



The Association of Finnish Local and Regional Authorities: EU lobbying objectives and priorities for 2020

The Association of Finnish Local and Regional Authorities annually defines its objectives and priorities for lobbying the EU on the basis of the European Commission's work programme. The document guides the Association's lobbying efforts both in Finland and in Brussels. The title of the Commission's work programme 2020 is 'A Union that strives for more'. The Commission strongly highlights two specific areas: A Green Deal and digitalisation. The focus of the Association's lobbying activities is on the following initiatives:

A European Green Deal

- Implementation of climate and energy policy targets
- Adaptation to and preparation for climate change
- Decarbonising energy
- An EU strategy for smart sector integration
- Renovation wave
- Sustainable production and consumption
- Environmental regulation and biodiversity
- A shift to sustainable and smart mobility
- Development of the TEN-T transport network

The EU programming period 2021–2027

- Financing the sustainable transition
- Structural Funds and the common agricultural policy

Digital economy

Social Europe

Security in Europe

European Semester

Fostering skills, education and inclusion

Migration, gender equality and non-discrimination

Democracy, the rule of law, fundamental rights and the Conference on the Future of Europe

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European Commission 2020 work programme — A Union that strives for more

The European Commission normally publishes its annual work programme for the coming year at the end of October. This time the publication was postponed until the current year, 2019 being a European election year, and the new Commission's appointment having been delayed until towards the end of the year. The work programme follows the priorities proposed by President Ursula von der Leyen for the duration of the Commission's mandate. The priorities are a European Green Deal, an economy that works for people, a Europe fit for the digital age, promoting our European way of life, a stronger Europe in the world, and a new push for European democracy. The Commission is firmly committed to promoting gender equality in all policy areas.

The work programme sets out 43 initiatives, 28 of them legislative initiatives and the rest strategies and action plans. It is possible that the coronavirus epidemic will affect the progress of the Commission's initiatives in the EU decision-making process. The EU is also prepared to provide funding to counter the economic difficulties caused by the epidemic. The focus on the Association's EU lobbying activities is on the following initiatives:

A European Green Deal

The European Commission published a European Green Deal in December 2019 with the aim of making Europe the first climate-neutral continent by 2050. The measures include making substantial reductions in emissions, investing in cutting-edge research and innovation and preserving Europe's natural environment.

The Green Deal interlinks all EU policy areas and will also shape the future workings of local government. The Association of Finnish Local and Regional Authorities is monitoring the Green Deal's implementation from the perspective of local and regional authorities.

Fair implementation of increasingly stringent climate and energy policy targets

At the heart of the European Green Deal is the first European Climate Law, with a binding climate neutrality target for 2050. The Commission will propose a new EU ambition to reduce greenhouse gas emissions by 2030. The necessary emission reductions and increased energy efficiency will require additional large-scale measures in all areas of society. The EU directs funding to these measures through the European Green Deal Investment Plan. Several European local authorities are aiming for climate neutrality already by 2030, thus having even more stringent climate targets than those set by the EU. The EU is preparing a Climate Pact for non-governmental actors in the course of 2020. Local and regional governments have a recognised role in the implementation of climate targets. The Association of Finnish Local and Regional Authorities stresses that this should mean opportunities for local and regional authorities to participate in decision-making and resources being targeted to their climate and circular economy action.

Preparation for and adaptation to climate change requires local risk assessments and resources

Despite strong action to mitigate climate change, central and regional governments and especially local authorities need to prepare for and adapt to the environmental and social impacts of climate change. The consequences of climate change are most evident locally, in local authorities and real estates. Towards the end of 2020, the Commission will prepare a new EU strategy on adaptation to climate change. The adaptation measures need to be better coordinated and financed than is currently the case. Local adaptation should be based on local assessment of climate change risks. The potential impacts of climate change are so severe that they must be taken into account in municipal strategic decision-making and in the operational and economic planning.

