

EU STRATEGY FOR SUSTAINABLE DEVELOPMENT

**A common response to the European
Commission's 'Consultation paper for the
preparation of a EU Strategy for Sustainable
Development'**

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Following the publication of the report 'EU Strategy for Sustainable Development – Stakeholders' views' with contributions from a range of different organizations, their representatives discussed a common reaction to the Commission's Consultation paper.

This response is presented below. It broadly represents the majority view of the signatories. It does not mean however that every signatory agrees at this stage with every word of this response. They nevertheless share a strong commitment to continue to work to support the Commission in its development and implementation of the EU Strategy for Sustainable Development.

- Peter Pavlovic, Conference of European Churches
- Marc Sapir, European Trade Union Confederation
- *Delia Villagrasa, e5, the European Business Council for a Sustainable Energy Future*
- John Hontelez, European Environmental Bureau
- Manfred Pils, Friends of Nature International
- Duncan McLaren, Friends of the Earth Europe
- *Tony Long, WWF – European Policy Office*
- Krzysztof Kamieniecki, Institute for Sustainable Development, Poland
- Frieder Wolf, Heinrich Böll Foundation
- *Raymond van Ermen, European Forum of Civil Society*
- *Arie van den Brand, In Natura – a co-operative of farmers*
- Giampiero Alhadef, Solidar
- Claude Fussler, World Business Council for Sustainable Development

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In *italic* are the questions from the consultation document from the Commission services.

Preamble

At heart, the EU Sustainable Development Strategy is about the quality of life of the present and the next generations. The Strategy for Europe cannot be seen in isolation from the rest of the world. The Strategy has to be visionary and inclusive, providing new opportunities which inspire and involve people. It should establish a big common project – comparable to the introduction of the Euro. It will require an inclusive process, inviting civil society and political bodies in Member States as well as accession countries to play an active role.

But the need for such a process is no excuse for lack of leadership: challenging objectives have to be set by the European Council.

A limited set of headline themes with objectives and indicators will have to be chosen by the Council, thus supplementing GDP which fails as an overall indicator for prosperity and well-being – applying for example tools such as the ecological footprint and ecoBUDGET.

1. Does focusing on a limited number of the most pressing problems help to make the concept of Sustainable Development operational? Do the six themes chosen embody the main long-term challenges confronting European society?

Limiting the number of issues is an effective way of making the Strategy operational and widely understandable. The six themes proposed in the consultation document are all important but two themes must be added if the Strategy is to truly implement sustainable development:

- The international dimension of internal and external EU policies – including Europe's ecological and social footprint. (This is fundamental to any reasonable interpretation of sustainable development and without it the Strategy becomes meaningless).

- Citizen accountability - making businesses, governments, and other institutions accountable to citizens in a democratic manner and building a participatory civil society which can demand, support and help deliver sustainable development.

To give priority to the needs of the poor in the enlarged European Union as well as in developing countries could provide leverage to secure better health, protect the elderly and contribute to reduced environmental risks. We wish to address how to meet the needs of the poor could serve as an incubator for the sustainable technologies of the future.

At the same time, we recognise the need to address the economic, social and environmental problems resulting from the existing, persistent patterns of production and consumption in the EU.

2. This document focuses on Sustainable Development problems in Europe. Are there any cases in which actions to place European society on a more sustainable path might make the attainment of Sustainable Development at a global level more difficult?

A sustainable development strategy should - by definition - take account of the impact on others, be it present or future generations. A strategy which does not include these aspects cannot be a true sustainable development strategy. For example, policies on fishery and agriculture that do not take into account impacts on developing countries' access to resources and farmers' livelihoods, might be apparently, but not truly, 'sustainable' within Europe.

Another relevant example is the development of European industrialised countries' economies towards more knowledge-based services, while labour intensive, lower skilled and resource intensive industries are displaced to developing countries. Whilst these shifts do offer benefits for developing countries, they can also endanger national and global sustainable development, and risk creating the illusion of sustainability within Europe by displacing pollution and resource extraction.

