

# EUROPEAN PARLIAMENT

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**A5-0350/2000**

22 November 2000

## **\*\*\*I** **REPORT**

on the proposal for a decision of the European Parliament and of the Council  
on a Community Framework for cooperation to promote sustainable urban  
development  
(COM(1999) 557 – C5-0309/1999 – 1999/0233(COD))

Committee on the Environment, Public Health and Consumer Policy

Rapporteur: Marie-Noëlle Lienemann

Draftsman: Emmanouil Bakopoulos, Committee on Regional Policy, Transport  
and Tourism

'(\* Hughes Procedure)'

### ***Symbols for procedures***

- \* Consultation procedure  
*majority of the votes cast*
- \*\*I Cooperation procedure (first reading)  
*majority of the votes cast*
- \*\*II Cooperation procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\* Assent procedure  
*majority of Parliament's component Members except in cases  
covered by Articles 105, 107, 161 and 300 of the EC Treaty and  
Article 7 of the EU Treaty*
- \*\*\*I Codecision procedure (first reading)  
*majority of the votes cast*
- \*\*\*II Codecision procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\*III Codecision procedure (third reading)  
*majority of the votes cast, to approve the joint text*

(The type of procedure depends on the legal basis proposed by the Commission)

## CONTENTS

	<b>Page</b>
PROCEDURAL PAGE .....	4
LEGISLATIVE PROPOSAL .....	5
DRAFT LEGISLATIVE RESOLUTION.....	18
OPINION OF THE COMMITTEE ON BUDGETS .....	19
OPINION OF THE COMMITTEE ON REGIONAL POLICY, TRANSPORT AND TOURISM ‘(*)’ .....	24

‘(\*) Hughes Procedure’

## PROCEDURAL PAGE

By letter of 22 November 1999 the Commission submitted to Parliament, pursuant to Article 251(2) and Article 175(1) of the EC Treaty, the proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development (COM(1999) 557 – 1999/0233(COD)).

At the sitting of 13 December 1999 the President of Parliament announced that she had referred this proposal to the Committee on the Environment, Public Health and Consumer Policy as the committee responsible and the Committee on Budgets and the Committee on Regional Policy, Transport and Tourism for their opinions (C5-0309/1999).

At the sitting of 17 December 1999 the President announced that the Committee on Regional Policy, Transport and Tourism would be involved in conjunction with the Committee on the Environment, Public Health and Consumer Policy in drawing up the report, under the Hughes Procedure.

The Committee on the Environment, Public Health and Consumer Policy appointed Marie-Noëlle Lienemann rapporteur at its meeting of 11 January 2000.

It considered the Commission proposal and the draft report at its meetings of 19 September, 10 October and 21 November 2000.

At the last meeting it adopted the draft legislative resolution by 28 votes to 0, with 3 abstentions.

The following were present for the vote: Caroline F. Jackson, chairman; Marie-Noëlle Lienemann, rapporteur; Per-Arne Arvidsson, Maria del Pilar Ayuso González, Hans Blokland, David Robert Bowe, John Bowis, Hiltrud Breyer, Alexander de Roo, Avril Doyle, Jim Fitzsimons, Cristina García-Orcóyen Tormo, Christa Kläß, Torben Lund, Jules Maaten, Minerva Melpomeni Malliori, Rosemarie Müller, Riitta Myller, Karl Erik Olsson, Mihail Papayannakis, Béatrice Patrie, Marit Paulsen, Frédérique Ries, Dagmar Roth-Behrendt, Guido Sacconi, Jean Saint-Josse, Karin Scheele, María Sornosa Martínez, Bart Staes (for Marie Anne Isler Béguin), Dirk Sterckx (for Chris Davies), Roseline Vachetta, Kathleen Van Brempt (for Dorette Corbey) and Phillip Whitehead.

The opinions of the Committee on Budgets and the Committee on Regional Policy, Transport and Tourism are attached.

The report was tabled on 22 November 2000.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

## LEGISLATIVE PROPOSAL

### Proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development (COM(1999) 557 – C5-0309/1999 – 1999/0233(COD))

The proposal is amended as follows:

Text proposed by the Commission <sup>1</sup>

Amendments by Parliament

(Amendment 1)  
Recital 6a (new)

***(6a) The Ministers for the Environment at the informal Council meeting in Oporto in April 2000 concluded that the urban environment is a political priority for an EU sustainable strategy.***

*Justification:*

*Given their importance and topical relevance, the conclusions of the informal Oporto Council meeting should likewise be mentioned.*

(Amendment 2)  
Recital 9a (new)

***(9a) The above objectives also require synergy in order to make more readily for consistency between structural and environmental policies so as to enable the aims of both to be achieved without problems.***

*Justification:*

*The effects of coordinating Community regional and environmental policies must not run counter to the aims of those policies.*

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<sup>1</sup> OJ C 56, 29.2.2000, p. 68.

