary public spending needs, discouraging deficit financing for public investment could encourage underinvestment, to the detriment of future generations;

21. reiterates that the CoR has consistently called for public spending from Member States and local and regional authorities linked to Structural and Investment Fund co-financing to not be included in public or equivalent structural expenditure as defined in the SGP. This expenditure is, by definition, investment in the general European interest with a proven leverage effect in terms of sustainable growth;

22. considers that the establishment of a 'golden rule of public investment' in the European economic governance framework could prove a useful tool to end the adverse effects of current budgetary rules by eventually excluding net public investment from deficit calculations in the SGP, which would not only preserve public investment during crises but would also discourage the extreme underinvestment (negative net public investment) that some Member States suffer from by penalising it. This measure could be applied as a priority to public investment in projects aimed at encouraging the transition to a sustainable society in environmental, economic and social terms, as defined in the SDGs and the Green Deal, as these investments are recognised as particularly important not only with regard to the recovery following the COVID-19 crisis, but also for the prosperity and quality of life of future generations. The CoR also advocates investing in human capital and skills to facilitate the transition to a climate-neutral, resource-efficient and competitive economy fit for the digital age;

23. calls on the Commission to present a white paper on an overhaul of economic governance based on the potential establishment of such a golden rule, after it has reformulated its proposals to take account of the economic and budgetary damage caused by COVID-19. The Commission should in its assessment also consider other instruments such as an expenditure rule ⁽¹⁰⁾, which on the basis of trend economic growth and the level of debt imposes a limit on the annual growth of total government expenditure, and can serve to safeguard public trust by boosting transparency, reducing administrative burdens and striking a balance between budgetary discipline and preserving sufficient capacity for public investment;

⁽⁶⁾ Eurostat, data code: TEC00022.

⁽⁷⁾ European Fiscal Board (2019) — *Assessment of EU fiscal rules with a focus on the six and two-pack legislation*, p. 76.

⁽⁸⁾ COM(2020) 55 final, p. 10.

⁽⁹⁾ CoR opinion *Making the best use of the flexibility within the existing rules of the stability and growth pact* — rapporteur: Olga Zrihen (BE/PES), adopted on 9 July 2015 (OJ C 313, 22.9.2015, p. 22).

⁽¹⁰⁾ Benefits and drawbacks of an 'expenditure rule', as well as of a 'golden rule', in the EU fiscal framework. European Parliament study [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/645732/IPOL_STU\(2020\)645732_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/645732/IPOL_STU(2020)645732_EN.pdf)

European Semester

24. stresses that economic governance, which is implemented in practice through the European Semester coordination cycle, lacks efficiency and effectiveness in terms of carrying out reforms. The scope of the reforms considered under the European Semester has never been defined in EU legal texts, particularly with regard to their relevance and their added value at EU level. This lack of definition limits potential interactions between reforms undertaken at national level and EU policies (financial legislation and programmes) and is problematic with regard to the principle of subsidiarity. The CoR agrees with the European Commission that, in future, emphasis must be placed on the environmental aspect of Member States' social, economic, budgetary and employment policies, in accordance with the European Green Deal;

25. reiterates that one of the main reasons for this low efficiency and effectiveness is that local and regional authorities are insufficiently involved as partners in designing and implementing reforms, even though 36 % of all country-specific recommendations are directed at them and 83 % of recommendations have a local or regional dimension ⁽¹¹⁾;

26. firmly believes that its proposed code of conduct for the involvement of local and regional authorities in the European Semester ⁽¹²⁾ is still likely to rectify this lack of efficiency and effectiveness as local and regional realities would be better taken into account, and that it still needs to be implemented, especially as the European Semester has provided guidelines for cohesion policy since 2019, the management of which is shared between all levels of government;

27. encourages the European Commission to promote an examination of administrative capacity and tax decentralisation in the Member States with a view to verifying that the tasks entrusted to local and regional authorities are in keeping with the human, technical and financial resources at their disposal, while respecting the Member States' constitutions and the principle of subsidiarity;

Transparency and democratic legitimacy

28. believes that the democratic legitimacy of the European economic governance system is too weak and that this endangers not only economic governance itself but also the European project as a whole;

29. welcomes the inclusion of climate protection in the European Semester and expects it to provide both clear monitoring and an assessment of the effectiveness of climate protection measures, so that national progress in implementing Semester targets becomes more tangible;

30. draws the attention of the Commission and its co-legislators to the fact that involving local and regional authorities more in the European Semester by means of a code of conduct would also make decisions more representative and give the Semester — and thereby economic governance more broadly — greater legitimacy;

31. supports a reform of the Eurogroup, whose status needs to be put on a formal footing and updated with a view to a fully-fledged presidency, greater accountability to the European Parliament and more transparent proceedings, starting with publication of all minutes in detail;

32. stresses that, in light of the Conference on the Future of Europe, it firmly believes that the problem of the lack of democratic legitimacy in the EU, and more specifically its economic governance, can only be resolved if EU citizens are confident that all their major concerns are being addressed. Social standards, employment, environmental protection and sustainability aspects in line with the SDGs, and the fight against inequalities cannot be considered secondary to macroeconomic and budgetary imperatives. At the Conference on the Future of Europe it should therefore be possible to discuss changes to economic governance set out in the Treaty on the Functioning of the European Union;

33. believes that work must continue on resolving the euro area difficulties by re-establishing sound public finances, creating a robust banking system, moving towards Fiscal Union and stimulating sustainable economic growth;

⁽¹¹⁾ CoR Territorial analysis of the Country-specific Recommendations 2018.

⁽¹²⁾ CoR opinion: *Improving the governance of the European Semester: a Code of Conduct for the involvement of local and regional authorities* — rapporteur: Rob Jonkman (NL/ECR), adopted on 11 May 2017 (OJ C 306, 15.9.2017, p. 24).

Economic governance and the COVID-19 crisis

34. emphasises that local and regional authorities are at the forefront of the fight against the COVID-19 pandemic — which is having a significant impact on Europe — given their important responsibilities in terms of healthcare, social protection and economic support. In Italy and Spain, two of the worst affected Member States, local and regional authorities are also responsible for more than 90 % of healthcare expenditure ⁽¹³⁾. Although many expenditure items are significantly increasing, local and regional government revenues are dropping and are greatly affected by the unprecedented economic slowdown. This is having a major impact on the budgetary balances of cities and regions and, consequently, those of the Member States;

35. stresses that local and regional authorities in many Member States are subject to stringent national budgetary rules that restrict increases in their expenditure, require them to balance their budgets, or limit their deficit and/or debt to levels that are often very low compared to those of the States;

36. urges the Commission, the Parliament and the Member States not to underestimate the risk that the COVID-19 crisis could aggravate regional disparities for three key reasons: i) the impact on health has been highly regionalised; some regions and cities have had a disproportionate number of cases and their ability to cope has varied; ii) as well as the direct impact of the emergency on the worst affected areas, longer or more stringent restrictions will exacerbate the economic slowdown and therefore the financial difficulties of SMEs and the self-employed, one of the key pillars of many regional economies, as well as of local and regional authorities; iii) some economic sectors (e.g. tourism) are disproportionately affected and the impact on subnational finances will therefore depend on local and regional sectoral specialisations and exposure to global value chains;

37. therefore calls on the European Commission and Member States for a clear roadmap designed with local and regional authorities, to help the latter back towards sustainable balanced budgets, bearing in mind the asymmetric impact of the ongoing pandemic and that an environmentally and socially sustainable recovery also must be an economically sustainable one;

38. thinks that the current situation highlights the real cost of the austerity policies that followed the euro area crisis, especially in terms of underinvestment in key public services. Austerity cannot be the response to this new crisis as well. Recovery strategies should include ambitious public investment plans designed to trigger an environmentally and socioeconomically sustainable recovery in the EU's regions and cities;

39. firmly believes that, after the COVID-19 crisis, it will be more important than ever to rethink the European budgetary framework so as to avoid making public investment and public services the adjustment variable again in future budget consolidation programmes.

Brussels, 10 December 2020.

*The President
of the European Committee of the Regions*
Apostolos TZITZIKOSTAS

⁽¹³⁾ OECD (2020) — *Covid-19 and intergovernmental Fiscal Relations: Early responses and main lessons from the Financial Crisis*, ref: COM-CTPA-ECO-GOV-CFE(2020)2.

Opinion of the European Committee of the Regions — Opportunities and synergies of a precautionary adaptation to climate change to promote sustainability and quality of life in regions and municipalities: which framework conditions are required for this?

(2021/C 37/06)

Rapporteur:	Markku MARKKULA (FI/EPP) Chair of the Espoo City Board
Reference document:	Presidency referral, Rule 41(b)(i)

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Global emergency to accelerate action

1. stresses that political leadership should treat climate change as an emergency and a global threat that needs to be tackled collectively with joint activities and standards by breaking down silos and barriers. The EU should take an active leadership role in the shift towards a climate-neutral economy and a more resilient society, in order to safeguard favourable living conditions, and ensure that clear, credible and equivalent procedures for European businesses and public and private institutions are applied globally;
2. highlights the importance of cities and regions playing an active role, joining forces with local and international industry to adapt to and mitigate climate change by adopting increasingly ambitious and realistic targets, and stresses that it is essential to accelerate action across all relevant EU policies, increase adaptation financing, jointly develop suitable adaptation methods and instruments, step up cross-border cooperation and exchanges of experience and best practices, and enhance resilience and adaptation capacities, nature-based solutions and opportunities for innovation;
3. recognises that approximately 800 regional governments in 17 Member States have declared a climate emergency, which sums up to approximately 40 % of EU citizens living in LRAs whose political leaders have additionally underlined, officially accepted and declared the serious situation of a global climate emergency; emphasises that this gives great backup for an active leadership pursuing a climate-neutral Europe by stressing a bottom-up perspective ⁽¹⁾;
4. stresses that the COVID-19 pandemic has further increased the urgency of early and coordinated action — current experience of the pandemic has highlighted the need to improve the resilience of social and economic systems to face large-scale disruptions, as unforeseen crises create compound risks, especially in too narrowly focused economies;
5. stresses that the EU's climate adaptation and mitigation policies need to be better integrated with both public and private sectors, as well as with citizens' activities within EU climate policy sectors: the emissions trading system (ETS), the effort sharing decision (ESD), and land use, land-use change and forestry (LULUCF). To achieve climate neutrality by 2050, EU must accelerate the decarbonisation of activities across all sectors. Cities and regions, in partnership with industry, have primary responsibility for the ESD sector, especially heating, cooling, land use and transport.

