



A future EU structural policy must be transformative

**BUND (Friends of the Earth Germany) proposals for a sustainable
design of EU cohesion policy 2028–2034**

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Imprint

Bund für Umwelt und Naturschutz Deutschland e.V. (BUND), Friends of the Earth Germany, Kaiserin-Augusta-Allee 5, 10553 Berlin · Phone: +49 (30) 2 75 86-40 Mail: info@bund.net www.bund.net · Contact: Katrin.Huesken@bund.net · Authors: Dr. Klaus Sauerborn, Katrin Hüskén, Lia Polotzek · Layout: Natur & Umwelt Verlag Illustration: ©juicy_fish_freepik.com · Status as at: Mai 2024 · V.i.S.d.P. (responsible person according to German media law): Petra Kirberger

SUMMARY

The European cohesion and structural policy of the future should be consistently geared towards ecological and social transformation and thus make a greater contribution to combating key sustainability problems such as the climate and biodiversity crises and to maintaining healthy living conditions. According to BUND (Friends of the Earth Germany), the following proposals should be implemented in the shaping of European cohesion policy:

- (1) Exclusion of access to funding for development paths, technologies and industries that are at odds with the Sustainable Development Goals. In the energy sector, access to funding for technologies that are counterproductive (fossil fuels) or high-risk (nuclear power) should be excluded. Among other things, existing exemptions in the area of fossil fuels should be abolished.
- (2) The promotion of research, development and innovation (present policy objective 1) should be focused on major societal challenges such as climate protection, energy transition and the circular economy, in accordance with the zero pollution principle. This should be based on a broad concept of innovation that goes beyond technological innovation to include social and organisational innovations, focusing not only on the private sector but also on public administration and civil society.
- (3) Strengthening environmental and climate goals (present policy objective 2), including increased support for natural climate mitigation (e.g. peatlands, forests, seagrass meadows in oceans) and measures to promote climate adaptation, climate resilience and biodiversity. Nature-based climate mitigation and climate adaptation measures, including nature-based solutions (NBS), play a particularly important role, due to their multifunctional character. In addition, more support for funding measures to increase energy efficiency, energy savings and the use of renewable energies as well as for the development and implementation of intelligent and climate-neutral energy systems. Furthermore, the promotion of climate-friendly mobility through multimodal, intelligently networked transport that transitions away from fossil fuels and focuses on public transport, cycling and walking.
- (4) Regions, municipalities and civil society should be more involved in European decision-making processes on a continuous and structural basis. Cohesion policy should also further support the development of skills and capacities. To this end, the existing opportunities for building professional capacity under the Cohesion Fund must be utilised to a greater extent in the future. In concrete terms for example, support for advisory and networking centres as well as for specialist centres, which can be financed by the Fund's Technical Assistance, can be considered. Financial support must also be provided for the professionalisation of the participation opportunities of environmental and civil society associations in the monitoring committees and in programme planning (adhering to the partnership principles).

1 TRANSFORMATION IS NOT A SURE-FIRE SUCCESS

The European cohesion and structural policy of the future needs to be consistently geared towards ecological and social transformation and thus contribute to combating key sustainability problems such as the climate and biodiversity crises and to maintaining healthy living conditions. However, this is not yet evident in the current European debate. Rather, it is to be feared that the overarching objective of cohesion policy – the promotion of the economic, social and territorial cohesion of the European Union – will continue to be achieved primarily through economic growth. As part of a transformative structural policy, climate and environmental problems must therefore be made the central starting and reference points for the future strategic direction of EU cohesion policy.

