

***PART 3 - THE HANDBOOK***

### 3.1 STRUCTURE OF THE HANDBOOK

This Handbook is structured to reflect the various stages in the programming cycle of the Structural Funds related to the preparation of Regional Development Plans (RDPs), Community Support Frameworks (CSFs) and Operational Programmes (OPs). For each of these, the relevant SEA stages are described and explained (see Table 2.3 and Figure 3.1), giving details of the actions that need to be taken by the Development Authorities and the Environmental Authorities involved. Once the stage of OP (or SPD) is reached, some of the actions described in the Handbook will also be relevant to Programme Managers. <sup>(1)</sup>

The following Strategic Environmental Assessment (SEA) stages are applied to **Regional Development Plans**:

1. Assessment of the environmental situation - developing a baseline
2. Development of objectives and priorities
3. Drafting the Plan and its alternatives
4. Environmental assessment of the draft Plan
5. Environmental indicators for the Plan
6. Integrating the results of the assessment into the final Plan.

The following SEA stages are relevant to the preparation of the **Community Support Framework**:

1. Objectives, priorities and the role of Environmental Authorities
2. Environmental Assessment in the context of the CSF
3. Indicators.

**Operational Programmes and Single Programme Documents** are subject to the following SEA stages:

1. Assessment of the environmental situation - defining a baseline
2. Development of objectives and targets
3. Drafting the Operational Programme and its alternatives
4. Environmental assessment of the draft Operational Programme
5. Environmental Indicators for Operational Programmes.

In this Handbook, each SEA stage is presented in a uniform way to assist in building a common approach to integrating environmental and sustainable development issues throughout the programming cycle. The standard sections into which each stage is divided in the Handbook are shown in Table 3.1.

**Table 3.1** *Standard Format for the Presentation of SEA Stages in the Handbook*

Each SEA stage is divided into the following sections:	
Background	explains the relevance of the stage in the context of the Structural Fund process, and EU Cohesion and Environmental policies
Objectives	explains the objectives of the stage, what needs to be achieved
Actions	a box summarising the key actions which Environmental Authorities and Development Authorities will have to take to complete this stage of the assessment
Description	gives description of how to carry out the actions and meet objectives

(1) See Glossary.

Each SEA stage is divided into the following sections:

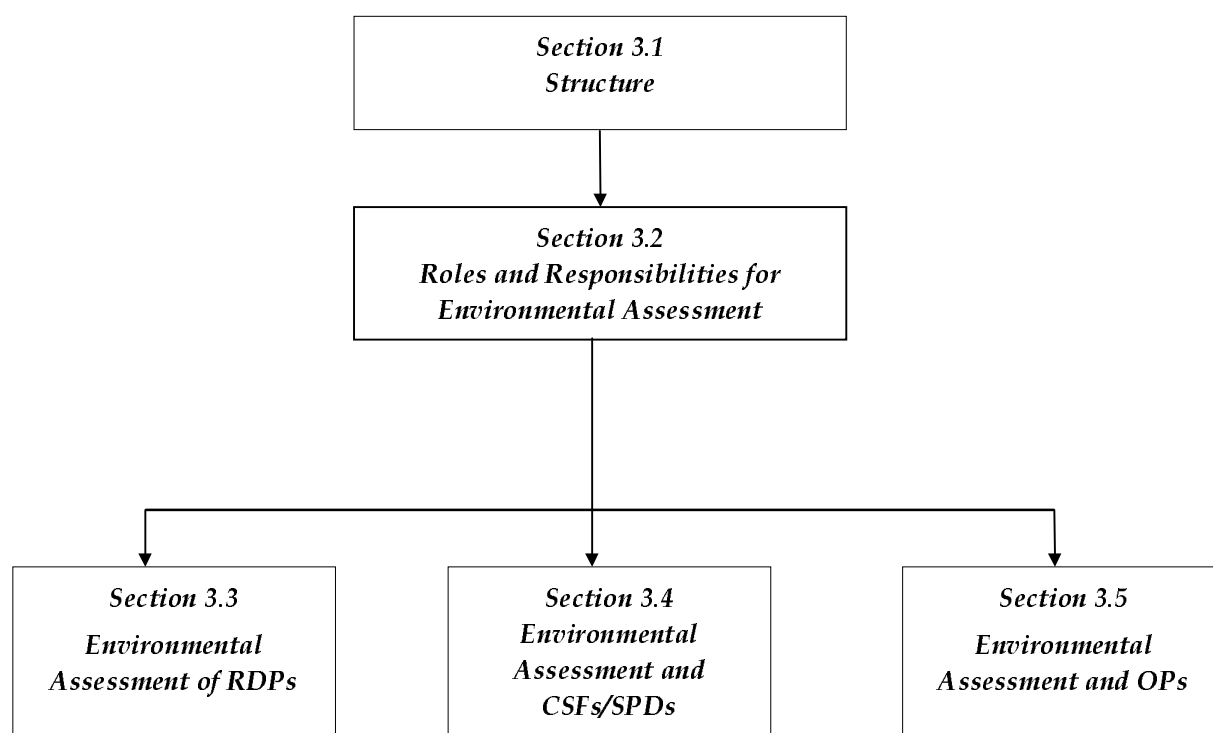
Outputs	box summarising the number and type of documents or other outputs which should be produced.
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### *Layout of the Handbook*

Each of the SEA stages identified in this section is presented graphically throughout the Handbook in the top margin of each page. The margin will show which Structural Fund document is being addressed (RDP, CSF or OPs) and which SEA stage is being described on each page. For example, when Objectives and Priorities are being described for the RDP, the graphic will show the following:

The Handbook includes a series of annexes which provide examples and further explanation for key SEA stages. The Glossary of Terms and Acronyms and the List of References are of general relevance to most sections of the Handbook.



**Figure 3.1** *How to Use the Handbook - Part 3*

**Each section:**

starts with a  
*General introduction*

and includes a  
*flow diagram*  
describing the links between the Structural Fund stage  
(RDP, CSF/SPD or OPs) and the SEA processes

A detailed  
*description of the relevant SEA stages*  
follows.

**For sections 3.3 and 3.5**  
each SEA stage is described following a common structure:  
*background, objectives, actions, description and outputs.*

A series of **Annexes** follows. These are intended to provide practical  
guidance and examples for the implementation of key SEA stages

#### **Annexes**

- I - Assessment of the Current Environmental Situation 'The baseline'***
- II - Development of Objectives and Priorities***
- III - Techniques for the Environmental Assessment of Draft RDPs and OPs***
- IV - Indicators***
- V - Monitoring and Evaluation***
- VI - Implementing the Results of the Environmental Assessment of OPs***
- VII - A Checklist for Environmental Integration***

### 3.2 ROLES AND RESPONSIBILITIES FOR ENVIRONMENTAL ASSESSMENT

The responsibility for carrying out the environmental appraisal of the regional plan and/or programme(s) rests with the Member States and regions as prescribed in the Structural Funds Regulations. In practice, Member States and regions more often than not delegate this activity to the competent Environmental Authorities or to external technical bodies or both.

The Structural Funds Regulations mandated a role for the designated competent Environmental Authorities in the Member States in the Structural Funds process. This role is a dual one. To be involved in the *definition* of regional plans and to ensure that during their *implementation*, Community environmental law is respected. Clearly, then, Environmental Authorities should be involved in the plan preparation phase of the RDP.

Because of the differing institutional and administrative arrangements that exist between EU Member States, it is difficult to prescribe a particular approach to involving the Environmental Authorities in the plan preparation phase. However, their knowledge of, and responsibility for, the implementation of EU environmental policy should be seen as a key resource by those drawing up RDPs.

In the implementation phase of individual programming documents the following tasks could be carried out by the Environmental Authorities<sup>(1)</sup>:

- To provide policy and environmental information input into the implementation of programmes ;
- To advise on the development of appropriate indicators relating to the measurement of the environmental impact of programmes or measures ;
- To advise on project appraisal procedures and criteria so as to improve the overall process of project selection from an environmental, economic and social perspective;
- To report on the environmental impact of the programme(s) to the programme monitoring committee(s) on a periodic basis, preferably annually in the context of the annual reporting requirements for programmes.

#### Box 3.1 Key Actors Involved in the Assessment of Structural Fund Plans and Programmes

##### *Development authorities:*

all national and regional ministries, agencies and other governmental bodies which have an involvement in the planning and implementation of Structural Funds plans and programmes.

##### *Environmental authorities:*

all national and regional ministries, agencies and other governmental bodies responsible for developing national and regional environmental policy and legislation, and which play a role in its implementation and monitoring.

##### *Programme managers:*

national or regional ministries and their designated contractors responsible for developing and implementing Structural Funds Programmes.

##### *Monitoring committees:*

a committee composed of Member States representatives, the European Commission, economic and social partners and other partners as appropriate, whose remit is the overall co-ordination of the financial and physical progress of the programme.

(1) Note that this is not intended as an exhaustive list.

In some Member States and regions, the Environmental Authorities have a highly visible role and are involved in the activities mentioned above. The picture, though is not uniform throughout all Member States or between different regional objectives. In its Communication on Cohesion Policy and the Environment (COM (95) 509 final), the Commission undertook to strengthen the role of the Environmental Authorities and to encourage a more systematic approach to appraisal and monitoring of environmental impacts of Funds operations.

This Handbook describes a systematic approach to the involvement of Environmental Authorities in the programming process of the Structural Funds. It identifies clear actions and roles for both Development and Environment Authorities and stresses the need for, and benefits of, collaboration.

*ENVIRONMENTAL ASSESSMENT OF DRAFT  
REGIONAL DEVELOPMENT PLANS*





### 3.3.1 *Introduction*

Effective environmental assessment of regional plans in the context of the Structural Funds needs to begin early in the process of defining a regional plan's strategy and Priorities.

To achieve this in a coherent manner within the Structural Fund process, an SEA approach is applied first at the Regional Development Plan (RDP) stage. This plan will be the essential reference document throughout the Structural Fund programming cycle, providing the basis for subsequent programming documents (CSF or SPD and OP) agreed between the Commission and the Member states.

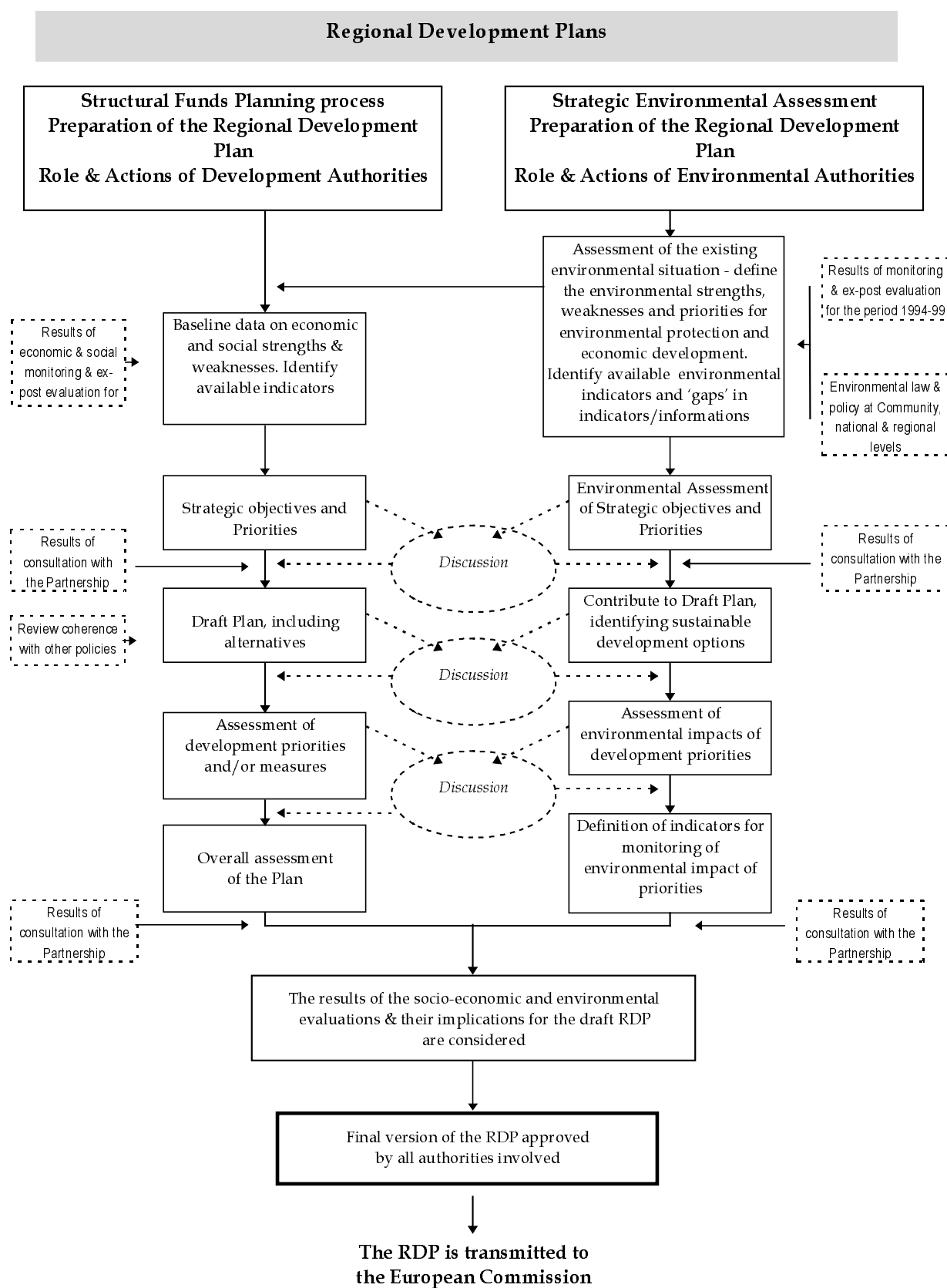
Starting the SEA process from the very *early stages* of developing an RDP strengthens the environmental integration dimension of the plan and ensures that potential conflicts between development and environment objectives and likely significant negative impacts are addressed. The SEA process can also play a role in making the trade-offs explicit when conflicts between economic, social and environmental objectives arise.