Subnational governments' connections to the UN SDGs and UNFCCC

6. considers that subnational governments need to play a crucial role in enhancing the global climate ambition, and that adaptation policies should play a fundamental role in the localisation of the UN Sustainable Development Goals (SDGs); the EU needs to create incentives for the municipalities to achieve the SDGs;

⁽¹⁾ <https://climateemergencydeclaration.org/climate-emergency-declarations-cover-15-million-citizens/>

7. calls on the UNFCCC to officially recognise the role of the subnational level and actively promote the participation of subnational governments in adaptation and mitigation policies and to propose that the Parties adopt ambitious targets; points to the local contributions submitted as Voluntary Local Reviews, which highlight that cities are the level where the influential action takes place and where synergies and interlinkages between the different SDGs are best explored;

8. sees the UNFCCC's COP-26 as a crucial milestone in cementing the EU at the forefront of global climate action, and stresses that ongoing activities and commitments by regions and cities should have a strong and visible role at COP-26; is willing to support the EU institutions in cooperating with the UNFCCC to strengthen the visibility and recognition of subnational governments in global climate diplomacy and activities, highlights in this sense collaboration with international communities and network organisations, such as ICLEI, Under2Coalition, Regions4, Climate Alliance and UCLG United Cities and Local Governments;

Towards a more influential EU Adaptation Strategy based on new insights, learning and innovations

9. welcomes the blueprint for a new, more ambitious EU strategy on adaptation to climate change, which puts adaptation in a more prominent position in the EU's 2030 and 2050 climate ambitions by improving knowledge, reinforcing planning and accelerating action, and recognising the need for regional and local-level adaptation policies; in this connection, stresses the need for climate adaptation issues to be built effectively into all policy fields; urges the Commission to develop the new EU Adaptation Strategy with clear goals and indicators in line with the principles of active subsidiarity and proportionality;

10. sees that for supporting subnational governments in their global SDG measures, the EU itself must lead by example; this includes cooperating with potential partners outside the EU on the basis of EU values;

11. stresses the need for a European-wide system on adaptation and a well-functioning structure of multilevel governance with clear responsibilities to enable action. It is important to create effective regional and local adaptation and mitigation mechanisms using joint networks between the public, private and third sectors and improving knowledge, capabilities and financial resources;

12. underlines the importance of nature-based solutions in climate adaptation, as their implementation offer opportunities to address interconnected crises on climate, nature and health, delivering benefits both in the social and the ecological sphere while promoting sustainability and resilience. Nature-based solutions can also be an important means towards the achievement of the SDGs and UNFCCC ambitions, particularly on the exploitation of synergies between different SDGs and climate action;

13. highlights that adapting to climate change will require a significant transformation, and will need to be incorporated as a cross-cutting priority in territorial planning and management; adaptation policies have significant consequences for health and social justice;

14. notes that local preparedness related to climate adaptation differs globally and also in Europe. Climate risks are currently not extensively included in the overall risk management and preparedness planning of municipalities;

15. underlines that, to be a success, all climate action, including adaptation, needs to be rooted in the best available knowledge and innovation and is fully dependent on citizen buy-in; local and regional authorities are the most trusted level of government, as they know best what is needed and how to address efficiently European citizens' demands and expectations;

16. challenges the European Commission and Member States to support the development of:

(a) sustainability as a 'new normal' for all communities, businesses and individuals;

- (b) sustainability, carbon neutrality, circular economy and resilience as a guiding principle in all decision making — public and private, including budgeting processes;
 - (c) sustainability-focused planning and actions based on collaboration, knowledge and good practices;
 - (d) sustainability research and joint activities — multidisciplinary and interdisciplinary — to increase and diversify knowhow;
 - (e) digital connectivity for all people with sufficient skills as a cross-cutting factor securing the green and digital transformations;
 - (f) ways to embed all of these elements in all learning solutions in the European Union; and
 - (g) financing for cities and regions in reskilling and upskilling of labour force;
17. advocates reducing the carbon footprint by minimising the negative impacts of products, services and organisations; also calls for more of a focus on the carbon handprint, by showing the positive future impact that products, services or organisations can create in terms of sustainability;
18. supports the development of local scientific platforms on climate change (already existing in various regions and playing the role of 'local IPCC') to encourage cooperation with scientists and support local elected official's decision making;
19. emphasises that building personal, community and regional resilience is a key factor in adapting to climate change; stresses the importance of human awareness, learning, capacity development, and concepts for increasing cross-regional and transnational collaboration culture to operate virtually worldwide;
20. calls on the Commission to create and increase the use of European-wide collaboration instruments to co-create new solutions to climate challenges, and calls for digital virtual coaching teams and peer-to-peer mentoring to support new, innovative, regional and local sustainable development; regions and cities are willing to serve as testbeds to develop new solutions that can address the diverse needs of EU territories;
21. highlights the usefulness of the network of Living Labs for closing the 'climate adaptation and mitigation gap' and enhancing innovation for sustainable development;
22. highlights the role of agriculture and forestry (the CAP) in global climate policy, as they play an important role in increasing resilience and sustainability and promoting innovative solutions in rural areas, in this sense, the objectives of the Green Deal, especially the biodiversity strategy and Farm to Fork strategy must be incorporated into the CAP, ending the link between subsidies and the size of agricultural land and linking them instead consequently to compliance with high and binding standards for climate protection, biodiversity, pesticide use and animal welfare, shortened supply chains and the promotion of local production;
23. highlights the positive synergies between biodiversity conservation policies and climate change mitigation and adaptation policies, fundamental pillars on which the global fight against climate change is based;
24. highlights the importance of using preventive information systems such as Galileo and Copernicus in community-based hazard and risk assessments. This requires more systematic and comprehensive regionally and locally-based data mining and processing solutions, such as using satellites and sensors with GIS-aided tools to map the vulnerabilities associated with different climate-related risks; encourages the LRAs to use and exploit available data and services, especially those offered by Copernicus Climate Change Service (C3S);

25. highlights the need to further invest in relevance of space technology as it is a crucial component of sustainable and resilient development, in providing relevant information on climate risks and related adaptation measures: in this field stands ready to cooperate with the Commission, the JRC and the EEA to explore actions aimed at bringing these technologies closer to local and regional authorities;

26. points out that adaptation should be recognised as an important pillar of the European Green Deal as the EU's new growth strategy; welcomes the proposed European Climate Law as a way to provide an overarching framework for both climate mitigation and adaptation;

Cities and regions should have a stronger role in adaptation policies

27. highlights that cities and regions are innovators and trailblazers on climate action and adaptation, and often participate in research and innovation projects, such as those within the Horizon2020 and Horizon Europe framework, enabling them to act as ambassadors on climate adaptation across Europe and promote cross-border cooperation between sub-national levels on tackling climate challenges;

28. notes that local governments are responsible for more than 70 % of climate change reduction and up to 90 % of climate adaptation action, and that no adaptation policy will work unless it takes into account the needs, views and expertise of local regions and cities; points out that, across the EU, it is estimated that around 40 % of cities with more than 150 000 inhabitants have adopted adaptation plans ⁽²⁾;

29. digital applications can play a key role in helping LRAs to implement sustainable development and climate goals, or to adapt to climate change. Accordingly, sustainable digital solutions must always be considered when it comes to adaption and mitigation of climate change; best practice examples must be exchanged, while also always controlling the actual effectiveness of digital solutions;

30. points out that, as the climate changes, the most visible impacts in Europe and globally are caused by extreme weather phenomena such as heatwaves, flooding, water scarcity, wildfires and disease, which entail significant human casualties, financial damages as well as the deterioration of the quality of life; notes also that rural depopulation, loss of access to fertile soils and loss of biodiversity are creating social and economic difficulties that are becoming a growing global problem that will have massive consequences in Europe ⁽³⁾;

31. stresses the crucial importance of the two climate-focused missions, 'a climate-resilient Europe' and '100 climate-neutral cities by 2030'; is keen to cooperate with the Commission in encouraging applications and nominations from communities, cities and regions representing the full geographical, social and economic diversity of the European territories; is ready to develop with the missions, Covenant of Mayors and others an implementation frame to meet the climate neutrality objective;

32. recommends that the EEA, together with various expert organisations such as the Joint Research Centre, the Climate Adaptation Partnership of the Urban Agenda ⁽⁴⁾ and the Covenant of Mayors for Climate and Energy ⁽⁵⁾, provide regular updates on scientific knowledge and showcase specific projects relating to climate change, impacts and vulnerability in the main biogeographical regions in Europe;

33. underlines that the impact of climate change is uneven and that territorial factors play a crucial role in the right choice of policy; the right adaptation actions depend on specific vulnerabilities, for example in the EU's outermost regions, islands, upland areas, coastal areas and the Arctic;

34. requests urgent measures at the Arctic where the winter temperatures are already 2,5 °C higher than pre-industrial temperatures, meaning that sea ice and snow melt at an unprecedented rate as proven lately e.g. by the MOSAiC Expedition. Special attention is needed due to the Arctic's greater sensitivity — referred to as 'polar amplification';

⁽²⁾ Report on the implementation of the EU strategy on adaptation to climate change, COM(2018) 738 final.

⁽³⁾ <https://www.eea.europa.eu/themes/climate-change-adaptation>

⁽⁴⁾ <https://ec.europa.eu/futurium/en/climate-adaptation>

⁽⁵⁾ <https://www.eumayors.eu/>

35. points out the exceptional richness of the Mediterranean nature and its particular vulnerability to natural disasters, climate change, and socioeconomic development. Specific actions are required to increase the sustainability of natural resources, especially protecting biodiversity;

36. stresses that climate change is strongly linked to socioeconomic changes such as urbanisation; highlights that Europe's urban areas, where three quarters of the population live, face climate challenges that need tailored solutions and support from the EU and the Member States ⁽⁶⁾; underlines also the importance of rural and peri-urban areas where it is sometimes even more difficult to cut emissions therefore calls for appropriate solutions there as well;

37. highlights that the Multilevel Energy and Climate Dialogue has the potential to become a powerful instrument for ensuring the effective vertical integration and mainstreaming of adaptation policies; this should be broadened to cover the entire Green Deal;

38. stresses the crucial role of the Covenant of Mayors for Climate and Energy and similar initiatives in bringing adaptation policies closer to cities and regions, and that of Covenant Signatories in implementing the Sustainable Energy and Climate Action Plans;

39. emphasises the importance of promoting the use, extension and adoption of innovative digital technologies that improve integration capabilities and cohesion in order to pursue a smart regional strategy. Examples of these technologies are 5G technology, the Internet of Things and data analytics, which need to be seen as enablers for the digital and green transformation of cities and regions, and particularly as disruptive levers in the provision of digital public services, energy efficiency, the promotion of culture and tourism, and social and regional cohesion;

40. highlights the role of energy systems in adaptation and the links between them as set out in the Communication on the EU Strategy for Energy System Integration ⁽⁷⁾, and calls on the European Commission to further explore these links in the follow-up to that communication;

41. highlights the importance of increasing European partnerships between regions and cities using the Smart Specialisation concepts; recommends increasing the role of cities and regions in the Climate Adapt platform ⁽⁸⁾ and is keen to deepen cooperation especially with the European Environment Agency, the EIT Climate KIC and the Joint Research Centre;

42. points out the need to improve the implementation capacities of regions and cities and the importance of having enough staff, including skilled staff. Especially at the municipal level, the necessary work force must be systematically provided for the coordination of the many fields of work and areas of responsibility associated with the implementation of sustainable development goals and climate action goals;

Financing and global rules

43. urges the Commission to pay special attention to the CO₂ pricing system. Climate transformation needs new investment — especially in the private sector — for adaption and mitigation purposes. In order to attract the investment needed, the price of CO₂ should be set at a predictable and appropriate level. Such a system should encourage energy and other companies in having a strong role in achieving the climate targets and in creating new carbon neutral solutions;;

44. Stresses that a more efficient pricing system for CO₂ including carbon border adjustment mechanism is needed to make CO₂ a transparent part of the economic system and to foster transition towards carbon neutrality; this would create a new level playing field for sustainable action and is a crucial tool for making CO₂ system transparent on all levels and sectors;

⁽⁶⁾ <https://www.eumayors.eu/>

⁽⁷⁾ COM(2020) 299 final.