2 EU COMMISSION WANTS GROWTH AND A LITTLE TRANSFORMATION

With the presentation of the report of the High-Level Group¹, the 9th Cohesion Report and the related Communication of the European Commission (COM (2024) 149 final), the baselines and preliminary positions of the EU Commission are now starting to emerge. With reference to the original treaty objective of cohesion policy², it emphasises that **the focus should continue to be on economic, social and territorial cohesion in the future**. This requires a strengthening and modernisation of future cohesion policy, in which **economic growth continues to be proposed as a central solution** for strengthening cohesion³. Economic growth in turn, is to be achieved by strengthening international competitiveness, whereby the European Commission believes that the green and digital transitions open up new opportunities and are necessary to maintain the EU's competitiveness in the future and thus ensure a good quality of life for citizens (COM (2024) 149 final, p. 18). A key success factor for strengthening international competitiveness and economic growth⁴ is the use and creation of regional economic strengths and specialisation advantages (place-based approaches). This is seen as the core task of future cohesion policy. Growth in all regions aims to improve prosperity and quality of life, and increased growth aims to reduce disparities in disadvantaged regions. This overlooks the fact that economic growth based on fossil fuels, non-renewable raw materials and linear rather than circular processes is one of the main causes of the climate and biodiversity crises as well as of emissions that are harmful to health.

The **EU Commission recognises the relevance of climate and environmental issues**. It states that the current path can only be continued successfully in the future if new challenges such as the digital transformation, climate and environmental policy transformation requirements and demographic change are taken into account. From the EU Commission's perspective, this requires "a comprehensive approach to promote jobs and opportunities in all regions, to address the

¹ European Commission, Directorate-General for Regional and Urban Policy, Forging a sustainable future together – Cohesion for a competitive and inclusive Europe – Report of the High-Level Group on the Future of Cohesion Policy, February 2024, Publications Office of the European Union, 2024, <https://data.europa.eu/doi/10.2776/974536>

² Article 174 TFEU: "The Union shall develop and pursue its policy of strengthening its economic, social and territorial cohesion in order to promote the harmonious development of the Union as a whole"

³ "Stronger and modernised policies are essential to strengthen the European growth model, build an inclusive Union and achieve the objective of economic, social and territorial cohesion enshrined in the Treaty." (COM (2024) 149 final, page 31).

⁴ It is noteworthy that economic growth is not explicitly defined in the relevant Articles 174–178 of the EU Treaty as an objective or as a solution to achieve the overarching objective of cohesion.

asymmetric costs of climate change and to implement climate change and the ecological transition⁵, including an accelerated reduction of greenhouse gas and air pollutant emissions, the necessary investments in climate resilience, the improvement of natural resource management and nature restoration, creating healthy ecosystems and nature-based solutions, supporting climate change adaptation and disaster risk management, investing in water efficiency and wastewater treatment in the circular economy and energy efficiency of residential buildings, where appropriate, and the transition to climate-friendly modes of transport." (COM (2024) 149 final, page 20). **Important starting points are identified here with which cohesion policy can contribute to an ecological transformation. However, environmental, biodiversity and climate problems appear as one of many challenges or boundary conditions that an essentially economic and growth-oriented cohesion policy must address.** Environmental, biodiversity and climate crises are not seen as a fundamental threat to future development, but as boundary conditions to ensure that competitiveness is maintained.

3 ECOLOGICAL PROBLEMS AS CENTRAL POINTS OF REFERENCE

The scale and urgency of global climate and environmental problems require making such transformation needs central reference points of future cohesion policy that can help solve these problems.

Major environmental and climate policy challenges are, firstly, the **climate crisis**, secondly the **biodiversity crisis** and thirdly the **emissions of substances** that cause harm to people and the environment. For example, the study "Global Tipping Points" (Lenton et al 2023: Global Tipping Points, University of Exeter, UK) reveals the growing danger that climate change and nature loss could lead to tipping points in the Earth system that would lead to abrupt and/or irreversible changes. Five major tipping point thresholds already risk being crossed with current global warming: the Greenland and West Antarctic ice sheets, the warm-water coral reefs, the Atlantic Meridional Overturning Circulation (AMOC) and permafrost areas. According to current scientific findings, it is expected that these effects will escalate and threaten the continued existence of economic, social and political systems and trigger destructive tipping points in societies when they experience pressures that they can no longer cope with.

The climate crisis is inextricably linked to the biodiversity crisis. The consequences of the climate crisis are exacerbating the destruction of the natural environment through fires, droughts, floods etc. and threatening ecosystems by shifting vegetation zones and creating new pathways for invasive species. In addition, the extent of habitat destruction and the loss of animal and plant species has surged alarming and requires urgent attention to counteract.