The basic principles behind the SEA approach will apply equally to RDPs and OP/SPDs, with varying degrees of detail. Any substantial difference in the way a stage should be applied to OP/SPD will be explained in sections 3.4 and 3.5.

Figure 3.2 gives a graphical description of how the programming and environmental assessment processes should interact. It summarises the SEA stages, the roles of Development and Environmental Authorities and the timing of any proposed consultations with the Partnership <sup>(1)</sup>.

(1) See Glossary

Figure 3.2 RDPs and the SEA Process



### 3.3.2 *Assessment of the Environmental Situation - developing a baseline*

#### Background

The 1993 Structural Funds Regulations required Member States to carry out an assessment of the environmental situation of those regions which would receive financial support. This becomes the initial stage of the SEA process described here. The environmental situation of a region can be interpreted as meaning the state of the environment as indicated by the status of key environmental resources. As such, it represents the environmental baseline for a region and this is the term used in this Handbook.

Assessing the environmental situation and developing a baseline are to be considered crucial in providing information which will help Member State and regional authorities to meet the broad goals of the Amsterdam Treaty and the Structural Funds Regulations namely:

- to promote sustainable development;
- to promote a high level of protection and improvement of the quality of the environment;
- to ensure compatibility between operations financed by the Funds and activities for environmental protection and improvement.

#### Objectives

The objective is to support Development Authorities and decision-makers involved in Structural Fund programming by providing them with information on the state of the environment and natural resources which is relevant to the scope of RDP. This information will be most useful if it is presented in parallel with the data describing the social and economic state of the regions.

Most development initiatives will have a direct or indirect impact on a region's environment and natural resources. In order to meet the Community objective of sustainable development this impact should be either positive or neutral. To ensure such positive or neutral impact, all authorities involved in Structural Fund programming will have to **understand** the interaction between development and the environment, and will **need information** which enables them to balance demand and availability of resources (renewable and non-renewable).

**Actions*****Development Authorities***

***Action 1a) Development Authorities***  
to examine the implications of the current environmental situation for plans strategy, objectives and Priorities;

***Action 2a) Development Authorities***  
to identify additional resource (human, financial) requirements and data gathering/analysis needs;

***Action 3a) Development Authorities***  
to produce baseline data on economic and social trends for the region.

***Environmental Authorities***

***Action 1b) Environmental Authorities***  
to review the outcomes of any previous programming period in terms of any environmental and sustainable development impacts

***Action 2b) Environmental Authorities***  
to produce a detailed description of the environmental situation in the region, and a commented summary of environmental legislation and policy objectives, for all Development Authorities likely to be involved in Plan formulation;

***Action 3b) Environmental Authorities***  
to present the information so that Development Authorities can see the relevance of the document for their development sector;

***Action 4) Environmental Authorities***  
to draft a list of available/in-use environmental indicators, and any additional indicator deemed necessary;

***Action 5) Environmental Authorities***  
To identify additional resource (human, financial) requirements and data gathering/analysis needs, particularly with regard to potential indicators for measuring the impact of the plan/programme.

## Description

The state of the environment and of natural resources is an integral part of a region's characteristics. This information, together with the socio-economic characteristics of the areas receiving the funding, will provide a basis for the definition of sustainable development priorities. Such information is often termed *baseline data*.

This initial stage of the SEA process could involve the following steps:

- a) *Characterise resources and ecosystems*  
Typically, the baseline information for the environment will focus on issues such as air quality, water quality and availability, natural resources, protected areas, which help to define the 'state' of the environment. Where possible their carrying capacity should be described.<sup>(1)</sup>
- b) *Characterise the pressures and the strengths and weaknesses of resources and ecosystems*  
The baseline should also address pressures on the environment from sectors such as transport, agriculture, industry, energy and the domestic sector in terms of their impact on the state of the environment (consumption of natural resources and effects on the quality of the environment in terms of pollution etc.).
- c) *Environmental standards and objectives in the legislation and policy*  
Environmental baseline data should also highlight the requirements of environmental legislation and policy and explain their relevance to

development sectors which cause pressure on resources and ecosystems.

- d) *Define a baseline condition for the environmental resources and ecosystems*  
On the basis of the information gathered, baseline conditions should be presented and clearly linked to the type of development initiatives which are likely to be targeted in the plan and are likely to affect each resource/ecosystem.

- a) *Identify available indicators and information gaps*  
Finally, at this stage in the process it is also useful to give an overview of the type of indicators which may already be available on the state of the environment, and any information gaps which will need to be filled (see also Section 3.3.6).

### *How to proceed*

The collection of environmental baseline data will be mainly the responsibility of the Environmental Authorities. However, it is recommended that an initial consultation is carried out with the different Government services involved in the programming process, asking them for example what data requirements they might have, what type and format of information they would find most useful.

It would also be helpful to consult other specialist government bodies such as environment agencies, statistical offices, and non-governmental organisations. Some of these institutions may hold useful additional information.

(1) See Glossary.

One approach to initiating this SEA stage is to review the environmental and sustainable development results deriving from *interim* or *ex-post* evaluations from the previous planning period. These reports should provide a reasonable overview of the broad impacts on the environment of previous development strategies and priorities. From these, it will be possible to identify key environmental themes (eg. water quality and quantity) and development sectors (eg. transport) for which environmental data should be provided.

It should be noted that the information gathered at this early stage in the process will be constantly updated to respond to the requirements of subsequent stages of the SEA process and Structural Funds programming. For example, it is likely that once the objectives of the RDP have been identified, more information may be needed on specific environmental themes or priorities. The same may happen at the stage of the environmental assessment.

Annex I of this Handbook presents a detailed review of:

- How data can influence the content of RDPs and OPs;
- Quantity and quality of data requirements;
- Presentation of the data;
- Identification of additional needs for data and resources.

## Outputs

The baseline data produced at the RDP stage will be used as background information throughout the Structural Funds process. The greatest effort in data gathering should therefore take place at this stage.

In order to favour integration from an early stage, the environmental and socio-economic baselines could be presented in a common document. For the environment component this should include:

- A description of the characteristics of natural resources and ecosystems; details of the strengths and weaknesses of the region's environment and natural resource endowment (e.g. potential for renewable energy, abundance of natural areas; or limited freshwater resources, limited sewage treatment and waste management capacity, etc.) and the link between these and development sectors. Where possible, the description should be quantified (in terms of statistics and indicators);
- An overview of Community, national and regional environmental policy and legislation, its requirements and implications (including financial ones) for the Structural Funds programming period;
- A description of the legal and institutional framework: which national and regional/local authority does what in terms of the environment;

- A series of maps summarising key information and adding a spatial dimension to the detailed descriptions;
- A map showing the location and characteristics of environmentally sensitive areas and important cultural heritage sites (ideally this should not be limited to legally designated sites but should include all available information on sensitive areas);
- If data permit it will be useful to include a map showing areas which are in need of development and would be appropriate for certain types of development (eg. tourism, transport);
- Where appropriate, a summary of environmental impacts (positive and negative) resulting from the previous programming period (based on evaluation and monitoring reports and the *ex-post* evaluation of relevant programmes and the CSF);
- An indication of data available for monitoring and of any additional need for data and resources.

Most of this information can be summarised in tables to facilitate reference. The information generated from this definition of the current environmental situation in the region will be useful for the definition of environmental Objectives and Priorities (section 3.3.3 of this Handbook).



### 3.3.3 Development of Objectives and Priorities

#### Background

Sustainable development is central to EU Cohesion policy.<sup>(1)</sup> The Commission Communication on Cohesion Policy and the Environment (COM (95) 509 final) states that *'environment and regional development are of complementary character'* and that *'the environment itself is a major factor for regional development'*.

To achieve a successful integration of environment and development needs,<sup>(2)</sup> the Structural Fund process and SEA must ensure that the Objectives of RDPs are essentially sustainable. Emphasis on sustainable development means that Objectives should not be restricted to *implementation* of EC Directives or national laws, but should also focus on the *opportunities and benefits* of integrating the environmental dimension within development plans.

#### Objectives

This is an important stage in the environmental assessment of Regional Development Plans, reflecting:

- The need to insure environmental integration into the overall Objectives of the RDP and thus identify sustainable development strategies;
- The need to define Objectives and Priorities for the environment sector.

(1) CEC (1996a) First Report on Economic and Social Cohesion.

(2) See Treaty of Maastricht, Article 130r and Treaty of Amsterdam Article 2 and Article 6.

It offers an important opportunity to secure the right balance between development priorities and will:

- Assist in defining and choosing between alternatives;
- Enable the assessment of the environmental performance of a plan or programme;
- Facilitate the monitoring and evaluation processes central to Structural Fund programming and implementation.

#### Description

Community, national and regional policy and legislation on environment and sustainable development, and the baseline data provided from the assessment of the existing environmental situation in the region concerned, should be used as a key reference source in defining both sustainable development and environmental Objectives for RDPs.

This stage, like the previous one (see Section 3.3.2), could begin with a review the results of *interim* and *ex-post* evaluations for the previous programming period (1994-99).

The ten key sustainability criteria, presented in Table 3.2 have been identified as being of particular relevance to Structural Fund actions, and are intended as a broad guideline for issues which may be the basis of environmental and sustainable development objectives for plans. The last column of the table, showing key legislation, should be developed to refer to all relevant national and regional legislation and policy too.

**Actions*****Development Authorities******Action 1a) Development Authorities***

*to define economic and social objectives and Priorities for the Plan taking into consideration environmental baseline data and the environmental and sustainable development Objectives proposed by the Environmental Authorities for the Plan.*

***Environmental Authorities******Action 1b) Environmental Authorities***

*to review the results of interim and ex-post evaluations for the previous programming period and the information gathered for the baseline data, and draw up recommendations for the new RDP's Objectives and Priorities;*

***Action 2) Environmental Authorities***

*to define strategic Objectives and Priorities for the environment and sustainable development for all regions included in the RDP based on a review of environmental, economic and social objectives.*

***Action 3) Development Authorities and Environmental Authorities***

*to jointly compare all Objectives, identify and solve potential conflicts. Where a solution cannot be reached, an explanation should be included, making the choice accountable.*

***Action 4) Development Authorities and Environmental Authorities***

*to review and take into consideration the results of consultation with the Partnership (see below), identify and solve potential conflicts. Where a solution cannot be reached, an explanation should be included, making the choice accountable.*

Objectives should be defined bearing in mind the duration of the Structural Fund programming period. Annex II of this Handbook provides further information on the use of sustainability criteria to define Objectives and Priorities.

At this stage Development Authorities will be concentrating on the definition of Priorities for development which meet the overall aims of regional development and Cohesion Policy. In terms of identifying development Priorities for funding, the SEA process calls for Environmental Authorities to provide Development Authorities with support in defining Priorities which integrate the concepts of environmental protection and sustainability.

*Examples of types of Priorities included at the RDP stage*

- Industry
- Environment
- Agriculture/Forestry
- Water resources
- Marine and coastal
- Tourism
- Local/rural development
- Human resources
- Infrastructure.

The provision of specific information on sustainable development policies relating to the development Priorities under consideration can be a very useful in this regard.

*Consulting the Partnership <sup>(1)</sup> :*

It is recommended that Member States and regions consider the opportunity of involving the Partnership (and where possible the general public) at this crucial stage of developing Objectives and Priorities.<sup>(2)</sup> As a minimum, consultation with specialised environmental Government agencies, scientific bodies, industrial and commercial interest bodies, and non-governmental organisations should be ensured. Public consultation will require additional time during the programming process. This should be taken into consideration as early as possible and it is recommended that a plan for consultation is drawn up and presented to the interested parties to facilitate their participation.

(1) See Glossary.

(2) A second stage where it is recommended to involve the Partnership is at the draft RDP stage.