More broadly a European perspective underestimates the scale of the sustainability challenge. Various indicator systems (ecological footprint, environmental space, ecological rucksack) all show that the demands placed by European consumers on scarce global resources are disproportionate. Europe's strategy must accept responsibility in a global context, reducing such demands to a fair and sustainable level.

A study carried out for the WTO Secretariat recognized that trade liberalisation, as promoted by the European Commission, can magnify environmental externalities and threaten sustainable economic activities (Study on Trade and Environment, October 1999, WTO Secretariat).

For business, the North-South dimension of the supply chain is a very important aspect of sustainable development. Within the business sector a paradigm shift has started, meaning that new products and services to meet the needs of the poor are seen as an incubator for the sustainable technologies of the future.

3. Since Sustainable Development is a long-term idea, it should be of clear relevance to accession countries. To what extent are the challenges they face different from those in the current Member States?

Accession countries are faced with the obligation to introduce an economic, social and political model that is not yet a sustainable development model and thus contains many contradictions and hindrances with respect to sustainable development. Accession countries should be allowed and encouraged to avoid the mistakes and contradictions which are currently embedded in the Acquis Communautaire. For accession countries it is even more urgent that the EU is moving fast to sustainable development, because of the potential damage to be done to existing systems and methods that may be close to sustainability at present. These countries must not be forced to wait for sustainable development in the longer term but should have the chance to leapfrog to sustainable development now.

Another important challenge is to build a civil society which can help to drive sustainable development and participatory democracy.

The enormous gaps in social and economic standards between (regions of) some accession countries and the EU Member States is a third reason for concern. Further reforms of the Common Agricultural Policy and the Regional Policy (Structural Funds, Cohesion Funds and Pre-Accession Aid) are critical to avoid repeating the mistakes of the past and for these funds to be used to support sustainable development in the accession countries as well as in the EU.

Whatever the scenario for enlargement, poverty will be a major issue in an enlarged Union. The EU will be stronger internally and externally

when it aims to meet the needs of its people and of the poorest in the world. It can thus turn poverty into a lever for change, not only for a more fairly shared development, but also for establishing a new innovation era in terms of products and services.

4. Do you share the analysis of the causes of these problems and their potential remedies identified here? Do you have any additions to the policy toolkit?

The analysis of the causes and problems and their potential remedies, in the consultation paper is not comprehensive and in some cases the focus is not quite correct and important elements are lacking. In our paper 'The EU strategy for sustainable development: stakeholders' views' there is more detail on a range of specific issues. But as a matter of principle and policy, the EU should acknowledge that there exists in our European societies and institutes a wealth of knowledge, experience and insight that needs to be properly tapped. The Commission should not pretend that it can deliver a full analysis of these complex and important issues just by itself.

What is most important and what the Commission, the Council and the Parliament can provide to the citizens is political leadership: the ambition to set the framework for ambitious long-term targets that should guide all policies towards sustainable development.

We need political leadership that sets ambitious targets for each of the main issues, with the obligation for all existing and new policies to demonstrate how they contribute to these targets. This needs to be combined with effective regulation and flexible, economic instruments which by themselves optimise the (cost) effectiveness for different economic sectors. The active involvement of civil society in each phase of the process will help to find effective solutions and enable pro-active business and citizens to be the drivers of change.

The Sustainable Development Strategy should go far beyond the current consultation document by:

- a) setting overarching goals and targets (e.g. a reduction of total resource use) which are general enough to avoid prolonged debate yet visionary enough to give a strong direction;
- b) setting concrete targets and time tables for the specific topics chosen

- c) listing the various EU policies which need to be reformed (e.g. CAP, Structural/Cohesion Funds, Euratom), describing the general direction of these reforms and establishing a time table for these reforms
- d) identifying some concrete actions which the Heads of State can take swiftly, such as the application of sustainability criteria to public procurement and the requirement for all new policy measures to have a sustainability impact statement.

5. What practical measures can be taken to better translate the principle of “policy integration” into concrete action to achieve greater sectoral policy consistency?