These crises also hugely impact People's living conditions and health. The trend in extreme heat due to the climate crisis is leading to increased stress, a reduction in labour productivity and increased mortality. According to the Robert Koch Institute (RKI), there were around 19,300 excess deaths in Germany between 2018 and 2020 as a result of heat stress. The European Environment Agency's latest estimates reveal air pollution as a key cause of excess mortality. According to

⁵ What is meant here is tackling the consequences of the climate crisis and the ecological damage and threats. This becomes clear when the English version of the source text is taken as a basis.

these estimates, at least 253,000 people in the EU died in 2021 due to particulate matter (PM2.5) concentrations above the WHO guideline level of $5 \mu\text{g}/\text{m}^3$. Nitrogen dioxide pollution led to 52,000 deaths and short-term exposure to ozone to 22,000 deaths. Air pollution also causes health problems and results in considerable costs for healthcare systems. According to recent estimates, exposure to air pollution contributes to or exacerbates certain diseases such as lung cancer, heart disease, asthma and diabetes⁶.

And lastly and significantly, the economic consequences of these crises are far-reaching. A recent study by the Potsdam Institute for Climate Impact Research predicts that climate change will cause global economic losses of **USD 38 trillion per year and a 19 per cent loss of income**⁷. This damage is six times higher than the mitigation costs of limiting global warming to two degrees.

The causes for this are well known: in all three problem areas – climate crisis, the biodiversity crisis and emissions hazardous to the environment and health – the problems are man-made, caused by our economic and lifestyle patterns, whose consumption of resources and emissions are no longer compatible with natural and planetary boundaries.

⁶ See <https://www.eea.europa.eu/de/highlights/luftverschmutzung-in-ganz-europa-immer>

⁷ Maximilian Kotz, Anders Levermann, Leonie Wenz (2024): The economic commitment of climate change. in: Nature. [DOI: 10.1038/s41586-024-07219-0] Based on empirical data from more than 1,600 regions over the past 40 years, PIK researchers have calculated the future impact of changing climatic conditions on economic growth.

4 WHAT SHOULD CHARACTERISE A TRANSFORMATIVE STRUCTURAL AND COHESION POLICY?

4.1 Understanding transformation as a sustainability transformation

The term 'transformation' refers to **far-reaching, systemic changes** in social, economic, technological or ecological systems. Transformation goes beyond incremental or gradual change and involves significant, fundamental upheavals that reshape the structure and functioning of systems. The discussion on transformative environmental policy⁸ emphasises the need for a normative approach i.e. transformations that can bring about changes to achieve the political goals of the 2030 Agenda, the Paris Climate Agreement etc.– **sustainability transformations**⁹.

The WBGU¹⁰ emphasises the urgency of a far-reaching transformation of societies in order to achieve the global environmental and sustainability goals. According to the WBGU, this transformation is necessary in order to respect the ecological limits of the planet, limit climate change, protect biodiversity and promote social justice. According to the WBGU, the following guidelines and measures are required to achieve this:

- The **vision "Healthy living on a healthy planet"**, which the WBGU developed in its report of the same name¹¹, focuses on the inseparability of human health and nature and thus on an expanded understanding of human health: Human health and the health of all living beings depends on a "healthy" earth with functioning, resilient and productive ecosystems and a stable climate.
- **Planetary guard rails** are observed: Resilient, productive ecosystems and a stable climate are prerequisites for a healthy life on a healthy planet. This means that humans have a responsibility for all life on the entire planet. In the vision, anthropogenic climate change, pollution and biodiversity loss are halted.
- Important previously neglected starting points include **stopping the exploration of fossil fuels and the strengthening of the biosphere** on land, in freshwater and in the sea – also to prevent zoonotic pandemics.
- **Combating the emission of harmful and hazardous substances**, which follows the "zero pollution" model and aims to ensure that neither the people or the environment are harmed.
- Health systems should harness their transformative potential and prepare for future challenges. Funding programmes for the environment-health nexus must be expanded and a joint, international funding landscape institutionalised.