**Table 3.2 Sustainability Criteria for Setting Programme Objectives**

Example of Structural Fund priority sectors	Ten Key Sustainability criteria	Description	Key Community environmental legislation (Council Directives)
Energy Transport Industry	<b>1</b>  Minimise use of non-renewable resources	The use of non-renewable resources, such as fossil fuels, mineral ores and aggregates reduces the stock available to future generations. A key principle of sustainable development is that these non-renewable resources should be used wisely and sparingly, at a rate which does not restrict the options of future generations.  This also applies to unique and irreplaceable geological, ecological or landscape features which contribute to productivity, biodiversity, scientific knowledge and culture (see however, Key criteria 4, 5 and 6).	85/337/EEC (97/11/EC) - EIA  91/156/EEC - waste 91/689/EEC - hazardous waste
Energy Agriculture Forestry Tourism Water resources Environment Transport Industry	<b>2</b>  Use renewable resources within limits of capacity for regeneration	In the use of renewable resources in primary production activities such as forestry, fisheries and agriculture, there is a maximum sustainable yield from each system beyond which resource degradation begins to set in. When we use the atmosphere, rivers, estuaries and the sea as "sinks" for waste material, we are also treating them as renewable resources in that we rely on their natural self-cleansing capacity. It is possible to overload this self-cleansing capacity, leading to long term resource degradation. The objective must therefore be to use renewable resources at or below a rate at which they can naturally regenerate in order that the stock of these resources is maintained or increased for future generations.	85/337/EEC (97/11/EC) - EIA  91/676/EEC - nitrates 91/156/EEC - waste 91/689/EEC - hazardous waste 92/43/EEC - habitats and species 79/409/EEC - birds
Industry Energy Agriculture Water resources Environment	<b>3</b>  Environmentally-sound use and management of hazardous/polluting substances and wastes	In many situations there are opportunities to use less environmentally harmful substances and to avoid or reduce the generation of wastes and of hazardous wastes in particular. A sustainable approach will seek to use the least environmentally harmful inputs and to minimise the production of waste by adopting effective systems of process design, waste management and pollution control.	85/337/EEC (97/11/EC) - EIA 91/156/EEC - waste 91/689/EEC - hazardous waste 96/61/EC-IPPC
Environment Agriculture Forestry Water resources Transport Industry Energy Tourism	<b>4</b>  Conserve and enhance the status of wildlife, habitats and landscapes	The fundamental principle here is to maintain and improve the stock and quality of natural heritage resources for the enjoyment and benefit of present and future generations. These natural heritage resources comprise flora and fauna, geological and physiographical features, natural beauty and amenity. Natural heritage therefore embraces landform, habitats, wildlife and landscapes, the combination of and interrelationships between them and their potential for enjoyment. There are also intimate links to the cultural heritage (see Key criterion 6).	92/43/EEC - habitats and species 79/409/EEC - birds 85/337/EEC (97/11/EC) - EIA 91/676/EEC - nitrates

Example of Structural Fund priority sectors	Ten Key Sustainability criteria	Description	Key Community environmental legislation (Council Directives)
Agriculture Forestry Water resources Environment Industry Tourism	<b>5</b>  Maintain and improve the quality of soils and water resources	Soil and water are natural, renewable resources which are essential to human health and welfare and which may suffer particular threats from loss by abstraction or erosion, or from pollution. The key principle is therefore to protect the quantity and quality of existing resources and to improve resources which are already degraded.	85/337/EEC (97/11/EC) - EIA 91/676/EEC - nitrates 91/156/EEC - waste 91/689/EEC - hazardous waste 91/271/EEC - urban waste water
Tourism Environment Industry Transport	<b>6</b>  Maintain and improve the quality of historic and cultural resources	Historic and cultural resources are finite resources which, once demolished or damaged cannot be replaced. As non-renewable resources, the principles of sustainable development require that features, sites or areas of rarity, which particularly represent a particular period or type, or which make a particular contribution to the traditions and culture of an area should be conserved. These may include upstanding buildings, other structures or monuments from any period, buried archaeology, designed landscapes, parks and gardens, and facilities which contribute to the cultural life of a community (theatres, etc). Traditional lifestyles, customs and languages also constitute historic and cultural resources which it may be appropriate to conserve.	85/337/EEC (97/11/EC) - EIA
Environment (urban) Industry Tourism Transport Energy Water resources	<b>7</b>  Maintain and improve local environmental quality	In the context of this discussion the quality of a local environment can be defined by air quality, ambient noise, visual and general amenity. Local environmental quality is most important for residential areas and places where people spend leisure or working time. Local environmental quality can change dramatically in response to changes in traffic, industrial activities, construction works and quarrying, development of new buildings and infrastructure, and general increases in the level of activity, for example by visitors. It is also possible to substantially improve a blighted local environment through the introduction of new development.  See also Key criterion 3 regarding reduction in use and release of polluting substances.	85/337/EEC (97/11/EC) - EIA 91/156/EEC - waste 91/689/EEC - hazardous waste 91/271/EEC - urban waste water 96/61/EC - IPPC
Transport Energy Industry	<b>8</b>  Protection of the atmosphere (global warming -see Glossary).	One of the main driving forces behind the emergence of sustainable development has been the evidence of global and regional problems caused by emissions to the atmosphere. The links between combustion emissions, acid rain and acidification of soils and water, and between chlorofluorocarbons (CFCs), destruction of the ozone layer and human health effects were identified in the 70s and early 80s. Identification of the link between carbon dioxide and other greenhouse gases and climate change followed. These impacts are long term and pervasive and present major threats to future generations.	85/337/EEC (97/11/EC) - EIA 96/61/EC - IPPC

Example of Structural Fund priority sectors	Ten Key Sustainability criteria	Description	Key Community environmental legislation (Council Directives)
Research Environment Tourism	<b>9</b>  Develop environmental awareness, education and training	The involvement of all partners in the economy in achieving sustainable development is fundamental to the principles established at Rio (UNCED, 1992). Awareness of the issues and the options is crucial and environmental management information, education and training are keys to achieving sustainable development. This can be achieved through dissemination of research findings, the integration of environmental programmes in professional training, schools, higher and adult education, and through the development of networks within economic sectors and groupings. Access to environmental information in homes and at recreation locations is also important.	
All	<b>10</b>  Promote public participation in decisions involving sustainable development	The Rio Declaration (UNCED, 1992) establishes the involvement of the public and affected parties in decisions affecting their interests as a fundamental tenet of sustainable development. The principal mechanism for this is identified as public consultation during development control and in particular the involvement of third parties in Environmental Assessment. Beyond this sustainable development envisages a broadening of public involvement in the formulation and implementation of development proposals so that an increased sense of ownership and shared responsibility can emerge.	85/337/EEC (97/11/EC) - EIA 96/61/EC - IPPC

## Outputs

The outputs from the environmental assessment of regional plan Objectives and strategies can be identified as follows:

- Environmental and sustainable development Objectives for the region(s);
- Priorities for the environment sector;

*and as a result of co-operation between Environmental and Development Authorities the following could also be included:*

- Environmental and sustainable development Objectives for all RDP development Priorities.

*It is important to note that the definition of environmental and sustainable development Objectives and Priorities can assist in:*

- ⇒ *Choosing between development alternatives;*
- ⇒ *Assessing the environmental performance of plans and programmes;*
- ⇒ *Interim and ex-post monitoring and evaluation processes.*

### 3.3.4 Drafting the Plan and its Alternatives

#### Background

The overriding aim of the Structural Funds is to reduce economic disparities between the regions and countries within the European Union. Therefore, all programmes aim to enhance wealth and job creation and promote social cohesion. These objectives can be regarded as strategic goals common to all programmes. A Plan's strategy and Priorities will summarise the types of actions required to maximise the economic potential of a region.

The identification of alternative strategies and Priorities will generally reflect different means of reaching a particular objective or group of objectives. The sustainable character, or otherwise, of the RDP will be dictated by the choices of the different

regional authorities at this stage of planning. In defining the draft RDP, Development Authorities with the help of Environmental Authorities, should endeavour to identify development options which meet both economic, environmental and sustainable development objectives (see Section 3.3.3).

#### Objectives

- Identify possible development strategies and alternatives which could meet economic, social, environmental and sustainability objectives;
- Ensure co-ordination and compatibility with other relevant EU, national and regional initiatives.

#### Actions

##### *Development Authorities*

###### *Action 1a) Development Authority*

*To draft a development strategy for all regions receiving Structural Fund assistance. Each strategy should cover all relevant economic sectors.*

*This stage will involve the identification of alternative options, including policy options (eg variable rates of assistance).*

##### *Environmental Authorities*

###### *Action 1b) Environmental Authorities*

*The Environmental Authorities will co-operate with Development Authorities at the draft RDP stage by:*

- *identifying environmental strategies for investment by the Plan;*
- *identifying environmental issues which should be integrated into other Priorities (energy, industry, agriculture, tourism etc) both to enhance the positive impact of the overall plan on the environment and to reduce negative impacts;*

*identifying the scope of environmental actions to be carried out within parts of other Priorities (eg agri-environment and agro-tourism issues in agriculture, use of renewable energy in energy, development of*

Structural  
Fund  
Stage

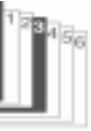
RDP

CSF

OPs

Environmental  
Assessment Stage

Stage 3  
Drafting the Plan  
and its Alternatives



*clean technologies in industry etc).*



## Description

Environmental Authorities should help Development Authorities to identify alternative ways of contributing to the RDP's environment Objectives and Priorities. For example, in addressing pollution levels for freshwater a number of options can be considered ranging from new infrastructure, upgrading of existing infrastructure or alternative solutions based on improved ecosystem functions (eg. targeted management of forested land directly affecting the watershed).

*Early reference to EIA Directives  
(85/337/EEC and 97/11/EC)*

It is recommended that when identifying types of development which will lead to specific Measures <sup>(1)</sup> at the programme stage, Development Authorities should highlight the potential need for an EIA.

*Linking RDPs to other initiatives and funding programmes*

Co-ordination between Structural Fund plans and other regional, national and EU funded initiatives (both on-going and planned) in the same Regions is an important part of this stage. In drafting the RDP, national and regional authorities should ensure they are aware of other EU funded initiatives which may contribute to meeting the Objectives of the plan, or indeed, of any possible duplication or conflict arising between different initiatives.

At the Community level, obvious examples to consider include:

- Cohesion Fund projects
- Community Initiatives
- CAP programmes
- European Investment Bank projects.

## Outputs

The outputs of this analysis of possible alternatives to the proposed development strategies could include:

- A description of all the development strategies and their alternatives considered for the RDP (ie. not only those related to the environment Priorities);

if options are considered and dropped at this early stage, the draft should include an explanation of the rationale behind such a choice;

- A description of how the need for co-ordination with other relevant EU, national and regional initiatives has been met;
- A description of how the proposed strategies will meet the economic, social and environmental objectives and priorities of the region.

(1) See Glossary.

### 3.3.5 *Environmental Assessment of the Draft Plan*

#### Background

The likely environmental impacts of the plans must be assessed and, if necessary, recommendations put forward concerning possible amendments to the plan.

Environmental assessment is now a common dimension for a variety of spatial plans and economic development strategies within the EU. It was introduced into the Structural Funds Regulations in 1993 and will be a key feature in the context of the next generation of regulations for the 2000-2006 programming period.

It is designed to ensure that investments will contribute to regional, national and EU sustainable development objectives. It is also intended to highlight any potential environmental impacts associated with the plan in general or with particular development Priorities before the plan is finalised and submitted to the Commission.

The assessment should cover the entire range of development Priorities including environmental Priorities. This helps to identify environmental concerns in other sectors targeted by the plan.

The results of the evaluation can then be integrated into the final RDP (see *Section 3.3.7*).

#### Objectives

The assessment of plans and any proposed alternatives should ensure that a Plan will contribute to the environmental and sustainable development priorities of the region or regions concerned, as identified in

regional strategy documents such as regional environmental plans, sustainable development strategies, regional development plans, etc. The emphasis is, therefore, on establishing the overall conformity of social, economic and sustainable development objectives.

*An assessment of potential impacts of RDPs should not attempt to identify detailed, quantified impacts. It should focus on strategic level issues.*

In particular, the evaluation should highlight:

- The degree to which the environmental and sustainable development dimensions have been taken into account in the definition of Priorities and strategies of the RDP (this is a critical point for the involvement of Environmental Authorities and the successful integration of sustainable development concerns into the Plan);
- The Plan and Priorities' likely impacts on the long-term productivity of environmental resources affected by its priority sectors (eg Water supplies, soil quality, watersheds, coastal zones); <sup>(1)</sup> and on protected areas for nature conservation (see below);
- The contribution of the Plan to investment in the environment sector in order to support economic objectives and improve compliance with Community environmental law;
- Any need within the Plan to redefine policy goals, or the means of meeting

(1) See Glossary.

goals so that social, economic and sustainable development objectives can be met; and

- The way the views of the Partnership <sup>(1)</sup> have been included in the Plan.

The RDP's evaluation should identify *potential* impacts and signal the possible need to carry out further evaluations. These can either be deferred to the next stages of the programming process (eg Operational Programmes) or -if particularly significant- may need to be dealt with immediately and before a final decision is taken on the content of the Plan.

The results will provide important information for the negotiation of the CSF and/or SPD. They will also act as useful background material for the environmental evaluation of a particular Operational Programme if required.

#### *Making trade-offs explicit*

Most development sectors and Priorities in the context of Structural Funds plans and programmes will have positive and negative impacts on the environment. Often, a proposed development will lead to a mixture of environmental enhancement and degradation. A fundamental part of the SEA process is to make the trade-offs explicit.

