



**COUNCIL OF
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From:	Working Party on Structural Measures
To:	Permanent Representatives Committee (Part 2)/Council
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Subject:	Draft Council conclusions on Special Report No 23/2012 by the European Court of Auditors: "Have EU Structural Measures Successfully Supported the Regeneration of Industrial and Military Brownfield Sites?"

1. On 22 April 2013, the General Secretariat of the Council received Special Report No 23/2012: "Have EU Structural Measures Successfully Supported the Regeneration of Industrial and Military Brownfield Sites?", adopted by the Court of Auditors at its meeting on 12 December 2012.

2. Pursuant to the rules laid down in the Council conclusions on improving the examination of special reports drawn up by the Court of Auditors¹, the Permanent Representatives Committee (Part II) at its meeting on 2 May 2013 instructed the Working Party on Structural Measures to examine this report according to the rules laid down in the abovementioned conclusions.
 3. The Working Party on Structural Measures examined the Special Report on 3 September 2013 and an agreement on draft Council conclusions was reached on 22 November 2013.
 4. The Permanent Representatives Committee is therefore invited to recommend to the Council to adopt, as an "A" item, these draft Council conclusions as set out in the Annex to this document.
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¹ Doc. 7515/00 FIN 127 + COR 1.

Draft Council conclusions on Special Report No 23/2012
"Have EU Structural Measures Successfully Supported the Regeneration of Industrial and Military Brownfield Sites?"

THE COUNCIL OF THE EUROPEAN UNION,

- (1) STRESSING the significant environmental, economic, social and territorial repercussions of the regeneration of industrial and military brownfield sites often located in regions and urban areas in economic and social decline;
- (2) RECALLING the Council decision 2006/702/EC on Community strategic guidelines on Cohesion embedding the objectives of the Cohesion Policy to promote an integrated development approach as well as to rehabilitate the physical environment and to redevelop brownfield sites especially in old industrial cities;
- (3) Considering that former industrial brownfields constitute an opportunity for an integrated economic and social development and NOTING the importance of structural measures, in particular the European Regional Development Fund (hereinafter referred to as "the ERDF") and the Cohesion Fund, in supporting the regeneration of industrial and military brownfield sites in order to unlock the potential of these areas and to increase the attractiveness of the regions and towns and contribute to job creation;
- (4) Considering the development of an urban policy by the Commission and Member States and ACKNOWLEDGING a range of best practices mentioned in the Report having a positive effect on the sustainability of the regenerated sites and the achievements in the long term including the certification of decontamination works by a competent authority or accredited authority, respect for the spatial planning rules in the region concerned, the existence of an integrated development plan, and adequate servicing of the sites;

- (5) WELCOMING Special Report No. 23/2012 of the European Court of Auditors (hereinafter referred to as "the Court") on the EU structural measures supporting the regeneration of industrial and military brownfield sites;
- (6) NOTES the Court's recommendation that Member States should ask promoters to carry out a market analysis and consider the relevant options for the possible future use of brownfield sites and should require brownfield regeneration projects to be a part of an integrated development plan and remediation results to be certified by a competent authority or accredited body;
- (7) NOTES the Court's recommendation that the Commission and the Member States should support the application of best practices in the regeneration of brownfield sites, give preference for brownfield regeneration over greenfield use and avoid the use of greenfield unless strictly necessary;
- (8) NOTES the Court's recommendation that Member States should consider setting up brownfield site regeneration strategies with clear targets; consider measures to address problematic sites that are privately owned where the owner fails to take the necessary action; and consider making more frequent interim greenfield use of regenerated sites and creating registers of brownfield and contaminated sites with sufficient standardised information for prioritising interventions;

- (9) NOTES the Court's recommendations concerning the assessment of the funding gap and the inclusion of the reimbursement clause and SHARES the Court's objectives of ensuring efficient use of funds, avoiding of overcompensation and the need to apply *polluter pays* principle. In particular, Member States should as a general rule require the application of the *polluter pays* principle to be made a condition for granting the EU funding, taking into account the overall goals of urban and regional policies; apply the provisions of the state aid schemes agreed with the Commission; consider including, on the basis of the regulatory framework, a reimbursement clause in grant decisions for regeneration projects to allow the possibility for them to reassess the financial performance of projects in the light of developments over a longer period, and to allow, where projects have generated more revenues than expected, part or all of a grant to be clawed back. However, it UNDERLINES that given the primary objective of such projects to ensure that private investments are located in a specific place or is accelerated or their scope adjusted to create positive externalities the use of reimbursement clause may be not appropriate for all projects especially where it would create asymmetric risk discouraging or distorting investment decisions.
- (10) NOTES the Court's recommendation that there is a need of the EU standards for the definition of contaminated sites and the significance of the environmental and health risks they pose made on the basis of scientific evidence and best practices, as well as a methodology for the definition of site-specific remediation standards taking account of final site use.
- (11) ENCOURAGES the Commission and Member States to continue improving the management of Structural Funds in the current programming period with a view to optimising the implementation in the next programming period, starting in 2014;
- (12) ENCOURAGES the Court to continue its thorough examination of programmes and projects financed under the Cohesion policy and to contribute with its recommendations to designing this policy to become even more efficient and result-oriented in the next programming period, starting in 2014.