



European Structural Funds 2014-2020 Programmes Consultation Response

RSPB Scotland is part of the RSPB¹, the countries largest nature conservation charity, inspiring everyone to give nature a home. We speak out for birds and wildlife, tackle the problems that threaten our environment and promote the conservation of wild birds and their habitats. We are supported by nearly 90,000 members in Scotland, with a strong membership base in rural areas as well as in towns and cities. We have practical experience of managing terrestrial, aquatic and coastal habitats for conservation, farming, forestry and other enterprises, and of providing advice to land managers. RSPB Scotland manages more than 68,000 hectares of land; much of this through management agreements with local farmers, crofters and graziers. Our land management interests cover a wide range of habitats and geographic areas within Scotland. We undertake biological and economic research to underpin our policy analysis and advocacy. We also have experience of environmental education and training for all ages. We are currently recipients of funding from a number of EU funded Scottish Government schemes including ERDF and EAFRD funding, often working in partnership with others. We have contributed extensively to working groups and stakeholder fora that are helping to develop thinking on the application of EU funds in Scotland for 2014-2020 Programmes. The RSPB is a member of BirdLife International, a partnership of nature conservation organisations working to give nature a home around the world.

Summary

RSPB Scotland welcomes the public consultation on the proposals for the implementation of the 2014-2020 European Structural Funds (ESF). We are also responding to the consultation on Scotland's Rural Development Programme, Stage 1: Initial Proposals and welcome proposals for closer integration of all EU funds and better prioritisation and targeting of spend in future.

The points we wish to emphasise in relation to the ESF are as follows:

- *Environmental sustainability must be a key test for the application of all EU funds, including the European Structural Funds, and all funds should seek to promote sustainable development.*
- Halting the loss of biodiversity and the degradation of ecosystem services should be a thematic objective as should climate change adaptation.
- Biodiversity, environmental management, climate change mitigation and adaptation must be viewed as priorities across the three Scottish Themed Funds and integration between the three Funds must be achieved.

¹ The Royal Society for the Protection of Birds (RSPB) is a registered charity: England and Wales no. 207076, Scotland no. SC037654

- There must be adequate environmental representation on the Partnership Agreement Monitoring Committee including individuals with expertise in biodiversity and the natural environment, not just climate change. Scottish Environment LINK should be asked to nominate member organisations to represent the environmental sector.
- SNH, SEPA, JNCC and FCS should be included in Delivery Partnerships.
- We propose the creation of regional PAMCs to ensure better scrutiny and oversight of funds closer to the point of spend and to report up to the national PAMC.
- We support a greater role for the Third Sector in delivering the ESI Funds, working in partnership with others.
- We support efforts to achieve better integration of funds but believe this will be difficult to achieve in practice due to audit and control requirements. These should be minimised and simplified as far as possible, whilst ensuring money is spent effectively.

Question 1 – Are there other areas you think the Partnership Agreement should address?

We recognise the European Commission has certain expectations for ESF investment in the UK including building business competitiveness, improving skills and making the economy environmentally friendly and resource efficient. Whilst we might have expressed the environmental strand differently i.e. protect the environment as the bedrock of economic activity, we are broadly supportive of this approach. We take some comfort that the consultation says the Scottish chapter of the UK Partnership Agreement will set out why Scotland needs to use the ESFs to protect and improve our environment. It is somewhat disappointing then to read paragraph 4 which says nothing about how the Funds will be used to address this challenge but rather focuses on business competitiveness, major infrastructure and skills issues. The ESF could, and should, be used to deliver environmental outcomes alongside other key funding streams such as the rural development funds of the Common Agricultural Policy (CAP).

More broadly, we would like to see a commitment to using the ESFs in Scotland to promote sustainable development, as defined in the Brundtland report: *‘Development that meets the needs of the present without compromising the ability of future generations to meet their own needs’ and which encapsulates the concepts of the needs of the poor and environmental limitations. Environmental sustainability should be a key test for the application of all EU funds, including the ESF.*

Question 2: Do you think these thematic objectives will best address Scotland’s short-term and long-term challenges?

