



**CONTRIBUTION JOHN HONTELEZ, SECRETARY GENERAL EUROPEAN ENVIRONMENTAL BUREAU**

To Forum between civil society representatives and Environmental Ministers of the G-8  
Paris, 25 April, 2003

The European Environmental Bureau is the largest federation of environmental citizens organisations in Europe, with currently 137 member organisations in 26 countries, with a membership/support base of some 15 million European citizens

**POLITICAL LEADERSHIP REQUIRED FOR CHANGING CONSUMPTION AND PRODUCTION PATTERNS!!**

I would like to start with thanking Minister Bachelot-Narquin for her initiative to organise this meeting. I understand the Ministers will have a discussion on the role and responsibility of the G-8 governments in implementing the Johannesburg Plan of Implementation, including on consumption and production patterns. While as usual conclusions are being prepared by officials and much has been agreed or removed already, I still hope that our discussion today can make a difference.

The G-8 exists to coordinate economic and financial policies of the largest economic powers in the world. These largest economic powers also have the largest ecological footprints on the Earth. They use a disproportional part of the Earth's resources, and they are the headquarter countries of most of the multinationals that play such a key role in the global economy, have such an influence on the development of markets and technologies, as well as have such an influence on consumption trends within the public globally. The G-8 countries have admitted, in Rio and once more in Johannesburg, that the consumption and production patterns that have mostly originated in the industrialised world, are one of the key problems standing in the way of sustainable development. And they agreed that it is for the industrialised countries to take the lead in changing these patterns.

We have **not** seen a determined and well coordinated effort of the industrialised governments to deal with this challenge. And this is very dangerous. The problems do not go away by ignoring them, quite the contrary, **they tend to grow!** We need powerful drivers, embarking on determined, consistent policies, coordinated between the national and international levels, but we see only isolated and marginal improvements, not able to stop at all the race to further depletion of our global resources and the pollution of our environment.

In the last fifteen years, the nature and dimension of the challenge has been understood and described better. The IPCC's 60% reduction target for greenhouse gases worldwide, in order to keep climate change within manageable limits, is a clear one. If we are fair to the developing world, we have to do the lions-share of that, which means an 80% reduction for the EU and 90% for the US, if we want to end up with comparable emissions per capita.

Scientists have proposed the **Factor 4 and Factor 10** as targets for dematerialisation. Factor 4 is a global target, meaning to have twice as much prosperity globally while using twice as little natural resources. Factor 10 is then the target in particular for the industrialised countries, given our exceptionally high consumption rate of natural resources. The concept got some support, particularly in Europe, but also found strong opposition from the side of business and unwillingness with many other governments, disguised often in concerns about the lack of preciseness of these concepts. However, **we do need such concepts!** Politicians need to send a clear message to in particular business, but also the general public, and set themselves a clear objective. So, Factor 4 and Factor 10 need to be revalued as concepts, as directions to go, with a clear timetable.

The concept of "decoupling" is now accepted by most countries. It surfaces in many programmes and declarations, and some decoupling is actually taking place, here and there. However, the first thing the political leaders of the industrialised world should do, is to be honest and clear about the **dimension of decoupling** that is needed. The USA boasts its RESOLVE voluntary programme for tackling climate change as its better alternative to taking part in Kyoto. It will, if it works, increase the energy efficiency of its society with 18% related to GDP in the coming decade. As its GDP is expected to grow with much more than 18% in that period, it will in fact result in a further **increase** of greenhouse gas emissions by the society that is already world champion in energy squander. Technically speaking "decoupling" has taken place, but in this way it is a useless concept! ***Future generations are only helped with decoupling if it means absolute reductions of greenhouse gas emissions, absolute reductions of use of scarce resources.***

The USA approach has two more serious flaws. The first one is that it pretends that one can solve the problems of the unsustainable production and consumption patterns with subsidies and voluntary agreements. We are convinced this does not work, and it is irresponsible to pretend it will. Some individual businesses can be prepared to contribute to sustainable development indeed, but their capacity to do so is very limited if the market forces point at a different direction. The market itself needs to send the right signals, and reward frontrunners. This is not happening without interventions from the state into the market. It is essential to embark on major **environmental fiscal reforms**, consisting of shifting the burden of taxation from labour to natural resource use and systematically removing environmentally perverse subsidies, where needed replacing them with subsidies that actively accelerate environmentally sound production and consumption.