Decarbonising energy — local cost-effective solutions suitable for varying circumstances must be ensured

By June 2021, after an analysis of the national energy and climate plans, the Commission will propose to tighten the 2030 climate targets where necessary. Making local investments and choices (for instance land use, energy production) to achieve climate targets requires an overall assessment of the environmental health and economic impacts of the solutions, and confidence in the long-term goals. Contractual arrangements, partnerships and other incentives have proved to be efficient in stepping up local action on climate change and energy efficiency. These steering instruments should allow for adopting cost-effective local-level solutions suitable for varying circumstances. Compliance with the principle of subsidiarity in climate and energy policies is fundamental to an efficient work of municipalities and regions. Technology or energy replacing coal must be able to reduce greenhouse gases in a technologically and economically sound way while also ensuring security of supply.

The EU Strategy for Smart Sector Integration is important for local authorities in terms of both the use and production of electrical and thermal energy

In the Commission's view, the transition from fossil energy to clean energy should involve the consumers and, what is more, in a way that will benefit them. The strategy speaks of consumers, but presumably refers to energy users and potential producers. The Association of Finnish Local and Regional Authorities therefore monitors the initiative from the perspectives of the use and production of electrical and thermal energy. They all are linked to the operation and economy of local authority corporations. Smart integration of renewable energy sources, together with energy efficiency and other sustainable solutions, will help to

manage the costs of changes. Smart integration is probably most urgent for wind power, where production peaks strain the system and increase electricity price fluctuation on the stock exchange. The strategy also covers decentralised energy production more broadly (e.g. energy communities).

Renovation wave — The Association of Finnish Local and Regional Authorities influences matters related to the local government sector's property maintenance

The Commission's aim is an energy- and resource-efficient way of building and renovating. It proposes to work with stakeholders on a new initiative on renovation in 2020. Today the annual renovation rate of Finland's building stock is estimated at 1 to 2 per cent. The energy efficiency of buildings is usually only enhanced in connection with other renovation work. In the municipal sector, a country-wide improvement of building energy efficiency is usually hampered by depopulation and a high maintenance backlog. The Association of Finnish Local and Regional Authorities finds interesting the initiative's aim to have renovation efforts organised into larger blocks where necessary. The Association monitors the progress of the initiative and, if necessary, contributes to it by providing a local government sector perspective on property maintenance. The proposed open platform for the buildings and construction sector and local authorities is likely to offer a good channel for exchanging information.

Sustainable production and consumption — The European circular economy model must work for society at large

The Commission will prepare a new circular economy action plan during 2020 and consider a regulation to empower consumers for the green transition. In updating the action plan, it is very important to take account of local authority views for a creation of a circular economy model that will work well for the European society at large. In developing waste management, it should be borne in mind that the purpose of public waste management is to ensure equal and cost-effective municipal waste management and to prevent any hazard to and harmful effects on health and the environment from waste and waste management. The overall responsibility for the development and implementation of municipal waste management must remain with public authorities. Otherwise, there is a risk of moving towards a sub-optimising and inefficient circular economy model. Growth in recycling should be driven by market demand and promote an economic model that is genuinely accomplishing these goals. Action taken should not lead to a recycling system that is of low quality and expensive for local residents.

In environmental regulation, local conditions need to be taken into account, essential services secured and the focus placed on support for implementation

As part of the European Green Deal, the Commission wants to create a toxic-free environment to protect European citizens and ecosystems. To achieve this, the Commission will adopt a 'zero-pollution' action plan for air, water and soil. The Commission is preparing its 8th Environmental Action Programme to guide the environmental protection activities. EU regulation has a major impact on the way that local authorities carry out their responsibilities related to the environment. The Association of Finnish Local and Regional Authorities considers it important that the EU's environmental policy supports Member States in ensuring a sustainable use of natural resources and a clean environment. In the future, more efforts should be concentrated on the efficient implementation and development of current legislation. In countries such as Finland, support for implementation should be provided for local authorities, because they have considerable responsibility for the implementation and monitoring of environmental regulations. Local authorities should be given more opportunities to influence national and supranational legislative drafting. The special circumstances of Finnish cities, municipalities and regions must be taken into account in regulation and other steering instruments.