(Amendment 3)  
Recital 9b (new)

***(9b) Given the all-inclusive nature of Agenda 21, spatial planning has to be taken into account in order to bring the expansion of built-up areas into line with the capacity of the physical environment and cultural resources, having regard also to the extent to which local councils are able to fulfil their responsibilities and provide environment-related services.***

*Justification:*

*Any individual policy encompassed within Agenda 21, including for example policies on water quality, mobility, facilities, or services, depends on the growth rate, the forms of expansion of built-up areas, and so forth. Similarly, if the intention is to comply with EIA, spatial planning will have to observe the criteria laid down in Article 3 of the EIA Directive.*

(Amendment 4)  
Recital 10a (new)

***(10a) In keeping with the uniform status of the environment in relation to Community policy as a whole, the projected Agenda 21 should be considered an asset from the point of view of the aid to be granted to environmental investment under the Structural Funds.***

*Justification:*

*Agenda 21 should be drawn up before embarking on environmental investment in a local context, since it implies that an integrated policy has been put in place and technologies and solutions are being geared to the real scale and real needs.*

(Amendment 5)  
Recital 10b (new)

***(10b) Measures to improve the urban environment will not be effective unless they have been drawn up, implemented, and assessed in cooperation with local authorities, economic agents, and civil society.***

*Justification:*

*All players should be given the opportunity to work together within the Community Framework for cooperation to promote sustainable urban development.*

(Amendment 6)  
Recital 11a (new)

***(11a) Given the success achieved by Europe-wide cooperation initiatives, based also on partnership with national and local players, such initiatives should continue to be supported.***

*Justification:*

*It is important to highlight the achievements of partnership in anticipation of the new Community Framework for cooperation to promote sustainable urban development.*

(Amendment 7)  
Article 1

***In order to facilitate the implementation at local level of Community environment legislation, a Community Framework for cooperation is hereby set up to encourage the conception, exchange and implementation of good practices with regard to sustainable urban development and Local Agenda 21. The main partners in this Framework shall be the Commission and the networks of towns and cities organised at European level.***

A Community Framework for co-operation is hereby ***established in order to provide financial and technical support to networks of local authorities organised in at least four Member States and including when appropriate cities and towns in the countries referred to in Article 7, with the objective of encouraging the conception, exchange and implementation of good practices in the following fields:***  
***- implementation at local level of EU***

**environmental legislation,  
- sustainable urban development,  
- Local Agenda 21.**

*Justification:*

*It must be ensured that the networks financed are of a broadly transnational and European nature and, whenever possible, include countries seeking to join the Union. The aims need to be defined more explicitly.*

(Amendment 8)

Article 2

1. The types of activity eligible for Community **financial** support **are information, awareness-raising, coordination, cooperation, conception, the transfer of good practices and any other activity fulfilling the objective set out in Article 1. The Annex gives an indicative breakdown of the financial support between these types of activity.**

2. The Commission may provide **financial** support to any network of **towns and cities organised at European level which wishes to develop such activities at European level in compliance with the basic principles of the fifth environment action programme and subject to the Commission's approval of the planned work programme.**

**With regard to the accompanying measures, specified in the Annex, needed to analyse and monitor the activities, other players may be eligible in the context of the cooperation framework.**

3. Community support shall relate to activities scheduled to take place in the course of the year to which the financial contribution relates or the following two years.

1. The types of activity eligible for Community support **under this cooperation framework are defined in the Annex to this Decision.**

2. The Commission may provide support to any network **of local authorities as defined in Article 1 or, in the case of the accompanying measures mentioned in part C of the Annex, to other beneficiaries who wish to develop such activities.**

**Deleted**

3. Community support shall relate to activities scheduled to take place in the course of the year to which the financial contribution relates **and/or** the following two years.

**4. The indicative breakdown of the financial support between the types of activity is given in the Annex.**



*Justification:*

*The types of activity, accompanying measures, and the breakdown of resources specified in detail in the Annex will make the directive more flexible and more responsive to future developments in the operations, because regional and local authorities will be involved.*

(Amendment 9)

Article 2(2), first subparagraph

2. The Commission may provide financial support to any network of towns and cities organised at European level which wishes to develop such activities at European level in compliance with the basic principles of the fifth environment action programme and subject to the Commission's approval of the planned work programme.

