













Procedure file

Basic information		
INI - Own-initiative procedure	2017/2211(INI)	Procedure completed
Cohesion policy and the circular economy		
Subject		
3.40.16 Raw materials		
3.60.05 Alternative and renewable energies		
3.70.12 Waste management, domestic waste, packaging, light industrial waste		
4.70.02 Cohesion policy, Cohesion Fund (CF)		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Regional Development		13/07/2017
		 ŠKRLEC Davor	
		Shadow rapporteur	
		 BOGOVIČ Franc	
		 SMOLKOVÁ Monika	
		 TOMAŠIĆ Ruža	
		 AUŠTREVIČIUS Petras	
		 ADINOLFI Isabella	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Environment, Public Health and Food Safety		12/10/2017
		 POLČÁK Stanislav	
	 Industry, Research and Energy	The committee decided not to give an opinion.	
European Commission	Commission DG Regional and Urban Policy	Commissioner CREU Corina	

Key events			
05/10/2017	Committee referral announced in Parliament		
	Vote in committee		

15/05/2018			
23/05/2018	Committee report tabled for plenary	A8-0184/2018	Summary
12/06/2018	Debate in Parliament		
13/06/2018	Results of vote in Parliament		
13/06/2018	Decision by Parliament	T8-0254/2018	Summary
13/06/2018	End of procedure in Parliament		

Technical information

Procedure reference	2017/2211(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
Legal basis	Rules of Procedure EP 54
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	REGI/8/11145

Documentation gateway

Committee draft report		PE619.126	07/03/2018	EP	
Amendments tabled in committee		PE620.811	12/04/2018	EP	
Committee opinion	ENVI	PE616.863	27/04/2018	EP	
Committee report tabled for plenary, single reading		A8-0184/2018	23/05/2018	EP	Summary
Text adopted by Parliament, single reading		T8-0254/2018	13/06/2018	EP	Summary
Commission response to text adopted in plenary		SP(2018)567	13/11/2018	EC	

Cohesion policy and the circular economy

The Committee on Regional Development adopted an own-initiative report by Davor KRLEC (Greens/EFA, HR) on cohesion policy and the circular economy.

Members considered that the shift towards a more circular economy offers opportunities for all European regions and local authorities, which are the tier of government closest to local communities.

The role of cohesion policy: the report welcomed the efforts of the Commission to support the circular economy through cohesion policy. Given that the current policy framework does not allow the full contribution of cohesion policy to the circular economy to be captured, Members called on the Commission to implement the planned circular economy measures, including measures to monitor implementation, while reducing the administrative burden.

Members reiterated that the circular economy goes beyond waste management and includes areas such as green jobs, renewable energy, resource efficiency, the bio-economy, agricultural and fisheries policy, with their bio-industries aiming to replace fossil fuels; water management, energy efficiency, food waste, marine waste, improved air quality, research and development and innovation in related areas.

The circular economy as a driving force for sustainable and regional development: the report stressed the important role that local authorities can play in making the circular economy a reality and the important role that public-private partnerships play in the design and planning of new products and services in a life-cycle approach.

Member stressed the need to adapt the current strategies and market models to accompany the regions in the transition towards this more sustainable form of economy. They called for the implementation of the circular economy within the framework of the coordinated multilevel governance and partnership principle, with full transparency, the involvement of local communities and broad public participation.

They stressed the need to promote greater cooperation between all the stakeholders involved in circular economy processes.

Circular economy projects which have received cohesion policy support have brought greater benefits to more developed regions. Members therefore called on the Member States national authorities and the Commission to use all existing possibilities to provide expert assistance and to strengthen the capacity of these regions to help them increase their efforts, and to create conditions for achieving technological leapfrogging by implementing more projects that meet circular economy principles.

Highlighting the benefits of the bio-economy for regional and local development, Members called for greater use to be made of the European Structural and Investment Funds (ESI Funds) for the implementation of existing innovations, while continuing to promote innovation in the development of bio-based, biodegradable, recyclable and compostable materials made from sustainably managed biofeed stocks.

The report called for easier and more transparent access to finance for local and regional authorities, including through the strengthening of their administrative capacities and through heightened cooperation with the European Investment Bank (EIB), within the framework of the European Investment Advisory Hub, to enable increased investments in green jobs, the shift from fossil fuels to renewable energy sources and the local energy transition, including energy efficiency, decentralised distribution of energy, clean energy innovation and the circular economy.

Members called on Member States, regions and local authorities to:

- encourage the establishment of and support for reuse and repair networks, in particular those operating as social economy enterprises, by facilitating access of such networks to waste collection points and by promoting the use of ESI Funds, economic instruments, public procurement criteria or other such measures;
- ensure that the circular economy is suitably incorporated into educational programmes and vocational training and re-training so as to shape new attitudes which will then help to define new business models and create new jobs;
- further integrate the circular economy into territorial cooperation programmes, especially cross-border cooperation programmes;
- strengthen the capacities of local, regional and national public authorities through technical assistance;
- focus their efforts on preventing the generation of land litter.