At this stage it may be useful to undertake a second phase in consultation with the Partnership <sup>(2)</sup>. The results of the consultation should be considered by the Environment and Development Authorities before finally agreeing on the

likely impact of the plan and its proposed Priorities.

(1) see Glossary.

(2) see Glossary.

## Description

Information Systems, to show potential encroachment of planned developments

The likely environmental impacts of development Priorities can be assessed by using a matrix (see Table 3.3). <sup>(1)</sup> This will match the proposed Priorities against a set of key environmental and sustainability objectives or indicators for the region drawn from regional plans and policies and other relevant data sets on social, economic and environmental issues, showing the degree to which the draft plan will contribute or hinder the achievement of each objective; or the way in which it will affect the key indicators relating to the region.

A similar matrix summarising the Priority's negative or positive scores for all strategic options, will help decision-makers by clarifying points which require discussion.

A variety of evaluation techniques based on the matrix approach have been developed in recent years, and some regions may already be familiar with such tools. Annex III of this Handbook contains further examples of matrices which may be useful in assisting Environmental Authorities in developing their approach to evaluation.

For certain environmental issues which have a strong spatial dimension (eg. the protection and enhancement of protected areas under the Habitats and Birds Directives, the existence of sensitive groundwater areas or areas prone to flooding or subsidence) it may be possible to adopt simple overlaying techniques with paper maps or Geographical

(1) See Glossary.

## Actions

### *Development Authorities*

### *Environmental Authorities*

#### *Action 1) Environmental Authorities*

*To carry out an assessment of the environmental impacts of the proposed development Priorities and alternatives contained in the draft RDP*

#### *Action 2) Development Authorities and Environmental Authorities*

*To discuss the results arising from the socio-economic and environmental assessments of the RDP and decide on the final choice of alternatives .*

on these areas.<sup>(1)</sup> At the RDP stage this may, due to the lack of detailed information on proposed developments, only provide a rough screening but this already helps to identify areas/issues of concern. This technique will be more applicable at the OP stage, where greater detail regarding the location of proposed development will be available.

The Development and Environmental Authorities can therefore choose which method is most appropriate to the specific economic and environmental characteristics of their own regional or national context.

The prediction/evaluation technique will need to:

- Highlight the *positive* impacts: the consistency between proposed strategies and environmental and sustainable development Priorities, both at the regional level, and in terms of EU environmental policy and legislation;

- Highlight the *potential* negative implications of proposed strategies. Some of the potential negative impacts may require further, more detailed assessment before solutions can be proposed.

(1) See Glossary.

Table 3.3 Example of Assessment Matrix at RDP Level

<b>Priority: Infrastructure for economic development</b>		
Type - Transport		
<i>Strategic option: Increase by 200 km the length of regional motorways (where possible, detail will be available on corridors and nodal links involved)</i>		
<b>Environmental &amp; Sustainable development objectives</b>	<b>Potential negative impact</b>	<b>Positive contribution - comment</b>
1. Minimise use of non-renewable resources	XX will increase use of aggregates and fuel consumption	
2. Use renewable resources within limits of capacity for regeneration	X	
3. Environmentally-sound use and management of hazardous/polluting substances and wastes		✓ may contribute if appropriate Measures are taken
4. Conserve and enhance the status of wildlife, habitats and landscapes	X - XX depending on routes and mitigation measures	
5. Maintain and improve the quality of soils and water resources	X - XX depending on routes and mitigation measures	
6. Maintain and improve the quality of historic and cultural resources	X - XX depending on routes and mitigation measures	
7. Maintain and improve local environmental quality		✓ may contribute to reduce congestion around urban areas
8. Protection of the atmosphere (global warming).	X likely to increase CO2 emissions	
9. Develop environmental awareness, education and training	N	N
10. Promote public participation in decisions involving sustainable development		✓ may contribute depending on how EIA & public participation are included in the planning and implementation.
Key: XX - significant negative impact X - negative impact ✓✓ - significant contribution to meet objectives ✓ - possible contribution to meet objectives N - neutral		

### *Indirect and Cumulative impacts*

Authorities are encouraged to assess the Plan's *potential* indirect and cumulative impacts on the long-term productivity of environmental resources (eg water supplies, soil quality, watersheds, coastal zones) affected by its priority sectors, and on protected areas for nature conservation. At this SEA stage for RDPs the *likelihood* of such impacts affecting particularly sensitive areas should be identified. Annex III (section III.6) summarises the key elements of cumulative assessment.

At the OP/SPD stage of Structural Funds programming, the potential cumulative impacts will be *assessed* (see Section 3.5.5).

### **Outputs**

The environmental assessment of the RDP should:

- Describe the assessment process which has been followed (the institutions, teams and expertise involved);
- Describe the baseline data on key aspects of the state of the environment and natural resources; and summarise the baseline data on socio-economic aspects;

- Summarise key Objectives Priorities and strategies contained in the draft plan and their relationship to corresponding EU, national and regional policies, programmes and targets. This should cover not only environmental Objectives and Priorities *per se* but deal with wider Objectives in sectors such as industry, energy, transport, tourism and agriculture all of which are of relevance to sustainable development;
- Describe the draft Plan and the alternative strategies being considered;
- Describe:
  - ⇒ the evaluation techniques selected;
  - ⇒ the likely impacts on the environment and natural resources, and how these will be addressed (eg. changes to the draft Plan, further detailed assessment where necessary etc);
  - ⇒ identify ways of reducing negative impacts and increasing the sustainable character of the development proposals
  - ⇒ include comments on the implications of the Plan and its impacts in terms of environmental management (e.g. the need for additional technical resources, institutional strengthening or training requirements);
  - ⇒ summarise the findings of consultations relating to the draft plan, held with other bodies and the public;
- Explain the links between the results of this evaluation and the next stages of Structural Fund programming (CSF/SPD and OP).

### 3.3.6 *Environmental Indicators for the Plan*

#### **Background**

If policy makers and programme managers are to make sound decisions regarding the development and implementation of programmes they require reliable information about the economy, about social trends and also about the environment. Indicators can provide a means of linking environmental impacts to socio-economic activity and they can help to measure the extent to which policies and programmes aimed at sustainable development objectives are being achieved.<sup>(1)</sup>

In the specific context of the Structural Funds, indicators are the principal means of measuring the performance of programmes in terms of the net impact of investments on the development of a target region. At the RDP stage it is important to identify a number of indicators which can be used to assess the potential of the plan -and its alternatives- in promoting sustainability. These indicators must relate to the overall objectives of the RDP and its likely impacts (positive and negative) on the environment. If they are not directly relevant to the plan then it is unlikely that they will provide any real measure of its impact on development and on the environment.

At later stages (CSF, SPD and OP) in the Structural Fund process indicators will help programme managers to select Measures and projects, assessing whether proposals will contribute to meeting environmental and sustainable development objectives, or in simple terms, whether it will be possible to measure the benefits arising from a programme. These later stages of the programming process will often require different indicators which reflect the hierarchy of Priorities at CSF and at OP level.

#### **Objectives**

The key objectives at this stage are, therefore, to identify:

- a) Identify baseline indicators<sup>(2)</sup> which establish the status of key components of the environmental situation of the region (or regions). These indicators should be used to track or monitor trends;
- b) Develop performance indicators and targets which can be used to monitor key environmental resources and changes in their status over time. Performance indicators help to measure *progress towards* the achievement of a plan objective.

(1) See Glossary for a definition of the different indicators used in the Handbook. It should be noted that Member States have developed a wide range of indicators (see Reference lists) and that the indicators and definitions developed in this Handbook are specific to the Structural Funds context. They are not intended as an exhaustive treatment of this subject.

(2) These indicators are also often referred to as state of the environment indicators.



## Actions

### *Development Authorities*

#### **Action 1a) Development Authorities**

*to propose a series of socio-economic indicators which reflect Priorities and Objectives, with particular attention to EU Cohesion policy objectives and regional Priorities.*

### *Environmental Authorities*

#### **Action 1b) Environmental Authorities**

*to develop baseline indicators which describe the environmental situation of the region and can be used to monitor the environment during the lifetime of the RDP and later stages of the Structural Fund process;*

#### **Action 2) Environmental Authorities**

*to develop relevant performance indicators for the RDP and the later stages of the Structural Fund process. These indicators should reflect regional Priorities and Objectives and also take account of the objectives of the EU environmental legislation and policy.*

#### **Action 3) Development and Environmental Authorities**

*to jointly agree on a final list of baseline and performance indicators (which includes environmental, sustainable development, physical development and financial indicators) to be applied to the RDP.*

## Description

In preparing the 'description of the environmental situation' required by the Structural Fund Regulations, Environmental Authorities will already have gathered information on the state of the environment and the status of key natural resources. This will assist in the selection of *baseline indicators*. These indicators need to relate to the status of key environmental resources and need to be capable of measurement over time. This means, in effect that they should be based on data sets which are updated on a regular basis.

Once Objectives and a draft plan have been put together, the Environmental Authorities can begin to select *performance*

*indicators*. At this stage in the programming process, these indicators should be selected on their ability to measure trends within the environment.

Ideally they should relate to EU, national or regional targets.

Typical examples of baseline indicators would be the percentage of the population served by water treatment infrastructure, the percentage of the population served by domestic waste collection systems, the percentage of industrial wastes being recycled or recovered, and the percentage of the region's territory covered by protected areas. Further examples of typical environmental baseline indicators for RDP's are provided in Annex IV of this Handbook.

In the case of performance indicators at the RDP stage, these will essentially deal with improvements in the quality of the environment either through an increase in the level of treatment of pollution or improved provision of environmental infrastructure or a decrease in the emission of pollution or improved management of natural resources. Typical examples at the RDP stage could include an increase in the percentage of a region's population connected to treatment works, an increase in the percentage of sewage receiving secondary treatment or a decrease in toxic waste production. More detailed examples of baseline and performance indicators are provided in Annex IV of this Handbook, which also includes information and illustrations on the use of environmental indicators at the RDP stage.

Both baseline and performance indicators of relevance to sustainable development can be included in sectors other than environment within an RDP. So energy, transport, agriculture, economic infrastructure and tourism will usually contain indicators of relevance to sustainable development and the Environmental Authorities should discuss the needs to reflect sustainable development issues in the selection of indicators with the RDP sector authorities.

## Outputs

The outputs of this exercise may consist of the following depending on the circumstances and availability of information in a region:

- A set of agreed baseline indicators that could be used to monitor or “track” the changing state of the environment;
- A number of key performance indicators which relate to sustainability goals/criteria/targets or to achievement of a given level of improvement in environmental conditions or infrastructure endowment (eg increased provision for wastewater treatment).

### 3.3.7 Integrating the Results of the Assessment into the Final Plan

#### Description

*Reviewing the results of the environmental evaluation and taking a decision on the final RDP*

#### Background

The environmental assessment of the RDP will have highlighted development Priorities or specific aspects of such Priorities in the proposed plan which may lead to environmental impacts. These results should also be discussed in the light of the plan's socio-economic assessment of the region's strengths and weaknesses. At this stage it is important that trade-offs between social, economic and environmental objectives are discussed with the aim of ensuring that the final RDP includes a balanced mix of objectives which will promote sustainable development in the regions.

Assessments are useful only insofar as they can contribute to, and inform, a decision making process, thus Development Authorities must be able to use the results and recommendations contained in the evaluation. This will be facilitated if the Development Authorities and the Environmental Authorities have liaised closely throughout the SEA process rather than coming together only at the end of the process.

#### Objectives

The objective of this stage is to ensure that environmental concerns and impacts are taken into consideration along with socio-economic aspects in identifying and selecting the final development options.

The development Objectives and Priorities which are likely to have potentially negative impacts or simply to make no contribution to environment and sustainability objectives should be reviewed since there may be some scope for amending or augmenting these Objectives and Priorities to take account of sustainable development objectives, for instance the inclusion of environmental training in skills or employment related Objectives, the inclusion of recycling or waste management actions in Priorities relating to industrial/economic performance. These should not distort social or economic objectives but help to broaden them for the benefit of regional development.

It is important that environmental and sustainable development issues are adequately dealt with along with social and economic Priorities so that the correct balance is struck right at the start of the programming process.

## Actions

### *Development and Environmental Authorities*

#### **Action 1) Development Authorities and Environmental Authorities**

*to jointly discuss the results of the socio-economic and environmental assessments and their implications;*

#### **Action 2) Development Authorities and Environmental Authorities**

*to agree on how best to reflect the findings of the environmental assessment in the final choice and description of development Priorities from a sustainable development perspective (environmental, social and economic).*

There is no set way of responding to the concerns raised by the environmental assessment. However, possible responses to unfavourable findings about environmental or sustainable development impacts include:

- Selection of alternative strategic options, or improvement of the potential positive contribution of an option by amending it in discussion with plan and programme managers from other sectors;
- Changes to the overall Objectives (a development goal could be replaced with a less environmentally damaging one or modified to take account of environmental constraints);
- Changes in the emphasis (within the RDP) between different priority sectors;
- Identification of areas which are unsuitable for specified types of development actions, e.g. tourism developments in sensitive coastal or

mountain environments;

- Certain types of projects could be ineligible for funding in areas with specific environmental constraints (for example projects involving increased use of water resources in areas with negative water balances);
- Certain types of project could carry a requirement for early consultations with the environmental authority for the programme.