2. The Commission may provide financial support to any network of towns and cities organised at European level which wishes to develop such activities at European level in compliance with the basic principles of the fifth environment action programme and subject to the Commission's approval of the planned work programme. ***In keeping with the criteria of flexibility and equal opportunities, networks must allow for medium-sized and small towns and cities, and the indicators and good practices applicable to those towns and cities must reflect the differences in scale and the order of magnitude of possible solutions.***

*Justification:*

*The problems, solutions, and indicators used to assess medium-sized and small towns and cities have to be distinguished from the arrangements for large towns and cities and geared to the real situation on the ground. Furthermore, bearing in mind that one of the aims of Agenda 21 is to adapt and improve local government, it has to be recognised that one of the main differences between large and small towns and cities is that the latter have little in the way of technical resources and need to launch new administrative and technical assistance models, which might have to be organised on a shared basis at local level.*

(Amendment 10)  
Article 3(1)

1. The Commission shall determine the priority *activities to be carried out in the areas of activity indicated in Article 1.*

1. The Commission shall, *in accordance with the procedure laid down in the new Article 9a, assess and select from among the proposals submitted the projects to be financed on the priority themes referred to in Article 6.*

*Justification:*

*Commitology making for balance between Commission action and the action of Member States.*

(Amendment 11)  
Article 3(2)

**2. The Commission shall publish in the Official Journal of the European Communities a communication describing the priority activities to be funded and specifying the selection and allocation arrangements and the application and approval procedures.**

*Deleted*

*Justification:*

*Formal amendment.*

(Amendment 12)  
Article 3a (new)

**1. The Commission shall publish in the Official Journal of the European Communities a notice describing the priority themes under which projects shall be financed and setting out the selection and award criteria and the application and approval procedures.**

**2. Proposals for projects to be financed shall be submitted to the Commission by the network of local authorities as defined in Article 1 and, for the types of activities indicated in part C of the Annex, by other**

*eligible beneficiaries.*

*3. The calls for proposals for projects under this cooperation framework shall be announced in the Official Journal of the European Communities every year before 31 January. After an assessment of these proposals, the Commission shall decide before 31 May which projects it will finance. The decision on projects to be financed shall give rise to a contract, governing the rights and obligations of the partners, concluded with the beneficiaries responsible for implementation.*

*4. A list of the beneficiaries and projects financed through this cooperation framework, together with an indication of the amount of aid, shall be made public.*

*Justification:*

*Information must be geared to new technologies without detracting from the official nature of given acts (publication in the OJ). Other media, however, not least the Internet, might also be suitable to use to inform the public fully and promptly.*

(Amendment 13)

Article 4

The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives, in particular the URBAN initiative. Projects ***following the guidelines of the financial instrument for the environment (LIFE) shall not be eligible for funding*** under this cooperation framework.

The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other relevant Community programmes and initiatives, in particular the URBAN initiative. Projects ***financed under other Community programmes and funds shall not be eligible for funding*** under this cooperation framework.

*Justification:*

*It might be possible to provide financial support for other Community programmes, but a single project should not be financed by several types of Community funding at once.*

(Amendment 14)  
Article 5(1)

1. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. ***The overall budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million.***

***1. This cooperation framework shall start on 1 January 2001 and shall end on 31 December 2004.***

***The financial reference amount for the implementation of this cooperation framework for the period 2001-2004 shall be EUR 20 million.***

The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective.

*Justification:*

*The amount of EUR 12.4 m affords no scope for a substantial increase in the number of networks to be funded. The sum proposed, EUR 20 m, will be sufficient to finance about twelve networks.*

(Amendment 15)  
Article 6(1), first paragraph

1. ***The Commission shall select the priority activities*** on the basis of general criteria ***such as:***

1. ***The projects shall contribute towards the objectives mentioned in Article 1 and shall be selected*** on the basis of ***the following*** general criteria:

*Justification:*

*Once the objectives have been laid down, the projects to be financed will be selected on the basis of the general criteria set out in Article 6.*

(Amendment 16)  
Article 6(1)(e)

(e) a contribution to ***a*** multisectoral approach;

(e) a contribution to ***an integrated*** multisectoral approach ***and to sustainable urban development, taking into account its social, economic and environmental dimensions;***

*Justification:*

*The general criteria do not take sufficient account of the desire to promote sustainable urban development or the need for balance between human activities and protection of the environment.*

(Amendment 17)  
Article 6(1)(f)a (new)

***(f)a a contribution to strengthen and revitalise services of general interest falling under public responsibility.***

*Justification:*

*In addition to the communication on sustainable urban development, the Commission has undertaken in its communication COM(2000) 580 to guarantee a continuing high standard of public services of general interest. The aim must be to bring these two European policy avenues, which both affect the local decision-making level, into a rational coherent relationship.*

(Amendment 18)  
Article 6(2)

***2. The Commission shall specify the additional criteria to be used for selecting the activities to be funded.*** Deleted

*Justification:*

*Additional criteria should be specified in the legislation and not by the Commission.*

(Amendment 19)  
Article 7

***This programme shall be open to participation by the Central and Eastern European Countries (CEECs) in accordance with the conditions laid down in the additional protocols to the Association Agreements relating to participation in Community programmes to be concluded with those countries. This programme shall be open to participation by Cyprus and Malta on the basis of***

***This cooperation framework shall be open to participation by networks of local authorities including cities and towns in Central and Eastern European Countries, Cyprus and Malta, as well as in other countries which have concluded association agreements with the EC.***

***additional appropriations under the same rules as those applied to European Free Trade Area countries in accordance with procedures to be agreed with those countries.***

*Justification:*

*The programmes are aimed at local authority networks and not Member States as such. Furthermore, countries which have applied to join the Union should be recognised to have special status.*

(Amendment 20)  
Article 8(3)

3. Beneficiaries of financial support shall keep available for the Commission all supporting documents regarding expenditure on an activity for a period of five years following the last payment in respect of that activity.

