To: Environment Ministers of EU Member States
Cc: Commissioners for Environment, Climate and Health and Consumer policy and the Chair of the European Parliament Environment Committee

Concerning: Input to the EU Environment Council Meeting, Brussels, 6 March 2015

Brussels, 25 February 2015

Dear Minister,

On behalf of the European Environmental Bureau, I am writing to share with you our views on some of the issues on the agenda of the forthcoming EU Environment Council. I invite you to take our concerns into account during final official level preparations as well as at the meeting itself.

1. **Greening the European Semester and Mid Term Review of Europe 2020 Strategy**

The EEB welcomes the initiative of the Latvian Presidency to organise an exchange of views on the importance of greening the European Semester. In addition to this, an exchange of views and input by Environment Ministers into the Mid Term Review of Europe 2020 is needed. This follows the debate on the Commission’s Work Programme for 2015 which has highlighted the importance of the Environment Council being fully and effectively involved in key Council discussions on horizontal issues. The need for the Environment Council to provide early substantive input into the discussion on the revision of the Europe 2020 Strategy cannot be overstated. The ten political priorities of Commission President Juncker and the political mandates he has given to his Commissioners have created a serious risk of Europe going backwards on sustainability and environmental protection policies. A revised Europe 2020 Strategy will therefore need to address this by giving environmental sustainability an adequate place at the level of narrative, targets and deliverables.

As regards the 2015 Annual Growth Survey, the EEB is concerned that, despite some useful analysis on the potential of a tax shift, this survey is too much focused on core macro-economic issues alone and fails to address wider sustainability issues including a lack of priority given to removing harmful subsidies.

*The EEB therefore urges the Environment Council to support a revised Europe 2020 Strategy which:*

- Includes a new target for resource productivity of well beyond 30% by 2030, supported by a package of targets and indicators on carbon, arable land, materials and freshwater;
- Transforms the Commission’s Impact Assessment system into a genuine Sustainability Impact Assessment that removes the anti-regulatory bias in the system and ensures that all EU policy proposals lead to an absolute reduction in resource consumption;
- Commits to the full implementation of all deliverables under the 7th Environmental Action Programme and supports its overarching vision and narrative for living well within planetary limits;
• Includes greening the voluntary macro-economic coordination mechanism, the ‘European Semester’, by making environmental fiscal reform and removal of harmful subsidies, such as company car tax breaks, a priority as well as ensuring that Country Specific Recommendations (CSR’s) complement and strengthen key pieces of EU environmental law including for the 2015 CSR’s that are currently being prepared.

See Annex 1 for more detailed comments.

2. The global post 2015 agenda: taking stock of negotiations and looking ahead

The EEB welcomes the fact that the EU and Environment Ministers are putting the negotiations and means of implementation of future sustainable development goals (SDGs) high on their agenda.

The EEB therefore calls on the Environment Council to:

• Start with the preparation of the appropriate governance structures for the implementation of the SDGs, including an updated EU Sustainable Development Strategy with 2030 vision, broad and inclusive civil society participation modalities, and at Member State level, an update of National Strategies and National Advisory Councils for Sustainable Development;
• Stress that policy coherence of EU internal and external strategies, phase out of unsustainable investments and subsidies in favour of sustainable ones, innovative funding (e.g. carbon tax and financial transaction tax) and dismantling of tax havens, should be part of the EU commitments.

See Annex 2 for more detailed comments.

3. The road to the UNFCCC Conference of the Parties in Paris

The EEB welcomes the progress that has been reached in Geneva with the new draft version of the global climate agreement. The cooperative spirit of Geneva must now be translated into the necessary political commitment to the required climate action. Europe must fulfil its responsibility and give proof that we are committed to reaching a successful global agreement in Paris to keep the global warming well below 2°C. To ensure the required emission reductions, Europe must stick to the most transparent and scientifically sound approach regarding the Intended Nationally Determined Contributions (INDCs) and the emissions and removals from the LULUCF sector.

