

Integrating Environmental Sustainability into EU Programmes and Projects:

Introduction:

The purpose of this guidance is to provide an overview of the environmental responsibilities and commitments that delivery partners are to consider in the development of projects and commissioning activities as part of the following European Programmes operating in the South West of England between 2007 - 2013: European Regional Development Funds (ERDF), European Social Fund (ESF) including both Convergence and Competitiveness and the European Rural Development Programme for England (RDPE).

Background:

As in previous Objective 1 and Objective 2 Programmes (2000 - 2006) both environmental sustainability and equality and diversity will operate as 'cross cutting themes' within all ERDF, ESF and RDPE Programmes. The term 'cross cutting theme' refers to the 'horizontal' integration of either 'theme' across all funded activities. The 2007 – 2013 Programmes also include significant financial resource aimed at the development of specific or 'vertical' environmental projects.

When comparing project development and delivery between previous and existing programmes there has been a considerable change in the process of delivery. Historically projects were developed through an open bidding round and appraised against a set of criteria. Open bidding often meant that the cross cutting themes were imbedded at a later stage of project development.

Within current EU Programmes there has been a greater move towards commissioning activity. Commissioning enables delivery partners to directly develop and procure specific projects and interventions that align themselves directly with the Operational Programmes of the relevant EU Programme. Commissioning activity therefore gives a greater opportunity to imbed environmental sustainability proactively within project design and development, from inception to delivery.

In previous programmes the secretariat produced specific environmental sustainability guidance for specific project types. In the move to larger more strategic commissioning activity the secretariat (and other environmental stakeholders) will assist delivery partners, by providing more generic written guidance material coupled with more tailored on-site support (where deemed relevant), to demonstrably imbed environmental sustainability in a more bespoke way, ensuring potential benefits and opportunities are maximised.

Environmental Sustainability and EU Programmes:

The primary objective of the Structural Funds Programmes is to deliver sustainable economic growth for the South West of England primarily through the facilitation and safeguarding of 'more and better' jobs. RDPE exists to support and promote sustainable farming, forestry and food sectors and

additionally, to bring wider benefits for the economy, environment and rural communities

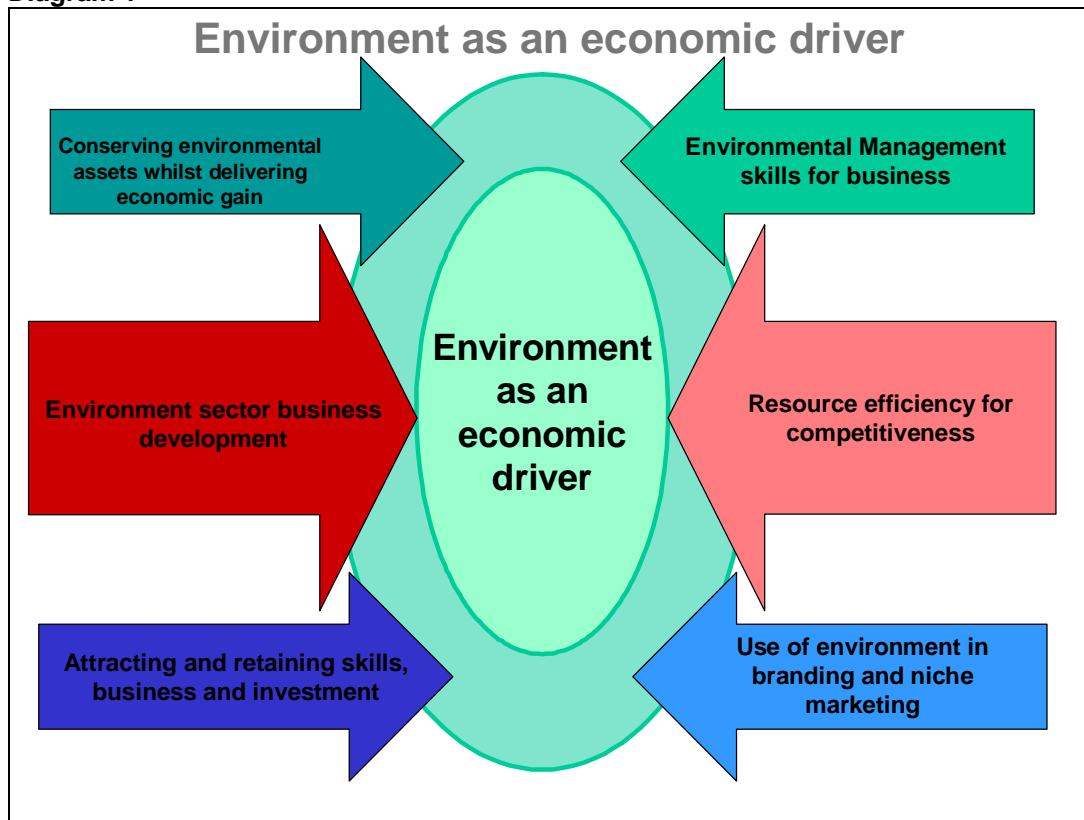
All programmes have delivery frameworks that identify the importance of the environment in securing and continued sustainable economic growth. This identified importance acknowledges the need to ensure environmental awareness, protection and enhancement plays an integral and integrated role in programme delivery whilst also acknowledging that the quality of the environment is a key economic driver in the South West of England.