3. Beneficiaries of financial support shall keep available for the Commission all supporting documents regarding expenditure on an activity for a period of five years following the last payment in respect of that activity. ***These may also be held in electronic format. The Commission undertakes to evaluate the report within a reasonable time-limit to avoid unnecessary delays in payments.***

*Justification:*

*With the development of new technology it must now be possible for these documents to be held in secure electronic format, avoiding the inconvenience and inefficiency of holding documents in paper format.*

(Amendment 21)  
Article 9(1)

1. The Commission may reduce, suspend or recover the financial support granted through a contract if it finds irregularities or if it learns that, without its approval, the contract has been subject to ***a major*** change which conflicts with the agreed objectives or implementing conditions.

1. The Commission may reduce, suspend or recover the financial support granted through a contract if it finds irregularities or if it learns that, without its approval, the contract has been subject to ***an unauthorised*** change which conflicts with the agreed objectives or implementing conditions.

*Justification:*

*The decision whether a change is major or otherwise should not be a matter of subjective appreciation. An objective criterion has to be laid down to determine what kind of changes will lead to Commission action.*

(Amendment 22)

Article 9(2)

2. If the deadlines have not been observed or if only part of the financial support allocated is justified by the progress with implementation of a contract, the Commission shall request the beneficiary to submit any explanations within a specified period. If the beneficiary does not provide a satisfactory answer, the Commission may cancel the remaining financial aid and demand prompt repayment of sums already paid.

2. If the deadlines have not been observed or if only part of the financial support allocated is justified by the progress with implementation of a contract, the Commission shall request the beneficiary to submit any explanations within a specified period. If the beneficiary does not provide a satisfactory answer, the Commission may cancel the remaining financial aid and demand prompt repayment of sums already paid. ***The Commission undertakes to carry out a thorough and speedy evaluation of such explanations.***

*Justification:*

*In the past the Commission has not responded quickly to such cases, causing unnecessary delays and inconvenience for the projects concerned. The Commission must also set itself deadlines for responding to project implementers.*

(Amendment 23)

Article 9a (new)

***1. The Commission shall be assisted by the advisory committee referred to in Article 3 of Council Decision 1999/468/EC, having regard to Article 7 thereof and without prejudice to Article 8 thereof.***  
***2. The committee shall adopt its own rules of procedure.***

*Justification:*

*Necessary adjustment in line with the new legislation on the procedures for the exercise of implementing powers conferred on the Commission.*

(Amendment 24)  
Article 10

*A list of the beneficiaries and activities funded through this cooperation framework, together with an indication of the amount of aid, shall be published in the Official Journal of the European Communities.* Deleted

*Justification:*

*Formal amendment.*

(Amendment 25)  
Annex, point B, indent 1a (new)

*– in accordance with the subsidiarity and partnership principles, encourage local authorities to play a greater role in drawing up, developing, implementing, and assessing Community environmental policies;*

*Justification:*

The Annex should refer to the subsidiarity and partnership principles.

(Amendment 26)  
Annex, point B, indent 4a (new)

*– promote pilot programmes with a view to establishing new regional and local government models focusing on sustainable development and exploitation of resources.*

*Justification:*

*Small towns and cities and, above all, mountain areas need to be linked in local authority networks if the intention is to pursue an efficient policy, given that the scale involved in this instance does not permit substantial investment and services and, to a large extent, administration have to be shared. In addition, there are many European regions which have*



*had little experience of Agenda 21. Support for local authority networks would encourage dissemination and exchange of relevant knowledge.*

(Amendment 27)  
Annex, point C

C. Accompanying measures needed to analyse and monitor activities in the field of sustainable development and Local Agenda 21

- reports on the level, extent and nature of urban problems which could be addressed at Community level;
- analytical reviews of the local penetration of **“sustainable development” in other areas covered by Community policies.**

C. Accompanying measures needed to analyse and monitor activities in the field of sustainable **urban** development and Local Agenda 21

- reports on the level, extent and nature of urban problems which could be addressed at Community level;
- analytical reviews of the local penetration of **a sustainable approach to urban development in areas other than environment policy;**
  - **testing and support functions for consolidation, coordination, use, dissemination and development of the monitoring initiative Towards a Local Sustainability Profile/European Common Indicators;**
  - **reports on the new coherent relationship between structural policies and sustainable urban development, so as to enable the objectives of both to be attained without difficulty.**

*Justification:*

*To ensure that sustainable urban development is also taken into account in Union environmental policy. It is essential to consider how regional and environmental policies can be coordinated without bringing their aims into conflict.*