⁸ See Federal Environment Agency 2018, Transformative Environmental Policy

⁹ See Federal Environment Agency 2018, Social Well-being Within Planetary Boundaries – The precautionary post-growth approach

¹⁰ WBGU = German Advisory Council on Global Change

¹¹ WBGU Report Healthy living on a healthy planet, 2023, <https://www.wbgu.de/de/publikationen/publikation/gesundleben>

4.2 Contribution of structural policy to the sustainability transformation

How should policies such as cohesion and structural policy (but also economic policy in general, industrial policy, financial policy, regulatory policy), which are primarily geared towards objectives such as competition, economic growth or public finances, be changed in order to contribute to sustainability transformation?¹² **Environmental, biodiversity and climate crises not only threaten the foundations of economic, social and territorial cohesion, but also economic activity and life in general.** On reflection, EU cohesion policy has already made important contributions here, for example through the binding promotion of environmental, nature conservation and climate targets; however, there is a need for significant change in the future. **Since sustainability crises are closely linked to the economy, economic policies must also be part of the solution.** Environmental, nature conservation and climate policies alone are not enough or are often thwarted by growth-orientated economic policies. Transformative structural policy aims to avoid this and strengthen those sectors, technologies and innovations that are needed to achieve ecological and social goals. Regional structural policy therefore requires an integrative, systemically oriented policy design that makes ecological and social problems and challenges central points of reference if infrastructures are to be built, companies supported, innovations promoted and living conditions improved and harmonised.

What does this mean for the **objectives** and strategic direction of structural policy?

The **relationship between original objectives of EU cohesion policy** ("Policy to strengthen its economic, social and territorial cohesion in order to promote the harmonious development of the Union as a whole [...] to reduce disparities in the level of development of the different regions and the backwardness of the least favoured regions"; Art. 174 TFEU) **and the requirements and objectives of the socio-ecological transformation must be redefined:** If economic growth tends to exacerbate environmental, climate and health problems, then certain sectors of the economy should no longer be supported by structural policy measures. Instead, the **focus** should be **on funding approaches that contribute directly and primarily to solving environmental, climate and health problems.** This can be done, for example, by promoting innovative products and processes or by promoting natural and infrastructural conditions for successful economic activity. Where this is not possible with primary objectives, the avoidance or minimisation of possible negative impacts on the climate, environment, nature and human health must be ensured.

Why is the contribution of EU cohesion policy essential? Beyond the substantive links (see above), the financial importance of EU cohesion policy in the EU budget as a whole is enormous. Closely followed by the European Agricultural Guarantee Fund (EUR 291 billion), the Structural and Cohesion Funds account for EUR 274 billion, making them by far the second largest position in the EU's Multiannual Financial Framework.

¹² This issue was recently discussed by the German Advisory Council on the Environment in the consultation document 'Sufficiency', 2024, https://www.umweltrat.de/SharedDocs/Kurzmeldungen/DE/2020_2024/2024_01_VA_Suffizienz.html

4.3 Guiding principles of a transformative EU cohesion and structural policy

As part of a transformative structural policy, future cohesion policy and the European structural funds need to be consistently geared towards ecological and social transformation and thus contribute to combating key sustainability problems such as the climate and biodiversity crises, and maintaining healthy living conditions. All funding needs to be in line with this.

1. Firstly, this includes aligning funding objectives, funding approaches and funding measures as comprehensively as possible with the challenges of ecological and social transformation (vertical integration, earmarking, quotas, etc.).
2. Secondly, development paths, technologies and sectors that are at odds with the sustainability development goals should in no way be supported (funding exclusions), see section 5.1.
3. Thirdly, the use of suitable cross-cutting measures and instruments must ensure that counter-productive effects in relation to environmental and climate policy objectives are avoided, or unavoidable negative effects are minimised (horizontal integration, main streaming)¹³.