All Programme delivery frameworks acknowledge the strategic need for projects to work towards the delivery of a low carbon economy while considering the regions environmental limits, taking seriously the challenges of climate change and the principle of 'one planet living.'

The following Diagram 1 indicates the 6 key environmental strands that projects and commissioning activities should consider and imbed within project design and development. As can be seen from Diagram 1 the programmes require demonstrable evidence that the environment has been proactively regarded and that consideration is given beyond impact mitigation or amelioration.

Programme management partners, environmental partners, the Department for Communities and Local Government (CLG) and the EU Commission consider the use of EU funding as a tool to deliver the highest standards of environmental enhancement, protection and development; setting a new benchmark for future investment and development.

Diagram 1



Source: SWRDA RES Evidence Base

Strategic Environmental Considerations:

When considering environmental sustainability there are a number of key strategic challenges and considerations, the principles of this should be imbedded throughout business plan development:

1. decoupling environmental degradation and increased resource consumption from economic growth
2. regional spatial growth projections and aspirations
3. mitigating and adapting to the impacts of climate change and increased 'storminess'
4. the development, stimulation and creation of new markets, capitalising on the environmental sector
5. exploiting market opportunities in an increasingly environmental aware global and social economy
6. responding proactively to new and anticipated legislation and regulations
7. overcoming resource dependencies in light of security of supply, logistics and the finite nature of many resources
8. the protection of the regions natural, cultural and heritage assets
9. How environmental considerations and responsibilities will be delivered and integrated through the supply chain process

Where possible the above strategic environmental considerations and Key Priority Strands below build on and provide focus on the Competitiveness and Convergence OP environmental requirements. Where relevant projects and delivery partners are advised to align their approach with the 10 'operating principles' of the South West Regional Sustainable Development Framework*

Key Priority Environmental Strands

In addition to the wider strategic environmental challenges outlined above, projects, commissioning activities and their ultimate business plans should as a minimum consider the 6 environmental strands as detailed in Diagram 1. It should be noted that this is a minimum requirement. Because of the large scale and diverse nature of commissioning activities the Programme Management partners require delivery partners (with their specific sectoral or business expertise) to demonstrate 'environmental innovation,' throughout the business planning process.

An inexhaustive list of potential considerations is given for each of the six environmental strands, detailed below:

Strand 1: Conserving Environmental Assets

This strand concerns the management of environmental assets with a view, but not exclusively, to changing climatic conditions and increased 'storminess.' Consideration should be given to physical and aesthetic impacts and how local communities can be engaged in decision making and design processes:

* The SWRSDF translates the UK's sustainable development strategy *Securing the Future* into a regional context.

- Enhancing and protecting landscape features such as ponds and hedges whilst also acknowledging wider landscape character impacts
- Enhancing and protecting biodiversity (plants and animals)
- Enhancing and protecting the historic environment (built heritage and landscape)
- Considering existing and potential local, national and international designations
- Improving the Brownfield: Greenfield land use ratio
- Improving air quality
- Improving water quality
- Improving soil management
- Reducing flood risk
- Climate change proofing – enabling the natural environment to adapt
- Enabling access to, enjoyment of, and better understanding of the natural environment.

Strand 2: Environmental Management Skills for Business

This strand seeks to build environmental management awareness, process and systems into day-to-day business management processes:

- Increasing environmental training and awareness in the workplace
- Integrating environmental consideration within conventional training and management processes
- Deploying integrated environmental management and audit systems (such as ISO 14001 / EMAS)

Strand 3: Environmental Sector Business and Opportunity Development

Developing the demand for environmental goods, products and services will help make the region become more environmentally sustainable, as well as helping to 'green' the existing business sector. The issues to be considered here are:

- Encouraging research, development or take-up of environmental technologies, products or services
- Linking economic activity to local supply chains; inclusion of local sourcing and associated added value benefits
- Increasing business use of environmental management systems
- Integrating with research and educational establishment activities, courses and opportunities

