



EUROPEAN PARLIAMENT

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Committee on Industry, Research and Energy

2012/2099(INI)

8.11.2012

OPINION

of the Committee on Industry, Research and Energy

for the Committee on Regional Development

on the role of EU cohesion policy and their actors in implementing the new
European energy policy
(2012/2099(INI))

Rapporteur: Ioan Enciu

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SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on Regional Development, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the general approach of linking cohesion policy to the Europe 2020 objectives and its flagship initiatives in order to move towards smart, sustainable and inclusive growth and to support the shift towards a low-carbon, energy-efficient economy in all sectors; recalls, in addition, the importance of the Structural Funds and the Cohesion Fund for achieving these short- and long-term objectives in accordance with the spirit of solidarity between Member States as enshrined in the Lisbon Treaty, and for combating energy poverty in the less developed regions of the EU and the most vulnerable households;
2. Takes the view that the European territorial cooperation objective of cohesion policy, together with macro-regional strategies, can increase cooperation opportunities for cross-border projects with a view to achieving efficient and intelligent interconnections between local and regional energy sources and large energy grids; highlights, therefore, the need for effective regional cooperation when identifying regional infrastructure priorities and implementing projects of common interest; emphasises the need for cooperation at national and European level between municipalities and regions, which can contribute to the elimination of energy islands, the completion of the internal energy market and the implementation of energy infrastructure projects; calls on the Commission to establish a EU-wide cooperation programme, based on the experience of the twinning programme, in order to improve cooperation between regions with high rates of absorption of EU funds and those with low absorption rates and to facilitate the dissemination of best practices;
3. Emphasises that bureaucracy and lack of procedural clarity have made access to the Structural Funds and the Cohesion Fund difficult and discouraged those actors most in need of such funding from applying; supports, therefore, the simplification of rules and procedures, the removal of red tape, and increased flexibility in allocating these funds at both EU and national level; believes that simplification will contribute to the efficient allocation of funds, higher absorption rates, fewer errors and reduced payment periods and allow the poorest Member States and regions to take full advantage of the financial instruments intended to reduce regional and inter-state disparities; considers that a balance needs to be struck between simplification and the stability of rules and procedures;
4. Highlights the need to address the fragmentation of the EU energy market by removing barriers and bottlenecks in the relevant legislative frameworks and in the system of access to public and private funds for project development and implementation;
5. Stresses the need to distinguish between cohesion policy goals that contribute to the Europe 2020 strategy, on the one hand, and the EU's wider energy policy goals, on the other, which also affect the countries eligible for cohesion funding; emphasises that cohesion funds can be used as an additional source of funding for energy projects only if a project contributes to cohesion policy goals;
6. Welcomes the launch of the Smart Cities and Communities European Innovation

Partnership and calls on the relevant partners involved in planning processes for sustainable urban development to do more to promote, and take fuller advantage of, the benefits available under the JESSICA and ELENA initiatives for sustainable energy investment at local level, with a view to helping cities and regions embark on viable investment projects in the fields of energy efficiency, clean-burning fuel, renewable energy sources and sustainable urban transport;