The EEB therefore supports CAN Europe’s call on Environment Council to:

• Support the inclusion in the EU’s INDCs of a commitment to address the emission of the LULUCF sector, without compromising the emissions mitigation commitments made for the ETS and non-ETS sectors. The emissions and removals from LULUCF sector must be treated separately and on top of the EU’s domestic target of at least 40% reduction;
• Ensure that the EU’s INDCs are of the highest standard and provide quantifiable information also about the LULUCF sector. The EU’s INDC commitment should be presented as an economy-wide carbon budget for the period of 2012 - 2025. The rules
that govern countries’ commitments in the new international agreement must be in line with the Kyoto Protocol;

- Provide clarification through the INDCs how the EU will fulfil its commitment for support through international measures that could include both international trading and provision of financial support.

4. **Energy Union and climate policy aspects**

The EEB welcomes the opportunity for an early and timely exchange of views among Environment Ministers on the first major policy initiative on energy and climate from the new Juncker Commission. Although the Communication sets out a positive vision for a transition towards a sustainable, low carbon energy system, on the substance it puts too much focus on security of supply of fossil fuels, in particular seeking to change gas supplier, and leaves major uncertainties about the EU’s role in developing energy efficiency and renewables.

The EEB therefore calls upon the Environment Council to support some key follow up actions:

- Review the climate and energy targets for 2030 agreed by Member States for their consistency with staying below a 2°C global temperature rise; reassess the viability of strengthening these targets to 40% end-use savings, domestic greenhouse gas (GHG) emission reductions of at least 60% and at least 45% of energy coming from sustainable renewable energy by 2030; and revise the relevant legal instruments to achieve these, in particular the Renewable Energy Directive, Energy Efficiency Directive and the Ecodesign and Energy Labelling instruments;

- Make energy efficiency truly our first ‘fuel’ by establishing an energy savings test that ensures fair economic comparison between energy supply and energy efficiency. Such a procedure can avoid silos, integrate the various dimensions of the Energy Union and our climate policy and prioritise investments in energy efficiency when they make more economic sense.

See Annex 3 for more detailed comments.

Thank you in advance for your consideration of these points.

Yours sincerely,

Jeremy Wates
Secretary General
The EEB considers the review of the Europe 2020 Strategy as a crucial opportunity for adjusting the political priorities of the Juncker Commission and reinstating the environment as a key priority for the European Union. The political orientation of the Juncker Commission has been expressed through Juncker’s 10 political priorities paper, the political mandates given to his Commissioners and the actions of this Commission against pending environmental proposals on plastic bags, air quality and waste and have resulted in considerable pushback, including from Environment Ministers at the December Environment Council. It will be essential to get things right under a new Europe 2020 Strategy through critically reviewing and adjusting a set of key instruments that have been developed under the current Europe 2020 Strategy. A revised Europe 2020 Strategy, rebalanced to properly reflect the interrelationship between a healthy environment and a healthy economy, must also be an important component in the EU’s response to a new set of global and universal Sustainable Development Goals and the big global challenges that these will seek to address.

The Commission’s REFIT Programme, although on the face of it a useful exercise intended to look at how to achieve stated policy goals in the most effective way possible, is increasingly becoming an openly deregulatory exercise by primarily focussing on how to reduce impacts of regulation on business, carrying out ‘cumulative cost assessments’ of all legislation applying to a certain sector and creating exemptions where possible to SMEs (which make up 97% of the EU economy). The EEB therefore considers it essential to revise the Commission’s REFIT programme to one that assesses coherence of EU policy with achieving agreed sustainable development objectives.

Likewise the EU’s Impact Assessment system, originally developed as part of the existing sustainable development strategy to improve coherence for sustainable development, has become increasingly biased against taking EU level action, in particular regulatory action, and should be ‘reformed’ to serve its original purpose of being a Sustainability Impact Assessment.

In addition to reforming these existing elements of the Europe 2020 Strategy, a number of further steps should be taken to ensure that Europe 2020 sets the right priorities. First of all, a resource productivity target should be set as recommended by the European Resource Efficiency Platform. This is however primarily an economic target that first and foremost will deliver economic benefits in the same way as improvements in labour productivity have done in the past. It would therefore need to be complemented and strengthened through the introduction of a package of environmental targets and indicators. This package should cover, as a minimum, carbon, arable land, materials and freshwater, and should ensure that the impact on these critical resources will be reduced in absolute terms.