⁽⁸⁾ <https://climate-adapt.eea.europa.eu/>

45. supports the EP's call to establish an EU-27 net greenhouse gas budget based on the latest scientific calculations used by the IPCC, representing the Union's fair share of the remaining global emissions in line with the Paris Agreement objectives and guiding the establishment of the Union trajectory towards net-zero greenhouse gas emissions by 2050;

46. calls on the EU to take a strong lead globally in order to develop the necessary CO₂ pricing and budgeting systems by 2030 and negotiate similar elements with its global trading partners;

47. suggests promoting long-term EU-funded adaptation-related infrastructure investment; stresses the importance of having adequate funding opportunities for climate adaptation for all levels of government, as well as exploring potential new options for existing facilities and looking into new and innovative solutions;

48. recommends that EU and national governments ensure stable and systematic public financing for adaption, such as for public utilities, emergency and rescue services, and healthcare. Precautionary adaptation calls for comprehensive investment in infrastructure and rescue instruments that integrate climate adaptation and mitigation into overall sustainability measures;

49. welcomes the announcement of Green Bonds to finance climate action; warns that public resources may not be sufficient to address all adaptation needs and that private financing of adaptation efforts should be encouraged. It is important for the taxonomy criteria for and handling of what is deemed sustainable and not harmful to be designed such that they do not become an administrative burden for those who want to make sustainable investments. This is particularly true when these aspects go beyond the legislation in force in the EU and the Member States;

50. acknowledges that the new 2021-2027 framework will focus heavily on a smarter Europe through innovation and on a greener, carbon-free Europe; calls for a bigger role for the CoR in guiding the use of the mix of instruments for regional public-private investment in climate change adaptation and mitigation; this includes supporting locally-led strategies and empowering local authorities in the management of EU, national, regional and local funds; points out that the European programmes need to promote creating and sharing good climate solutions for the benefit of municipalities of different sizes;

51. underlines that LRAs know best the citizens' needs and challenges and are responsible for the implementation of EU policies at local and regional level. Therefore, there is a need for Member States to involve LRAs in the EU and national legislation related decision-making process. The CoR encourages the Member States to delegate the management of funds and financial instruments to local and regional authorities in line with the principle of subsidiarity;

52. points to the new level of commitment from the European Investment Bank (EIB) to raising the share of finance dedicated to climate action and environmental sustainability by 2025 and the development of the Climate Bank Roadmap⁽⁹⁾; welcomes the introduction of the EIB Climate Risk Assessment system (CRA) for systematic assessment of the physical climate risks;

53. highlights the need to anchor the development of the new EU Adaptation Strategy in the principles laid out in the European Green Deal; urges the Commission to recognise cities and regions as fully-fledged partners within this framework and to better address the gap between local, bottom-up adaptation and national adaptation strategies;

⁽⁹⁾ <https://www.eib.org/en/about/partners/cso/consultations/item/cb-roadmap-stakeholder-engagement.htm>

Better coherence and operations throughout Europe

54. points out that the objectives of the Climate Pact rely on active subsidiarity and multilevel governance: the CoR stands ready to provide its political support in the implementation of the Climate Pact⁽¹⁰⁾ and bring it to all cities and regions of Europe. In this ambit, it calls on the Commission to include adaptation action as one of the interventions for this important initiative;

55. underlines the potential of the European Climate Pact as, on the one hand, an innovative governance tool enhancing cooperation between the LRAs and the European institutions, and on the other, an umbrella initiative to stimulate the creation of local climate pacts across the EU and to facilitate the use of best practices, including on climate adaptation;

56. reiterates the importance of embedding adaptation policies into territorial infrastructure and landscape planning and management⁽¹¹⁾: a significant effort should be deployed by cities and regions;

57. welcomes the proposal for an ambitious 2030 Climate Target Plan and calls on the Commission to include adaptation measures and targets in this framework as well;

58. highlights that several initiatives, such as Citizen Dialogues, Territorial Impact Assessments, Multilevel Energy and Climate Dialogues and the RegHub network as well as the European Urban Initiative of the post-2020 cohesion policy, can support both the assessment of adaptation action and strategic agenda setting, by involving those directly impacted by climate change and adaptation measures;

59. welcomes the release of the Renovation Wave, as a forwarding-looking initiative stepping up the EU efforts on one of the key areas for achieving our climate goals: in this context, it calls on the Commission to further develop the role of renovation of buildings in enhancing the adaptation targets and making the built environment more resilient;

60. points out that the impact of climate change on citizens varies according to their social and economic vulnerability, age and gender; the social aspect of adaptation policies should therefore be carefully considered in the new EU Strategy, based on the work being developed by the European Environment Agency in the field⁽¹²⁾;

61. highlights that Member States are currently drafting various plans and strategies, such as the Climate Adaptation Strategies, the National Energy and Climate Plans, the National Long-Term Strategies and the Sustainable Development Strategies, and other sectoral policies such as biodiversity, forestry, agriculture and land management; points out that this creates a risk of confusion for cities and regions, and calls on the European Commission to reconsider the overall framework in favour of a more integrated approach;

62. calls on the Commission to strongly recommend that Member States involve subnational governments in drafting their adaptation strategies and in promoting the development of regional and local strategies, as well as a regional breakdown of national strategies; the CoR stands ready to organise Multilevel Energy and Climate Dialogues for this purpose.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

⁽¹⁰⁾ See Opinion 1360/2020 on 'The European Climate Pact' (OJ C 440, 18.12.2020, p. 99) by Rafał Trzaskowski (PL/EPP), available at <https://cor.europa.eu/EN/our-work/Pages/OpinionTimeline.aspx?opId=CDR-1360-2020>

⁽¹¹⁾ https://ec.europa.eu/clima/sites/clima/files/adaptation/what/docs/swd_2013_137_en.pdf

⁽¹²⁾ <https://www.eea.europa.eu/publications/unequal-exposure-and-unequal-impacts>

Opinion of the European Committee of the Regions — The impact of climate change on regions: an assessment of the European Green Deal

(2021/C 37/07)

Rapporteur:	Andries GRYFFROY (BE/EA), Member of a Regional Assembly: Flemish Parliament
Reference document:	Presidency referral, Rule 41(b)i

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Designing the implementation of the Green Deal across levels as a key instrument for green recovery towards a climate-neutral Europe

1. points out how, according to UNDP estimates, more than 70 % of climate change mitigation and up to 90 % of climate change adaptation measures are undertaken by local and regional authorities (LRAs), and how LRAs implement 70 % of all EU legislation, representing one third of public spending and two thirds of public investment. As such, the target of reaching climate neutrality by 2050 and that of boosting territorial resilience, must be pursued in collaboration with, and with the support of, LRAs;
2. underlines how the Green Deal is a key instrument for the EU to achieve the goals of the Paris Agreement, fully implement the UN 2030 Agenda and the Sustainable Development Goals (SDGs), and to make an ambitious EU contribution to the post-2020 Global Biodiversity Framework⁽¹⁾; highlights the importance of adopting renewed 2030 targets to keep the global temperature increase to well below 2 °C above pre-industrial levels and pursue efforts to limit the temperature increase even further to 1,5 degrees Celsius, as stated in the Paris Agreement; stresses that targets to be achieved should take into account each Member State's prerogative to determine its energy mix respecting its specificities and context and in line with the principle of technological neutrality; recalls that climate change affects all European regions and that its wide-ranging consequences on the health, environment as well as economies, which can vary among them, demand urgent action and a transformative effort to turn the challenges posed into opportunities;
3. emphasises that the Green Deal offers unmissable opportunities to foster sustainable, resource-efficient, innovative solutions for local and regional sustainable development. It can help secure a more sustainable, competitive and resilient economy in Europe, and provide an inspiration, leadership and a global model for reaching climate neutrality and green recovery;
4. believes that in order to ensure successful implementation of the Green Deal, efforts must be determined in accordance with a bottom-up approach and be shared fairly across the EU territories in compliance with the principle of subsidiarity and proportionality, while allowing the necessary flexibility to ensure their cost-effectiveness;
5. points out that the COVID-19 crisis has proven the vulnerability of our societies and the need to enhance their resilience against economic, social and environmental shocks; reaffirms the central role of the new EU Recovery Instrument in supporting the EU's recovery while paving the way for a greener and just transition and a more sustainable future;
6. calls for the recognition of multi-level governance to efficiently link the Green Deal objectives with a green recovery for Europe; underlines how the ample spectrum of themes that the Green Deal encompasses provides fertile ground for the integration of new and existing plans across sectors, to design and drive forward measures that can valorise the needs and added value of the local context and complement national efforts, in line with the principle of subsidiarity;

⁽¹⁾ Bio-diverse cities and regions beyond 2020 at the UN CBD COP15 and in the EU Biodiversity Strategy for 2030 (COR-2020-00539) (OJ C 440, 18.12.2020, p. 20).

7. underlines that National Recovery and Resilience Plans represent an unmissable opportunity for leveraging multilevel governance. These actions have to be backed by appropriate regulatory frameworks and resources by fully involving LRAs in the definition and implementation of the plans and granting them direct access to EU funds;

8. recalls the analysis by the European Environment Agency (EEA) showing how sub-optimal implementation of EU environmental legislation is most often the result of ineffective coordination among local, regional and national authorities, exacerbated by lack of administrative capacity and insufficient funding, lack of knowledge and data, insufficient compliance assurance mechanisms and lack of policy integration; therefore calls for a systematic strengthening of vertical integration to address ambition gaps, align timelines for implementation and priorities for investment, limit duplications of measures, contradictory or disconnected processes, as well as to close gaps in existing policy and legislation ⁽²⁾;

9. underlines how, whilst a continuous dialogue between Member States and LRAs is strongly encouraged in the Governance of the Energy Union regulation, experiences such as the National Energy and Climate Plans (NECPs) have shown that a structured engagement and consultation process across levels of government can be challenging to obtain ⁽³⁾; considers that this Multilevel Energy and Climate dialogue should be further promoted and should be extended to all areas of the Green Deal in order to guarantee the level of coherence necessary to leverage resources, commitments and plans adequately; following the example of the Multilevel Climate and Energy Dialogues, reiterated its readiness to set the set-up of a permanent multilevel platform for a Multilevel Green Deal Dialogue; highlights that a bottom-up approach and the provision of mandatory consultations with LRAs should be guaranteed in the development of the National Recovery and Resilience Plans with a view to ensure the mainstreaming of the Green Deal policies in a coordinated and effective manner ⁽⁴⁾. Invites the European Commission to build on the implementation experience gathered also through the CoR Network of Regional Hubs;

10. stresses that the strategic input provided by LRAs is instrumental to secure the embedding of the 'do no harm' principle in making the Green Deal a sustainable and fair job-creating engine in line with local and regional needs; welcomes the draft of the New Leipzig Charter, which highlights the transformative power of LRAs urging the uptake of integrated urban planning processes, coordinated through integrated, place-based, multi-level and participatory approaches such as Integrated Territorial Investments; calls on the European Commission to show greater commitment to the Urban Agenda for the EU and to incorporate it into the Green Deal and digital initiatives ⁽⁵⁾;

11. highlights that LRAs are best placed to engage their communities, attract private investors and implement ambitious and timely action, acting not only as administrators but also as service providers. They can adopt holistic Local Green Deals taking into account different local economic, social, geographic and environmental situations;

12. calls on the European Commission and the Member States to enable LRAs to act as key partners in the EU's path towards climate neutrality, supporting local and regional commitment to develop Local Green Deals such as the ones announced in the Mannheim Message and implementing place-based climate contracts and Climate Pacts ⁽⁶⁾ designed in cooperation with citizens and key stakeholders including business, industry, research and innovation sectors;

13. proposes to work together with the European Commission to launch a European Regional Scoreboard including clear, targeted, user-friendly indicators to measure and monitor the impacts of the Green Deal at the level of regions (NUTS 2) in coordination with the monitoring system envisaged in the eighth Environmental Action Programme. As EU regions have very different starting points and development trajectories, the scoreboard would make it possible to provide evidence of the progress in the implementation of the Green Deal, to identify possible obstacles, and to propose solutions for

⁽²⁾ Towards an eighth Environment Action Programme (COR 2018-01672) (OJ C 168, 16.5.2019, p. 27).