In general, the response should be positive and should look to enhance the development of an economy which also improves environmental quality.

#### *Raising awareness*

A very important result of the evaluation is its contribution to raising awareness amongst a wide range of national and regional government offices about sustainability issues, and the positive and negative interactions between the

environment, natural resources and development initiatives.

Having worked together in order to find the best solutions to meet environmental and development objectives, the Development Authorities and Environmental Authorities will have reached a better understanding of the implications of choosing between alternative strategies.

### Outputs

The outputs from this stage will include:

- Explanation of how each development Objective contributes to meeting environmental Objectives (a similar process should be carried out for socio-economic Objectives and it is advisable to present the results in the same document);

where the evaluation has identified conflicts between environment and development Objectives, these should be addressed and the rationale behind the final result explained;

- Reference to further detailed environmental evaluations -and their timing- considered to be necessary before development proposals are finally approved (eg. transport corridor analysis);

- Explain the rationale behind the choice of alternative strategies for each priority sector;

where the best environmental option (highlighted by the environmental evaluation) could not be chosen, a clear explanation should be provided;

- A summary of the difficulties encountered during the SEA process (eg. data gaps, timing and co-ordination) would also be helpful for future programming and evaluation stages.

***ENVIRONMENTAL ASSESSMENT AND  
THE DRAFTING OF COMMUNITY  
SUPPORT FRAMEWORKS***

### 3.4.1 Introduction

In this section, the Handbook describes how environmental integration should be addressed in the transition from the RDP to the CSF/SPD stage. It then explains each SEA stage in the context of CSF planning.

The final version of the RDP is sent to the Commission. The Commission services have a period of time to examine the Plan's economic, social and environmental content. As part of the SEA process for Structural Funds, the RDP will be assessed in terms of:

- The completeness of the environmental baseline data;
- The completeness of the environmental assessment of the impact of the strategies and Priorities in the RDP, with due reference to the *ex-post* evaluation of the previous programming period (1994-99);
- The coherence of the Plan and the degree to which it will contribute to addressing the environmental Objectives and problems highlighted;
- The compatibility of the Plan's Priorities with EU Environmental policy and legislation. <sup>(1)</sup>

The Commission then communicates its comments to the Member State and may require further additional information before both parties engage in negotiations over the Community Support Framework (CSF) or Single Programming Document (SPD) (see Figure 3.3).

The Member States and the Commission (hereafter: the Partnership) will refer to the environmental assessment of the RDP when defining the environmental

components of the CSF/SPD. If significant changes are proposed to the content or balance between development Priorities, as defined in the RDP, the environmental impact of such changes will have to be assessed in order to update the results of the environmental assessment.

*The link between Community Support Frameworks, Single Programming Documents and Operational Programmes:*

Depending on which Structural Fund Objective the plans and programmes are being prepared for, the programming phase can lead to a Community Support Framework (CSF) followed by Operational Programmes (OP), or simply to a Single Programming Document (SPD) (see Figure 3.3).

The stages described in this chapter are equally applicable to a CSF and to the first part of an SPD. Suggestions on how to proceed in the definition of detailed specification (aims and objectives, proposed development, size of investment etc.) of Priorities and Measures for SPDs which take into account the environment, can be taken from the next chapter on Operational Programmes.

### Three SEA stages for the CSF

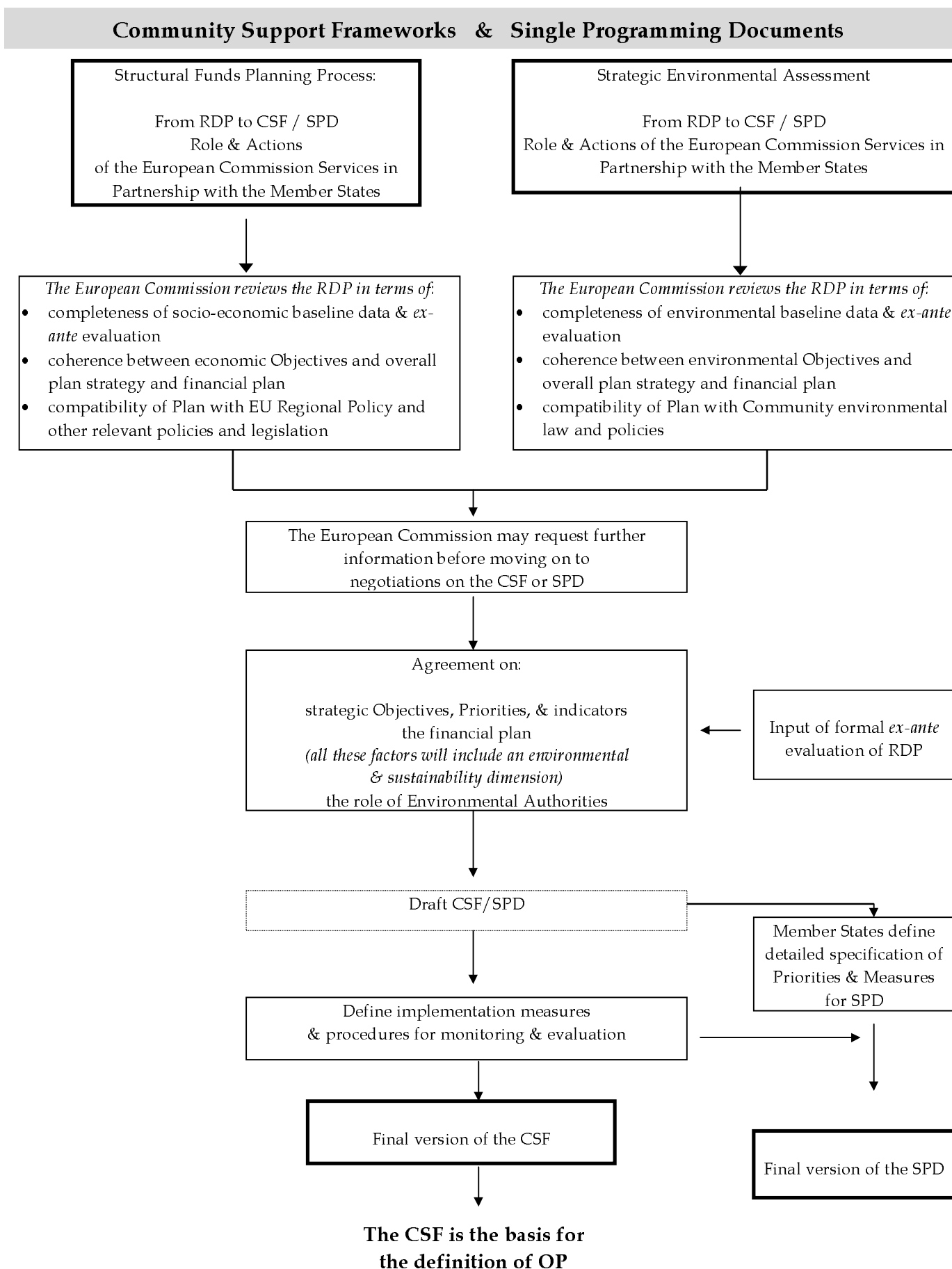
There will be three relevant stages:

- Objectives, Priorities and the role of Environmental Authorities;
- Environmental Assessment in the context of the CSF;
- Indicators.

The CSF deals with monitoring and future evaluation issues in terms of defining ground-rules on how to implement these stages in the context of OPs. These aspects are reviewed in Annex V.

(1) The Plan will also be assessed for compatibility against other relevant EU policies and legislation.

Figure 3.3 CSFs, SPDs and Environmental Assessment





### 3.4.2 Community Support Framework Objectives, Priorities and the Role of Environmental Authorities

#### Objectives and Priorities

It is important that a CSF or SPD for a region fully reflects the outcomes of the environmental assessment of the regional plan, its Objectives and Priorities. This reflects the need to promote environmental integration into the overall Objectives of the CSF and thus agree sustainable development Priorities. It is important that the Priorities of the CSF should be consistent with national and regional policy objectives and that the CSF should contain a clear statement as to its environmental Objectives.

Since the CSF will determine the framework for all OPs it is crucial that its Objectives and Priorities are defined coherently. For instance, it is important that the role of investments in environmental infrastructure to support other development Priorities such as industry, tourism and rural development is clearly brought out.

An example of the way that environmental Priorities can be presented is given in Table 3.4. This also indicates how environmental Objectives reflect social and economic Priorities.

*Table 3.4 Example of a Presentation of Environmental Priorities in a CSF*

Priority	Objectives
Extension and Modernisation of the Water Supply Network	<ul style="list-style-type: none"> <li>• Expansion of the existing supply and distribution network</li> <li>• Reduction of leaks/losses from the network</li> <li>• Increasing the population connected to the system</li> </ul>
Extension of the Sewer Network	<ul style="list-style-type: none"> <li>• Extension of the existing sewer network</li> <li>• Increasing the percentage of the population connected to the network</li> <li>• Reducing impacts of untreated sewage on tourist areas and on fisheries resources</li> </ul>
Increasing effluent treatment capacity in Urban Areas	<ul style="list-style-type: none"> <li>• Provision of effluent treatment plants in all major urban centres</li> <li>• Completion of plants under construction and their connections to the sewer network</li> <li>• Increasing capacity to take account of peak flows in the tourist season</li> </ul>
Increasing the Capacity of Urban Waste Treatment Infrastructure	<ul style="list-style-type: none"> <li>• Increasing the numbers of treatment facilities to cover the whole of the urban population</li> <li>• Closure of all unlicensed waste disposal sites and landfills</li> </ul>

Setting Objectives and Priorities will:

- Enable the assessment of the environmental performance of future programmes;
- Facilitate the monitoring and evaluation processes central to Structural Fund programming and implementation.

The quantified Objectives should also be reflected in the indicators chosen to monitor and evaluate the CSF during the programming period (see section 3.4.4).

### **The Role of Environmental Authorities**

Defining in detail the role of Environmental Authorities in the implementation of the CSF is also an important part of this stage.

The environmental assessment process described in this Handbook assumes that Environmental Authorities will have actively participated in the planning and assessment stages of the RDP, and a similar level of involvement will be suggested in the next programming stage: that of OPs.

The CSF should include a description of the role foreseen for the Environmental Authorities in its implementation including the drafting and implementation of OPs. The issues which could be addressed include:

- Contributing to the definition of sustainability and environmental Objectives and targets for all agreed development Priorities;

- Defining the strategy, programme and specific Measures for any environmental Priorities;
- Contributing to the definition sustainability and environmental indicators;
- Contributing to the environmental assessment of OPs;
- Participating in the definition of implementing arrangements and procedures for development Priorities including collaboration with Development Authorities in establishing eligibility and project selection criteria;
- Collaborating in the monitoring and future evaluation of OP implementation.

### 3.4.3 *Environmental Assessment in the Context of the Community Support Framework*

At this point in Structural Funds programming it is necessary to integrate the results of the environmental assessment for the RDP into the CSF and, to make an overall assessment of the likely impact of the CSF on the environment.

#### **Integrating the results of the environmental evaluation of RDP**

The results of the environmental assessment of the RDP are normally integrated into the following two sections of a CSF:

- A section describing the environmental situation of the region(s);
- A section describing the impact of the CSF on the environment (see below).

When integrating the results of assessment into these sections of the CSF, the Environmental Authorities should stress the link between environmental protection and sustainable development issues, and the overall Objectives and Priorities of the CSF.

For example, in the Greek CSF for the period 1994-99, a description of the environmental situation was included in the first part of the document (*Context and analysis of regional development*). Box 3.2 below shows the links which were highlighted.

#### **Box 3.2 *The Environmental Situation, Example from the Greek CSF 1994-99***

##### ***Aquatic environment***

links to agriculture and industry (demand and water pollution); uneven spatial distribution of population (demand management); marine transport, treatment plants.

##### ***Waste***

links to household waste; landfill sites; the differences between the urban and rural situations; industries producing toxic waste.

##### ***Nature - Biotopes***

links to property and infrastructure development; hunting; tourism and agriculture activities.

##### ***Air***

links to conditions in urban areas; and the activity of power stations.

##### ***Noise***

links to transportation; quality of life in urban areas.

##### ***Town and regional development***

links to the lack of a coherent policy for these issues; the need for a balanced development; and protection of the natural environment.

## Assessing the impact of the CSF on the environment

The responsibility for this assessment lies with both the Member State and the Commission and will be carried out in the context of the bi-lateral negotiations on the CSF.

The key issues here for the Environmental Authorities are:

- The coherence between the CSF and the environmental Objectives of the RDP;
- The potential impacts on the environment from each Priority in the CSF;
- The contribution of sectoral Objectives and Priorities to sustainable development;
- The Measures to be taken to ensure that implementation of the CSF produces low environmental impacts and maximises benefits taking account of social and economic Objectives;
- The coherence of the whole CSF (not only its environmental Objectives and targets) with EU environmental policy and legislation;
- The role of the Environmental Authorities in the implementation of the CSF.

While addressing these issues, the Environmental Authorities should consider the following questions:

- Does the CSF assign suitable levels of funding to achieve its environmental

and sustainable development Objectives?