## DRAFT LEGISLATIVE RESOLUTION

### **European Parliament legislative resolution on the proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development (COM(1999) 557 – C5-0309/1999 – 1999/0233(COD))**

**(Codecision procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to the European Parliament and the Council (COM(1999) 557<sup>1</sup>),
  - having regard to Article 251(2) and Article 175(1) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C5-0309/1999),
  - having regard to Rule 67 of its Rules of Procedure,
  - having regard to the report of the Committee on the Environment, Public Health and Consumer Policy and the opinions of the Committee on Budgets and the Committee on Regional Policy, Transport and Tourism (A5-0350/2000),
1. Approves the Commission proposal as amended;
  2. Asks to be consulted again should the Commission intend to amend its proposal substantially or replace it with another text;
  3. Instructs its President to forward its position to the Council and Commission.

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<sup>1</sup> OJ C 56, 29.2.2000, p. 68.

23 March 2000

## **OPINION OF THE COMMITTEE ON BUDGETS**

for the Committee on the Environment, Public Health and Consumer Policy

on the proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development (COM(1999) 557 – C5-0309/1999 – 1999/0233(COD))

Draftsman: Catherine Guy-Quint

### **PROCEDURE**

The Committee on Budgets appointed Catherine Guy-Quint draftsman at its meeting of 27 January 2000.

It considered the draft opinion at its meeting of 22/23 February 2000.

At that meeting it adopted the conclusions below unanimously.

The following took part in the vote: Terence Wynn, chairman; Reimer Böge, vice-chairman; Catherine Guy-Quint, draftsman; Gérard M.J. Deprez (for Markus Ferber), Den Dover, Göran Färm, Jutta D. Haug, Ulpu Iivari (for Joan Colom i Naval), Anne Elisabet Jensen, Paul Rübig (for Per Stenmarck), Esko Olavi Seppänen (for Francis Wurtz), Francesco Turchi, Alejo Vidal-Quadras Roca, Kyösti Tapio Virrankoski, Ralf Walter and Brigitte Wenzel-Perillo.

The proposal for a decision under consideration has the aim of facilitating at local level the application of Community environmental legislation and encouraging the development, exchange and implementation of good practices in the field of sustainable urban development.

The latter should be one of the priorities of action by the European Union, which ought to be active in this field at international level. The EU should act as a partner to promote sustainable urban development world-wide.

The programme provides for the establishment of a network consisting of 540 local authorities committed to sustainable development and the setting-up of an alliance, the 'European Sustainable Cities and Towns Campaign'.

The programme is a multiannual one, intended to run for four years (2001-2004) and to be financed under heading 3 of the Financial Perspective. The Commission proposes an overall

budget of EUR 12.4 million. The measure will be co-financed from heading B4-304:  
*Legislation and other general action based on the Fifth Action Programme on the Environment.*

The programme will be based on Article 175 of the Treaty: the codecision procedure applies.

The draftsman's analysis of the budgetary aspects is reflected in the amendments below.

Text proposed by the Commission

Amendments by Parliament

(Amendment 1)

Article 1

In order to facilitate the implementation at local level of Community environment legislation, a Community Framework for cooperation is hereby set up to encourage the conception, exchange and implementation of good practices with regard to sustainable urban development and Local Agenda 21. The main partners in this Framework shall be the Commission and the networks of towns and cities organised at European level.

**1.** In order to facilitate the implementation at local level of Community environment legislation, a Community Framework for cooperation is hereby set up to encourage the conception, exchange and implementation of good practices with regard to sustainable urban development and Local Agenda 21. The main partners in this Framework shall be the Commission and the networks of towns and cities organised at European level, ***including those in coastal areas.***

**2. The types of activity which may receive Community financial support by virtue of this Decision are listed below:**

**a. information on sustainable urban Development and Local Agenda 21 (45%):**

**- support and transfer good practices and the results of sustainable urban development demonstration projects;**  
**- develop tools for training appropriate for professional users;**

**b. Cooperation between the players concerned by sustainable development and Agenda 21 at European level (45%):**

**- promote cooperation between partners identified by the fifth environment action programme;**

**- facilitate dialogue and coordination between networks of local authorities organised at European level and the**

*Union institutions;*  
*- supplement work under national programmes to help local authorities (e.g. urban regeneration schemes);*  
*- support the establishment of partnerships including players from the Central and East European countries.*  
*c. Measures to evaluate activities in the field of sustainable development and Local Agenda 21 (10%):*  
*- analytical reviews of the local penetration of ‘sustainable development’ in other areas covered by Community policies;*  
*- reports on the level, extent and nature of urban problems which could be addressed at Community level.*

*Justification:*

*The breakdown of the proposed measures is an integral part of the objectives of the programme and should therefore be included in the text of the legislation as a frame of reference for implementation, and not in the Annex, thus ensuring greater transparency during implementation.*

(Amendment 2)  
Article 2

1. The types of activity eligible for Community financial support are information, awareness-raising, coordination, cooperation, conception, the transfer of good practices and any other activity fulfilling the objective set out in Article 1. ***The Annex gives an indicative breakdown of the financial support between these types of activity.***

2. The Commission may provide financial support to any network of towns and cities organised at European level which wishes to develop such activities ***at European level*** in compliance with the basic principles of the fifth environment action programme and subject to the Commission’s approval of the planned work programme.