The existing integration process established by the Cardiff Summit must be reinvigorated and extended to further policy areas as a part of the Sustainable Development Strategy. Concrete and ambitious long-term objectives with intermediate milestones must guide all policies. All policies’ contribution to the overarching objectives and targets must be assessed and demonstrated. Independent monitoring and reporting of the results to the European Parliament and the Council – applying useful, relevant indicators – are needed to keep this process going.

Citizens throughout Europe, as stakeholders in businesses, institutions and governments need improved transparency and accountability if coherence is to be ensured. At present, policy conflicts arise most starkly where policy development and implementation are not exposed to public scrutiny. We need cross-sectoral working structures – both within the Commission and between the Commission and stakeholders.

Setting clear strategic objectives can only help us enhance the consensus on the need for change and may in turn lead to new ways of working.

6. Governments cannot deliver Sustainable Development on their own. Business, workers, and civil society have an indispensable role to play. How do we make this happen?

Sustainable development depends on leadership with regard to the direction and degree of change needed. Governments and Parliaments, in short the democratic institutions, play the key role here. This cannot be substituted by stakeholders but only assisted. Stakeholders can then play a key role in implementing democratically agreed orientations, as

long as clear opportunities and responsibilities are agreed by each actor. Providing citizens with participatory opportunities and the mechanisms to hold institutions accountable, as suggested above, can greatly enhance their involvement. If we expect citizens to take responsibility for the sustainability of their lives, they need the rights to challenge those that prevent them doing this now.

The EU and national governments should invite stakeholders to come with innovative proposals that can help deliver concrete progress towards the long-term targets set by the EU - and start co-operating with and supporting these initiatives. Possible examples include the ecoBUDGET initiative of ICLEI, the convergence initiative of WBCSD and EPE, and the proposal from ETUC to engage in economic transitions towards sustainable development.

Leadership is needed on a European Ecological Tax Reform which is already supported by environmental NGOs, trade unions, part of industry and a majority of the EU governments but still lacks political will and practical implementation at the European level. Past positive experience in environmental policy development indicates that stakeholder knowledge can be used to help deliver ambitious change (e.g. clean air policies). On the other hand, too close involvement of those with vested interests in the status quo can severely hamper the development of ambitious targets. These lessons may be applied elsewhere too.

7. How can we ensure that the costs of adjusting to Sustainable Development are minimised, and the opportunities seized?

The key opportunities are:

- a) creating a climate for technological, social and ecological innovation
- b) setting innovative, ambitious and concrete long term targets that permit a measured transformation;
- c) using economic instruments that provide incentives for change, and internalise environmental and social costs. For example, if well designed, eco-taxes can trigger adjustment, especially where the revenues are used to cut labour taxes (ecological tax reform), or to help the target sector transform. Such tax shifts can also have positive social effects (increased employment), therefore contributing to sustainable development;

- d) devising smart regulation that stimulates innovation – not prescriptive in terms of do's and don'ts but challenging in setting ambitious goals for economic sectors;
- e) correcting market and state failures, in particular by removing or reforming environmentally and socially damaging subsidies and democratizing and greening public spending;
- f) ensuring that all public agencies promote sustainable development in an integrated fashion, rather than one undermining the work of another.
- g) developing integrated policy packages which minimize the social cost of structural change (e.g. by creating new employment opportunities for declining sectors and regions)

8. In what areas of Sustainable Development do you see a clear policy role for the European Union?

In all the 8 areas mentioned under question 1. With the growing interdependence of our economies, there is hardly a policy field left where the EU has no role to play.

However, this should not be misunderstood as a general plea for full-fledged centralisation.

For some issues, EU coordination and harmonisation has to be intensified (e.g. health, poverty). For other issues, stronger regional or local responsibilities are needed (e.g. less resource-intensive and localised agriculture, less at risk of foot and mouth disease and similar problems, or transport planning to address regional mobility problems).

The Commission and the Council should underline the role of the EU and its Member States as economic actors, reorienting their budget and their purchasing policies.

9. What are the most urgent steps the European Union should take in the framework of a EU Sustainable Development strategy?