As regards the 2015 Annual Growth Survey, the EEB is concerned that, despite some useful analysis on the potential of a tax shift, this survey is too much focused on core macro-economic issues alone and fails to address wider sustainability issues including a lack of priority given to removing harmful subsidies.

The EEB therefore urges the Environment Council to support a revised Europe 2020 Strategy which:
- Includes a new target for resource productivity of well beyond 30% by 2030, supported by a package of targets and indicators on carbon, arable land, materials and freshwater;
- Transforms the Commission’s Impact Assessment system into a genuine Sustainability Impact Assessment that removes the anti-regulatory bias in the system and ensures that all EU policy proposals lead to an absolute reduction in resource consumption;
- Commits to the full implementation of all deliverables under the 7th Environmental Action Programme and supports its overarching vision and narrative for living well within planetary limits;
- Includes greening the voluntary macro-economic coordination mechanism, the ‘European Semester’, by making environmental fiscal reform and removal of harmful subsidies, such as company car tax breaks, a priority as well as ensuring that Country Specific Recommendations (CSR’s) complement and strengthen key pieces of EU environmental law including for the 2015 CSR’s that are currently being prepared.
Annex 2

EEB comments to the Environment Council of 6 March 2015 on:
The global post 2015 agenda: taking stock of negotiations and looking ahead

The EEB welcomes the outcome document of the Open Working Group set up following the UN Conference on Sustainable Development (Rio+20) to prepare sustainable development goals and further welcomes the last Council Conclusions on this issue. For the EEB, it is crucial that the Post-2015 Sustainable Development Agenda moves away from the old development paradigm, where economic growth and the pursuit of material wealth irrespective of their ecological footprint is the main objective. This outdated agenda has to give way to systemic change where justice, recognition of the planetary boundaries and tackling of inequality are overarching principles. There are two topics which should be addressed in a concrete way in the Environmental Council Conclusions, and as EU input to the forthcoming High Level Political Forum on Sustainable Development (New York, 26 June-8 July) and Finance for Development meeting (Addis Ababa, 12-16 July).

1. Universality and Governance for Sustainability
   - The post-2015 Sustainable Development agenda needs to embrace a universally applicable SDGs framework such that all countries are expected both to take measurable steps towards improvements in all goal areas in their own national contexts and to assist other countries to make progress;
   - The Council Conclusions should demonstrate this commitment by suggesting how to take the lead in developing concrete actions and timeframes clarifying how the EU is ready to respond domestically and internationally to the principle of universality;
   - A renewed EU Sustainable Development Strategy (SDS), with a time horizon of 2030 and as a minimum embracing the goals and targets of the SDGs, should be developed, with active participation of all relevant sectors and stakeholders, to serve as the overall guiding framework for EU policies;
   - The Council Conclusions should suggest to Member States to define a national governance structure implementing the national SD targets and the modalities for stakeholder engagement (via national Sustainable Development Strategies) and future implementation.

2. Means of implementation (non-financial)
   - Further, the Council Conclusions should promote policy coherence for sustainable development as a key enabler for success. Europe’s focus on increasing economic growth as currently pursued is not compatible with sustainable development. Europe is already using far more natural resources than the planet can deliver, so stopping this trend is the only realistic approach for a sustainable future;
   - It is not only about creating extra funds and investments, but also about a shift of the spending of existing funds, subsidies and investments. Eliminating tax havens will also free up additional money for investments in sustainable development. Innovative new funding, like the proposed Financial Transaction Tax, needs to be promoted and implemented;
   - States are the duty bearers for their commitments. The private sector can play a role, but States remain the responsible and accountable bodies. In the last Post2015 Communication of the Commission, too much emphasis is given to the role of the private sector to fund the SDG agenda. The private sector needs to be held accountable for its social and environmental impacts, which will be already an important contribution to the Post-2015 Sustainable Development Agenda.