With regard to the accompanying

1. The types of activity eligible for Community financial support are information, awareness-raising, coordination, cooperation, conception, the transfer of good practices and any other activity fulfilling the objective set out in Article 1.

2. The Commission may provide financial support to any network of towns and cities organised at European level which wishes to develop such activities in compliance with the basic principles of the fifth environment action programme and subject to the Commission’s approval of the planned work programme.

With regard to the accompanying

measures, specified in **the Annex**, needed to analyse and monitor the activities, other players may be eligible in the context of the cooperation framework.

3. Community support shall relate to activities scheduled to take place in the course of the year to which the financial contribution relates or the following two years.

measures, specified in **Article 1**, needed to analyse and monitor the activities, other players may be eligible in the context of the cooperation framework.

3. Community support shall relate to activities scheduled to take place in the course of the year to which the financial contribution relates or the following two years, **at the end of which the appropriations assigned to this measure shall be cancelled pursuant to Article 7(6) of the Financial Regulation.**

*Justification:*

*Paragraphs 1 and 2: The breakdown of the proposed actions is an integral element in the objectives of the programme and ought therefore to be included in the text of the legislation as a frame of reference for implementation.*

*Paragraph 3: The principles of sound financial management require a limit to be set to the commitment of appropriations.*

(Amendment 3)  
Article 4

The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives, **in particular the URBAN initiative**<sup>1</sup>. Projects **following the guidelines of the financial instrument** for the environment (LIFE)<sup>2</sup> shall not be eligible for **funding under** this cooperation framework.

<sup>1</sup> ...

<sup>2</sup> ...

The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives. Projects **financed** for the environment (LIFE) **or under the URBAN initiative** shall not be eligible for this cooperation framework.

*Justification:*

*As the objectives of the programme are linked to other existing programmes, the budgetary authority has a responsibility to avoid any duplication with the aim of making optimum and rational use of Community funds.*

(Amendment 4)  
Article 5(1)

1. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. The overall budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million.

1. The annual appropriations, ***including those for administrative management,*** shall be authorised by the budgetary authority within the limits of the financial perspective. The overall ***reference*** budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million. ***The Commission shall make the necessary adjustments to the reference amount in accordance with the principle of annuality of the budget.***

*Justification:*

*The annual budgetary decisions are to be taken in the context of a legislative decision valid for a number of years. The rule of annuality of the budget permits variations, which may often be quite substantial, in the allocations made for the purpose of financing programmes year after year. Only a certain flexibility in the programming can reconcile the decision of the budgetary authority with that of the legislative authority.*

5 June 2000

## **OPINION OF THE COMMITTEE ON REGIONAL POLICY, TRANSPORT AND TOURISM**

for the Committee on the Environment, Public Health and Consumer Policy

on the proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development (COM(1999) 557 – C5-0309/1999 – 1999/0233(COD))

Draftsman: Emmanouil Bakopoulos

### **PROCEDURE**

The Committee on Regional Policy, Transport and Tourism appointed Emmanouil Bakopoulos draftsman at its meeting of 26 January 2000.

It considered the draft opinion at its meetings of 19 April 2000 and 23 May 2000.

At the latter meeting it adopted the amendments below by 25 votes to 20.

The following were present for the vote: Konstantinos Hatzidakis, chairman; Emmanouil Mastorakis, Rijk van Dam and Helmuth Markov, vice-chairmen; Emmanouil Bakopoulos, draftsman; Pedro Aparicio Sánchez (for Danielle Darras), Sir Robert Atkins, Rolf Berend, Theodorus J.J. Bouwman, Philip Charles Bradbourn, Martin Callanan, Carmen Cerdeira Morterero, Luigi Cocilovo (for Luigi Cesaro), Alain Esclopé, Jacqueline Foster (for Francis F.M. Decourrière), Mathieu J.H. Grosch, Ewa Hedkvist Petersen, Juan de Dios Izquierdo Collado, Georg Jarzembowski, Dieter-Lebrecht Koch, Giorgio Lisi (for Raffaele Fitto pursuant to Rule 153(2)), Arlene McCarthy (for Giovanni Claudio Fava), Erik Meijer, Rosa Miguélez Ramos, Francesco Musotto, James Nicholson (for Sérgio Marques), Juan Ojeda Sanz, Josu Ortuondo Larrea, Karla M.H. Peijs, Wilhelm Ernst Piecyk, Reinhard Rack, Carlos Ripoll i Martínez Bedoya, Guido Sacconi, (for John Hume), Gilles Savary, Agnes Schierhuber (for Dana Rosemary Scallon), Brian Simpson, Renate Sommer, Dirk Sterckx, Ulrich Stockmann, Hannes Swoboda (for Günter Lüttge), Ioannis Theonas (for Alonso José Puerta), Helena Torres Marques (for Joaquim Vairinhos), Guido Viceconte, Mark Francis Watts and Jan Marinus Wiersma (for Demetrio Volcic).