- Do the actions and Measures identified in the CSF support its sustainable development Priorities?
- Are the existing management and implementation structures in the environment and allied sectors capable of delivering the sustainable development Objectives of the CSF or do they require strengthening and support?
- Do the proposed actions and Measures harmonise with other initiatives and programmes targeting environmental and sustainable development policy areas?

Much of this will also be important at the SPD and OP level and the Environmental Authorities will need to regularly review each of these issues during the life of the CSF.

Annex III presents a series of assessment tools for the evaluation of RDPs and OPs. These methods can also be applied to the CSF.

### 3.4.4 *Environmental Indicators and Community Support Frameworks*

Indicators for the CSF/SPD are extremely important. They play a crucial role in quantifying the expected results of Structural Fund investments throughout the programming period. The inclusion of environmental and sustainability indicators will therefore enable the Commission, the Member States and regional partnerships, as appropriate, to assess the environmental impact of the CSF/SPD.

Table 3.5 shows different examples of the types of environmental indicators which can be presented in a CSF. These clearly indicate the need for environmental indicators and targets at the CSF level to be measurable. Annex IV gives a further example of CSF indicators.

It is important to realise that indicators are reviewed during the course of programmes and that it is necessary to replace indicators which have become irrelevant or on which it is impossible to report. Such issues are not always clear at this stage in the programme cycle. The Mid-Term Review of a programme, for example, provides an excellent opportunity to review the ability of CSF level indicators to record the impact of the investments being carried out.

**Table 3.5** *Example of Continuity Between Environmental Priorities, Objectives and Indicators at the CSF Stage (based on the Greek CSF 1994-99)*

CSF Development Priorities: the environment (examples)	Environmental objectives and targets for the CSF (examples)	Relevant Environmental Indicators for the CSF (examples)
<ul style="list-style-type: none"> <li>Monitoring the environment</li> <li>Management of water resources and waste waters</li> <li>Management of household and toxic waste</li> <li>Management of environmental risks</li> </ul>	<p>design a master plan for the management of aquatic resources and improvement of water supply and distribution, and treatment of waste waters. Improvement of the quality of the aquatic environment of about 10%</p> <p>an increase in the percentage treatment of urban waste from about 25% to 45%; and</p> <p>improvement of management of toxic and dangerous waste</p>	<ul style="list-style-type: none"> <li>Percentage compliance with EC Directives 91/271/EEC and 80/68/EEC</li> <li>Percentage of population served by systems for collection of municipal waste water</li> <li>Percentage compliance with EC Directives 91/156/EEC and 91/689/EEC</li> <li>Percentage of population served by systems for collection of municipal waste</li> <li>Percentage of municipal solid waste recycled</li> </ul>
<ul style="list-style-type: none"> <li>Management of the natural environment</li> </ul>	<p>approximately a 10% increase in the proportion of protected flora and fauna</p>	<ul style="list-style-type: none"> <li>Percentage compliance with EC Directives 79/409/EEC and 92/43/EEC</li> <li>Statutory protected areas as percentage of Greece's surface area</li> </ul>
<ul style="list-style-type: none"> <li>Management of the natural environment</li> <li>Improvement of air quality, particularly in the region of Athens</li> </ul>	<p>an improvement in protection of the natural environment (Ramsar biotopes, national parks, sites) of about 30%</p> <p>a reduction of approximately 10% in atmospheric pollution in cities other than Athens and the regions close to power stations and of about 20% for Athens.</p>	<ul style="list-style-type: none"> <li>Percentage compliance with EC Directives 79/409/EEC and 92/43/EEC</li> <li>Percentage compliance with EC Directives 85/203/EEC, 80/779/EEC and 89/447/EEC</li> </ul>

Source: CSF for Greece Objective 1, 1994-99

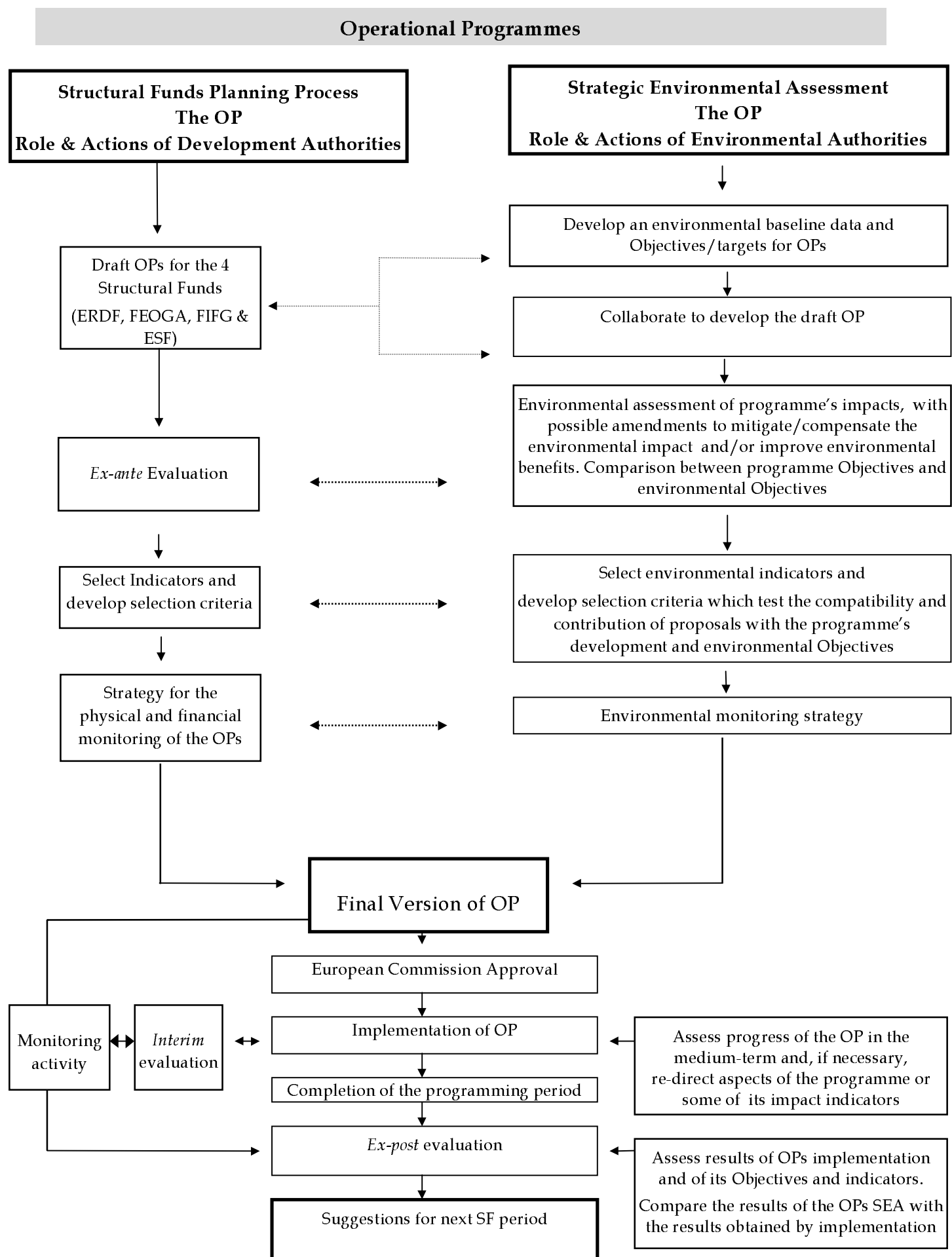
**3.5 ENVIRONMENTAL  
ASSESSMENT AND THE  
DRAFTING OF OPERATIONAL  
PROGRAMMES**

### 3.5.1 *Introduction*

Operational Programmes (OPs) are the principle means by which CSF Priorities are implemented within assisted regions. Figure 3.4 gives a graphical description of how the programming and environmental assessment processes should interact. It summarises the SEA stages and the roles of Development and Environmental Authorities which are described in this section on Operational Programmes.



Figure 3.4 The OPs and the SEA Process



### 3.5.2 Assessment of the Environmental Situation - developing a baseline

#### Background

Environmental (and socio-economic) baseline information for all development Priorities is equally important for the planning, evaluation and monitoring stages, which are an integral part of the implementation of an OP up to the end of the programming period (see Figure 3.5).

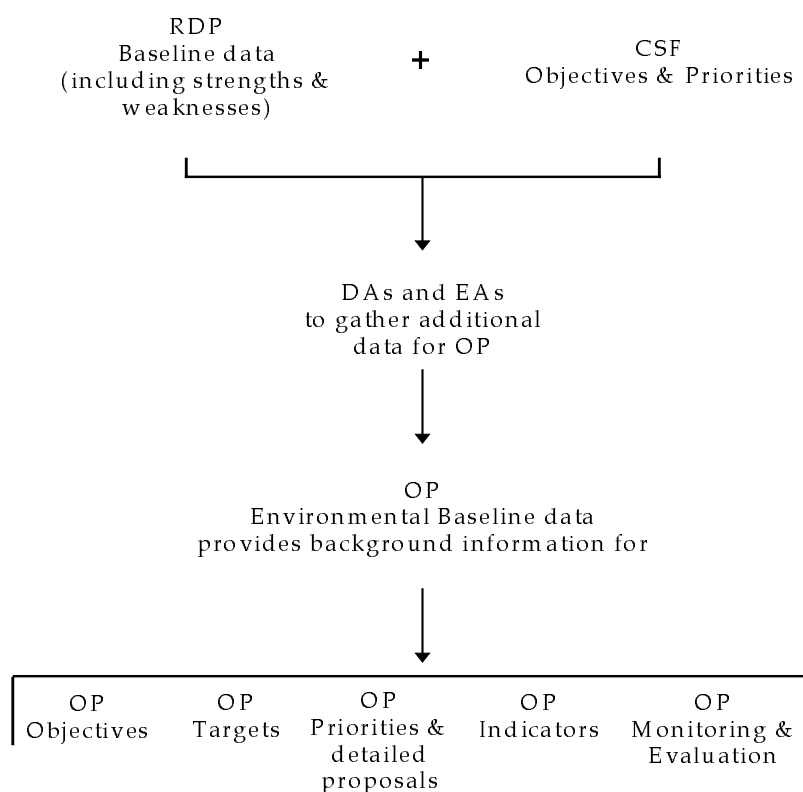
Much of the information relating to the environmental situation in a given region should already have been collected for the environmental appraisal of the RDP (see sections 3.3.2 and 3.3.5). Both the

Development Authorities and the Environmental Authorities should therefore, already have a clear picture of the major strengths and weaknesses of a region's environment and natural resources in relation to most if not all the CSF development Priorities.

#### Objectives

The objective of this stage is to provide Development Authorities with an environmental baseline which is as detailed as possible, to assist them in the process of drafting Operational Programmes.

**Figure 3.5 Continuity in the SEA and Structural Funds Process**



## Actions

### *Development Authorities*

#### **Action 1a) Development Authorities**

*to examine the implications of the environmental baseline for the Priorities to be developed in the OP.*

### *Environmental Authorities*

#### **Action 1b) Environmental Authorities**

*to define the baseline information for the development Priorities identified in the CSF's;*

#### **Action 2b) Environmental Authorities**

*to ensure that the documentation on the environmental baseline, and a commented summary of relevant environmental legislation and policy Objectives (produced for the RDP stage), is given to all Development Authorities likely to be involved in the OP formulation ;*

#### **Action 3b) Environmental Authorities**

*to present the new information so that Development Authorities can see the relevance of the document for their development sector.*

## Description

Having set out the Objectives and Priorities in the CSF, Development Authorities will know what types of development Measures are likely to be implemented. This may require additional information which will then help to set more detailed/accurate baseline indicators for the OP.

Annex I presents a detailed review of:

- How data can influence the content of RDPs and OPs;
- Quantity and quality of data requirements;
- Presentation of the data;

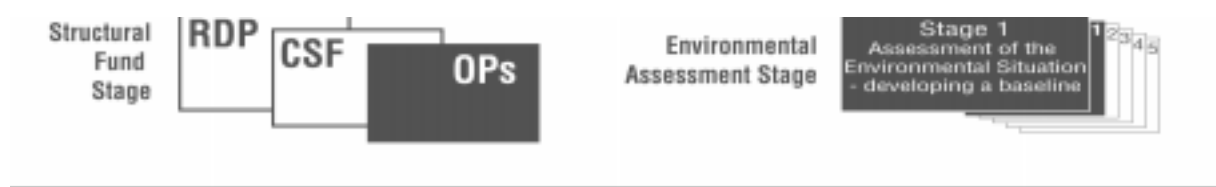
- Identification of additional needs for data and resources.

## Outputs

The baseline data produced at the OP stage will be used as background information for drafting the OP and for the assessment of the OP at its implementation stage.

In order to favour integration from an early stage, the environmental and socio-economic baselines could be presented together for each development Priority. For the environment component, in addition to the information gathered at the RDP level (see section 3.3.2), this baseline should include:

- An overview of relevant Community, national and regional environmental policy and legislation, its requirements



and implications (including financial ones) for the development Priority;

- A description of the environmental pressures specific to the region or economic sector targeted;
- A series of maps summarising key information and adding a spatial dimension to the detailed descriptions mentioned above.