For the **target system**, this means: The original objectives of cohesion policy¹⁴ remain legitimate. However, they must not counteract the ecological and social objectives of the transformation or the fight against sustainability problems, but under ideal circumstances support them 100%. In view of the enormous ecological and climate policy challenges (planetary boundaries), alignment with the following climate, environmental and health goals is urgently required within the context of a transformative structural policy:

- Decarbonisation of the economy and energy system,
- the phase-out of the use of fossil fuels, climate-damaging resources,
- climate protection/climate neutrality,
- climate adaptation/climate resilience,
- protection and promotion of biodiversity
- circular economy,
- an absolute reduction in resource consumption
- combating the emission of harmful and hazardous substances in line with the 'zero pollution' model¹⁵

The management of the associated social and economic consequences (structural change in the economy, re-industrialisation; changes in the qualification requirements of the workforce, problems in regions with a high dependency on fossil fuels; socially just handling of changing costs, energy prices, energy price brakes, climate funds, etc.) **must always be taken into account as part of the transformation processes**. So far, this has only been done in rudimentary form e.g. within the framework of support for coal regions (e.g. through the Just Transition Fund). We are currently experiencing growing resistance to the necessary transformation processes, not least because the social consequences are not being adequately taken into account. Here, regions in development traps are particularly at risk.

¹³ Approaches to horizontal integration can be found, for example, in instruments such as SEAs for further development, DNSH, climate proofing of infrastructures; criteria and procedures for selecting projects.

¹⁴ BUND highlights that the original objectives of cohesion policy must be evaluated, discussed and adapted/changed in the medium term.

¹⁵ This aims to ensure that neither people nor the environment is harmed. Health and environmental risks from emissions and landfills of persistent waste and chemicals in the air, soil and water needs to be prevented through a controlled circular economy and emission regulations.

The European Green Deal provides the appropriate strategic and thematic basis for a future transformative EU cohesion policy. This is because the Green Deal encompasses key environmental, nature conservation and climate problems and aims to contribute to solving them, among other things through thematic focus and mission orientation (within the context of the research and innovation programme "Horizon Europe"). In addition, the Green Deal requires target contributions from all policy areas, including cohesion policy, which is also set out in the EU's Multiannual Financial Framework (MFF).

5 PROPOSALS FOR FUTURE FUNDING

5.1 Funding exclusions/Exnovation

Development paths, technologies and sectors at odds with the SDGs should explicitly not be funded under cohesion policy. Such funding exclusions have already been defined in Article 7 of Regulation (EU) 2021/1058. In the energy sector, only smart and sustainable energy systems should be supported in the future as part of transformative cohesion policy, and at the same time technologies that are counterproductive (fossil fuels) or high-risk (nuclear) should no longer be supported. Existing exemptions in the fossil fuels sector need to be abolished. In principle, further funding exclusions should be considered for industries or technologies that are clearly pursuing a fossil fuel development path, such as petrochemicals, or aim to preserve fossil fuel business models, such as the development of CCS/CCU infrastructures or synthetic methane. It is also worth considering the exclusion of the promotion of grey infrastructures at locations that are especially worthy of protection, such as habitats, flora and fauna, and whose loss cannot be compensated for elsewhere.

5.2 Mission-oriented focus of research, development and innovation

The promotion of research, development and innovation (present policy objective 1) should be focussed on major social challenges¹⁶ such as climate protection and public health. It should be based on a broad concept of innovation that goes beyond technological innovation, including social and organisational innovation while not only focussing on the private sector, but also includes public administration and civil society. As a result of a broad-based political discussion process, future EU cohesion policy should focus on selected key sustainability challenges and derive its missions from these. In comparison to the previous promotion of research, development and innovation, focussing on important sustainability transformations appears necessary in order to avoid promoting any innovation that is only aimed at generating economic growth. In doing so, the regions should be able to individually determine their specific, problem- and potential-oriented transformative priorities/missions within this general framework e.g. with the help of transformation-oriented regional innovation strategies.

¹⁶ Ideas for a "mission oriented innovation policy" are advocated by the economist Maria Mazzucato, among others; see Mazzucato, Maria 2021: Mission Economy: A Moonshot Guide to Changing Capitalism; Mazzucato, Maria 2018: The Entrepreneurial State

Starting points for the identification of important areas and starting points for innovation-related missions at EU level could lie in the decarbonisation of industries, products and services, such as transformations in energy- and emission-intensive industries (e.g. energy, mobility, steel, cement, chemicals, paper, etc.) or in technologies of particular transformative importance such as green hydrogen, ammonia, energy storage. Digitalisation and the increased use of artificial intelligence are essential as enablers e.g. for the control of energy grids and energy systems, the mobility sector and concepts for smart and sustainable urban development. In this context, the further development of the regional Smart Specialisation Strategies (S3), which are important in the cohesion policy context, into area-based "Smart Specialisation Strategies for Sustainability" (S4) could provide a possible framework for such an orientation at the regional level¹⁷.

