Drupal.behaviors.print = function(context) {window.print();}> Published on *EurActiv* (<u>http://www.euractiv.com</u>) **Source URL:** <u>http://www.euractiv.com/en/sustainability/commission-urged-table-green-budget-proposalnews-505948</u>

# Commission urged to table green budget proposal

Published: 24 June 2011 | Updated: 28 June 2011

As the European Commission prepares to publish proposals for the 2014-2020 EU budget next week, environmental NGOs expect the EU executive to put its money where its mouth is: by ending harmful subsidies and steering one trillion euros towards protecting biodiversity, increasing resource efficiency and combating climate change.

Talking to the press yesterday (23 June), a number of green NGOs underlined that the EU has committed itself to a series of ambitious environmental objectives, such 20% emissions reduction, 20% energy savings, 20% usage of renewable energy, reversing biodiversity loss and achieving sound ecological status for the bloc's river basins.

If the bloc keeps on backtracking on these objectives and if its future spending does not reflect its priorities, then "the EU's credibility is at stake," the NGOs warn.

The current seven-year EU budget totals around €975 billion – around €139 billion per year. But only 10% of this amount is being directly spent on climate measures, energy and resource efficiency and nature conservation, according to BirdLife.

Meanwhile, some 25% - €244 billion - is being spent on "harmful subsidies" that boost intensive agriculture, road transport, aviation, ecosystem fragmentation and overfishing, the NGOs argued.

Ariel Brunner, head of EU policy at BirdLife Europe, noted that the only budget line dedicated to the environment, the <u>Life Programme</u>, only represents 0.23% of the current EU budget.

Even the money that the Commission claims back from member states due to mistakes in various payments is two-and-a-half times the 'Life' budget, Brunner said.

#### Agriculture

The budget of the EU's Common Agricultural Policy (CAP) is currently €55 billion a year and amounts to some 40% of the bloc's total annual spending.

"The CAP is [...] where the EU budget needs to make a difference," because it takes up a huge sum of money and already has the "management machinery" behind it, noted Brunner.

However, only 5% of CAP money goes on environmental schemes, while 75% of the budget is locked into an untargeted, randomly distributed income support scheme, he argued.

EU Environment Commissioner Janez Potočnik has been <u>calling</u> for a profound greening of the EU farm policy and the EU executive's <u>blueprint</u> for the future CAP includes green measures.

In a non-binding resolution adopted yesterday, the European Parliament <u>called</u> <u>for</u> direct payments to farmers to be more explicitly linked to "greening measures," such as low carbon emissions and energy consumption, and said that "an EU-wide incentive system, 100% financed by the EU," should be set up to support farmers who go in for sustainable production methods.

#### **Cohesion funds**

Another large tranche of EU spending goes on regional policy. An average of almost €50 billion per year, more than one third (35.7%) of the total EU budget, is being channelled to promoting economic prosperity and social cohesion across the EU's entire territory.

According to the NGOs, 30% of current cohesion funding contributes directly or indirectly to the environment, but Magda Stoczkiewicz, director of the Friends of the Earth Europe, noted that in some new member states, only 2.4% of these funds are being used for renewable energy sources or as an incentive for green spending.

She called that clear thematic targets to be drawn up that use the money to help the EU to achieve its goals on climate change, biodiversity and resource efficiency.

#### Transport

The NGOs also call for the development of a solid methodology to measure greenhouse gas emissions from transport investments.

According to Jos Dings, director of Transport & Environment, an NGO, the EU's annual spending on transport is €13 billion. He regretted that nearly half of current funding is allocated to road transport, referred to by the NGOs as "the most carbon-intensive mode of transport".

Dings believes that EU co-funding rates for transport projects should be linked to their environmental outcomes and based on the CO2 savings generated by those projects.

Projects that help reduce CO2 emissions should receive 20% more and those that increase them should get 20% less, he suggested.

## **Next Steps**

• **29 June 2011**: Commission to present proposals on financial perspectives 2014-2020.

### Links

**European Union** 

- Commission: <u>Multiannual financial framework [FR] [DE]</u>
- Commission Financial framework 2007 2013 [FR] [DE]

Press articles

- EurActiv Slovakia: <u>Neziskovky žiadajú ekologickejší rozpočet</u>
  EurActiv Poland: <u>Komisja nakłaniana do przyjęcia "zielonego" projektu budżetu</u>