

CONCLUSIONS WORKSHOP ABOUT BUDGET

London 07-17-09

- current practice of EU funding
- opportunities of coming debate. – next year August Commission likely to come with proposal for Fin Perspective from 2014

Important to realize: at the national level, each year a full debate about public spending takes place. At the EU level only every **seven/five** years. Financial Perspectives set the basic orientation for that period, followed by legislation to structure the implementation of these Perspectives. Coming three years are therefore deciding how the EU funding will be spent between 2014 and **2018-20!**

Environmental organisations have in the first place been concerned about the way the EU funds are being used: in the Common Agriculture and Fisheries Policies, in support for highway construction, the sponsorship of waste incinerators etc. Some figures (CEEBankwatch/FoE Europe research): in NMS likely some 4 billion Euro will be spent on energy eff in housing, but 30 billion on roads! Czech Republic doing very well there on energy eff housing, more than a much larger country Poland. Also, Spain/Portugal research shows that roughly half of infrastructure investment funds are from Brussels, so huge impact on how landscapes.

But ofcourse we also have specific demand for **more** money to be spent. In 2005-2006 we campaigned in particular for a secured EU contribution to the implementation of Natura 2000. And more recently NGOs started to campaign on budgets for Climate change investments.

Our approach obviously questions the flexibility that member states want in the use of, in particular structural funds, and even with the reduction of administrative burdens demand. Because we want tax-payers money channeled through the EU to be used properly, according to agreed policies and restrictions. This is one of main constraints.

One comment here was that it is more difficult to get agreement on launching new funds – unanimity – than on setting specific requirements on how funds are being used – qualified majority.

G-10 checklist etc. and main focus: SDS – Climate – EU Social and Global obligations.

Environmental organizations have focused on the expenditure side of the Budget Reform. Ideas for environmental taxes going to the EU are risky: might complicate further the plea for such taxes. On the other hand, such own income sources could strengthen the case of using it for European programmes with sufficient scrutiny. Only real debate now on auctioning side.

Some of the major points from the discussion:

- Obligation to spend! a bad project is better than no project. Now discussions on increasing the “absorption capacity” by moving to 100% financing, more advance payments, higher minimums, more flexibility. We need to get rid of this spending obligation.
- Do not expect increase of EU funding: we can only campaign for re-allocation.
- Agriculture policy: move to rural development policy – landuse change. Farmers having a place in that, but in first place as providers of public services.
- Cohesion policy: focus on the real poor areas only!
- In addition: focus EU funding on implementing EU programmes, with clear, transparent accountability. These programmes must have a clear public good character (watch out for greenwash), not interfere with what are essentially commercial activities. Example: Natura 2000, energy efficiency in social housing sector, newer renewables.
- Strict accountability – transparency needed: concern about corruption. More important than reduction of admin burden - Use modern tools: satellites!

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