In the EU the EEB is campaigning for such a reform on the national and EU levels. We aim for a 10% taxation base shift in 10 year, and removal of perverse subsidies in the next few years. The EU is making little progress in practice, and business is fighting hard against such proposals, using often the excuse of a worldmarket where they would become in a disadvantageous position. While we are convinced, and with us the OECD who has done excellent research on this, that individual countries can implement such reforms individually, there is considerable added value in coordination between

industrialised countries. ***An initiative from the G-8 for an environmental fiscal reform of the dimension I presented, would show real leadership and vision.***

In such an initiative, focussed at government intervention in the market to create the right incentives for change in consumption and production patterns, need to be included a call for using **public procurement** explicitly for environmental protection. Authorities should, at all levels, not only be allowed but even be encouraged, to include in their selection-criteria for products and services, life-cycle assessments aiming to reduce environmental impacts. In the EU we are finishing a debate on public procurement where we have made some progress, but still the dominant opinion, of many governments and powerful business federations, is that one should limit and discourage this as much as possible. Perceived complications for the single market in the EU, and trade liberalisation on the global level, are always seen as reasons to limit the potential for environmental performance. ***We cannot respect the carrying capacity of our ecosystems, we cannot reduce our global footprints and preserve resources for future generations, if we keep on putting these interests secondary to narrowly defined commercial interests!***

To this regard, one more warning against unbridled free trade-ism. More than 40% of the so-called Total Material Requirement of the EU is nowadays met through imports from non-EU countries. And as we have some effective protection laws here but fail to adapt our production and consumption patterns, this percentage tends to grow and grow. We cannot pretend to reduce our problems by increasing those of developing countries! Dematerialisation, reduction of resource use might mean **re-localisation**, to a certain extent, of our economies. We should prevent this from having a negative impact on economies of developing countries, but if we manage that, there is nothing wrong with this.

Besides financial instruments, we need legislation that gives producers clear guidance and creates level playing fields. Introducing **extended producer responsibility** throughout the life-cycle of products, combined with effective liability schemes, would help to promote dematerialisation, re-use and recycling, and the reduction of the use of hazardous substances. The EU work on Integrated Product Policy could be helpful, provided it will have a clear legal basis.

And let me add one more dimension to the discussion: sustainable production and consumption is **not only about tons of materials use, about quantities**. It is also about **nano-grams**, about the hazardous substances that are emitted in production processes and being used in products, ending up in peoples bodies and in the natural environment. Besides dematerialisation the principles of **prevention, precaution** and **substitution** need to become mainstream in our legal and economic and even moral thinking. The test case for the EU to this regard will be the upcoming chemicals' policy. I am becoming monotonous maybe, but the biggest threat to this policy is the irresponsible attacks from the federations of chemical industry, strongly supported by the US government, interfering enthusiastically in European matters.

As you may understand by now, the EEB believes in working closely with individual businesses who are prepared to stick their necks out, to be in front with environmental innovation, but certainly **not** in voluntary agreements with business sectors for changing consumption and production patterns. It will not work, it is irresponsible to make people think it will.

Finally, on the need for cooperation. We appreciate national and local initiatives, we think they are necessary, in particular also for mobilising public support. However, the international nature of our economies, the strong opposition from business, the common responsibility the industrialised countries have towards developing countries, make **international coordination indispensable**. Within the UN framework we insist on a role for UNECE for Europe, and possibly North-America. Next month, in Kyiv, we hope the environmental ministers of the UNECE region will decide on a sustainable consumption and production programme for this region indeed. And on the global level, we need a process that is professional, transparent, credible. UNEP indeed could be the coordinator of such a process, and the backing of the G-8 would give this process a kick-start.