⁽³⁾ An EU-wide assessment of National Energy and Climate Plans.

⁽⁴⁾ Implementing the Clean Energy Package: the NECPs as a tool for local and territorial governance approach to climate, active and passive energy (COR-2019-00618) (OJ C 39, 5.2.2020, p. 33).

⁽⁵⁾ The renewal of the Leipzig Charter on Sustainable European Cities (COR-2019-04829) (OJ C 440, 18.12.2020, p. 119).

⁽⁶⁾ The European Climate Pact (COR-2020-01360) (OJ C 440, 18.12.2020, p. 99).

territories lagging behind and share best practices from the frontrunners. The Joint Research Centre could provide the European Commission and the European Committee of the Regions with the methodological support to develop such a scoreboard aligning with relevant agencies and institutions such as the European Environment Agency;

14. welcomes the proposal of the Commission to establish the European Climate Pact aimed at engaging citizens and their communities in designing concrete climate and environmental actions on the ground; reiterates that LRAs stand ready to work in partnership with the EU institutions, Member States and all relevant stakeholders under the Climate Pact to jointly pursue the aims of climate neutrality and the implementation of the UN SDGs ⁽⁷⁾; considers that capacity building activities should be related to funding instruments in order to ensure that the plans and actions designed by cities and regions can be implemented;

Providing global solutions by implementing the Green Deal locally at local and regional level

15. stresses that the Green Deal will only succeed in creating a stronger, more sustainable and inclusive Europe if it ensures both horizontal and vertical integration across all levels of government and if citizens takes ownership of the energy transition; calls on the Commission and Member States to recognise the role of LRAs as their closest allies in this process, not only as implementation partners, but through the process of defining our regulatory, fiscal and financial frameworks at all levels, in accordance with a (true) multi-level governance system;

16. highlights that LRAs are in the privileged position of working directly with people and foster citizens' behavioural change towards more sustainable patterns of consumptions, allowing them to come up with viable solutions and function as living labs for new ideas and knowledge ⁽⁸⁾ and to foster the adoption of ambitious, but realistic, targets by embedding them into the measures, services and priorities of the community they represent; underlines LRAs' responsibility in implementing climate action and the need to strengthen communication and education on climate as necessary tools for citizens to become empowered and informed actors in these efforts; stresses how the increase of the 2030 target should not become a deterrent but should rather facilitate and enable impactful climate action;

17. in preparation for COP26, calls on the Commission to stress the explicit role and contribution of Regionally and Locally Determined Contributions within the EU's revised Nationally Determined Contributions (NDCs) under the Paris Agreement; and, more in general, to actively promote the continuous recognition and direct participation of subnational governments in the implementation of the Paris Agreement and into the UNFCCC processes;

18. points out that LRAs are key to improving compliance with the SDGs, in particular Goal 11 and 17; recalls that the 2019 Europe Sustainable Development Report ⁽⁹⁾ has identified climate, biodiversity, circular economy and the convergence in living standards across countries and regions as the greatest challenges for the EU in achieving the SDGs; strongly recommends securing a harmonised framework and calls on the EU to take the necessary steps to show leadership both at European and Global level on the implementation of the SDGs;

19. reiterates the importance of a continuous engagement of LRAs at every step of the recovery and resilience planning process: setting priorities, designing the plans, allocating resources and defining investments; calls on the European institutions to continuously rely on the support and insights of the Committee of the Regions and of the CoR Green Deal Going Local Working Group to foster the implementation of the Green Deal and of an effective recovery;

Connecting and seeking synergies to speed up implementation through systematic approaches

20. urges the Commission to pay special attention to the CO₂ pricing system. Climate transformation needs new investment — especially in the private sector — for adaption and mitigation purposes. In order to attract the investment needed, the price of CO₂ should be set at a predictable and appropriate level. Such system should encourage energy and other companies in having a strong role in achieving the climate targets and in creating new carbon neutral solutions; stresses that a more efficient pricing system for CO₂ including carbon border adjustment mechanism is needed to make CO₂

⁽⁷⁾ The European Climate Pact (COR-2020-01360) (OJ C 440, 18.12.2020, p. 99).

⁽⁸⁾ Towards an eighth Environment Action Programme (COR 2018-01672) (OJ C 168, 16.5.2019, p. 27).

⁽⁹⁾ <https://www.sustainabledevelopment.report/>

a transparent part of the economic system and to foster the transition towards carbon neutrality; such system should be designed to encourage energy and other companies to create new carbon neutral solutions. This would create a new level playing field for sustainable action and is a crucial tool for making CO₂ a transparent part on all levels and sectors; calls on the EU to take a strong lead globally in order to develop the necessary system by 2030 and negotiate similar elements with its global trading partners;

21. supports the EP's call to establish an EU-27 net greenhouse gas budget based on the latest scientific calculations used by the IPCC, representing the Union's fair share of the remaining global emissions in line with the Paris Agreement objectives and guiding the establishment of the Union trajectory towards net-zero greenhouse gas emissions by 2050;

22. considers that LRAs are at the forefront of the green recovery; highlights that LRAs are already integrating the SDGs within their local plans and regional strategies⁽¹⁰⁾, which can serve as an essential starting point for a cost-efficient implementation of Local and Regional Green Deals connecting multiple sectoral plans and strategies and developing adequate indicators for monitoring and evaluation of the impact;

23. points out the need to streamline and connect the many existing EU-funded initiatives dedicated to the local level and contributing to the implementation of the SDGs and the Paris Agreement by focusing on one or more sectors (such as the Covenant of Mayors, the Green City Accord, the European Green Capital Network, the European Innovation Partnership on Smart Cities, 100 Climate Neutral cities and the Intelligent Cities Challenge as well as other initiatives not directly funded by the EU such as the Under2 Coalition); calls on the European Commission to help providing a clear overview of the scopes and characteristics of existing EU-funded initiatives connected to the Green Deal and dedicated to LRAs, in order to be better guide their engagement;

24. considers that the implementation of the Green Deal will require flexible and innovative solutions and new business models to transform local and regional infrastructure and ecosystems services for a post-carbon society, including smart digital technology and green and blue infrastructure, to improve the quality of our public spaces, support adaptation to climate change, enhance biodiversity and support public health and quality of life; welcomes the priorities identified, but underlines the need to reinforce the interconnections between them, to strengthen the diversification of production, cost-efficiency and prioritise those with higher job creation potential in order for the Green Deal to drive recovery, including:

- a renovation wave for buildings, private and public, as well as the decarbonisation of heating and cooling,
- clean mobility and transport,
- circular economy and sustainable agri-food systems,
- biodiversity and ecosystem management,
- nature-based solutions and urban greening,
- EU zero-pollution ambition,
- Digitalisation,
- health and environmental policies,
- resilience policy integrating cohesion, rural development, health and environmental policies,
- encouraging prompt and coherent transpositions of the Clean Energy Package and a swift adoption of the European Climate Law to adapt EU climate and energy legislation to the increased 2030 target as a stepping stone to climate neutrality by 2050,

⁽¹⁰⁾ Examples of strategies include: Malmö, Mannheim, Wallonia region.

- transition to a sustainable blue economy,
- a sustainable and fair energy transition fostering citizens' direct ownership and access to safe and affordable energy for all.

25. highlights that the Green Deal provides an opportunity for a more systematic approach to accelerating energy system integration and sector coupling and implementation of smart sectoral integration and specialisation while strengthening energy security, protecting health and the environment and promoting growth, innovation and global industrial leadership; in this sense it stresses that the energy transition will have to be implemented with a comprehensive approach, tackling the energy-related aspects together with the social, industrial, territorial, environmental and cultural ones and taking into account the specificity of each regions and, in particular the most vulnerable ones such as coal and carbon intensive regions, islands and outermost regions;

26. notes that particular attention should be paid to regions with isolated energy systems, with considerable potential for renewable resources and for which innovative technological solutions allowing interconnection are not yet available;

27. reiterates that, whilst innovation has a key role to play in the development of a more sustainable and resilient EU, a wide range of technical solutions for a cost-effective, climate-neutral Europe are already available on the market and should be utilised — for example, studies show that with the current technologies, up to 86 % of CO₂ emissions ⁽¹¹⁾ can be reduced in an interconnected energy system, and calls for further research and development efforts in this area; highlights that the solutions and best practices should be made easily accessible for LRAs through the Climate Pact, in order to foster peer-to-peer learning and EU-wide cooperation;

28. underlines that LRAs face several barriers related to the lack of financial and human resources, as well as to existing policies, regulations and organisational structures. Coherent, stable and predictable regulatory frameworks, simplification of the mechanisms related to the preparation of projects, capacity building and tailor-made technical assistance would help LRAs secure investment for ambitious projects and develop bankable projects;

Speeding up Europe's green recovery by providing appropriate mandates and funding to implement the Green Deal on the ground

29. considers the post-COVID-19 recovery a challenge that must be met with a systematic strategy to invest, support and promote a more sustainable pathway for Europe, and in particular LRAs' bold action to mitigate the negative socioeconomic effects of the crisis; is convinced that the Next Generation EU recovery instrument ⁽¹²⁾, and in particular the earmarking of 37 % of its EUR 750 billion budget to meet the Green Deal objectives, and the higher MFF target for climate related action will put the EU on the right track to meet its climate targets;

30. welcomes the possibility for the Just Transition Fund to support re-skilling of workers by increasing the offer of education and on Vocational Education and Training (VET), helping to create new economic opportunities, while fostering social fairness and resilience, particularly in vulnerable regions including those with an insufficiently diversified production structure; stresses the importance of promoting labour skills relevant to the Green Deal as part of the European Skills Agenda for sustainable competitiveness, social fairness and resilience, using the EU Pact for Skills and the European Skills Partnerships and strengthening public education and awareness-raising to foster behavioural change towards more sustainable habits that lessen environmental impacts;

31. calls for the funding to be interlocked with the 2021-2027 cohesion policy to strengthen the Operational Programmes and greening these economies; highlights the importance of the ERDF and the new Recovery instrument to promote the implementation of the Green Deal;

⁽¹¹⁾ HRE 2050 scenario compared to 1990, Quantifying the Impact of Low-Carbon Heating and Cooling Roadmaps (EN).