The EEB therefore calls on the Environment Council to:

- Support the adoption of an EU framework for the implementation of the future SDGs, including a) an EU SDS, based as a minimum on the SDGs, b) a coordinated and multi-level
governance structure, where all relevant Commissioners are taking their responsibility, c) clear modalities for stakeholder engagement in this process, d) a requirement for the same frameworks at the national level (according to the Johannesburg Plan of Implementation (2002): National Strategies and Advisory Councils on Sustainable Development);

- Support the adoption of a strong EU position for the upcoming Finance for (Sustainable) Development Summit in Addis Ababa (July 2015), including commitments to policy coherence in EU internal and external strategies, phase out of unsustainable investments and subsidies in favour of sustainable ones, innovative funding (e.g. carbon tax, Financial Transaction Tax) and elimination of tax havens;

- Recognise that the EU is already using more than its fair share of the Earth’s natural resources to maintain European lifestyles, and that higher resource and energy efficiency targets are therefore required to achieve sustainable development.
EEB comments to the Environment Council of 6 March 2015 on:
Energy Union and a forward looking Climate Policy

The EEB welcomes the early and timely opportunity for a discussion of the Communication on an Energy Union and a forward looking Climate Policy at the Environment Council of 6 March 2015. Climate policy and environmental sustainability should be an integral part of the Energy Union and the input from Environment Ministers for this is essential. 2015 will be a decisive year for coming to a global climate agreement to limit the change in our global climate below a 2°C temperature rise by the end of the century. However the EU will not have a credible voice in Paris unless its own actions at home demonstrate leadership.

Despite high level rhetorical support to energy efficiency and renewables in the European Commission, we are concerned that under a heading of energy security Europe remains at risk of locking itself into fossil-based energy infrastructure that will leave Europe with stranded investments and a failed climate policy. Shale gas, nuclear power plants and new coal contain unacceptably high environmental risks, require high upfront investments and lack the support from European citizens. On the other hand, recent surveys have shown that over nine in ten Europeans support improving energy efficiency by 2030. This popular support, in addition to benefits to the climate and economy, should translate into turning the ‘energy efficiency first’ principle into action. Safeguards must be put in place to guarantee that renewables are truly sustainable. The same mistakes that were made with biofuels must not be repeated. The carbon emissions and negative environmental impacts of biomass burning must be addressed, and the limits of sustainable biomass supply acknowledged.

However the targets for 2030 agreed in October 2014 by heads of government are not consistent with the imperative of remaining below a 2°C global temperature rise. This makes it essential for the Commission to reassess the viability of strengthening these targets to 40% end-use savings, domestic greenhouse gas (GHG) emission reductions of at least 60% and at least 45% of energy coming from sustainable renewable energy, in all cases by 2030. These targets need to be part of a strong governance framework that provides fairness, solidarity and accountability.

The EEB therefore calls on the Environment Council to:

- Urge the Commission to review the climate and energy targets for 2030 agreed by Member States for their consistency with staying below a 2°C global temperature rise; reassess the viability of strengthening these targets to 40% end-use savings, domestic greenhouse gas (GHG) emission reductions of at least 60% and at least 45% of energy coming from sustainable renewable energy by 2030;
- Support legislative proposals to revise the Renewable Energy Directive and provide a framework to meet renewable energy targets in an environmentally sustainable way, with appropriate guarantees to ensure that the mistakes made with biofuels are not repeated;
- Support a governance framework for the Energy Union with:
  - Binding targets on the national level,
  - A strong legislative procedure that provides incentives to stop the wasting of energy and removes harmful subsidies, particularly to fossil fuels,

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1 Half or more of Europeans are worried about air pollution (56%), water pollution (50 %) and climate change (50%) (Special Eurobarometer 416 & Special Eurobarometer 409)
2 over nine in ten respondents (92%) think that it is important for their government to provide support for improving energy efficiency by 2030 (Special Eurobarometer 409)
• Support making energy efficiency truly our first ‘fuel’ by establishing an energy savings test that ensures fair economic comparison between energy supply and energy efficiency. Such a procedure can avoid silos, integrate the various dimensions of the Energy Union and our climate policy and prioritise investments in energy efficiency when they make more economic sense.