*n.b. the steps above will provide the necessary information for a definition and quantification of environmental and sustainability Objectives for all Priorities (section 3.5.3).*

### 3.5.3 Development of Objectives and Targets

#### Background

The implementation of the CSF will involve the definition of a number of OPs for each Member State and its eligible regions. Each should contain development and environment Objectives with an aim to promote sustainable development.

#### Objectives

This stage reflects the need to achieve environmental integration into the overall objectives of the OPs in order to identify sustainable development Measures.

There should be clear continuity between RDP, CSF and the final OPs.

Together, the Development and Environmental Authorities will have to aim

for a balanced set of objectives and targets for each OP. Objectives and targets will:

- Assist in defining and choosing between alternatives means of implementing the programme and/or its Measures;
- Enable the assessment of the environmental performance of a plan or programme;
- Facilitate the monitoring and evaluation processes central to Structural Fund programming and implementation.

*Strong co-operation between authorities will reduce the potential for conflicting objectives at the implementation stage.*

#### Actions

##### *Development Authorities*

##### *Environmental Authorities*

##### *Action 1) Development and Environmental Authorities*

*To take into consideration the results of the RDP evaluation and the information gathered for the baseline data;*

##### *Action 2a) Development Authorities*

*To define economic and social Objectives for all OPs taking into consideration environmental and sustainable development Objectives.*

##### *Action 2b) Environmental Authorities*

*To define environmental and sustainable development Objectives for all OPs.*

## Description

This SEA stage will:

- Define precise environmental and sustainable development Objectives for the environment and development Priorities; and
- Quantify environmental and sustainable development targets for each priority.

### *Defining Objectives within Operational Programmes*

A number of key environmental themes/ issues will have been identified following the results of the collection and analysis of the baseline data (see section 3.5.2 of this Handbook). From these, Environmental Authorities should develop environmental and sustainability Objectives which will link environmental concerns to the development Priorities identified in the RDP and CSF.

In order to define Objectives, Development and Environmental Authorities should:

- Review the Objectives and targets defined at the RDP and CSF stage to ensure continuity between these and the environmental Objectives of the OPs;
- Review the results of the baseline data, to identify key environmental themes which are affected (positively or negatively) by the development Priority(ies) which the OP is addressing;

- Identify the general direction in which the environmental themes should be moving in relation to such Priority(ies) (eg a reduction in CO<sub>2</sub> emission, an increase in water pollution monitoring points);
- Define environmental and sustainability Objectives which clarify how the Priority could contribute to the environmental themes' general direction.

For example:

- The CSF for country X identifies transport infrastructure as a Priority;
- The baseline data stage has shown (amongst other things) that the region or country:
  - needs to reduce CO<sub>2</sub> emissions and that transport is a major contributor of CO<sub>2</sub>
  - needs an increase in woodland cover and that new transport infrastructure is contributing positively by planting along motorways, etc.
- The objectives for the OP which develops the Priority (eg. a cross-sectoral OP or a specific transport OP) may include:
  - for the transport sector (or a specific mode) to contribute to a reduction in CO<sub>2</sub> emissions and to increase planting along linear corridors.

### *The role of targets*

In order to meet the Structural Fund Regulation's objective of monitoring and evaluation, the OP must set out clear and quantified targets wherever possible, to be achieved by a certain date. Without these, it is almost impossible to establish whether EU funding has had a positive impact on a region's economy, its environment and natural resources.

Clearly, the ability to track changes will depend on the presence and quality of the baseline data collected.

The process described above is intended to facilitate the identification and integration of environment and sustainability targets in the OP's Priorities. An example is given in Table 3.6 below.

*Table 3.6 Examples of Environmental Objectives and Targets for Different Priorities*

Relevant Priority type	Example of environmental/sustainability objective	Example of Environmental Target
Agriculture	<ul style="list-style-type: none"> <li>Reduce use of fertilisers.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of X% in the use of N/P fertilisers by year 2006</li> </ul>
Tourism	<ul style="list-style-type: none"> <li>Development of sustainable tourism (focus on coastal zones and small islands)</li> </ul>	<ul style="list-style-type: none"> <li>Define a sustainable tourism management plan for areas X, Y and Z with particular reference to wetland zones, by 2001</li> <li>Development of X eco-tourism businesses in the region by 2003, and Y additional businesses by 2006</li> </ul>
Industry	<ul style="list-style-type: none"> <li>Environmental regeneration of industrial sites.</li> </ul>	<ul style="list-style-type: none"> <li>Recovery/decontamination of X% of contaminated/derelict land</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Reduce levels of wastes going to landfill by investment in waste management infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>10% Reduction in industrial waste to landfill</li> <li>25% of domestic landfill waste to be recycled</li> <li>Differentiated waste collection systems for paper and plastic to be set up in all local authorities by 2002, and for different colours of glass by 2003.</li> </ul>
Transport	<ul style="list-style-type: none"> <li>Improve the balance between transport modes.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce number of commuter trips by car by 10% in business centres X and Y around city Z.</li> </ul>
Rural development /Forestry	<ul style="list-style-type: none"> <li>Encourage "On-Farm" businesses.</li> </ul>	<ul style="list-style-type: none"> <li>Increase managed farm woodland coverage by 15% zones A, B and C of the region by 2004.</li> </ul>

## Outputs

## Measures. <sup>(1)</sup>

On the basis of the information collected during these first two SEA stages (Baseline and Objectives) environment and development Objectives and targets, integrated into a coherent set of sustainable development Objectives, should be produced.

These should be detailed enough to guide the definition of programmes and

(1) "Measure" refers to the means by which a priority is implemented over several years enabling operations to be financed. Any aid scheme under Article 92 of the Treaty or any aid granted by bodies designated by the Member States is defined as a Measure.



For example, the following Objective and target for the rural development Priority:

*Encourage “On-Farm” businesses. Increase managed farm woodland coverage by 15% zones A, B and C of the region by 2004*

suggests that part of the funding could be invested in on-farm businesses promoting woodland creation.



### 3.5.4 *Drafting the Operational Programme and its Alternatives*

#### **Background**

An OP is a detailed programming document which shows how national and regional authorities intend to implement one or more of the Priorities identified in the CSF. It is in essence the detailed application for assistance from the Structural Funds. It is important therefore, to ensure that the results of the environmental appraisal of the Regional Development Plan are incorporated into the development of an OP to make sure that any actions proposed in the OP are compatible with environmental and sustainable development principles.

Implementation of a CSF may involve the definition of a number of OPs for each Member State and its eligible regions.

#### **Actions**

Each OP is prepared for obtaining assistance from one or more of the four development funds: ERDF, ESF, EAGGF and FIFG (see *Part 1* of this Handbook).

#### **Objectives**

The draft Programmes should be developed balancing economic, social and environmental Objectives and the financial allocations for each Priority, as approved in the CSF. The aim of the SEA at this stage is to ensure that the proposed development strategies and their detailed Measures will help to guide funding towards sustainable development Measures and projects, and that these will be fully compatible with environmental policy and legislation.

#### ***Development Authorities***

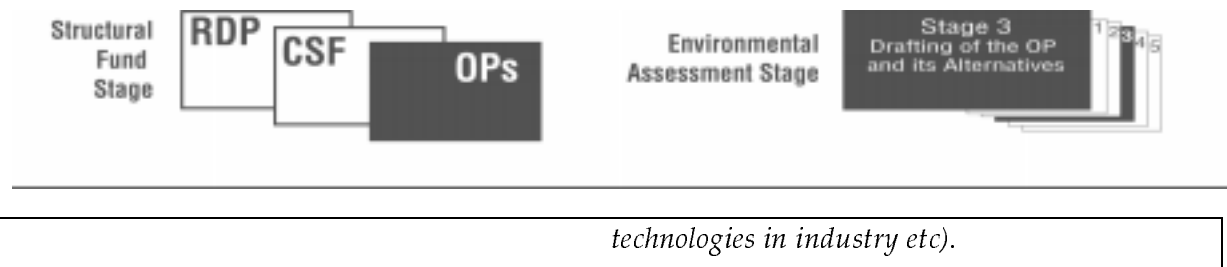
**Action 1a) Development Authorities**  
*to draft a development programme for all Priorities receiving Structural Fund assistance;*

*This stage will involve the identification of alternative options, including policy options (eg rates of assistance, eligibility and selection criteria)*

#### ***Environmental Authorities***

**Action 1b) Environmental Authorities**  
*The Environmental Authorities will co-operate with Development Authorities in the drafting stage and:*

- *identify clear environmental strategies and specific Measures for the environment OP;*
- *identify environmental issues and alternatives which should be integrated into other development OPs (energy, industry, agriculture, tourism etc) both to enhance the positive impact of the programme on the environment and to reduce negative impacts;*
- *identify the scope of environmental actions to be carried out within other Priorities and sub-programmes (eg agri-environment and agro-tourism issues in agriculture, use of renewable energy in energy, development of clean*



## Description

During this stage Environmental Authorities should collaborate with Development Authorities in order to identify, in as much detail as possible, the type of Measures which would meet environmental objectives for all development Priorities

An important criteria for success will be the contribution and coherence of the OPs with Community policy and legislation on the environment.

Annex VII of this Handbook contains guidance on environmental issues and their relationship to key development themes within the Structural Funds process.

### *Contents of the Draft Programme*

An important aim of this SEA stage is to both maximise benefits and opportunities of Structural Fund investment in terms of environmental protection and enhancement, and avoid overlaps or conflicting proposals which are likely to have negative impacts on the environment (An example of how this can be addressed is shown in Box 3.3). Unless authorities make a special effort at co-ordination, Measures for different Priorities such as transport infrastructure, tourism, and environment may result in schemes conflicting with each other, to the detriment of sustainable development.

### **Box 3.3      *An Example of Maximising Benefits and Opportunities***

ERDG or EAGGF Measures for rural development could fund the promotion of traditional agricultural methods (eg extensive livestock systems in mountain areas) or local products and traditions such as food products, crafts, traditional industrial specialists, specific local breeds of farm/domestic animals, growing of medicinal plants etc. Authorities should endeavour to support these Measures defining ESF Measures for training young people in the necessary skills existing to work in business and create new ones.

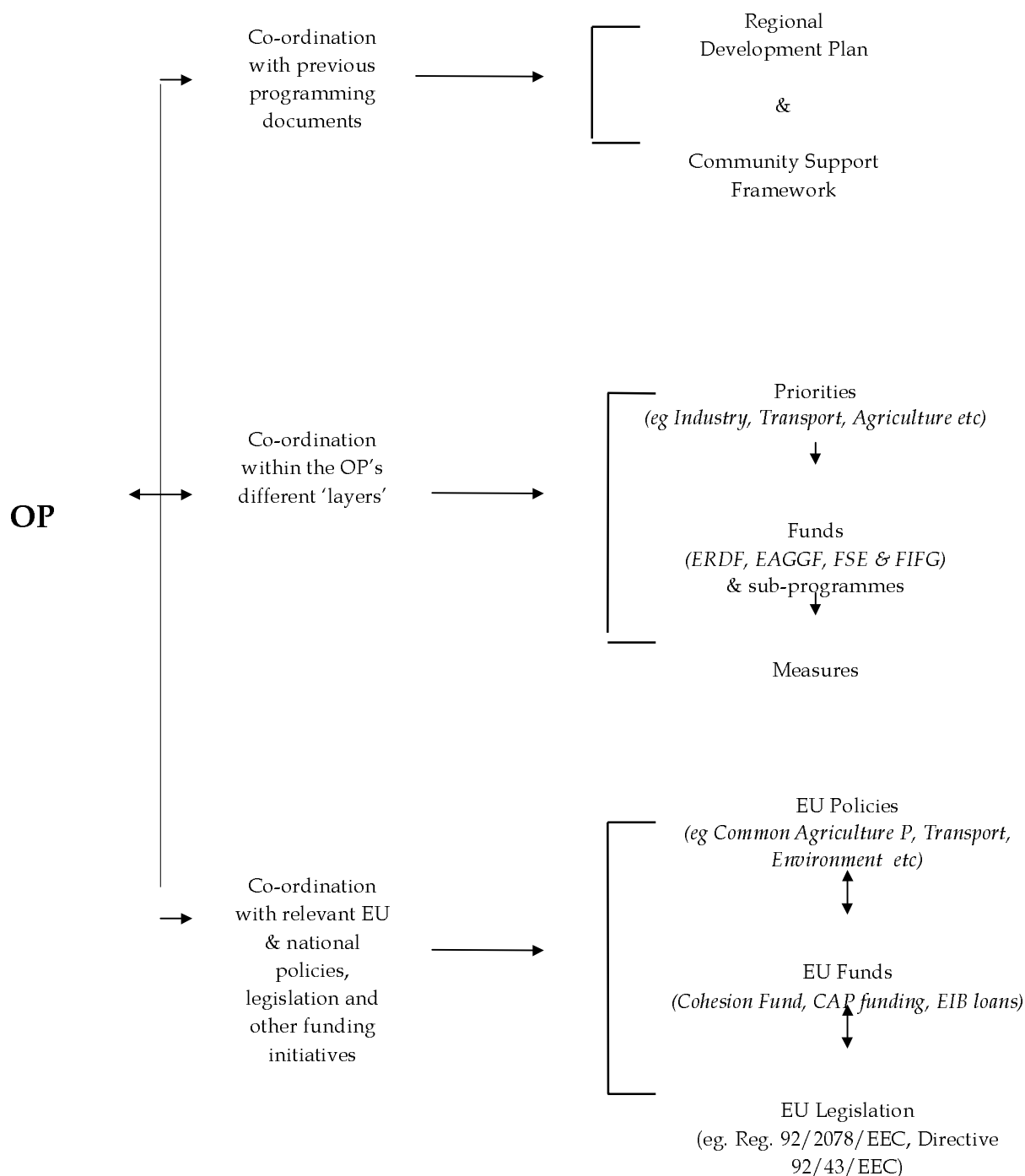
This would ensure that the environmental benefits of traditional sustainable activities are long lasting as a result of training and better economic prospects which would reduce the trend towards depopulation of remote rural areas.

