



***EU Environmental Governance Workshop:
The EU Sustainable Development Strategy -
Benchmarking of Policy Instruments
with a focus on Agriculture, Energy
and Transport***

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Contribution John Hontelez, Secretary General EEB

I would like to thank the Belgian and Austrian Ministries for this meeting and the report. We consider the initiative taken by Belgian Presidency to promote a more active and central role for the Environmental Council in the Cardiff and Lisbon processes as important. In the real world of today, we unfortunately need such a watchdog and inspirator, otherwise environmental policy integration and environmental sustainability will remain as marginalised as it is today.

The theme for today however, is broader: environmental governance, and I would like to give some impressions of how environmental organisations interpret this concept. I also must say that in particular in the EEB, discussions on environmental governance are ongoing. The main inspiration for this debate is our intensive involvement in

the day to day elaboration of EU environmental policies led by DG Environment, and the up-hill struggle we have there to compensate for the massive lobby of commercial interests. On another level, we are a lead organisation in the promotion of transparency, public participation and rights and opportunities for citizens and NGOs to play a role in enforcement. And, finally, current debates about good governance, better regulation and the consequences of an enlarged EU for the nature of environmental policies and the methods of policymaking lead to important questions for my organisation.

For us, good environmental governance means the optimum combination of the following essential requirements:

1. Political leadership and a sense of urgency, leading to ambitious objectives, clear targets and timetables agreed by the main political decisionmakers and accepted or at least respected by all key players.
2. Effective mechanisms to implement these objectives, including:
 - Environmental policy integration in sectors and horizontal policies;
 - the right choice of instruments (legislation and market instruments),
 - effective monitoring and enforcement procedures,
 - and well functioning co-operation between authorities on different geographical levels.

3. It includes a transparent and participatory process, in which civil society is playing a key role. Civil society here is understood in particular as the conglomerate of organisations set up by citizens representing general, non-commercial, interests;

Involving civil society serves basically three purposes:

- better analysis of the problems and better options for solutions.
- more public support for the conclusions
- and, most importantly: a certain counter-weight against the overwhelming pressure from private interests and their allies in public administration, who do not have sustainable development but profit maximisation and traditional forms of economic growth in their minds.

Theoretically there is a logical order in this list, but in practise, as we are not starting from scratch, we need to work on all of them in parallel.

Looking at the current situation at the EU level, we see the following:

1. POLITICAL LEADERSHIP

A modest start of setting general objectives, with some targets and timetables, laid down in particular in the Sustainable Development Strategy the Commission presented in May last year. The Goteborg Summit adopted only part of the proposals, and was in particular not prepared to adopt important elements, like a date for the abolition of

environmentally perverse subsidies. The Summit asked however also to the Councils to study the Commission's proposals further.

EEB is following closely the preparations for the upcoming Summit in Barcelona, the first one where the existing Lisbon process is to be merged with the Sustainable Development objectives. We have been disappointed with the synthesis report the Commission produced for the Summit, and have no indications that the Presidency will correct the Commission here. Equally disappointed we remain about the resistance of the Commission against laying down clear targets and timetables in the 6th Environmental Action Programme. We consider the alternative the Commission has chosen: developing thematic strategies that may start having an impact by the end of this decennium only, a sign of lack of leadership, lack of ambition, in other words: bad environmental governance.

In a position paper launched last week, we call upon the Summit to show leadership. Leadership is essential. Without political will and senior political guidance the best possible structures will not deliver, given the resistance we face from business and its allies in politics and administration. Together with the European Trade Union Confederation and the Platform of European Social NGOs we will launch a common declaration later this week, calling for the Summit to recognise that economic growth is not an end in itself, that the EU should stop taking the US economy as its shining example, but that it should choose for quality of life and work while protecting biodiversity and natural resources as the objectives for the Lisbon process, while

concerning economic development as a tool to serve these purposes, not as the dominant and sacred objective.

Good environmental governance needs indeed a prominent role of EU's political leaders. In a short moment of inspiration the Commission wrote in its Sustainable Development Strategy:

Political leadership is essential: *Strong political commitment will be needed to make the changes required for sustainable development. While sustainable development will undoubtedly benefit society overall, **difficult trade-offs** between conflicting interests will have to be made. We must face up to these trade-offs openly and honestly. Changes to policy must be made in a fair and balanced way, but **narrow sectional interests must not be allowed to prevail** over the well-being of society as a whole.*

This spirit has gone now.