Strand 4: Resource Efficiency for Competitiveness

In terms of business as well as the environment, it makes good sense for the economy to be efficient and therefore increasingly productive in terms of its use of natural resources:

- Minimising the amount of waste produced (through process and 'end product' design) - analysis of cradle to grave impacts of a product
- Considering the reduction, reuse, remanufacturing and recycling of resources and products
- Reducing CO2 emissions through:
 - Maximising energy conservation and efficient use, particularly through building design and mechanical and non-mechanical interventions – BREEAM[†] and pre-assessment requirement[‡] and SWRDA building regulation standards[§]
 - Maximising the use of renewable energy
 - Considering micro-generation and energy diversification - Whilst ensuring CO2 emissions are not transferred to customers or suppliers
- Reducing the need to travel and single car occupancy
- Reducing water use / recycling waste water
- Diversifying fuel dependency without causing significant harm to the natural environment, or exporting our carbon footprint

Strand 5: Retaining Skills, Business and Investment

This is a strand that runs concurrently with others, reinforcing the need to protect the South West of England's environmental assets thus ensuring that it remains an attractive and an economically sustainable region, for both individuals and businesses, to live and work. Key to this is:

- Integration and collaborative links with relevant Higher Education Institutes (HIEs), training services and providers
- Development, engagement and support of relevant networks and partnerships
- Maximising the use of ICT opportunities
- Development that contributes positively to a local area's landscape character and sense of place.

Strand 6: Environmental Branding, Niche Marketing and Carbon Literacy

Environmental sustainability is a long-term objective that requires everybody to play their part. There are a number of things that applicants should consider to help achieve this aim:

- The scope for raising awareness of environmental issues and positive action for the environment

[†] Building Research Establishment Environmental Assessment Method including the following areas: management and commissioning, energy use, health and well-being, pollution, transport, land use, ecology, materials and water consum

[‡] regarding BREEAM a pre-assessment is to be undertaken as part of the application and may condition the funding such that a post construction assessment should also be undertaken

[§] Please request a copy of SWRDAs mandatory requirements from the Secretariat. These are subject to change

- The scope for community involvement in environmental initiatives
- Providing or supporting environment-related tourism opportunities
- Increasing levels of environmental training and learning (within specific environmental training and through integration with other training activities)
- Increasing the amount of environmental information available for businesses and visitors
- Integration, networking and collaboration with other synergistic providers, services and support services
- Using corporate environmental responsibility to market products and services whilst adding value

Different Types of Projects:

While previous programmes have centred very much on capital build and development projects it is anticipated that within the 2007 – 2013 programmes there will be an increased level of revenue based projects. In all cases, delivery partners must be able to demonstrate that environmental issues have been proactively considered. If there is limited scope for delivering environmental gain, the delivery partners must be able to justify why this is the case.

Irrespective of the project type consideration should be given to the following questions:

Question 1: Have you looked seriously at potential environmental impacts?

Question 2: What methods have you used? (e.g. EIA)

Question 3: What potential impacts have been identified?

Question 4: How have any negative impacts been addressed?

Question 5: What positive impacts have been identified?

Ideally delivery partners should consider full integration of environmental management beyond that of the finite funded project or its discrete life, therefore consideration of question 6 would be welcomed:

Question 6: Does the applicant have an environmental policy?

Targets and Monitoring:

The Operational Programmes and Delivery Frameworks of particular European Programmes have a number of mandatory outputs that projects are required to meet. It is anticipated that a Cross Programme set of environmental indicators will be developed soon.

Until the above piece of work has been completed delivery partners are asked to:

1. Align monitoring processes with mandatory targets with the relevant Operational Programmes or Delivery Frameworks
2. Assuming that every project will have some negative impact on the environment, how will this negative impact be quantified? What action will be taken to mitigate this impact and what (quantifiable) level of

impact mitigation will be achieved? (this statement largely excludes Axis 2 of the RDPE Programme)

3. What additional environmental outputs or outcomes could a project deliver? These should address all areas detailed in the table below:

Table 1: Adapted 10 principles of One Planet Living (OPL)

