

European Regional Development Fund ERDF: eligibility of energy efficiency and renewable energy investments in housing

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The Committee on Regional Development adopted the report drawn up by Emmanouil ANGELAKAS (EPP-ED, EL) amending, under the first reading of the codecision procedure, the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing.

The main amendments were as follows:

- MEPs specify that in each Member State, expenditure on energy efficiency improvements and on the use of renewable energy in existing housing shall be eligible up to an amount of 4% of the total ERDF allocation. Member States shall define categories of eligible housing in national rules, in conformity with Article 56(4) of Regulation (EC) No 1083/2006, in order to support social cohesion;

- in order to ensure the necessary simplification in the management, administration and control of operations that receive an ERDF grant, particularly when linked to a result-based reimbursement system, MEPs propose adding three additional forms of eligible costs, namely:

- 1) indirect costs, declared on a flat-rate basis, of up to 20% of the direct costs of an operation;
- 2) flat-rate costs calculated by application of standard scales of unit cost as defined by the Member State;
- 3) lump sums to cover all or part of the costs of an operation. The lump sum shall not exceed EUR 50 000;

- in order to ensure legal certainty in relation to the eligibility of expenditure, these additional forms of eligible costs should be applicable to all grants from the ERDF. Retroactive application should therefore be necessary with effect from 1 August 2006, which is the date of entry into force of Regulation (EC) No 1080/2006.