5.3 Direct support for climate, environmental and nature conservation objectives

To date, all EU structural policy topics that primarily support climate, environmental and nature conservation objectives have been anchored in policy objective 2. They are assigned to eight specific objectives in the following fields: energy efficiency/greenhouse gas reduction, renewable energy, energy systems, grids and storage, adaptation to climate change/disaster prevention, water, circular economy, protection and conservation of nature, biodiversity and green infrastructure, sustainable, multimodal urban mobility. The breadth of topics covers important issues and needs of the ecological transformation and the Green Deal that cohesion policy can support. In the future, this range should be maintained and the importance of nature-based solutions should be increased in the context of supporting climate adaptation, disaster prevention, green and blue infrastructure and the creation of carbon sinks¹⁸. We see starting points for improvements and further developments in the following areas.

In the future, support should be further enhanced through funding measures to increase **energy efficiency in line with high EU standards, energy savings** and the **use of renewable** energies as well as the development and implementation of intelligent and **climate-neutral energy systems**. On the one hand, they can contribute to achieving the expansion targets for renewable energies and the greenhouse gas reduction targets by 2030. At the same time, according to a study by the Bertelsmann Foundation entitled "Energising-EU-Cohesion"¹⁹, the expansion of renewable energies in particular is associated with major economic development opportunities for less developed, rural areas. Based on predictions, the energy transition in these regions will increase value creation by up to 6.2% and employment by up to 4.9% by 2050. The increased use of financial instruments (green equity, subordinated loans, guarantees) could also be a promising way of making the energy sector climate-neutral, as this can achieve a greater leverage effect when mobilising investments. Also the (increased) support for natural climate protection measures (e.g. peatlands, forests, seagrass meadows in seas), measures to promote climate adaptation, climate resilience and biodiversity should be used more intensively in the future with the objectives of protection, prevention and impact management in order to meet the increases in demand. Due to their multifunctional character, nature-based solutions¹⁷ in particular have the advantage

¹⁷ "Smart Specialisation Strategies for Sustainability" (S4) have already been proposed by the Joint Research Centre of the EU Commission in Seville, see <https://publications.jrc.ec.europa.eu/repository/handle/JRC121271>

¹⁸ BUND 2023, Proposals and criteria for the anchoring of nature-based climate change mitigation and local climate impact adaptation: <https://www.bund.net/service/publikationen/detail/publication/vorschlaege-und-kriterien-fuer-die-verankerung-von-naturbasiertem-klimaschutz-und-lokaler-klima-folgenanpassung/>

¹⁹ Bertelsmann Stiftung 2023, <https://www.bertelsmann-stiftung.de/de/publikationen/publikation/did/energising-eu-cohesion>

of synergistically combining positive effects in one concept. They utilise the services of ecosystems and natural processes to ensure CO₂ sequestration, water retention (and thus reduced damage potential from flooding) and air purification and cooling through measures such as peatland rewetting or the creation of green-blue infrastructures. They can also contribute to improving infrastructures for leisure in addition to their recreational role. In order to make greater use of this potential, more effective incentives are needed in the future, in particular to ensure that nature-based solutions are integrated as preferred elements in ERDF-funded "grey" measures (e.g. buildings, infrastructure).

In the current funding period, ERDF funding already includes the specific objective 2.5 to promote access to water and sustainable water management. Problems and risks attributable to the climate crisis have also intensified in the area of water management. These include water scarcity due to dry periods, high water consumption, dwindling water supplies, droughts, heavy rainfall and flooding. In addition to risks and damage to health, floods are particularly detrimental to infrastructure (flood damage) and economic processes, such as restricted river navigation due to low water levels or a lack of cooling water for power plants. The diverse challenges of sustainable water management require high levels of investment, which should also be taken into consideration as part of cohesion policy in the future.

