

Order by the State Secretary for Housing, Spatial Planning and the Environment no. IMZ2005218207 of 20 December 2005, establishing the Grant Programme for International Environmental Cooperation 2006

The State Secretary for Housing, Spatial Planning and the Environment

Having regard to section 15.13, subsections 1, 2 and 3 of the Environmental Management Act,

Orders:

Article 1

In these regulations:

- a) 'Minister' means the Minister of Housing, Spatial Planning and the Environment;
- b) 'international environmental cooperation' means cooperation in the field of environmental policy in an international context, including the European Union;
- c) 'cooperation agreement' means an agreement in the form of a memorandum of understanding, a letter of intent or an arrangement between the State Secretary (or his representative) and his foreign counterpart (or his representative) regarding environmental activities to be undertaken jointly;
- d) 'European institutions' means the European Commission, the European Parliament, agencies of the European Union, the European Council and the various configurations of the Council of the European Union.

Article 2

The Minister may award an applicant a grant towards the cost of a project for promoting international cooperation in the field of the environment which aims to:

- a) influence European institutions and promote social involvement in firmly anchoring the environment pillar in the Lisbon strategy and the European Sustainable Development Strategy, with an emphasis on promoting and taking advantage of opportunities for eco-efficient innovations;
- b) establish the specifics of sustainable spatial and urban development in relation to European and international environmental policy;

- c) specify the role of the environment pillar in putting sustainable development into practice, in line with international agreements in Agenda 21, the WSSD 2002 and the UN Millennium Review Summit 2005; in particular with regard to the policy areas of climate and clean energy, air quality, hazardous substances and genetically modified organisms, and the protection and sustainable use of natural resources;
- d) promote the greening of international financial instruments, the development of innovative funding methods, tapping sources other than just ODA (Official Development Assistance), and their actual implementation and use by European institutions, the international financial institutions and the private sector;
- e) establish the specifics of and further develop the work programmes covered by cooperation agreements concluded by the Minister in the area of environmental policy;
- f) implement the agreements made at the Fifth Ministerial Conference on 'Environment for Europe' (Kiev, 21 to 23 May 2003), in particular the Environment Strategy for the countries of Eastern Europe, the Caucasus and Central Asia (EECCA Environment Strategy), with an emphasis on the capacity-building of NGOs and government agencies in the areas of public participation, issuing licences and enforcing compliance, environmental impact assessment and strategic environmental evaluations;
- g) increase the sustainability of production and consumption chains;
- h) prevent situations in which environmental impairment may cause cross-border conflicts;
- i) strengthen international environmental governance architecture and increase public support for international and European environmental policy.

Article 3

A project shall not be eligible for a grant if the Minister considers that it falls within the scope of:

- a) the Matra Projects Programme under which grants may be applied for on the basis of the Ministry of Foreign Affairs Grant Regulations;
- b) the Ministry of Foreign Affairs Grant Regulations;
- c) the Programme for Cooperation with Central and Eastern Europe (PSO) of the Ministry of Economic Affairs as well as parts of this programme which receive contributions from the Ministry of Housing, Spatial Planning and the Environment;
- d) the Bilateral Cooperation with Indonesia Programme (PBSI) under which grants may be applied for on the basis of the Ministry of Foreign Affairs Grant Regulations;
- e) the Civil Society Organisations and the Environment Grant Programme.

Article 4

- 1) A grant may be awarded to an international organisation or a legal person.
- 2) No grant may be awarded to:
 - a) the central government of the Netherlands, provincial governments, municipal governments or district water boards;
 - b) profit-making organisations or any organisation established by a profit-making organisation;
 - c) undertakings within the meaning of article 87 of the EC Treaty, if they cannot provide full information about *de minimis* aid received as referred to in article 3, paragraph 1, of the European Commission's *de minimis* regulation (Regulation (EC) No. 69/2001 of 12 January 2001 (OJ 2001, L 10/30)).

Article 5

All applications for grants shall state:

- a) which of the objectives referred to in article 2 (a) to (h) the project helps achieve;
- b) what the objectives of the project are;
- c) how it can be ascertained whether the project's objectives have been met;
- d) what activities will be performed, with details as to time and cost;
- e) what factors may adversely affect the project's results and what can be done to obviate them.

Article 6

- 1) If the application for a grant is submitted by a legal person established under private law, the application shall be accompanied by:
 - a) a copy of the legal person's deed of incorporation or its constitution, and
 - b) its latest financial statements as referred to in Book 2, article 361 of the Civil Code, or the balance sheet and statement of income and expenditure together with any explanatory notes or, where these do not exist, a report on the applicant's financial position at the time of application.
- 2) The documents referred to in paragraph 1(b) or the report on the applicant's financial position shall be accompanied by a written declaration by an auditor as referred to in Book 2, article 393, paragraph 1 of the Civil Code, affirming the accuracy of each document or a statement to the effect that no inaccuracies have been found.