The role of local authorities in biodiversity issues should be specified and the incentives for implementing biodiversity targets improved

The Commission will present a new EU biodiversity strategy, which will run until 2030. The Association of Finnish Local and Regional Authorities believes it to be important that the strategy address comprehensively the role of local authorities in implementing biodiversity targets, while also ensuring that local authorities have opportunities for reconciling other land use needs with the biodiversity targets. The various incentives for nature conservation in cities and municipalities should also be reviewed to enable extensive, locally acceptable nature conservation actions especially outside conservation areas. The biodiversity strategy should address biodiversity and climate issues together and aim to mainstream nature conservation. The wellbeing impacts of biodiversity in a Europe that is becoming rapidly urbanised should be examined as a specific issue.

A shift to sustainable and smart mobility requires consideration of regional differences

A key aim of the Association of Finnish Local and Regional Authorities for 2020 is advocacy on the strategy for sustainable and smart mobility. It is crucial that the strategy, as well as the EU's transport policy in general, should take account of regional differences within the Union. Not all policy instruments are best suited for Finland's special geographical conditions, low population density and long travelling and transport distances. Overly detailed regulation at the European level should be avoided. Local and regional public actors should have discretion to determine the most cost-effective solutions suitable for local circumstances. It is important to use life cycle considerations in assessing the impact of new emission reduction measures. Cities play a pivotal role in meeting the emission reduction targets set for transport. Public transport is the backbone of efficient and sustainable urban transport and new mobility services. It is important to ensure that urban regions can continue to pursue integrated development of their public transport systems in line with the EU Regulation on public passenger transport services.

The development of the TEN-T transport network with focus on rail projects and the extension of the core network corridor

It is important for Finland to invest in the planning of rail projects and have projects adopted for the EU funding period 2021–2027. The extension of the European TEN-T core network corridor from Helsinki via Tornio to Luleå in Sweden is of paramount importance for improving Finland's connections. This will strengthen the Arctic Dimension and allow Finland to make use of EU funding in the development of the region's main railway line and other transport infrastructure. This will increase the number of Finnish rail projects eligible for EU aid.

The EU programming period 2021–2027 to focus on decisions on cohesion policy and the common agricultural policy as well as on the Green Deal package

The funding of the Just Transition Mechanism should be closely linked to new openings for local and regional economies

On 14 January 2020, the Commission proposed a regulation for a Just Transition Fund accompanying the Green Deal package. The total amount of the Just Transition Fund and allocations per Member State are negotiated as part of the overall financial framework. It is important that the new fund is part of the national implementation of the Structural Funds programme. The actions financed from the fund should be closely linked to identifying new opportunities for local and regional economies, to developing low-carbon

innovative solutions and to investing together with local authorities. It should be noted that other regions besides eastern and northern Finland have significant peat production and thus need transition support.

Negotiations on the Structural Funds and the common agricultural policy in their final stages, development funding must be secured

For the next programming period, the Commission has proposed major funding cuts to two policy areas of crucial importance for Finland, namely to cohesion policy and more particularly to the common agricultural policy. Any reduction from the current level of development funding will pose a challenge to achieving success in future development activities. In the pursuit of a greener and lower-carbon Europe, it is important to ensure that climate and circular economy action can continue to be developed at the local level. It should also be possible to use EU funding for promoting employment, social fairness, gender equality and non-discrimination and for integrating immigrants and encouraging citizen-driven development in urban and rural areas. Local and regional levels should have a bigger role in the national implementation of cohesion policy, the common agricultural policy and rural development.