CHALLENGE	OPL PRINCIPLE	GOAL and STRATEGY
Climate change due to human-induced build up of carbon dioxide (CO ₂) in the atmosphere	Zero Carbon	<i>CO₂ emissions of zero</i> Implement energy efficiency in buildings and infrastructure; supply energy from on-site renewable sources, topped up by new off-site renewable supply where necessary.
Waste from discarded products and packaging create a huge disposal challenge while squandering valuable resources	Zero Waste	<i>Eliminate waste flows to landfill and for incineration</i> Reduce waste generation through improved design; encourage re-use, recycling, remanufacturing and composting; generate energy from waste cleanly; eliminate the concept of waste as part of a resource-efficient society.
Single occupancy private mobility causes climate change, air & noise pollution, congestion, severance and negative impacts on our economic productivity	Zero Travel & Sustainable Transport	<i>Eliminate the need to travel & reduce reliance on private vehicles and achieve major reductions of CO₂ emissions from transport</i> Provide transport systems and infrastructure that reduce dependence on fossil fuel use. Bring services to people rather than people to services. Investigate new ways of working. Offset carbon emissions from air travel and perhaps car travel.
Destructive patterns of resource exploitation and use of non-local materials in construction and manufacture increase environmental harm and reduce gains to the local economy	Local and Sustainable Materials	<i>Transform materials supply to the point where it has a net positive impact on the environment and local economy</i> Where possible reuse, use local, reclaimed, renewable and recycled materials in construction and products, which minimises transport emissions, spurs investment in local natural resource stocks and boosts the local economy. Identify local market deficiencies and opportunities for market stimulation and development.
Industrial agriculture produces food of uncertain quality, reduces nutritional quality and harms local ecosystems, while consumption of non-local food imposes high transport impacts	Local and Sustainable Food	<i>Transform food supply to the point where it has a net positive impact on the environment, local economy and peoples' well-being</i> Support local and low impact food production that provides healthy, quality food while boosting the local economy in an environmentally beneficial manner; showcase examples of low-impact packaging, processing and disposal; highlight benefits of a low-impact diet.
Water purification is energy intensive. Poor water management disrupts hydrological cycles and depletion of existing stocks	Sustainable Water	<i>Achieve a positive impact on local water resources and supply</i> Implement water use efficiency measures, re-use and recycling; minimise water extraction and pollution; foster sustainable water and sewage management in the landscape; restore natural water cycles.
Loss of biodiversity and habitats due to development in natural areas and overexploitation of natural resources	Natural Habitats and Wildlife	<i>Regenerate degraded environments and halt biodiversity loss</i> Protect regenerate and link existing natural environments and the habitats they provide to fauna and flora; create new habitats. Consider impacts on the marine environment
Local cultural heritage is being lost throughout the world due to globalisation, resulting in a loss of local identity, resilience and wisdom	Culture and Heritage	<i>Protect and build on local cultural heritage and diversity</i> Celebrate and revive cultural heritage and the sense of local and regional identity; choose structures and systems that build on this heritage; foster a new culture of sustainability. Protect and enhance our built heritage.
Some in the industrialised world live in relative poverty, while many in the developing world cannot meet their basic needs from what they produce or sell	Equity and Fair Trade	<i>Ensure that direct and indirect impacts on other communities and countries are positive and managed through the supply chain</i> Promote equity and fair trading relationships to ensure positive impacts on other communities both locally and globally, notably disadvantaged communities.
Rising wealth and greater health and happiness increasingly diverge, raising questions about the true basis of well-being and contentment	Health and Happiness	<i>Increase health and quality of through direct and indirect beneficiaries</i> Promote healthy lifestyles and physical, mental & spiritual well-being through well-designed structures and community engagement, local cultures, social cohesion and diversity measures.

Source: OPL Bioregional and WWF

Consideration, where relevant and proportional to the scope of the project, should be based around the delivery of outcomes rather than outputs. There will also be a formal requirement for projects to address **carbon footprinting and Carbon Intensity** as part of project monitoring processes. Further guidance will be developed regarding carbon monitoring requirements, but is likely to:

1. be an indicator rather than a target
2. seek to demonstrate a carbon saving over a 'business as usual,' and/or 'do minimum' scenario

Delivery partners will be required to (1) define an appropriate methodology (2) Specify the boundary and scope of coverage (aligning to standards and best practice where possible), (3) Collect emissions data, calculate footprint and demonstrate savings over baselines, and (4) where relevant externally verify results.

Governance and Reporting:

A Cross Programme Environmental Advisory Group oversees the delivery and aspirational objectives of the environmental cross cutting theme. Membership of the Advisory Group incorporates the Environment Agency (Chair), Natural England, English Heritage, National Trust, Energy Saving Trust, Environment Kernow, South West of England Regional Development Agency, Learning and Skills Council, Job Centre Plus, Government Office South West, and the Forestry Commission.

The Advisory Group has a formal responsibility to report on progress and delivery of the cross cutting theme through direct membership of the core Programme Management Committees and Boards.

Further Information:

Please note this is draft, interim guidance and is subject to change and amendment at any time. For further information please contact the South West Regional Development Agency Secretariat:

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