Article 7

In assessing the application, the Minister shall take into account the extent to which:

- a) the project contributes towards one or more of the objectives referred to in article 2;
- b) the grant applied for is proportionate to the nature and scale of the project's objectives;
- c) the project's effects will be lasting;
- d) the grant is to be used in preparation for a project eligible for grants from other Dutch, European or international sources;
- e) the organisations and public authorities involved in the project support it, as evidenced for example by contributions promised by the said organisations and public authorities or documents recording their consent to the project;
- f) the project provides added value compared with grants awarded in previous years;
- g) the project has a realistic chance of success.

Article 8

- 1) Necessary costs arising directly from the project and incurred by the applicant may be subsidised by a grant.
- 2) Staffing costs shall be assessed on the basis of a CV for each person who will be working on the project, with reference to comparable salary scales used by the government and rates paid on previous relevant projects. The Minister's decision on rates of pay shall be final.
- 3) Profit margins, allocations to reserves and deductible value-added tax may not be subsidised by a grant.
- 4) Operating/overhead costs may be reimbursed up to a maximum of 7.5% of total project costs.
- 5) The cost of goods purchased may be reimbursed only if they are essential to the successful implementation of the project. Only depreciation over the course of the project may be reimbursed. Depreciation costs must be calculated using a realistic method.
- 6) The budget submitted for the project shall be itemised where possible and show clearly how it relates to the description of activities to be implemented.
- 7) Costs incurred prior to submitting the application shall not be eligible for subsidy by a grant.
- 8) The maximum grant for a project as referred to in article 2 shall be €75,000.

Article 9

The grant ceiling for the 2006 calendar year shall be €1,000,000.

Article 10

Applications for grants shall be considered at the same time, on the basis of the criteria set out in article 7. Ensuring an equitable distribution of the available grant budget across the objectives referred to in article 2 may be a factor in the award of grants.

Article 11

The Minister is not responsible for the policy conclusions of the projects that are awarded grants. When a grant is awarded or the results are produced the Minister may however stipulate that:

- a) he may make free use, free of charge, of all products produced wholly or partly with the grant which may be subject to copyright or other intellectual property rights, and
- b) in any publication regarding the project for which the grant has been awarded and any correspondence with third parties involved in implementing the project, the grant recipient shall state that the project was financed in whole or in part by a grant awarded by the Minister, unless the Minister judges that the nature of the project, the status of the recipient or other compelling circumstances dictate otherwise.

Article 12

- 1) The applications shall be submitted using the application form available from the International Environmental Affairs Directorate of the Ministry of Housing, Spatial Planning and the Environment, Postbus 30945, 2500 GX The Hague, the Netherlands (tel.: +31 (0)70 339 4578, fax: +31 (0)70 339 1306) and on the Ministry's website (www.vrom.nl).
- 2) Applications for grants may be submitted, by post or by fax, no later than 1 May 2006.

Article 13

- 1) The European Environmental Cooperation Grant Regulations 2005 and the International Environmental Cooperation Grant Regulations 2005 shall be repealed.
- 2) If any grant applications submitted in 2005, including objection and review procedures, still have to be dealt with under administrative law, this shall be done in accordance with the European Environmental Cooperation Grant Regulations 2005 or the International

Environmental Cooperation Grant Regulations 2005, depending on which regime is applicable.

- 3) Outstanding claims and commitments connected with or based on the European Environmental Cooperation Grant Regulations 2005 and the International Environmental Cooperation Grant Regulations 2005 shall continue to exist.

Article 14

These regulations shall enter into force on the second day after the date of the Government Gazette in which they appear.

Article 15

- 1) These regulations may be cited as the International Environmental Cooperation Grant Regulations 2006.
- 2) These regulations shall be published in the Government Gazette, accompanied by explanatory notes.

The Hague, 20 December 2005

P.L.B.A. van Geel

State Secretary for Housing, Spatial Planning and the Environment

Explanatory notes

Objectives

The International Environmental Cooperation Grant Regulations 2006 aim to promote international environmental cooperation. In general terms it is envisaged that they will offer an opportunity to parties other than the authorities directly involved to contribute to the objectives of international environmental policy. This may consist in influencing relevant organisations, supporting efforts to further knowledge and achieve institutional improvements, or in establishing the specifics of the role played by the environment as a pillar of sustainable development. In order to sharpen the focus of this broad objective, article 2 formulates a number of priorities, some of which are explained below.