Towards human-centred digital economy

In the work programme 2020 and in her political guidelines for the European Commission 2021–2027, the President of the Commission outlines a total of 20 initiatives for the policy objective ‘A Europe fit for the digital age’. The EU aims at a new kind of data-driven economy based on excellence and innovation, in which technology is harnessed for the benefit of citizens, the business community and society. Ethical values, trust and a strong digital single market are seen as ways of increasing the availability of data within the EU and giving the EU a competitive edge in the global market. The Association of Finnish Local and Regional Authorities emphasises the need for a sound and proportionate European regulatory framework to accomplish this. The Commission wants to steer the public sector towards using new technologies and stepping up innovation activities, which are seen as ways of improving productivity and the conditions for democracy especially in the mature technology sectors, such as health care and transport. As digitalisation progresses, however, it is important to ensure that the public sector will have the capacity to monitor the development and not have to rely on others, such as large technology companies, to do that.

Local authorities play a key role in building a social Europe

The Commission will propose several new initiatives towards achieving a social Europe. The Association of Finnish Local and Regional Authorities stresses that the European Pillar of Social Rights enables dissemination of information and best practices not only between Member States, but also between regional and local governments. The promotion of a wellbeing economy was one of Finland’s main objectives during its Council Presidency. The key message is that besides having intrinsic value, human wellbeing is crucial for the EU’s economic growth, productivity and long-term sustainability of public finances, and for a stable European society. Local authorities have a pivotal role in reducing health and wellbeing inequalities between population groups and in preventing social exclusion. A wellbeing economy focuses on the balance of the three sustainable development dimensions: social, economic and environmental. eHealth is a component of the digital single market, an instrument that can effectively contribute to achieving health policy objectives. eHealth will guarantee sustainable health systems by generating long-term cost savings and enabling citizens’ self-care.

Cooperation is needed to foster Europe's security

The initiatives mentioned in the Commission's work programme include a new Security Union Strategy, Strengthening of Europol's mandate, a Proposal for additional measures on Critical Infrastructure Protection, a New EU Strategy towards the Eradication of Trafficking in Human Beings, and an EU Strategy for a more effective fight against child sexual abuse. The Association of Finnish Local and Regional Authorities considers it important for Finland to engage in cooperation on European security. Hybrid influencing has changed the threats that Europe is facing. The role of local authorities in fostering public security is highlighted in tasks related to the critical infrastructure, the functional capacity of the population, mental crisis resilience, and internal security. Technological advances offer many new opportunities for improving security and preparedness, but at the same time our views on security are challenged by new innovations, such as the utilisation of artificial intelligence or mass data.

Local and regional levels should be taken better account of in the European Semester than is currently the case

The Commission's work programme includes a review on the economic governance framework of the EU. For several years now, since the outbreak of the financial crisis, a stronger coordination of the EU's economic policies has been in place. We still do not have practical knowledge of the impact of the new regulatory framework on economic activity, public finances, employment or financial risks. There is generally no need for new or stricter EU regulation, but rather for clarifying the existing regulations within the European Semester. Efficient economic governance requires that local and regional levels are taken better account of in the European Semester than is the case now. However, budgetary control must not be tightened. Local authorities will be free to determine the content of their budgets also in the future. It is the Commission's responsibility to ensure that the economic policies pursued by Member States will not jeopardise the smooth functioning of the Economic and Monetary Union.

Skills, education and inclusion should be resolutely promoted, the Finnish educational system and its strengths should be made visible in the international debate

The Commission is committed to making the European Education Area a reality by 2025. It will also present a new skills agenda for Europe and a new action plan on integration and inclusion. It is important to raise the visibility of the Finnish educational system and its strengths in the international debate. The EU has emphasised education's instrumental value in terms of providing a skilled workforce for the labour market. The Association of Finnish Local and Regional Authorities emphasises the importance of highlighting the great pedagogical and cultural value of education as well. Vocational education and training should prioritise young people's vocational competence, professional growth, and continuous, life-long learning skills. Increasingly active participation in the EU youth programmes is in the interests of Finnish young people, youth workers and cities and municipalities alike. The formulation of EU guidelines and recommendations should ensure that national governments — and in the case of Finland, local authorities — retain their decision-making powers relating to educational, cultural, sports and youth services.