⁽¹²⁾ https://ec.europa.eu/commission/presscorner/detail/en/ip_20_940

32. calls upon the EU institutions to apply the principles of partnership and multilevel governance, a strong local and regional dimension and the provision of mandatory participation of LRAs in the development of the recovery and resilience plans ⁽¹³⁾, at the same time as promoting an inclusive, accessible and transparent process at all levels;

33. calls on the institutions and the Member States to establish better fiscal frameworks and to gradually end subsidies to fossil fuels urgently in order to create a level playing field for renewable energies, encourage behavioural change and generate the resources to support a just transition; stresses the importance of guaranteeing a sustainable transition, able to foster social and economic cohesion;

34. considers that while LRAs have limited capacity to generate income for their budget through local taxes and fees, they are responsible for 65 % of climate and environment-related public investment, at the same time they will continue to suffer the impacts of the COVID-19 crisis on their finances and operation in the coming years. Therefore, calls for direct access to funding from the European level, and for coordinated programmes across all levels of governance and, in particular, of the investment plans in support of the Green Deal and of the Resilience and Recovery Plans;

35. reiterates its call to reduce red tape and simplify the mechanisms related to the preparation of projects and to the participation in capacity building initiatives in LRAs and welcomes the Commission's commitment to improve regulation guidelines to address sustainability and innovation issues;

36. recognises the use of green budgeting ⁽¹⁴⁾ as an effective tool of budgetary policy-making to help assess and drive improvements in the alignment of national and subnational ⁽¹⁵⁾ expenditure, revenue processes and resource allocation with environmental and sustainable development objectives;

37. highlights the importance of engaging LRAs in the definition of the EU taxonomy to better identify climate and sustainability-proof investments; criteria and management of this taxonomy should improve the sustainability of the investments without increasing administrative burden and discouraging investments. LRAs still face substantial barriers in acquiring the necessary expertise for the development of bankable projects and accessing medium-to-large scale investment ⁽¹⁶⁾;

38. welcomes the gradual increase in financing dedicated to climate action and environmental sustainability by the European Investment Bank (EIB) as the EU's climate bank; reiterates its call for the further implementation of tailor-made technical assistance to help LRAs; calls on the EIB and the European Commission to strengthen LRAs' access to programmes and the support for the development of bankable projects — including smaller-scale projects, aggregating small-scale projects with a view to creating the needed economies of scale;

39. underlines the need to enhance the capacity of LRAs to attract and mobilise private financing through instruments such as green bonds, equity funds and mechanisms to pool financing to boost the green recovery; welcomes the EU City Facility's mission to build a substantial pipeline of sustainable energy investment projects and build the capacity of LRAs to access facilities such as European Structural and Investment Funds, and the H2020 Project Development Assistance; encourages the scale-up and replication of 'one-stop shop' initiatives that can provide technical assessments, support with tendering procedures and information about financing options for LRAs; encourages public private partnerships and further blending between ESI funds and other programmes such as Horizon Europe;

⁽¹³⁾ Recovery plan for Europe in response to the COVID-19 pandemic: Recovery and Resilience Facility and Technical Support Instrument (COR-2020-03381) (OJ C 440, 18.12.2020, p. 160).

⁽¹⁴⁾ <http://www.oecd.org/environment/green-budgeting/OECD-Green-Budgeting-Framework-Highlights.pdf>

⁽¹⁵⁾ EcoBudget.

⁽¹⁶⁾ Implementing the Paris Agreement through innovative and sustainable energy transition at regional and local level (COR-2019-00617) (OJ C 39, 5.2.2020, p. 72).

40. highlights the need to direct financial support towards research and innovation responding to identified local needs and welcomes the recent Green Deal call under Horizon 2020 targeting support to cities and regions; underlines the need for innovation and technology that provides necessary and relevant information for better planning, decision-making, and management; highlights the importance of green public procurement practices in mainstreaming sustainable innovation, technologies and services;

Assessing impact and monitoring results to strengthen future action across levels

41. highlights the need to establish a set of indicators to assess and monitor the progress of the Green Deal in terms of legislation, policies and financing at regional, metropolitan and local level; proposes to develop a European Regional Scoreboard including clear, targeted, user-friendly indicators to measure and monitor the impacts of the Green Deal as an instrument for recovery and resilience, clearly define socioeconomic and environmental indicators to measure impacts of the many emerging Local Green Deals, provide an overview of complementary policies and measures, track access to funding streams and financial flows at regional and subnational level, and to help reassess, making informed decisions, and evaluating the impacts of the measures undertaken to deliver on the objectives of green recovery, climate neutrality and socioeconomic development;

42. underlines how efficient and meaningful monitoring of progress through a European Regional Scoreboard is contingent on appropriate mandates and continuous and coherent contribution by LRAs to developing, rolling out and implementing these plans, enabling a truly cost-efficient approach of complementary actions across levels; points out that LRAs still face substantial challenges regarding data collection, including inconsistent regulatory frameworks, lack of mandates, capacity and resources, and therefore considers it essential to align, connect, and streamline the monitoring frameworks and indicators of existing relevant initiatives to avoid doubling efforts, and to benefit from existing methodologies and approaches;

43. calls for a consistent baseline for the monitoring of impacts of actions and measures, based on reliable scientific data, and geared towards tracking progress on the implementation of the SDGs and the Paris Agreement; highlights how International Standards such as TC 268 in Sustainable Cities and Communities, and data gathered through Space Technologies can help monitor performance and inspire such regional scoreboard;

44. points out that the European Regional Scoreboard will serve as a knowledge tool and help represent the diversity of needs and context for LRAs across Europe, supporting the identification and replication of best practices according to common, transparent criteria, including finance-ready pilot actions at the local and subnational level;

45. stresses that the European Regional Scoreboard should also support the monitoring of the recovery plans in vulnerable areas such as mountain, island and outermost regions and in regions that are less developed or that have less diversified production; reiterates the call to establish 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. The aim is to align the roll-out of sustainable policies with skills growth for future-proof good quality jobs in the most vulnerable and regions that are less developed or that have less diversified production and to facilitate effective exchange of best practices, also building on the existing composite indicators and on any others that may be identified ⁽¹⁷⁾.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

⁽¹⁷⁾ A Clean Planet for all — A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy (COR-2018-05736) (OJ C 404, 29.11.2019, p. 58).

Opinion of the European Committee of the Regions — Strengthening local governance and representative democracy via new digital technology instruments

(2021/C 37/08)

Rapporteur: Rait PIHEL GAS (EE/Renew Europe), Chairman of the Järva Municipality Council

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. acknowledges that governments and public authorities at all levels are faced with increasingly complex and unprecedented challenges ranging from globalisation, economic development and the impact of technology, through climate and demographic change, to security, disinformation, health issues and radicalisation;
 2. welcomes the policy priority of the European Commission to make 'Europe fit for the digital age' and the call of President von der Leyen for a transition to a new digital world built on European strengths and values; supports the 'New push for European democracy' policy priority and the commitment of the Commission's President to work for more democratic participation and increased transparency in EU decision-making;
 3. welcomes the European Commission's commitment to supporting the green and digital transitions, as this is reflected in its new proposal for a Multiannual Financial Framework 2021-2027, and the allocation of EUR 8,2 billion to the Digital Europe programme ⁽¹⁾;
 4. supports the proposal of the European Parliament in its position on the Conference on the Future of Europe, adopted on 15 January 2020, to include 'digital transformation' as one of the policy priorities for the Conference; agrees with its position that citizens' participation in the Conference process and consultations should be organised using the 'most efficient, innovative and appropriate platforms, including online tools, in order to guarantee to any citizen a say during the work of the Conference'; underlines that the Conference should serve as a testing ground to develop some form of structured and permanent dialogue with citizens on EU matters, which will have to rely to a substantial extent on digital means and innovative processes, not least given the restrictions imposed by the COVID-19 pandemic;
 5. reiterates the relevant and contextual positions from the earlier opinions of the CoR:
- Opinion *Local and regional perspective on promoting public sector innovation via digital solutions*, adopted by the CoR Plenary on 30 November 2017 ⁽²⁾. The CoR looks at the digitalisation of administration as a means to provide better services to citizens and affirms the key role that LRAs must play in modernising the public sector. It urges the public sector to commit to innovation focused on users' needs and giving indiscriminate access to digital services for everyone and every business and underlines the need for cooperation and exchange of good innovative practices between administrations and across borders.
 - Opinion *eGovernment Action Plan 2016-2020*, adopted by the CoR Plenary on 11 October 2016 ⁽³⁾. The CoR endorses the principle that 'digital' should be the default method used by public administrations for delivering services, and stresses that long-term efforts must be made to increase digital inclusion so that more people can access the infrastructure and acquire skills they need to enjoy the opportunities offered by digitalisation. The CoR recognises that transparent administrations providing data and services openly and securely are important for increasing transparency

⁽¹⁾ The EU budget powering the recovery plan for Europe (COM(2020) 442 final).

⁽²⁾ COR-2017-03529-00-00-AC-TRA (OJ C 164, 8.5.2018, p. 34).

⁽³⁾ COR-2016-02882-00-01-AC-TRA (OJ C 88, 21.3.2017, p. 54).

and efficiency, but at the same time points out the need of high level of protection for certain types of information and personal data. Further, the CoR supports the principle that public administrations' e-government services should be cross-border by default, and stresses that LRAs in border regions can play a crucial role in identifying and developing cross-border services that are relevant, efficient and seamless.

— Opinion *A New Skills Agenda for Europe*, adopted by the CoR Plenary on 7 December 2016 ⁽⁴⁾. The CoR calls for investment in digital skills and training and sees digitalisation as an opportunity to address many educational challenges;

6. stresses that it is not technology that must motivate the digital transformation, but rather that changes must be based on citizens' needs and expectations, to which the most transparent, most inclusive, most user-friendly, most secure and most cost-effective responses have to be developed. This means that the new challenges require changes also at local and regional level, the implementation of which depends not least primarily on the managers' ability to identify those needs and the readiness to implement the most appropriate changes. It is not enough, in a modern democracy, that representative democracy is exercised on a regular basis: the members of the community, interest groups and organisations must be involved constantly. Inclusion and participation lead to better decisions and strengthen democracy, people's sense of community and willingness to do their bit for the development of the region;

7. notes that while traditional relationships between citizens and politicians are changing significantly, a new digital political arena is emerging where new digital technology instruments can help in finding new solutions and response to challenges, foster innovation and economic growth, improve public service delivery, increase citizen participation in new and different ways, improve local governance, and complement and reinforce democracy;

8. considers that democratic processes should evolve and adapt to the changes and grasp the opportunities associated with new digital technology and ICT tools which have the potential to improve the quality of decision-making, promote participation, communication and dialogue, foster active citizenship and engagement in political life, improve transparency and accountability, and enhance the legitimacy of our democratic system;

9. considers going digital in local and regional authorities an excellent opportunity to provide people with high-quality public services in an efficient way. The use of electronic forms alone will save time for citizens and public authorities, allowing staff to devote more time and attention to other administrative tasks. The various digital apps available also enable members of the community to participate in the decision-making process and to monitor government in their local authority in real time;

10. considers that local and regional tiers of government are the natural areas for applying 'digital transformation'; reiterates that the use of new digital technology instruments gives the opportunities to create a new environment for consultation and participation, provide high quality information, analyse public response, extend efforts to remote areas, reach out to the most disadvantaged citizens, incorporate the skills, knowledge and expertise of citizens, and 'co-create' policies according to their needs and expectations;

11. encourages local and regional authorities to put the digital transformation into effect and exploit the full potential of digital technologies to further facilitate citizens' participation in policy- and decision-making. To this end, new digital technologies should be brought to bear that improve the transparency, inclusiveness and responsiveness of the decision-making process, and the trust and dialogue necessary for good governance should be built. It is essential that this be accompanied by teaching of digital skills;

12. reiterates the importance of incorporating citizens' contributions in the decision-making process and ensuring follow-up; stresses that the lack of responsiveness from decision-makers leads to disappointment and distrust and points out that for a functioning local democracy citizens' trust in public authorities is fundamental;

⁽⁴⁾ COR-2016-04094-00-01-AC-TRA (OJ C 185, 9.6.2017, p. 29).