The broader strategic issues at EU level are given particular prominence. In 2006, as in 2005, anchoring the environment pillar more firmly in the Lisbon Strategy will be an important objective. The European Council (Spring Council 2005) concluded that the EU can become more competitive by applying eco-efficient innovations. In addition to the generation of broad-based support in the European arena, attention will continue to be focused on practical measures, such as developing instruments to offer eco-efficient innovations a fair and competitive market perspective.

In 2006, the Austrian Presidency in particular will work on the review of the European Sustainability Strategy, another priority issue. 'Sustainable spatial and urban development in relation to European and international environmental policy' is a new priority not included last year. Its inclusion underlines the increasing importance of the interface between environmental policy and spatial planning. The challenge here is to ensure that these two policy areas reinforce rather than impede each other.

As the UN Millennium Review Summit recently confirmed, a healthy environment plays a vital role in underpinning development and stability. This is particularly apparent in relation to climate change, air quality and the risks of hazardous substances. Many of the Millennium Development Goals are heavily reliant on improvements in the living environment.

It was agreed at the fifth pan-European ministerial conference on the environment in Kiev in May 2003 that a new work programme should be drawn up on the basis of the environment strategy for the countries of Eastern Europe, the Caucasus and Central Asia. This programme is now ready. The Ministry of Housing, Spatial Planning and the Environment will help to implement it by providing funding for specific projects focusing on enforcement and

public participation. In so doing the Ministry will be acting on the commitments made at the World Summit on Sustainable Development (WSSD, Johannesburg 2002), since the work programme is considered to translate them to a regional level.

Issues relating to the international environmental governance architecture arise at both EU and global level, such as the situation in the EU following the referenda rejecting the European constitution. They have not rendered an EU environmental policy unnecessary. It is important to maintain support for such a policy. In addition, new initiatives could be put forward in the course of 2006 for a follow-up at European level. As soon as thoughts turn again to renewing the EC and EU treaties, it will be important to think through properly the consequences for the environment and spatial planning. At global level, there is a debate on the possible creation of an environmental organisation under the auspices of the UN and greater coherence between environmental governance and the development architecture of the UN. In 2006 a process is envisaged that will explore what is desirable and possible. The Ministry of Housing, Spatial Planning and the Environment has concluded cooperation agreements with a number of countries. Projects may be submitted to support the objectives set out in these agreements. Projects of this kind by third parties will not, however, automatically form part of the cooperation agreements. This will be carefully examined when projects are submitted.

Within the parameters defined by their objectives, these regulations are intended to be receptive to interesting and innovative initiatives, especially those of smaller parties in the areas of environment management and international cooperation. Applications must, of course, be in proportion to the limited funding available. These regulations have not been conceived as a source of investment, but rather as a means to set developments in motion, reveal opportunities and offer a prospect of a follow-up via other channels. The underlying idea is that initiatives can also be used to prepare for larger projects for which grants may be obtained elsewhere – for example from other ministries, institutions of the European Union or the United Nations – or, preferably, which are self supporting.

The European Environmental Cooperation Grant Regulations 2005 and the International Environmental Cooperation Grant Regulations 2005 are hereby repealed. The processing under administrative law of grant applications made in 2005 will continue to be governed by these regulations.

Assessment criteria

Grant applications must be submitted no later than 1 May 2006. Applications will be examined in the light of the provisions of articles 2 to 6 and also assessed in accordance with the provisions of article 7. The said articles contain a summary of the criteria used in assessing each grant application, namely effectiveness, efficiency, sustainability, support, feasibility of the project and the arguments underpinning the application. All applications received will be assessed at the same time. On this basis they may be approved, in full or in part, or rejected. Assessing applications at the same time makes it possible to base the assessment on quality, the deciding factor being the extent to which applications meet the criteria set out in article 7. Establishing whether grant applications have been submitted within the time limit is done on the basis of section 6:9 of the General Administrative Law Act. The grant application must be posted before the deadline and received no later than one week after the time limit expires. The postmark will serve as evidence. If the application is sent by fax, the fax must be received before the end of the time limit.

EC legislation on state aid

It is possible that article 87 of the EC Treaty is applicable. Undertakings within the meaning of article 87 of the EC Treaty (this includes non-profit organisations that pursue cross-border market activities) may nevertheless be eligible for aid under these regulations if they have not received *de minimis* aid in excess of €100,000 over a three-year period. This ceiling applies irrespective of the type of aid granted and its objective. Eligible undertakings must, however, issue full information about *de minimis* aid received that meets the requirements of the European *de minimis* regulation.

P.L.B.A. van Geel

State Secretary for Housing, Spatial Planning and the Environment