7. Stresses the importance of cohesion policy, and of the financial resources allocated to it, for the full development of energy storage and transmission infrastructure and networks (with particular reference to smart grids and distribution) between the Member States and all regions of the EU, including the outermost regions, for the completion and functioning of the internal energy market, for the provision of an affordable, secure and sustainable energy supply and for achieving the goal of convergence among EU regions, taking into account the needs of EU citizens in every Member State; stresses that no region of the Member States should remain isolated from European gas and electricity networks after 2015 or suffer from inadequate connection to energy networks;
8. Notes that the utilisation of the Structural Funds and the Cohesion Fund for programmes which finance energy efficiency and renewable energy projects has so far been successful and contributed to the achievement of the EU's policy goals;
9. Considers it to be of paramount importance to be able to use the Structural Funds, the Cohesion Fund and other financial and leverage instruments to finance energy efficiency and renewable energy use, in particular in the housing sector; calls on the Commission and the Member States, therefore, to establish innovative financial mechanisms and to facilitate the use of the aforementioned funds to finance projects in the field of energy-efficient buildings, energy generation and transportation, at local and regional level, by offering incentives, grants and loans, and calls on the Commission and the Member States to disseminate clear, easily accessible information on the financial instruments, incentives, grants and loans available to support energy efficiency service projects; stresses that, in order to improve the energy efficiency of new and existing residential buildings and increase the use of renewable energy sources, the measures planned under the Structural Funds should also appear in the Member States' regional operational programmes, thereby ensuring that the final decisions are taken at regional level;
10. Stresses the importance of integrating the renewable and energy efficiency dimensions into the research and innovation strategies for smart specialisation that Member States and regions will have to design in order to access innovation funding under the future cohesion policy; notes that regional and local authorities and stakeholders have a key role to play in deploying the most-needed innovations in the energy sector if the EU is to meet its renewables and energy efficiency targets;
11. Highlights the fact that the cohesion policy and the funds allocated to it should be delivered more effectively, on the basis of the principles of proportionality, cost-effectiveness and accountability; supports, therefore, the use of financial instruments as leverage for private-sector investment, especially in respect of large energy infrastructure, energy efficiency and renewable energy projects;
12. Stresses the importance of regularly reviewing the allocation of cohesion funding for energy projects, in order to increase the absorption rate and channel the funds into

programmes which have a proven record of absorption, added value and effectiveness;

13. Stresses the significant advantage of using the Structural Funds and the Cohesion Fund for the implementation of the information and communication networks needed in order to develop a secure and robust smart EU energy grid;
14. Shares the Commission's views on encouraging and increasing the use of financial instruments as part of cohesion policy, bearing in mind the current financial scarcity and the EU's financial needs in order to complete the Europe 2020 strategy; considers that these instruments can provide efficient and effective support for investment in projects with potential economic viability and create a leverage effect by mobilising additional public or private co-investments in order to address market failures in the energy sector while minimising market distortions; believes that financial instruments should be tailored to the specific needs of regions and of their target recipients, thereby significantly improving access to finance for a wide range of socio-economic actors on the ground;
15. Stresses the importance of increasing administrative capacity – but without increasing the administrative burden – in the Member States, at regional and local level and among stakeholders in order to make full and effective use of the funding that will be allocated to energy projects (including in the areas of energy efficiency and renewable energy) under cohesion policy, to overcome barriers to effective synergies between the Structural Funds and other funds and to support effective policy design and implementation; calls on the Member States to make further efforts to attract and retain qualified staff to manage EU funds;
16. Welcomes the new proposal on the Connecting Europe Facility as an additional and complementary instrument to cohesion policy, aimed at addressing the extensive need for investment in modernising and expanding Europe's energy infrastructure, thereby contributing to the Europe 2020 strategy targets; urges the Commission to maximise the degree of coordination between the Structural Funds and the Cohesion Fund, on the one hand, and the Connecting Europe Facility, on the other.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	5.11.2012
Result of final vote	+: 43 -: 1 0: 2
Members present for the final vote	Gabriele Albertini, Josefa Andrés Barea, Jean-Pierre Audy, Ivo Belet, Jan Březina, Giles Chichester, Jürgen Creutzmann, Pilar del Castillo Vera, Christian Ehler, Vicky Ford, Adam Gierek, Fiona Hall, Jacky Hénin, Kent Johansson, Romana Jordan, Krišjānis Kariņš, Béla Kovács, Angelika Niebler, Jaroslav Paška, Aldo Patriciello, Vittorio Prodi, Miloslav Ransdorf, Herbert Reul, Michèle Rivasi, Amalia Sartori, Salvador Sedó i Alabart, Francisco Sosa Wagner, Britta Thomsen, Evžen Tošenovský, Catherine Trautmann, Claude Turmes, Marita Ulvskog, Adina-Ioana Vălean, Alejo Vidal-Quadras
Substitute(s) present for the final vote	Yves Cochet, Ioan Enciu, Roger Helmer, Jolanta Emilia Hibner, Gunnar Hökmark, Yannick Jadot, Werner Langen, Zofija Mazej Kukovič, Franck Proust, Silvia-Adriana Țicău
Substitute(s) under Rule 187(2) present for the final vote	Phil Bennion, Christian Engström