13. emphasises that citizens' participation should be founded on effective and non-discriminatory access to information and knowledge; points out the need to narrow the digital divide by empowering people through education and training, including education and training on digital skills and media literacy, prioritising digital training programmes for all demographic groups with a special focus on elderly people and other vulnerable or marginalised groups, and expanding training and education to rural and remote areas;

14. stresses the need to engage young people in public life; notes that the new generation of digital natives has the skills in terms of technology and media literacy; considers that the use of new digital technology approaches to policy and decision-making processes can be an effective tool for enhancing their engagement and participation;

15. notes that 'going digital' is resource-consuming; calls on all levels of government to devote adequate financial, human and training resources to these goals, and ensure affordable and high-speed digital infrastructure, particularly in peripheral regions and rural and economically less developed areas, and to guarantee that it is accessible to all, including to people with disabilities and old people. Reiterates to this effect that 'the term "digital cohesion" is an important additional dimension of the traditional concept of economic, social and territorial cohesion defined in the EU Treaty ⁽⁵⁾;

16. stresses that the use of digital technology relies on data usage, enabled by data collection and data generation; calls to this effect for respecting the right to privacy and data protection, requesting and using the minimum personal data that should be relevant and necessary for the specific purposes to be achieved, promoting a safe and secure internet environment and digital services, and providing adequate information to citizens with regard to the use of their data and related security measures and effective means of redress in case of violations of these rights, including a strong European legal framework, to avoid citizens' mistrust and dissatisfaction. Underlines to this effect the need to harness artificial intelligence so that it remains human-centred and is used in a way that fosters smart citizenship and open government, thus strengthening democracy;

17. warns that social media platforms facilitate the spreading of disinformation, misinformation and hate speech, which can undermine democracy and trust in public institutions; calls for more commitment to teaching digital skills and encourages local policy-makers to use existing digital tools, online platforms and media to communicate and engage positively with citizens and other stakeholders;

18. considers it important that local and regional authorities use appropriate digital channels of their own to communicate with the public in a more interactive and faster way, with a view to ensuring that the information provided is reliable and relevant to local and regional needs;

19. believes that, beyond the profound effects of digitalisation on people's social life and the world of work, education or culture, to name a few, the COVID-19 crisis has highlighted the importance of factual and up-to-date information and the importance of the communication channels that disseminate it. It has also become clear that local and regional authorities and the public must be able to interact with one another and that appropriate digital tools must be in place to tackle disinformation and misinformation. These tools must always respect people's ability to fully exercise their freedom of expression;

20. urges that attention focus on equal and unhampered access to digital services;

21. notes that the young 'digitally native' generation is one of the most targeted groups of disinformation and hate speech; considers that their particularly intensive use of social media, a lack of critical media competence, especially among those with lower levels of education, together with the creation of homogeneous opinion bubbles (echo-chambers) generated by social media can make younger users even more vulnerable to political manipulation; highlights the need to use digital technology instruments that are not only user-friendly but also understandable and attractive, both in terms of content and design, and adapted to the social and digital skills of young people to increase their critical awareness of the risks and opportunities of new media and digital technology;

⁽⁵⁾ CoR Opinion on Digital Europe for all: delivering smart and inclusive solutions on the ground (COR-2019-03332) (OJ C 39, 5.2.2020, p. 83).

22. believes that the COVID-19 crisis has illustrated the potential value of teleworking, and encourages local and regional authorities to look at ways of broadening teleworking arrangements for their own staff;
23. reiterates its call for strong cooperation and sharing of best practices between all levels of government to achieve better use and further upscaling of digital transformation of cities and communities; acknowledges that many national, regional and local cases can be taken as good examples of how digital technology tools can be used for the benefit of participatory democracy;
24. notes that the introduction of new technologies is also hampered by lack of the necessary knowledge and skills at the level of the public authorities, which could benefit from using digital means. It is therefore useful first to take stock of the digital skills available in local and regional authorities, then identify the technology shortcomings within and between local and regional authorities, and then define the need while making sure to distinguish between process and technical solution. Compatibility (interoperability) also needs to be ensured between the different datasets and databases;
25. highlights the importance of online tools for facilitating the partnerships among local and regional authorities in the EU, and between them and partner countries; considers that a renewed online European portal of decentralised cooperation would provide a substantial added value by supporting matchmaking and the exchange of good practices; affirms its readiness to work with the European Commission on the development of such a digital tool;
26. expects that the introduction of various digital practices by local and regional authorities, which could entail a need for significant, one-off investment, will be part of the overall considerations of the new EU budget within the framework of the digital transformation;
27. echoes the Association Civic Tech Europe (ACTE) position paper from March 2020 that 'the diversity of civic techs' business models is the key to provide quick solutions that are citizen-centric at the right scale' and shares the concern that local and regional authorities across the European Union do not always have easy access to these tools as they are often developed Software as a Service (SaaS) platforms⁽⁶⁾, which are subscription-based;
28. proposes that the European Committee of the Regions come up with measures to motivate and reward local and regional authorities so that they stiffen their commitment to the principles of open and inclusive administration. This could create a new quality criterion in the future so that the degree of democracy in local communities can be measured and best practice pooled;
29. calls for funding to be made available across Europe to improve people's digital and media literacy through educational and training programmes for the different levels of school, as well as for local and regional authority staff and office-holders, in order to improve their skills and knowledge of the options available for using and applying modern digital solutions;
30. recommends that local and regional authorities prioritise the introduction of digital tools in all funds and programmes;
31. calls for funding for digital educational tools and equipment in order to ensure European-wide equal access to quality digital learning and teaching;
32. recommends, if necessary, revising the eligibility criteria so that local and regional authorities can bring in new digital solutions and platforms in a simpler and more economical way, including access to EU funding for SaaS platforms.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

⁽⁶⁾ Position paper, Association Civic Tech Europe (ACTE), March 2020.

Opinion of the European Committee of the Regions on challenges for public transport in cities and metropolitan regions

(2021/C 37/09)

Rapporteur: Adam STRUZIŁ (PL/EPP), President of Mazovia Region

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. points out that it is necessary to reduce the external costs of transport in order to favour decarbonisation of mobility. Transport is responsible for around a quarter of greenhouse gas emissions in the EU. At the same time, some forms of it have a negative impact on people's quality of life and health through air pollution, traffic congestion, noise, accidents and sub-optimal use of space;
2. stresses that in order to ensure good quality of life in cities and to make them more accessible, clean and competitive, a modal shift towards sustainable modes of transport is necessary;
3. notes that the problem of scattering of urban functions in the form of suburbanisation and urban sprawl is a fundamental risk for the sustainable development of cities and regions. This causes not only degradation of space and reduction of farm, green and open spaces, but also an increase in external costs of residential land use and related travel, which are mainly borne by local government authorities;

Challenges relating to mobility in cities — to be considered in the Sustainable and Smart Mobility Strategy ⁽¹⁾

4. points out that increasing car traffic in cities and metropolitan areas leads to rising external costs relating to air pollution and lost time, which consequently also negatively effects work-life balance. Therefore, public transport should become one of the main components of urban mobility. At the same time, various forms of active mobility, such as cycling and walking should be reinforced to increase the sustainability of urban mobility;
5. draws the attention to the challenges of metropolitan regions in a broader sense and points out that the nature of metropolitan regions requires heavy commuting of citizens into urban cores. This makes the access to environmentally friendly and cost-effective public transport one of the biggest challenges of metropolitan regions ⁽²⁾;
6. points out the need to treat the transport system as an integrated system. The increasing importance of mobility as a service (MaaS) and the need to introduce innovative solutions in managing and organising transport should encourage local and regional authorities to link public and individual transport (particularly walking, cycling and using personal transport devices) in spatial planning and plans concerning transport;
7. notes that the decarbonisation objectives set by the European Green Deal and the EU's goal to reach climate neutrality by 2050 are ambitious but indispensable. For cities and metropolitan areas to be able to meet them, political decisions based on conceptual, organisational and educational work are necessary, as well as ensuring appropriate funding to achieve them;
8. recommends collecting data demonstrating mobility flows in the MRs in order to obtain comprehensive picture about the traffic situation to design more tailored measures, develop evidence-based sustainable urban mobility plans (SUMPs) and to channel investment from cohesion policy funds and beyond in a more targeted way;

⁽¹⁾ A public consultation on the *Sustainable and Smart Mobility Strategy* is ongoing, in line with the Action Plan (feedback period to 23.9.2020) (Ref. Ares(2020)3438177 — 1.7.2020): <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy>

⁽²⁾ Opinion CDR 1896/2019 (OJ C 79, 10.3.2020, p. 8).

9. stresses that one of the sources of problems for urban mobility is limitations resulting from underfunding of infrastructure dedicated to urban public transport and non-motorised mobility. Local and regional authorities and their public transport companies need additional sources of funding aimed strictly at increasing the share of alternative and sustainable solutions to individual motor transport in the modal split;

10. underlines that public transport policy must be embedded into a broader social policy. It should be avoided that external costs of public transport such as noise, pollution, expropriation, infrastructure works, etc. are not unevenly oriented towards the socially most vulnerable people. Furthermore, fair access to all with regard to price-setting or connectivity must be ensured, in that way allowing for a better quality of life to all;

Ensuring that a real choice is possible with preference for sustainable means of transport on the road to the European Green Deal

11. points out that, where currently prevailing standards favour private cars in planning and funding, conditions need to be changed in a way that promotes more sustainable and efficient modes of transport. Current habits, however, stem from the availability and attractiveness of the various modes of transport, while most people are flexible in their choices in this area. By making the public transport more attractive in the terms of price, availability, frequency and continuity of transport connections, the real alternative to individual car mobility will arise;

12. highlights the importance of creating a public private partnership in cities and regions to engage private investment and develop innovative solutions in public transport. In this regard calls for a business friendly regulatory framework, which incentivises the growth of new business models and creates a competitive market;

13. stresses the importance of providing efficient and sustainable public transport beyond administrative borders of cities, especially for commuters, elderly and youngsters. Good cooperation and governance between public authorities at metropolitan level is key in this respect;

14. points out that changing social habits towards a greater share of less environmentally harmful means of transport requires awareness from users and above all that a real choice exists in this area;

15. notes that a deliberate preference for environmentally friendly transport is a further step. It is necessary to create pedestrian and cycling friendly space and a spatial preference for soft mobility and public transport in terms of the accessibility and attractiveness of routes and organisation of traffic. Such a change thus calls for coordination of spatial, urban and transport policies and multilevel cooperation beyond administrative borders to open up space for alternative forms of transport to cars;

16. calls on the European Commission to formulate, in close cooperation with Member States, the targets on investments for developing public transport more precisely; notes that there is a negative tendency to link investment in public transport with extending and increasing the capacity of the road system. Instead the clear priority should be given to public and collective transport in all its forms. Whenever rail transport is not feasible, BRT (Bus Rapid Transit) systems and HOV (High Occupancy Vehicle) lanes should be prioritised. Appropriate monitoring and regulatory arrangements should limit practices that are counter to the aims of sustainable transport policy;

17. points out that means of transport that are truly environmentally friendly are those, which not only reduce emissions, but save space, time and energy. In addition to walking and cycling, they also include forms of rail transport or Bus Rapid Transit (BRT) and HOV (High Occupancy Vehicle) lanes. This is why suburban rail, metros, trams, low emission buses, in particular BRT, should form the basis of public transport for metropolitan areas and larger cities;

Mobility and public transport as key competences of local and regional authorities