Broadly, we support the proposed thematic objectives for investment and welcome especially the reference to Scotland’s high nature value and biodiversity and the need to protect and manage this. It is not simply a matter however of protecting what we currently have; there has been significant loss of biodiversity and environmental degradation in Scotland in recent years which needs to be addressed. We emphasise that EU leaders including the UK have signed up to a target re *‘Halting the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restoring them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss’*. *There should therefore be a commitment to using the ESFs in Scotland to meet its international environmental obligations and targets, including halting the loss of biodiversity and the degradation of ecosystem services by 2020 (EU Biodiversity Strategy), achieving good ecological status of water bodies by 2015 (EU*

Water Framework Directive) and ensuring Scotland's waters attain Good Environmental Status by 2020 (EU Marine Strategy Framework Directive).

We were extremely disappointed to see climate change adaptation excluded from the thematic objectives especially since it looks like this will not be a priority for rural development funds either. This seems short-sighted at a time when multiple extreme weather events, the frequency of which will increase with climate change, have caused incredible disruption and economic hardship, to communities across Scotland and to land based industries. However successful we are in reducing GHG emissions and mitigating against future climate change, current levels of GHGs mean that we already need to adapt to a changing climate. This demands new approaches to how and where we build our homes, roads and other major infrastructure, and how we manage our land resources, for example, employing natural approaches to flood and coastal management. The ESFs, alongside other EU funds, have a critical role to play here.

We are also surprised to see sustainable transport and capacity building excluded from the thematic objectives and are unclear how these are to be achieved if not through the ESF and other EU funds?

Question 3: Do you think there are any other thematic objectives which should be addressed?

Not specifically, beyond the comments above, although we wish to see greater emphasis on environmental protection and enhancement and the promotion of environmental sustainability across the thematic objectives rather than pigeon-holed under the heading 'low carbon, resource efficiency and the environment'. There is considerable potential for growth in both businesses and jobs that are based on an environmental proposition. For example, using EMFF to preserve marine habitats will have multiple benefits for flood protection, carbon storage, water quality and retention, and provision of fish spawning and nursery grounds, all of which are essential for the success of Scotland's marine businesses. Equally, there is growing evidence that the quality of the environment people live and work in can have significant impacts on health and wellbeing, especially in more deprived areas. The presence of, and access to, green space has been shown to have positive effects on mental and physical health. Ultimately, integrating environmental considerations – both respecting environmental limits and understanding opportunities – into all that we do, would represent a more progressive approach to Scotland's future development.

We can put this no more cogently than the EU Environment Commissioner, Janez Potocnik, did when speaking recently to the Rural Affairs, Climate Change and Environment Committee of the Scottish Parliament: *"This committee is responsible for the environment, and I believe that as legislators you should put environmental considerations at the centre of all policy areas in Scotland. Environmental policy should not be a ghetto; it should not be confined just to this committee or considered as a constraint on our economies—it must go hand in hand with economic policy. Developing a new economy that has sustainability at its heart and is based on a more efficient use of our natural resources will create jobs, support competitiveness and cut costs while preserving the health of our environment. Frankly, there is no reasonable alternative to that approach."*

Question 4: Do you think the Scottish Themed Funds will address Scotland's key challenges?

Ultimately, whether Scotland's key economic, social and environmental challenges will be addressed will depend on what the money is spent on and where; to some extent, how the funds are organised is a second order and administrative matter. We therefore seek reassurances that biodiversity, environmental management, climate change mitigation and adaptation will be viewed as priorities across the funds, however they are applied. Our main

concern about corralling EU funds into three Scottish Funds – one each for businesses and the economy, one for social aspects and one for the environment – is how integration across the funds is going to be achieved. This isn't explained very clearly and we are concerned that the environment is being pigeon-holed (as are social aspects) and not seen as relevant to either competitiveness and jobs or social inclusion.

Question 5: How do you think the governance and delivery arrangements will impact on your sector?

The Partnership Agreement Monitoring Committee (PAMC) will have a critical role to play in taking an overview of the activity across all three Themed Funds. It will be essential that this Committee has adequate environmental representation if economic and social objectives and spending are not to dominate. This representation must go beyond climate/low carbon expertise to include expertise in biodiversity and the natural environment.