All authorities will also ensure that the drafting of an OP is co-ordinated and integrated with a variety of initiatives, policies and legislation (Figure 3.6).

Box 3.4 contains an example of the contents of an OP for the environment Priority.



Figure 3.6 Varying Levels of Interaction and Co-ordination at the OP Stage



### Box 3.4 Possible Contents of an Operational Programme (OP)

#### Administrative and financing structures:

- the area in which the programme will operate
- the institutions involved

#### Indicators (see section 2.5.4):

- comment on the data that will be used, gaps, actions needed
- description for non-experts of the use of these indicators and of their significance
- list of indicators drawn from those identified in the RDP and CSF stages, which are refined and applied to the individual OP

#### Sustainable development framework for the development sector of the OP:

- based on EU, national and regional policies and relevant action plans
- reference to the relevant information in the RDP and CSF

#### Objectives/Priorities/strategies

- Background explaining the sources
- OP Objectives and targets, and their relationship with RDP and CSF Objectives
- Linkages: explain the way and the extent to which all other OPs will contribute to the environment Objectives of this OP

#### Development sectors (eg new transport infrastructure) - for each of them include:

- a description of the type and scale of investment proposed for the OP, the co-financing arrangements and links with other EU initiatives (Eg. EIB, Cohesion Fund, LIFE etc)
- the key aspects of this sector (problems, opportunities, priorities)
- details of the proposed Measures
- compliance with EU policies and legislation
- targets

#### Execution and administration:

- targets and performance indicators
- Monitoring procedures
- Evaluation procedures.

## Outputs

For each OP, this stage should produce:

- Environmental and sustainable development Objectives and targets for all OPs (environment and other development sectors);
- Explain the links between these and EU, national and regional environmental policies and legislation;
- A description of all the development strategies, their Measures and the alternatives proposed;
- A description of how the need for co-ordination with other relevant EU, national and regional initiatives has been met;
- A description of how different sectoral OPs will contribute to the environmental Objectives.

*The definition of development strategies and specific Measures will be assessed in terms of their socio-economic and environmental impacts before a final decision is taken.*

### 3.5.5 *Environmental Assessment of the Draft Operational Programmes*

#### **Objectives**

The basic approach to this stage is similar to that for the environmental assessment of Regional Development Plans (see section 3.3.5). For OPs, the SEA process focuses on:

- Assessing the Programmes' Objectives, targets and Priorities and Measures in terms of consistency and contribution to environmental and sustainability Objectives; and their consistency with RDP and CSF Objectives, targets and Priorities;
- Assessing the potential positive and negative impacts of Measures and the Programme's overall success in securing co-ordination between its various Funds and sub-programmes; and
- Evaluating the choice of indicators and project selection criteria for the Programme.

#### **Description**

Each OP should be subject of an assessment (see Annex III for further information on possible techniques). The level of detail may vary slightly, depending on whether the OP is sectoral (eg. on water or transport) or regional (and thus multi-sectoral), particularly in

terms of the knowledge about the location of any proposed development. However, as a general rule the environmental assessment of OPs should include three main steps:

1. An assessment of the Programmes' Objectives, targets and development Priorities;
2. An assessment of the potential positive and negative impacts of the Measures proposed; and
3. The integration of the results of the evaluation in the final programme.

If the OP being assessed is a sectoral OP then the assessment should include:

- An analysis of the sector-specific policies and legislation which can have environmental implications;
- An assessment of the sector's investment planning procedures (objectives, methodology for review, approval of sectoral plans etc.) to establish whether these adequately cover environmental issues (not only that the necessary EIA requirements will be carried out, but that environmental benefits have been recognised where relevant, for instance that environmental training needs/skills are addressed under human resources programmes or industrial/SME development programmes).

## Actions

### ***Development Authorities***

#### ***Action 1a) Development Authorities***

*to liaise with the Environmental Authorities over the carrying out of the evaluation;*

#### ***Action 2a) Development Authorities***

*to produce specific sectoral evaluations of the OP;*

#### ***Action 3a) Development Authorities***

*to consult with the Environmental Authorities over issues of concern;*

#### ***Action 4a) Development Authorities***

*to review the outputs of the assessment of the Environmental Authorities with them and agree on how their concerns can be addressed/accommodated by the programme.*

### ***Environmental Authorities***

#### ***Action 1b) Environmental Authorities***

*to liaise with the Development Authorities and programme managers over the carrying out of the assessment;*

#### ***Action 2b) Environmental Authorities***

*to carry out a detailed assessment of the draft OP covering all Priorities and Measures of relevance to the environment and sustainable development (not only any specific environmental Priorities and Measures);*

#### ***Action 3b) Environmental Authorities***

*to consult with sectoral programme managers regarding specific issues of concern;*

#### ***Action 4b) Environmental Authorities***

*to compare the Objectives of the OP with the Objectives of the CSF and:*

- *Identify links between programme and CSF level indicators for the environment and sustainable development;*
- *Identify Priorities/Measures which require adjustment;*
- *Liaise with the Development Authorities over areas of concern.*

#### ***Action 5) Development Authorities and Environmental Authorities***

*to discuss the results of the assessment and to integrate these into the selection of Objectives, Priorities, Measures and Selection Criteria (see Annex VI of this Handbook) to be included into the final OP.*

## Outputs

The environmental assessment of the OP should:

- describe the evaluation methodology which has been followed;
- summarise the key Objectives, Priorities and Measures within the OP of relevance to the environment and sustainable development;
- present an analysis of the compatibility between the development Objectives of the OP and its environmental Objectives;
- comment on the relationship between the RDP, the CSF and the draft OP;

- comment on the overall integration of environmental concerns into sectoral programmes;
- identify areas of concern where agreement on adjustments needs to be sought from the Partnership;
- identify areas where the programme managers may be able to improve the integration of economic, social and environmental Objectives of the OP and identify what consultation is required to achieve this.

The results of the assessment should be taken into consideration when deciding on the final content of the OPs.



### 3.5.6 Environmental Indicators for Operational Programmes

#### Background

In the context of the environmental appraisal of regional development plans, environmental indicators have been highlighted as useful tools for setting baselines, monitoring impacts and evaluating performance of regional development Priorities and objectives.

For Operational Programmes, it is essential to have an agreed set of indicators so that the net impact of the programmes can be monitored and subsequently evaluated.

#### Objectives

At this stage in the Structural Funds process indicators should fulfil the following criteria:

- They must be representative of the actions likely to be assisted via the programmes Priorities and Measures;

- They must be simple and easy to interpret;
- They must clearly demonstrate the impact achieved by a Priority or Measure;
- They must be based on data which is readily available;
- They must be capable of being updated at regular intervals during the lifetime of the programme;
- They must have a target level and baseline against which they can be compared.

Unless the indicators meet these criteria they are unlikely to be able to fulfil their prime functions of measuring the impact of the programme and feeding into the *interim* and *ex-post* assessments of the OPs.

#### Actions

##### *Development Authorities*

##### *Action 1a) Development Authorities*

*to propose a series of detailed socio-economic indicators which reflect the Priorities and Objectives of OPs;*

##### *Action 2) Development and Environmental Authorities*

*to jointly agree on a final list of indicators for the OPs.*

##### *Environmental Authorities*

##### *Action 1b) Environmental Authorities*

*to define baseline, impact and performance indicators which reflect the Priorities and Objectives of OPs;*

## Description

Using the baseline data gathered for the RDP, the indicators included in the CSF, and any additional data gathered for the OP, the Development and Environmental Authorities will select *baseline*, *impact* and *performance* indicators. These should have a clear relationship to indicators used in the RDP and CSF. Particular attention needs to be given to the Objectives of each Priority so that these are correctly reflected in the selection of indicators.

Each type of indicator has a key role in measuring the impact of an SPD or OP:

- *Baseline indicators* will be fundamental during monitoring and *ex-post* evaluation, enabling Member States and the Commission to calculate the positive or negative impact of plans on the state of the environment at the beginning and end of the programming period.

In selecting baseline indicators it is important that these should be relevant to the Priorities of the programme. If not, it is likely to prove difficult to establish any causal link between actions assisted by the Programme and changes in baseline conditions.

Therefore, the selection of baseline indicators should focus on those environmental resources which are likely to be affected by the programme either via direct investment in the environment in terms of environmental infrastructure or via actions in other

relevant sectors such as industry, transport, tourism, energy and agriculture which have a direct impact on the environment.

- *Impact indicators* can also be developed so that direct impacts arising from the programme can be assessed. These often take the form of outputs or results from the actions assisted by the programme.
- *Performance indicators* are very important to the monitoring and evaluation of OP's and SPD's because they can be used to establish targets against which the contribution of the programmes can be measured. In essence they allow the significance of the actions implemented under the programme to be compared with agreed targets based on EU, national and regional policies. Performance indicators should have a clear relationship both to the aims and Objectives of the programme (OP or SPD) and its Measures and to the Objectives of the CSF. The results of changes in the performance indicators are crucial to the *ex-post* evaluation of the OP and also to the *ex-post* evaluation of the CSF. It is therefore very important that performance indicators are chosen both to measure the impact of Priorities and Measures, and also to contribute to the assessment of CSF level indicators.

Annex IV of this Handbook provides further information on the selection and use of indicators for this stage.

## Outputs



This stage should produce a set of baseline, impact and performance indicators for each Priority. These indicators should be discussed and agreed by all of the principal departments or organisations involved in developing the OP.

*MONITORING AND EVALUATION OF  
THE ENVIRONMENTAL IMPACTS OF  
STRUCTURAL FUND PROGRAMMES*

### 3.6 MONITORING AND EVALUATION OF THE ENVIRONMENTAL IMPACTS OF STRUCTURAL FUND PROGRAMMES

Experience to date has shown that very few Member States and regions systematically evaluate and monitor the environmental impact of the implementation of Structural Funds programmes. This is not entirely their fault, as the regulatory requirements governing the Funds do not lay particular emphasis on this. Indeed, all that is generally required at present is that Structural Funds interventions be in keeping with Community environmental policy. This, though, is changing in conjunction with the general strengthening of the evaluation process within the Structural Funds. Environmental evaluation will have a higher priority in evaluation during the next programming period.

Techniques for ongoing evaluation and monitoring of environmental impacts of Structural Funds interventions are not well established at the present time. Two issues arise when trying to address this. Firstly, there is the question of evaluating the environmental impact of actions being undertaken directly in the environment field (waste water treatment, waste management, clean technologies, energy efficiency, etc). Secondly, there is the broader and more horizontal question of evaluating the environmental impact of other structural development Priorities such as tourism, agriculture, energy, transport and enterprise.

In regard to the evaluation of direct investments in the environmental field, it should in theory be easy to draw up a series of agreed physical and economic output indicators. In 1992 and 1993, the Commission attempted to do precisely this for the current Objective 1 regions in order to have a basis for the quantification

of development objectives. Environmental indicators were drawn up but the extent to which they are actually used during the current programmes in Objective 1 regions is very limited.

Equally, it is not easy to evaluate the impact of Measures to improve energy efficiency or waste minimisation on SMEs or the effects of improving industrial waste recycling. Experience is showing that these types of Measures can only be evaluated at the sub-programme level and then only if the Measures are drawn up in such a way as to be able to identify clearly the intended target sector or area, establish a clear baseline and define clear outputs.

Concerning the evaluation and monitoring of the environmental impacts of development Priorities other than environment, this tends to be a function of the nature and design of the particular Priority (e.g. road development) and the particular location. For any specific project, there are, in most Member States, controls on development set within a land-use planning system. In addition, there may be requirements to undertake a comprehensive environmental impact assessment (EIA). However, these are statutory processes and do not tell us anything about the overall environmental impact of a programme or sub-programme. For this level of evaluation we need something more elaborate which is related to the nature of the programming process itself.

With regard to evaluation, the definition of environmental objectives or indicators (see sections 3.5.3 and 3.5.6) is important in order to guide programme implementation and provide a basis for *mid-term* and *ex post* evaluations of programmes. Some ideas and approaches for this kind of "environmental tracking" of regions can be found in a recent

handbook produced by ECOTEC for the European Commission entitled *“Encouraging Sustainable Development Through Objective2 Programmes: Guidance for programme managers”* (ECOTEC, 1997).

The Commission itself, is in the process of producing a detailed guide to evaluating the environmental impact of Structural Funds interventions. This is being prepared under the MEANS programme.

Annex V provides further information on monitoring, *mid-term* and *ex-post* and evaluations and their role at the OP level.