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

2008/0245(COD) - 02/04/2009 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 629 votes to 17, with 12 abstentions, a legislative resolution 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 amendments adopted in plenary were the result of a compromise negotiated with the Council:

Article 7 of Regulation (EC) No 1080/2006: the Parliament clarifies 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.

The Parliament introduced a new paragraph (Article 1(3)) on costs that shall be eligible for a contribution from the ERDF provided that they are incurred in accordance with national rules, including accountancy rules. In the case of grants: (i) indirect costs, declared on a flat-rate basis, of up to 20% of the direct costs of an operation; (ii) flat-rate costs calculated by application of standard scales of unit cost as defined by the Member State; (iii) lump sums to cover all or part of the costs of an operation.

The following specific conditions must also be met:

- the options referred to in points (i), (ii) and (iii) may be combined only where each of them covers a different category of eligible costs or where they are used for different projects within the same operation;
- the costs referred to in points (i), (ii) and (iii) shall be established in advance on the basis of a fair, equitable and verifiable calculation
- the lump sum referred to in point (iii) shall not exceed EUR 50 000.

Article 1(3) of the Regulation shall apply with effect from **1 August 2006**.