We are surprised to see no mention of any of the statutory environment agencies in the list of partners in the Delivery Partnership for the 'environment' fund. We would expect SNH, SEPA and JNCC (given their responsibility for Scottish waters) to be engaged and also FCS given that significant investment is likely to be made in forestry. We would also like to see these agencies having some involvement in the 'economic' and 'social' themed funds, at least in terms of determining priorities and having oversight of programmes and expenditure. Only in this way can effective environmental integration be achieved.

Question 6: How do you think the governance and delivery arrangements will impact on your organisation?

We are unclear at this stage – and from the information given - how the delivery arrangements will affect us as a potential applicant for funds. We can only emphasise that for us, and all potential applicants, programmes and schemes need to be made as clear and as straightforward as possible to access. However, we are supportive of the need for much greater prioritisation and targeting of funds in future to ensure good value for public money. Such priorities and targets therefore need to be made explicit to applicants to enable appropriate applications to be prepared and submitted.

Delivery arrangements should be such that there is a clear role for the third sector. Many NGOs – across the economic, social and environmental spectrum – have the capacity to work in partnership with others and deliver effective projects. In some situations, NGOs are well placed to work with local communities and land managers, perhaps more so than formal agencies, and could take a stronger lead in fund delivery if given the opportunity and offered financial support to do so.

We are currently a member of the Programme Monitoring Committee for the SRDP (and a member of one of the advisory committees for ERDF – Highlands and Islands) and welcome this opportunity for oversight of the finances and funding arrangements. We note the proposal to replace existing PMCs with a single Partnership Agreement Monitoring Committee and therefore request a seat on this. However, given the breadth of the ESI Funds, we think it will be important to widen representation on the PAMC to ensure that biodiversity, landscape and cultural heritage interests are covered. We think that Scottish Environment LINK would be best placed to nominate organisations to represent the broad church of LINK interests on the PAMC and any regional committees (see comments below).

Question 7: Are there any unidentified governance or delivery arrangements that could aid simplification of the future programmes and ensure that the Structural Funds complement each other?

See our comments on the role of the third sector above.

In addition to a national PAMC, we propose the creation of regional PAMCs to ensure better scrutiny and oversight of funds closer to the point of spend. We believe it will be difficult for a national Committee to take anything other than a high level view of performance,

complementarity and implementation of ESI Funds and that only at regional level can more insightful scrutiny be achieved. Such regional PAMCs could meet in advance of the national PAMC and report upwards on progress whilst the national Committee could give strategic steer to regional spending.

Question 8: What other delivery options do you think would be feasible for delivering youth employment initiatives?

Although not our area of expertise, it seems highly likely that the Third Sector could play a significant role in delivery of youth employment operations. There are a number of organisations – NGOs, local authorities, development trusts, colleges and others - that could work in partnership, that could help the progression from school, into colleges and then into practical training and full time jobs. Each of these organisations can contribute their own areas of skill at the local level thereby increasing local capacity, control and delivery.

Question 9: What other measures could be taken to reduce the audit and control pressures?

We have no specific suggestions for reducing audit and control pressures although, as an applicant for funds, urge the Scottish Government to minimise the audit burden for applicants as far as possible. Onerous audit procedures are a disincentive to participation across the NGO sector and the administrative burden on organisations needs to be minimised. Application, monitoring and audit processes must be designed with the user in mind.

We note the intention to ‘hide the wiring’ from beneficiaries as far as possible, requiring them to engage with one public body only and leaving the Lead Partners to deal with the administrative complexities behind the scenes. This is welcome although we think the reality of having to account for funds separately will make the very laudable ambitions for greater integration across funds very difficult to achieve in practice. Experiences with the current SRDP show that the Scottish Government has found it hard to achieve integration. The original ambition was to allow for integrated applications across SRDP Axes e.g. combining business development applications with agri-environment ones, which we supported. But then, different Axes had separate funding rounds which meant it was impossible to submit an integrated application. The same challenges will apply to the ESI Funds in future and we encourage the Scottish Government to find ways to overcome this.

Ultimately, the audit and control processes must be much more focused on being able to assess outputs (and ultimately outcomes) rather than being fixated on the minutiae of the expenditure to get to the outputs.