## EXPLANATORY MEMORANDUM

It is commonly accepted that there are clear shortcomings in the implementation of environmental legislation at the local level. The Sustainable Cities Report (presented by the Expert Group on Urban Environment) and the Communication 'Sustainable Urban Development in the European Union : a Framework for Action' (COM(1998) 605) identify a number of causes explaining these shortcomings including:

- lack of information on good practice at the level of local authorities;
- organisational problems (e.g. traditional administrative approaches to management, lack of appropriate instruments);
- mismatch between financial resources and responsibilities (varies with national contexts); and
- reluctance of citizens and businesses to change their behaviour.

Consequently, the general aim of the cooperation framework is to make it easier to implement Community environmental legislation at local level, to encourage the development, exchange and implementation of good practices with regard to sustainable urban development and to extend Agenda 21 locally.

The period covered by the Community framework ranges from 1 January 2001 to 31 December 2004. The Commission will assess its implementation mid-term and will present a progress report, no later than 31 March 2003, to the Council and the European Parliament.

## CONCLUSIONS

The Committee on Regional Policy, Transport and Tourism calls on the Committee on the Environment, Public Health and Consumer Policy, as the committee responsible, on the basis of the Hughes Procedure being applied, to incorporate the following amendments into its draft resolution:

(Amendment 1)  
Recital 6a (new)

***(6a) The Ministers for the Environment at the informal Council meeting in Oporto in April 2000 concluded that the urban environment is a political priority for an EU sustainable strategy.***

*Justification:*

*Given their importance and topical relevance, the conclusions of the informal Oporto Council meeting should likewise be mentioned.*

(Amendment 2)  
Recital 9a (new)

***(9a) The above objectives also require synergy in order to make more readily for consistency between structural and environmental policies so as to enable the aims of both to be achieved without problems.***

*Justification:*

*The effects of coordinating Community regional and environmental policies must not run counter to the aims of those policies.*

(Amendment 3)  
Recital 10a (new)

***(10a) Measures to improve the urban environment will not be effective unless they have been drawn up, implemented, and assessed in cooperation with local authorities, economic agents, and civil society.***

*Justification:*

*All players should be given the opportunity to work together within the Community Framework for cooperation to promote sustainable urban development.*

(Amendment 4)  
Recital 11a (new)

***(11a) Given the success achieved by Europe-wide cooperation initiatives, based also on partnership with national and local players, such initiatives should continue to be supported.***

*Justification:*

*It is important to highlight the achievements of partnership in anticipation of the new Community Framework for cooperation to promote sustainable urban development.*

(Amendment 5)  
Article 4

Article 4

4. The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives, in particular the URBAN initiative<sup>1</sup>. Projects following the guidelines of the financial instrument for the environment (LIFE)<sup>2</sup> shall not be eligible for funding under this cooperation framework.

Article 4

4. The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives, in particular ***projects carried out in urban areas under Objective 2, pursuant to Article 4 (7) of Regulation (EC) No 1260/99, innovative projects, pursuant to Article 22 of Regulation (EC) No 1260/99 and the URBAN initiative<sup>3</sup>. Projects in the above categories shall not be financed by more than one source of funding.*** Projects following the guidelines of the financial instrument for the environment (LIFE)<sup>4</sup> shall not be eligible for funding under this cooperation framework.

*Justification:*

*Approximately 2% of the Union's population will be eligible under the urban strand of the new Objective 2. Measures under this strand as well as innovative or pilot projects should be coordinated at Commission level in order to guarantee a coherent European approach.*

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<sup>1</sup> OJ L  
<sup>2</sup> OJ L  
<sup>3</sup> OJ L  
<sup>4</sup> OJ L

(Amendment 6)

Article 5(1)

1. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. The overall budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million.

1. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. The overall budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million. ***The Commission should make use of the provisions for advance payment systems to facilitate programme delivery.***

*Justification:*

*Projects often have difficulty getting off the ground due to lack of cash available at the beginning of the project. This would alleviate cash flow problems.*

(Amendment 7)  
Article 6(1)(c)a (new)

***(c)a innovative nature of the activities;***

*Justification:*

*The Commission should seek to foster innovation when selecting projects to promote sustainable urban development.*

(Amendment 8)  
Article 6(2)

2. ***The Commission shall specify the additional criteria to be used for selecting the activities to be funded.*** Deleted

*Justification:*

*Additional criteria should be specified in the legislation and not by the Commission.*

(Amendment 9)  
Article 6(3)

3. After assessing the proposals, the Commission shall choose the activities which will be funded. The decision shall give rise to the conclusion, with the beneficiaries responsible for implementation, of a contract governing the rights and obligations of the partners.