18. notes that a significant amount of journeys are due to the lack of possibility to meet all needs in the places where people live. Therefore the policy should aim at the accessibility of all types of goods and services, particularly in the areas of health, education, sport, culture and social support and not just mobility in itself; at the same time, points out the long-term nature of spatial changes, supporting well-functioning urban-rural links avoiding depopulation of rural areas, while also highlighting the need to take ad hoc corrective actions in the area of the transport system;

19. is of the opinion that the primary objective of spatial and transport policy should be maximising the possibility to meet needs while minimising the need for travel. In the next step, the goal should be to rationalise travel, particularly through the appropriate modal split, to minimise the external costs of transport incurred by regional authorities; underlines also that an increased telework, as experienced during the COVID-19 pandemic, could offer opportunities to rural areas in giving workers increased flexibility for choosing their place of residence;

20. notes the new trend towards less daily long-distance mobility needs due to the increase of teleworking with COVID-19 and that this trend could be long-lasting in combination with the implementation of concepts such as the '15 minutes city';

21. reminds that public transport networks should take new residential developments or emerging patterns of settlement into account as soon as possible and provide accessibility from the early stages, because once people acquire a car, they tend to use it; residents of new housing projects should have access to public transport from the first person moving into new homes;

22. stresses the need to limit suburbanisation, which is thriving in peri-urban areas, spreading out dozens of kilometres from city centres — and the bigger the given area, the bigger a problem it is. Therefore, it seems important to return to a settlement structure based on densification and a network of centres in which central functions are located in centres of appropriate scale which are indicated in planning and connected by efficient public transport. It is also important to plan new housing development in conjunction with public transport nodes;

23. calls on the European Commission to ensure funding not only for new investment in urban transport operation, but also for converting obsolete and inefficient solutions. These investments should be aimed mainly at modernisation of the rail systems, railway security and digitalisation, creating thus quicker, safer and more convenient transport systems. At the same time, the proposed investments could include elements such as collision-free car routes in cities, proper urban streets allowing more efficient use of space, limiting the need to travel, increasing the share of efficient means of transport in the modal split and reducing the external costs of transport. Such actions favour both the choice of public transport and alternatives to individual car transport and decrease the illusion that car travel from suburbs is cheap and easy when the external costs are actually borne by residents of cities;

An appropriate modal split and internalisation of external costs with guaranteed funding from EU funds in regions

24. notes that it is necessary to consider possibilities to boost investment in sustainable mobility, for example through the Connecting Europe Facility, Modernisation Fund and the Recovery and Resilience facility. It is also important to increase mobility through investment in infrastructure that improves accessibility of urban nodes and nodes in the Trans-European Transport Network (TEN-T) and to give priority to these nodes;

25. underlines the importance of the crucial challenge of increasing the share of more environmentally friendly transport, i.e. which consumes less energy and land. Therefore, sustainable and innovative ways of mobility might be an integral part of the submitted reforms within the national Recovery and Resilience Plans. This implies the need to make appropriate use of different means of transport to maximise the benefits and minimise social costs in line with the 'polluter pays' principle;

26. calls for the process of internalising external transport costs to be completed so that users' choices could also take the welfare of society into consideration. This particularly concerns taking account of the actual cost of road transport, which is currently significantly underestimated. Making this area more balanced will be an important factor in increasing the use of lowest external costs means of transport like rail transport and BRT, which should be the basis for public transport in metropolitan areas;

27. stresses the importance of ensuring cost competitiveness of public transport from the point of view of the traveller. Given that car traffic is the greatest source of external costs, the attractiveness of public transport should be ensured through a sufficiently high level of public subsidies financed in part by funds acquired through internalisation of costs of individual motorised transport;

28. stresses that rail as the backbone of regional mobility greatly contributes to territorial cohesion. It calls for stepping up investment in urban rail hubs, their better integration in the TEN-T network, improving cross-border connections and for developing the 'last mile' infrastructure to better integrate rail in the urban and suburban mobility chains ⁽³⁾.

29. It highlights the need to also support other sustainable public transport modes such as low emission buses, as a means to decongest cities, reduce emissions and achieve the climate objectives of the European Green Deal. For this, it is essential to provide economic incentives for the renewal of the fleet, the adoption of clean technologies, and investments in infrastructure (for example, bus-HOV lanes in metropolitan areas, transport interchanges that help to facilitate transfers, stops for boarding and disembarkation and deterrent parking, etc.)

30. calls for ensuring a greater share of funding for urban public transport from the Connecting Europe Facility, the Cohesion Fund and the European Regional Development Fund, making use of them faster, and greater impact of funding at the regional and local levels. These measures will play a decisive role in implementing the operational and technological solutions at the urban level and in ensuring sustainable and environmentally friendly solutions;

31. calls for support for urban mobility and its better connection with peri-urban and rural parts of the Metropolitan Regions, creating well-functioning integrated public transport systems primarily through regional authorities and their operational programmes for the coming 2021-2027 perspective. It is essential to make use of the wealth of experience, knowledge and potential of regional authorities, which ensures coordinated, effective and efficient action;

32. in this regards supports sustainable environmentally friendly public transport to be eligible under the specific objective for 'a greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management' ('PO 2') under the European Regional Development Fund and Cohesion Fund (ERDF-CF) Regulation — Commission proposal COM(2018) 372 final (as amended by COM(2020) 452 final), which will contribute to bettering air quality and noise reduction and significantly help the metropolitan regions to achieve the Green Deal objectives and transition towards climate neutrality;

Quality of service of public transport and anticipating crisis situations and ensuring safety in the event of threats, including pandemics

33. points out that in order to make public transport competitive compared to individual motorised transport, it is necessary to ensure high quality standards of public transport. Factors thereof include: spatial availability, operating times and frequency of service, punctuality and reliability, competitiveness with regard to travelling time, direct connections or efficient transfers, and comfort and safety of the means of transport;

⁽³⁾ Opinion CDR 2633/2020 (OJ C 440, 18.12.2020, p. 183).

34. points out that due to the critical situation caused by COVID-19 pandemic, MRs might experience a reverse of the shift towards using public transport. Citizens are again keener to use cars and, in many cases, commuting as solo travellers. At the same time, the MRs must invest significant financial resources when applying preventive hygienic measures in the vehicles of public transport. However, the higher costs have not resulted in more passengers using the public transport and the MRs lost a great share of the price of the tickets. At the same time the MRs are confronted with a substantial reduction of their regional budgets due to a lack of finance in the public sector caused by the COVID-19 pandemic. Therefore, the MRs budgets needs to be compensated and we shall take lessons and develop resilient public transport systems, which will be able to be a fair choice in the time of a next possible crisis;

35. calls for the use of the Just Transition Fund to support cities and metropolitan areas in their shift towards decarbonised public transport;

36. suggests joint EU-wide public procurement tenders also for clean minibuses, used for transport of particularly the elderly, disabled and school children, who need more tailored solutions. These minibuses are more expensive per passenger kilometre than bigger vehicles and have longer depreciation times but are just as important for a fully clean public transport network;

37. points out that, for public transport to be efficient it must be integrated in terms of space, organisation and tariffs. This is important particularly in metropolitan areas, regions with the capital cities and larger urban agglomerations where commuting involves connecting urban, suburban and local transport with national transport, but also in rural areas, where particularly the frequency of public transport can be challenging. Integration means a common pricing system and better interoperability between different public transport companies active in the same metropolitan area, including train companies. Integration also concerns soft mobility, ease of access to public transport stops for non-drivers and in the case of railway stations in sparsely built peri-urban areas, for individual motor vehicles;

38. underlines that we also have to improve railway station facilities and create smart mobility hubs, consisting of logistic hubs but also meeting spots that create a pleasant environment for both change of transport mode but also human interactions;

39. points out to the European Commission the need to speed up work, in cooperation with public transport operators, on EU cooperation on the provision of public transport information. It should be simpler to plan and make journeys by public transport also using the websites of individual regional transport operators;

40. suggests to the European Commission to establish and adopt, in cooperation with public transport operators, a Europe-wide framework allowing for efficient use of public transport in different cities in Europe. A variety of options that are sustainable in the long term should be considered;

41. suggests to the European Commission the possibility to develop, in cooperation with public transport operators, a Europe-wide framework for linking train tickets with urban transport tickets in departure and destination cities (e.g. for a set fee). Users would profit greatly from a single platform or mobile application and payment system. Such solutions are already in practice in various Member States and providing this possibility throughout the whole EU would make it easier to plan journeys;

42. calls for a systemic solution to the issue of unjustifiably high charges for carriers charged by rail network operators in connection with crossing national borders within the EU, which are passed on to passengers. These charges should not exceed the actual technical costs of the change of network, if there are any and should be abolished if there are not. This is one of the fundamental conditions for making long-distance rail travel competitive again, which in turn would promote an increase in use of public transport in destination cities;

43. stresses the need to develop Europe-wide standards for prevention and detection of specific threats, including pandemics, and practices to guarantee the safe movement of people should they occur. It is necessary to use the experience and examples of proven measures taken in many of the EU's regions and cities to combat the effects of COVID-19, in the ongoing work on the *Comprehensive Strategy for Sustainable and Smart Mobility*, which will replace the *White Paper — Roadmap to a Single European Transport Area — Towards a competitive and resource efficient transport system* ⁽⁴⁾.

Brussels, 10 December 2020.

The President
of the European Committee of the Regions
Apostolos TZITZIKOSTAS

⁽⁴⁾ A public consultation on the *Sustainable and Smart Mobility Strategy* is ongoing, in line with the Action Plan (feedback period to 23.9.2020) (Ref. Ares(2020)3438177 — 1.7.2020): <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12438-Sustainable-and-Smart-Mobility-Strategy>

Opinion of the European Committee of the Regions on the European Commission report on the implementation of the renewed strategic partnership with the EU's outermost regions

(2021/C 37/10)

Rapporteur:	Ángel Víctor TORRES PÉREZ (ES/PES), President of the Government of the Canary Islands
Reference document:	Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank on the implementation of the Commission Communication on a stronger and renewed strategic partnership with the EU's outermost regions COM(2020) 104 final

POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. points out that the outermost regions (ORs), which consist of eight islands and archipelagos in the Caribbean, the Indian Ocean, the Atlantic Ocean and an isolated territory in the Amazon region, include six French overseas territories (Guiana, Guadeloupe, Martinique, Mayotte, Réunion and Saint Martin), two autonomous Portuguese regions (Azores and Madeira) and a Spanish autonomous community (Canary Islands); they have in common a series of permanent constraints caused by their remoteness, isolation and small size, which act as a break on their development;
2. welcomes the commitment demonstrated by the European Union (EU) to the outermost regions (ORs), as reflected in the Commission's Communication of 24 October 2017 on a stronger and renewed strategic partnership with the EU's outermost regions (hereinafter referred to as 'the Communication'), endorsed in the conclusions of the General Affairs Council of April 2018, which calls on the Commission to continue working on specific measures for these regions, in accordance with Article 349 TFEU;
3. welcomes the interim report (hereinafter referred to as 'the Report'), published in March 2020, which reviews the progress made on implementing the Communication;
4. regrets, however, that the Report does not constitute an in-depth assessment of the strategy for these regions, or an opportunity to remedy the omission of a number of measures in policies that are essential to their development, such as cohesion policy and, in particular, the EU's social pillar;
5. recognises the need to adapt this strategy in the light of the serious consequences of the COVID-19 pandemic, which have had a greater impact on these regions as they are heavily dependent on tourism and on their connectivity with other parts of the world, meaning that economic recovery is expected to take longer;
6. underlines the need to support the ORs' industrial sector in the current circumstances, and the key role of an appropriate European State aid framework and of fiscal instruments in kick-starting business competitiveness and promoting job creation in these regions;
7. notes that social issues have always been at the heart of the challenges facing the ORs, exacerbated by the devastating effects of the current crisis on their labour markets, which heightens the need to place growth and employment at the heart of any strategy for these regions. The ORs need a new approach that includes a stronger social dimension and the identification of specific measures to address the current situation;
8. appreciates the European Commission's commitment to working in partnership with the ORs and stresses the importance of this in view of the difficulties these regions are facing in dealing with the consequences of the COVID-19 pandemic;