The inclusion of immigrants strengthens social sustainability

To further the objectives of the European agenda on migration, the Commission will come forward with a new pact on migration and asylum in 2020. It will also present a new action plan on integration and inclusion to ensure that our societies protect the most vulnerable. The Association of Finnish Local and Regional Authorities recognises the Commission's new action plan on integration and inclusion as necessary. In labour recruitment from third countries, the needs of the public sector should also be considered by developing effective practices for the recruitment of healthcare and social welfare professionals. Integration and permit procedures related to integration and recruiting third country nationals are matters that should remain within national competence also in the future. It is vital to ensure that local authorities will have the possibility to use the EU's financial assistance for the integration of third-country nationals also in the upcoming funding period.

The EU should take decisive steps to promote gender equality as one of the Union's core values

The Commission's work programme sets out to promote gender equality mainly as part of the European strategy for gender equality. The strategy sets the framework for the European Commission's work on gender equality and outlines the policy objectives and key actions for 2020–2025. The Association of Finnish Local and Regional Authorities welcomes the EU's decisive approach to promoting gender equality as a core value of the Union and the formulation of an effective strategy to that end. The local and regional levels must have a visible role in the preparation, implementation and funding of different strategies. It is essential to promote gender equality across different policy areas. The United Nation's Sustainable Development Goal 5, gender equality, should be pursued in all policy areas and in the development of indicators.

The Association of Finnish Local and Regional Authorities welcomes the EU's measures to promote equality; however, new legislation on local authorities should not be enacted

The work programme includes a considerable number of strategies and action plans to be prepared for promoting equality in cities and municipalities. A new strategy will be put forward for the implementation of the Charter of Fundamental Rights. An action plan on human rights and democracy 2020–2024 is formulated for external relations. A dedicated strategy for the equality of LGBTI people and a Green Paper on Ageing are also included in the work programme. Equality and better inclusion of the Roma will be promoted with a post-2020 Strategic EU Framework. The Association of Finnish Local and Regional Authorities is pleased to note that the EU will strengthen social fairness as part of the economy and economic governance and strive to promote non-discrimination through a variety of strategies. Local and regional government views should be given a great deal of attention in the preparation of these strategies. The diversity of EU citizens should be borne in mind in digitalisation efforts and AI development, and regulation based on preconceptions should be actively dismantled. The Finnish Non-discrimination Act is comprehensive and binding on local authorities in its current form. New legislation on local authorities should not be enacted.

Local authorities should be engaged in EU initiatives to strengthen democracy, the rule of law and fundamental rights

The Commission's objective to present a European democracy action plan in late 2020 aims at building a stronger future for Europe both internally and externally. The strength of European democracy is evident in the defence of rights and the rule of law. As part of the new rule of law mechanism, the Commission will launch its first annual Rule of Law Report in 2020, covering all Member States. The new strategy for the implementation of the Charter of Fundamental Rights will also contribute to strengthening the rule of law culture in the EU. The strategy aims to raise awareness of the matter at the national level. The proposal will be submitted in late 2020. The Association of Finnish Local and Regional Authorities examines the initiatives from the perspective of the role and functions of local authorities.

The Conference on the Future of Europe — a pivotal role to the Committee of the Regions

In January 2020, the Commission presented its ideas on the preparation of the Conference on the Future of Europe. The Conference is to start on Europe Day, 9 May 2020, and it will run for two years. The purpose of the Conference is to let European citizens have more say on what the European Union does and how it should act to benefit people. The Parliament and the Council, along with the Commission, have been committed to the project. If we truly are to take a bottom-up approach, the Committee of the Regions should have a role to play besides that of implementation. The Association of Finnish Local and Regional Authorities wishes to stress that the Committee of the Regions is the voice of the local level and thereby close to citizens.