2. THE MECHANISMS

This lack of leadership from the highest level has an impact on the Cardiff process. In December, the EEB produced its own new interim assessment of the process. We came to quite worrying conclusions. I quote the opening sentence of that part: *"The Council's view of Environmental Policy Integration ranges from practical addition to an unwanted nuisance, or even an opportunity to hijack and reverse the*

integration concept." It also says: "There is an evident aversion to clear-cut timetables, targets and indicators that could serve as measurable benchmarks." Another conclusion is: "regular reviews and monitoring are meant to be undertaken by the Councils themselves, sanctioned by the European Council and assigned by expertise from the Commission. However, the scope for complacency and sluggish reform is too great. This kind of internal policy-learning cannot replace the critical eye of an external assessor who possesses political and scientific legitimacy."

Such an evaluation leads inevitably to similar proposals for institutional reforms as the Ecologic/IEEP study we are discussing today. In fact we have 14 specific proposals.

We propose this, knowing that better coordination by itself will not do the job. It needs to go hand in hand with effective legislation and giving the right signals to the market.

3. PUBLIC PARTICIPATION

Finally, on public participation, an essential element of good environmental governance.

The EEB has long experience with involvement in preparation and further elaboration of EU policies, and this involvement increased in particular in the nineties, based on policy choices of the Commission laid down in the 5th Action Programme. Most of our experience is with DG Environment, more recent experience with DG Agriculture and

DG Trade does not yet lead to very positive assessments. Because the element of legitimation is always present, more or less.

Good governance for environment is not guaranteed by being kind and open to us. We need to address the issue of the fascination of politicians with business. Both the 6EAP and the White Paper present co-regulation as an option, which can be seen as a generalisation of the concept of voluntary or environmental agreements. The enormous influence large companies and the industry federations have in the market, on consumption patterns, employment opportunities, is hardly seen anymore by politicians as a problem that needs to be addressed. The choice now rather seems to simply accept it and try to convince business that it should behave. Well, that may work for some specific environmental problems, but voluntary agreements are not going to solve the climate problem, phase out hazardous chemicals, prevent penetration of genetically modified organisms in nature, nor poverty and social exclusion.

I am not saying that the EU is handing over power to industry. It is more complex. The recent fights to introduce producer responsibility into the Ends-of-Life-Vehicle and the Directive on Waste from Electric and Electronic Equipment have shown this. Rather than an outright defeat for us, we see half-good compromise. However, half-good is not good enough. It will not have the impact it should have, a quantum leap in eco-efficiency.

With that in mind the EEB has always been critical about the New Approach. This is a policy to set only general requirements on the political level and leave the technical specifications to private entities. Such entities are normally dominated by business. However, in many cases, the decisions they take are not just technical, they can have an environmental and or social impact. The Commission however did not guarantee that such interests are at least as strongly represented. In this way it fails to fulfil its basic responsibility: to address the inequalities in the market by government intervention.

We as EEB are involved in many fora set up by the Commission or mandated by the Commission. We do so because we understand the environmental movement needs to be there: Ecolabel, Standardisation, IPPC, for Air, Noise, Water policies such structures exist. We face always the same overwhelming presence of industry, who is not only bringing arguments but also threats. We are afraid the same might happen if the Commission is going to prepare its thematic strategies in a multi-stakeholder exercise. To give you some figures: last week my EU-Policy Director found himself representing the environmental movement on his own, together with 56 representatives of industries, in a meeting with the Parliament rapporteur on the new packaging directive. And a Commission official told in a conference in December that the Commission had had 172 meetings with interest groups in the preparation for the Directive on Waste from Electric and Electronic Equipment: 4 with environmental groups, 166 with industry representatives.

These figures do not mean everything, but they should tell you that environmental governance inevitably is also about providing substantial financial as well as political support to the environmental movement on the EU level, a level where it is very difficult for the environmental movement to operate.

I know this may sound as extreme, but I really wonder how logical it is that the Commission is allowing so much influence to a player that has such a clear vested interest in reducing its costs and obligations, in delaying and watering down decision. Wouldn't it be much better for the environment if the Commission would seek as its primary partners organisations with non-commercial agenda's, who work for the general interest, and involve industry just for technical expertise. In this way the role of environmental NGOs would change dramatically. Rather than always having to play the role of counterbalance to industry, we could, together with the Commission, formulate the questions to industry and assess their answers. A less extreme option would be to replace conservative federations with frontrunners, companies that have shown they are willing to make a difference. From them the Commission as well as we, could learn a lot.

The point I want to make is that multi-stakeholder dialogues and consultations with interested parties should not be used to devolve responsibility by authorities to what they call civil society. Such dialogues should be used to define the best possible steps for the environment within the framework of sustainable development. Then

the authorities need to act. Steps that the authorities take, and lay down in legislation so that both the public and business can clearly understand what is expected and if the expectations are not fulfilled, political or legal action can follow, initiated by citizens if the authorities fail to act.

We have given a first response to the *White Paper on Governance*. In it you can see that the EEB finds some proposals problematic, including the trend to work with voluntary agreements and trends to more framework regulation.