- a. Take political leadership, especially given the current stance of the US President,
- b. Show the ambition to make the transition to a sustainable economy, and seize the initiative to gain the competitive advantages that this will bring,

- c. Set ambitious but concrete long-term objectives which are based in a global analysis of sustainable development,
- d. Guarantee the process of policy coherence on the basis of the objectives set, in particular by continuing the integration process and linking it to the Sustainable Development Strategy,
- e. Design a specific policy agenda, beginning where the EU already has strong competencies and pressing needs for reform, and convince member states for stronger integration, where a stronger EU approach is needed to achieve all objectives.

10. What specific objectives would you like to see included in the EU strategy for Gothenburg? What arrangements should be foreseen to ensure their implementation?

Overall objective:

To become the most resource efficient economy in the world, combining high standards of living, good public health, strong social inclusion and cohesion and a high quality environment with the long term objective of reaching levels of resource use and environmental impact that are in line with the carrying capacity of the European and global environment – taking into account the need to share environmental resources equitably to allow sustainable development for all the world's people.

Specific long-term objectives:

Energy and climate

Increase the energy efficiency of production and consumption in the Union by a factor 10. Realise the transition to a predominantly renewable energy supply in the Union, whilst eliminating the use of nuclear power – bringing emissions of greenhouse gases down by a factor 10.

Public health

Minimise the risks of dangerous substances in the environment and food and maximise access to health services and information.

Management of natural resources

Halt the decline of habitats, natural stocks and the extinction of species; protect the character of rural areas. Increase the resource efficiency of production and consumption by a factor 10.

Poverty and social exclusion

Minimise persistent income poverty, achieve maximum convergence in education and employment between social groups, regions and Member States, and increase employment.

Ageing and demographic trends

Realise a transition to pension systems that are transparent, fair, fulfilling pensioners' needs and enabling sustainable and responsible investment; realise the necessary conditions for a useful, flexible and attractive working life for the elderly.

Mobility and land use

Realise a stabilisation of the total distances of goods, animals and persons travelled – with a transition to an access-oriented approach with optimised land-use planning, application of ICT, clean technology, non-motorised transport and innovations in organisation and logistics of production and consumption. Support regional and local production and consumption patterns where possible.

Global interdependence

All policies in the Union should have at least a neutral and preferably a positive impact on sustainable development in societies in the rest of the world.

Citizen accountability

Ensure that citizens can hold businesses, governments and other institutions accountable for sustainable development in a democratic manner.

To ensure the further development, ownership and implementation of the Strategy for Sustainable Development, we need the leadership of the EU, combined with active involvement of civil society:

1. The long term objectives aim for implementation by 2020, with the obligation to adopt more specific (intermediate) targets, indicators, timetables and actions within one year from the Gothenburg Summit.

2. The national parliaments, the European Parliament and civil society need to become actively involved from now on – making dialogue and genuine consultation and co-operation a general requirement.
3. Similar involvement from the accession countries in the process must be guaranteed.
4. A system of independent monitoring and reporting to the President, the Commission, the Council, the European Parliament and the Member States needs to be established.
5. The Council and President of the Commission are committed to annually evaluate the implementation of the Strategy, with the Council and the Commission reporting annually to the European Parliament.
6. Policy integration: the objectives set out in this Strategy will apply for all EU and Member States policies; existing policies will have to be scrutinised for their compliance with the objectives and where they conflict, actions have to be proposed to alter this. New policies will have to demonstrate that they are in line with the objectives. The current Cardiff process for integration is valuable and should continue, including the objectives set out in this Strategy. The timetable for this process of policy-coherence will have to be adopted together with the intermediate targets and timetables.
7. Define and outline the most urgent needs for reform of existing EU policies and set up a time frame and general aims for these reforms (e.g. CAP, Euratom, etc.) during the Gothenburg Summit.
8. Reinforce and establish mechanisms to ensure that citizens can challenge governments, businesses and other institutions over policies and practices which run counter to their right to enjoyment of a healthy life in a sustainable environment.
9. Agree on some concrete first steps which can be easily and immediately put into practice – such as sustainability criteria for public procurement - to illustrate the vision of the Sustainable Development Strategy to the general public.