The report also highlighted the potential of the Smart Cities initiative in the context of the circular economy.

Circular economy in cohesion policy post-2020: the Commission is called, for the next programming period, to develop a relevant tracking methodology with appropriate indicators to allow for a better monitoring of the contribution of cohesion policy to the achievement of a circular economy.

In the context of the new legislative proposals for the future cohesion policy framework, the Commission is called on to:

- develop appropriate ex-ante conditionalities related to the achievement of a circular economy;
- ensure that the Horizon 2020 programme devotes greater attention and funding to innovation and research projects in the field of the circular economy;
- make the European Circular Economy Stakeholder Platform a place to exchange best practices to make the best possible use of cohesion policy resources for the transition to a circular economy.

Lastly, the report insisted on stepping up cohesion policy support for sustainable urban and rural development and called for more resources to be devoted to circular economy and climate related investments in cohesion policy for the post-2020 period.

Cohesion policy and the circular economy

The European Parliament adopted a resolution by 588 votes to 77, with 28 abstentions on cohesion policy and the circular economy.

Stressing that local and regional authorities are at the forefront of the transition to a circular economy, Parliament called on the Commission to implement measures in favour of the circular economy, including monitoring measures, while reducing the administrative burden. It recognised the potential of regions and local communities to invest in recycling infrastructure and create new green jobs.

Several regions have used their smart specialisation strategies to set priorities related to the circular economy and to guide their investments in research and innovation through cohesion policy. Regional authorities should use this good practice as a common *modus operandi* and implement these smart specialisation strategies. Members called for coordination and greater cooperation between regions, SMEs and other public/private entities in order to launch new smart specialisation thematic platforms, in particular between the agri-food, energy and industrial sectors.

Members also stressed that certain ad hoc laws (such as the upcoming Commission proposal on single-use plastic products) and appropriate EU-level taxation as part of the own resources of the next multiannual financial framework can make a decisive contribution to moving towards a circular economy.

The circular economy as a driving force for sustainable and regional development: Parliament stressed the important role that local authorities can play in making the circular economy a reality and the important role that public-private partnerships play in the design and planning of new products and services in a life-cycle approach.

Member stressed the need to:

- adapt the current strategies and market models to accompany the regions in the transition towards this more sustainable form of economy;
- implement the circular economy within the framework of the coordinated multilevel governance and partnership principle, with full transparency, the involvement of local communities and broad public participation;
- promote greater cooperation between all the stakeholders involved in circular economy processes;
- provide expert assistance and to strengthen the capacity of less-developed regions to help them increase their efforts, and to create conditions for achieving technological leapfrogging by implementing more projects that meet circular economy principles.

Highlighting the benefits of the bio-economy for regional and local development, Members called for greater use to be made of the European Structural and Investment Funds (ESI Funds) for the implementation of existing innovations, while continuing to promote innovation in the

development of bio-based, biodegradable, recyclable and compostable materials made from sustainably managed biofeed stocks.

Parliament called for easier and more transparent access to finance for local and regional authorities, including through the strengthening of their administrative capacities and through heightened cooperation with the European Investment Bank (EIB), within the framework of the European Investment Advisory Hub, to enable increased investments in green jobs, the shift from fossil fuels to renewable energy sources and the local energy transition, including energy efficiency, decentralised distribution of energy, clean energy innovation and the circular economy.

Members called on Member States, regions and local authorities to:

- encourage the establishment of and support for reuse and repair networks, in particular those operating as social economy enterprises, by facilitating access of such networks to waste collection points and by promoting the use of ESI Funds, economic instruments, public procurement criteria or other such measures;
- ensure that the circular economy is suitably incorporated into educational programmes and vocational training and re-training so as to shape new attitudes which will then help to define new business models and create new jobs;
- further integrate the circular economy into territorial cooperation programmes, especially cross-border cooperation programmes;
- strengthen the capacities of local, regional and national public authorities through technical assistance;
- focus their efforts on preventing the generation of land litter.

The resolution underlined the importance of green public procurement, with a potential market of EUR 1.8 trillion per year delivering public works, goods and services. It also highlighted the potential of the Smart Cities initiative in the context of the circular economy.

Circular economy in cohesion policy post-2020: the Commission is called, for the next programming period, to develop a relevant tracking methodology with appropriate indicators to allow for a better monitoring of the contribution of cohesion policy to the achievement of a circular economy.

In the context of the new legislative proposals for the future cohesion policy framework, the Commission is called on to:

- develop appropriate ex-ante conditionalities related to the achievement of a circular economy;
- ensure that the Horizon 2020 programme devotes greater attention and funding to innovation and research projects in the field of the circular economy;
- make the European Circular Economy Stakeholder Platform a place to exchange best practices to make the best possible use of cohesion policy resources for the transition to a circular economy.

Lastly, Parliament insisted on stepping up cohesion policy support for sustainable urban and rural development and called for more resources to be devoted to circular economy and climate related investments in cohesion policy for the post-2020 period.