3. After assessing the proposals, the Commission, **having consulted with local partners**, shall choose the activities which will be funded. The decision shall give rise to the conclusion, with the beneficiaries responsible for implementation, of a contract governing the rights and obligations of the partners.

*Justification:*

*To ensure adequate consultation with local partners and that local priorities are targeted.*

(Amendment 10)  
Article 7

*Article 7*

This programme shall be open to participation by the Central and Eastern European Countries (CEECs) in accordance with the conditions laid down in the additional protocols to the Association Agreements relating to participation in Community programmes to be concluded with those countries. ***This programme shall be open to participation by Cyprus and Malta on the basis of additional appropriations under the same rules as those applied to European Free Trade Area countries in accordance with procedures to be agreed with those countries.***

*Article 7*

This programme shall be open to participation by the Central and Eastern European Countries (CEECs), ***Cyprus, and Malta*** in accordance with the conditions laid down in the additional protocols to the Association Agreements relating to participation in Community programmes to be concluded with those countries.  
***It shall likewise be open to participation by Mediterranean countries with which the Community has ratified Association Agreements.***

*Justification:*

*Under this amendment, Cypriot and Maltese urban centres would also be able to take part in activities within the Community Framework for cooperation to promote sustainable urban development and thus placed on an equal footing with the CEECs, avoiding the risk of discrimination.*

*The Community should widen cooperation to promote sustainable urban development to*

*include countries that share the common Mediterranean area, with which it cooperates closely under other programmes.*

(Amendment 11)  
Article 8(3)

3. Beneficiaries of financial support shall keep available for the Commission all supporting documents regarding expenditure on an activity for a period of five years following the last payment in respect of that activity.

3. Beneficiaries of financial support shall keep available for the Commission all supporting documents regarding expenditure on an activity for a period of five years following the last payment in respect of that activity. ***These may also be held in electronic format. The Commission undertakes to evaluate the report within a reasonable time-limit to avoid unnecessary delays in payments.***

*Justification:*

*With the development of new technology it must now be possible for these documents to be held in secure electronic format, avoiding the inconvenience and inefficiency of holding documents in paper format.*

(Amendment 12)  
Article 9(2)

2. If the deadlines have not been observed or if only part of the financial support allocated is justified by the progress with implementation of a contract, the Commission shall request the beneficiary to submit any explanations within a specified period. If the beneficiary does not provide a satisfactory answer, the Commission may cancel the remaining financial aid and demand prompt repayment of sums already paid.

2. If the deadlines have not been observed or if only part of the financial support allocated is justified by the progress with implementation of a contract, the Commission shall request the beneficiary to submit any explanations within a specified period. If the beneficiary does not provide a satisfactory answer, the Commission may cancel the remaining financial aid and demand prompt repayment of sums already paid. ***The Commission undertakes to carry out a thorough and speedy evaluation of such explanations.***

*Justification:*

*In the past the Commission has not responded quickly to such cases, causing unnecessary delays and inconvenience for the projects concerned. The Commission must also set itself deadlines for responding to project implementers.*

(Amendment 13)  
Article 9a (new)

***Article 9a***

***The provisions of Articles 8 and 9 shall be an integral part of the contract governing the rights and obligations of the partners.***

*Justification:*

*Amendment serves the purpose of clarification.*

(Amendment 14)  
Article 11

***Article 11***

The Commission shall assess its implementation and shall submit a report in this connection to the European Parliament and to the Council no later than 31 March 2003.

***Article 11***

The Commission shall assess its implementation and shall submit a report in this connection to the European Parliament and to the Council no later than 31 March 2003. ***In line with the Code of Conduct the Commission undertakes to provide a regular update and progress report on both budgetary implementation and programming.***

*Justification:*

*Self-explanatory.*

(Amendment 15)  
Annex, point A, first indent

– develop tools for training, information, documentation and awareness-raising for professionals, target groups, local policy-makers and the general public;

– develop tools for training, information, documentation and awareness-raising for professionals, target groups, local policy-makers and the general public ***with a view to laying down a new Community framework for Europe-wide cooperation to promote sustainable urban development;***

*Justification:*

*The original wording should be made clearer and more explicit.*

(Amendment 16)  
Annex, point B, second indent (new)

***– in accordance with the subsidiarity and partnership principles, encourage local authorities to play a greater role in drawing up, developing, implementing, and assessing Community environmental policies;***

*Justification:*

*The Annex should refer to the subsidiarity and partnership principles.*

(Amendment 17)  
Annex, point C, third indent (new)

***– reports on the new coherent relationship between structural policies and sustainable urban development, so as to enable the objectives of both to be attained without difficulty.***

*Justification:*

*It is essential to consider how regional and environmental policies can be coordinated without bringing their aims into conflict.*