9. underlines their vulnerability, which has been made much worse by the pandemic, and stresses the need for a suitable approach to ORs under the EU recovery plan, in line with regional circumstances and needs;
10. emphasises the need to protect the interests of the ORs when EU foreign policy is drafted and calls for the negative impact of Brexit on the ORs to be taken into account in the EU's future agreement with the UK, given the impact on these particularly vulnerable regions;
11. points out that, under REACT-EU, any projects that are financed in the ORs should address the challenges facing the sectors most affected by the COVID-19 crisis, such as the tourism sector, as well as boosting investments in sectors linked to connectivity, including digital connectivity, and to the green and blue economies, and investment in skills and abilities that will lead to job creation and adaptation to the changes caused by the pandemic;
12. welcomes the Commission's express commitment to pay particular attention to the ORs under the European Green Deal, taking into account their vulnerability to climate change and natural disasters, as well as their unique assets, such as biodiversity and renewable energy sources, and hopes that specific measures to this effect will be adopted;
13. recommends maintaining the balance that is needed between environmental objectives and the high social costs that may incur in the ORs and that, in the framework of the international negotiations, the European Commission recognizes the specificity of the ORs and excludes the flights between ORs and other EU Member States from the emissions trading system; the absence of derogations for these regions in the plans to include both maritime and air transport in the emissions trading system would have an extremely detrimental impact on their economic and social situation;
14. welcomes the strengthened partnership between the Commission, the Member States and the Conference of Presidents of the ORs, which has led to a fruitful and ongoing dialogue, by means of specific platforms and working groups, to identify problems, provide solutions and plan strategies for adapting European policies in the ORs;
15. welcomes the fact that multi-level governance has enabled a large number of the Commission's proposals for the period 2021-2027 to include specific features for the ORs;
16. notes, in view of the favourable results achieved, the need for the enhanced and ongoing dialogue between the European Commission and the ORs to continue as part of future work on designing appropriate policies that take account of the realities facing the ORs;
17. highlights the importance of applying the tailor-made approach proposed by the European Commission in its 2017 communication, given the fragility of these territories in various sectors;
18. highlights the need to maintain the distinct legal status of the outermost regions in the Conference on the Future of Europe, to enable the ORs to remain involved in the EU's development in a fair and balanced way;

Building on the outermost regions' assets

Blue economy

19. notes that the maritime area of the ORs represents a considerable advantage in terms of employment, economic activity and development, which should be protected and exploited;
20. welcomes the European Commission's study entitled *Realising the potential of the Outermost Regions for sustainable blue growth* and the inclusion of its conclusions in the Communication;
21. highlights the opinion adopted in February 2018, which stressed that the EU should grant ORs greater financial support for measures to develop marine and maritime resources and for ambitious investments, taking account of the potential for job creation and protection of ecosystems;
22. considers that the renewal of the ORs' fishing fleet continues to be constrained by the application of European rules, and considers that further efforts are needed to ensure greater consistency between the revised State aid guidelines for fisheries and the European Maritime and Fisheries Fund (EMFF), so that the renewal of the OR's fishing fleet may be eligible under the latter;

23. points out that the Council conclusions of 19 November 2019 on oceans and seas call for the protection of ORs, given their vulnerability to climate change, while highlighting the important role played by the maritime and fisheries policy in developing sustainable economic activities;

24. regrets the fact that the ORs' requests for plans compensating for additional costs have not been taken into account and supports their request for an adjusted and flexible application of the amounts and their implementing arrangements;

Agriculture and rural development

25. points out that agriculture is a vital sector for the ORs' economies and jobs, as the EU has recognised by establishing specific treatment through the POSEI scheme, and highlights the contribution and added value of this sector during the COVID-19 crisis, helping to ensure food self-sufficiency, promoting short supply chains and responding to the strong demand among the population;

26. advocates maintaining the specific derogations for the ORs in the first pillar of the CAP, namely decoupling and the aid reduction scheme;

27. regrets, however, that where the EAFRD is concerned, the proposal for a Multi-Annual Financial Framework has reduced co-financing for the ORs;

28. notes that the COVID-19 crisis has caused a serious problem for food distribution in the ORs; rejects the idea of reducing the CAP budget allocation for these regions in the future financial period and calls for the current POSEI allocations to be reinstated;

29. reminds the European Commission that the trade agreements it negotiates with non-EU countries should include a specific chapter addressing any issue of particular relevance to the ORs;

30. supports the ORs in their request to extend beyond 2020 the stabilisation mechanism for the bilateral banana import agreements signed with the Andean and Central American countries, and for the mechanism to be applied automatically when one of these countries exceeds the threshold allocated to it;

Biodiversity

31. welcomes the fact that the Commission's Green Deal recognises the high value of the ORs' unique biodiversity and the threats posed by climate change as one of the key drivers of biodiversity loss;

32. welcomes the inclusion of specific calls under the LIFE 2014-2020 programme for the preservation, conservation and enhancement of biodiversity and adaptation to climate change in the ORs;

Circular economy

33. calls on the European Commission to ensure that its measures on the circular economy take account of the specific nature of the ORs, which are characterised by their isolation and remoteness and because they are facing enormous pressure due to their predominantly tourism-based economic models;

34. hopes that an ad hoc platform will make it possible to develop appropriate measures for controlling the entry and exit of waste in the ORs, contributing to proper waste management and supporting the aim of these regions to become 'zero-waste' regions;

35. acknowledges the complexity and high cost of waste management in the ORs and the need for investment support in terms of infrastructure, including through the ERDF, to facilitate the transition to a circular economy;

Climate change

36. supports the ORs' commitment to the EU's aims of achieving climate neutrality by 2050 and highlights the vulnerability of these regions to climate change;

37. believes that the ambitions of the European Green Deal reflect the provisions of the Communication, welcomes the specific reference to them and hopes that this reference will provide impetus for the ORs' just transition to a neutral economy;

38. calls for any measures in the field of carbon emissions reduction to be assessed and addressed in a comprehensive manner, seeking a fair balance between the need to safeguard the environment and the needs of the general public in terms of accessibility and maintaining the economy;

39. points out the need for the eligibility criteria of the Just Transition Fund to be more accurately adapted and for the situation of the outermost regions to be included in the EU's long-term strategic vision for adaptation to climate change;

Energy transition

40. welcomes the support measures for the ORs set out in the Renewable Energy Directive and the Clean Energy for EU Islands initiative, and encourages the Commission to continue working in this direction;

41. points out that the ORs are the only regions dependent on fossil fuels, with isolated energy systems that cannot be connected to European networks, and regrets that the Connecting Europe Facility (CEF) does not take account of their particular situation; considers that the ORs should be included in the Just Transition Mechanism and benefit from measures supporting their energy transition to clean fuels;

Research and innovation

42. appreciates the Commission's commitment to the ORs in the field of innovation, to highlight their potential as laboratories for innovative solutions as a way to access excellence and to strengthen value chains;

43. welcomes the launch of a specific coordination and support action for ORs in the current Horizon 2020 programme and highlights the need to take account of the conclusions of the FORWARD preparatory action when drawing up future RDI framework programmes, as announced in the Communication;

Social affairs, employment, education and training

44. considers that the Commission should take account of the ORs in the initiatives it will be presenting under the action plan to implement the European Pillar of Social Rights, promoting equal opportunities, access to the labour market, fair working conditions and social protection and inclusion;

45. highlights the enormous impact that the crisis caused by the COVID-19 pandemic is having on employment in the ORs, with a sharp rise in poverty levels stemming from loss of economic activity and falling revenues in key sectors, and the need to continue strengthening the specific support instruments to create new, niche employment opportunities and to preserve jobs in traditional sectors;

46. calls for measures to be taken to increase the ORs' participation in all actions under the Erasmus+ programme and to promote cooperation and mobility exchanges between people and organisations in these regions and non-EU countries, particularly their neighbours;

47. hopes that the European Globalisation Adjustment Fund will provide the necessary flexibility in the provision of aid at a time when major restructuring is having a significant impact on the economy of these regions;

Access to competitiveness, entrepreneurship and integration in the Single Market

48. warns of the enormous impact that the current crisis has had on the accessibility by air of these remote regions and on the need to maintain connectivity at pre-crisis levels, as these regions are totally dependent on sea and air transport;

49. calls for the remoteness, geographical isolation and territorial dispersion of the ORs to be taken into account in the design, adoption and implementation of policies to reduce the physical and digital accessibility gap with the EU market and also at intra- and inter-regional level;

50. notes that accessibility by air is also an essential factor in the competitiveness of the tourism sector, the main economic driver in many of these regions and which has been hit particularly badly by the consequences of the COVID-19 pandemic, and therefore calls on the Commission to take this aspect into account when drawing up policies to improve the physical accessibility of the ORs;

51. welcomes the fact that the study on ORs' connectivity needs has been carried out and that the Commission has taken account of their disadvantage and their dependence on ports and airports, by proposing measures under the ERDF and the CEF; considers, however, that these measures are not sufficient and that transport policy needs to be brought into line with the reality facing the ORs;

52. highlights the importance of investments as a way of limiting congestion in urban nodes and facilitating sustainable means of land transport;

53. considers that it would be useful to provide aid under the CEF for the deployment of backbone networks, including underwater cables, to connect the ORs within their Member States, between themselves and between the EU and non-EU countries;

Regional integration in their geographical areas

54. reminds the Commission that the regional integration of the ORs in their respective geographical areas remains a priority objective and that European territorial cooperation programmes are a key instrument for achieving this, and therefore considers it essential to maintain the funding earmarked for these programmes and the operational development of the new OR component without, however, limiting these regions' access to the other components and their financial allocations;

55. finds it regrettable that the co-financing rate in Europe for ORs is lower under the ETC-Interreg regulation for the 2021-2027 period; this is at odds with the strategic importance given by the European Commission since 2004 to strengthening the regional integration of ORs within their geographical areas;

56. calls on the Commission to support, under the Interreg programme, joint strategic cooperation projects involving all the ORs;

57. reminds the Commission of its commitment to implement a specific, simple and clear solution allowing for the joint programming of the ERDF with the financial instruments of neighbouring non-EU countries. The Committee regrets that this particular solution has still not been drafted, and urges the Commission to resolve this issue definitively in the 2021-2027 programming period;

Migration

58. emphasises that the ORs, among others, are on the front line as points of entry for irregular immigrants from their immediate neighbourhood and warns of the major impact that the management of migratory flows is having on all of their public policies, especially with regard to the implementation of reception or accompanying measures for unaccompanied minors;

59. notes the Commission's commitment to supporting the ORs in managing migration issues in a sustainable way and calls for specific measures to be provided for under the Asylum and Migration Fund for the financial period 2021-2027;

Conclusions

60. calls on the European Commission, the European Parliament and the Council to take account of the ORs in the discussions on the future of Europe and in the development of future European policies, ensuring that Article 349 TFEU is applied fully and effectively.

Brussels, 10 December 2020.

*The President
of the European Committee of the Regions*
Apostolos TZITZIKOSTAS