"Global consumption of materials such as biomass, fossil fuels, metals, and minerals is expected to double in the next forty years²⁰, while annual waste generation is expected to increase by 70% by 2050²¹." These forecasts make it clear that the **resource consumption** and the **waste generation** are not only a question of harmful and hazardous substances, but also represent a considerable quantity problem. It is, therefore, all the more urgent to reduce the (raw material) consumption in absolute terms and to increase the proportion of materials used in a circular manner. The application of the circular principle in design and production processes is of crucial importance in order to enable recycling, reduce waste and minimise emissions. To this end, the promotion of the circular economy should prioritise a) design approaches that promote ease of repair and recycling using renewable raw materials and b) the avoidance of the introduction of hazardous substances or substances that impair the recycling of the circular economy and c) land recycling.

Transport and mobility continue to pose significant challenges in terms of climate protection and environmental pollution, as illustrated by the development of greenhouse gas emissions and air pollutants such as particulate matter, nitrogen oxide, sulphur oxide and ammonia. The challenges ahead lie not only in the reduction of greenhouse gases, but also in environmental and health protection through the reduction of air pollutants and the adaptation of transport infrastructure to the consequences of climate change, such as functional restrictions due to heatwaves and drought. This requires increased promotion of climate-friendly mobility through multimodal, intelligently networked transport that shifts away from fossil fuels and focuses on public transport, cycling and walking. It is also of paramount importance that mobility is accessible and affordable for all, that remote rural areas are better connected and that accessibility is ensured for persons with reduced mobility and persons with disabilities.

²⁰ OECD (2018), Global Material Resources Outlook to 2060.

²¹ Weltbank (2018), What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050.

5.4 Participation

Many European strategies and policies can only be successfully implemented in close cooperation with the regions, municipalities and with the support of civil society. Their knowledge of the challenges and need for action as well as the potential and possible solutions on the ground is an indispensable component of a cohesion policy that is orientated towards local conditions. Regions, municipalities and civil society should therefore be continuously and structurally better involved in European decision-making processes. Cohesion policy should also further support the development of skills and capacities.

In the 9th Cohesion Report, the EU Commission also argues in favour of greater participation, which in its view can help to counteract growing political dissatisfaction and mistrust of the authorities. With the various options for supporting specific regional, territorial approaches below the level of the federal states²², such as a) integrated territorial investment (ITI), b) community-led local development (CLLD) or c) other territorial strategies, as well as the Just Transition Fund, cohesion policy currently already offers various options for realising participation. These mechanisms should be simplified in future to make them easier to use and thus more attractive. In particular, stakeholders with fewer resources, such as smaller municipalities or civil society stakeholders, should be supported as part of a capacity development approach so that they can work effectively on this.

The existing opportunities for professional capacity building under the Cohesion Fund (in accordance with Article 8 of Regulation (EU) 2021/1060 on the partnership principle and Article 17 (1), Regulation (EU) 240/2014 on strengthening the institutional capacity of partners) should be used more intensively for this purpose in future. Specific options include, for example, support for advisory and networking facilities and specialist hubs (for workshops, training, coordination, professional exchange, peer learning), which should be financed by the funds' technical assistance. Financial support should also be available to professionalise the participation of environmental and social associations in the monitoring committees and in programme planning. Support for specialist consultation during the application process should also be considered.

Funding programmes are often not accessible to municipal and civil society stakeholders. Studies on the²³ utilisation of EFRE and INTERREG funding in Germany for the 2014–2020 period show, however, that it is precisely these stakeholders that implement a disproportionately high number of sustainability projects. While these stakeholders spend significantly more than half of all the funding they receive from the ERDF programmes on sustainability-related projects (57.5%), the corresponding share of the other stakeholders (mainly companies) is much lower at only 21%. In the Interreg programmes²⁴ the corresponding shares are 54.5% and 40,3% respectively. For this reason, far more funding programmes and guidelines should be opened up to municipal and civil society stakeholders in the future.

²² within the framework of Articles 28-30 of the General Ordinance on Territorial

²³ <https://eu-kommunal-kompass-21-27.de/service/forschungsergebnisse-1>

²⁴ <https://eu-kommunal-kompass-21-27.de/service/forschungsergebnisse-2>