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"40 years of EU Environmental policy"

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It is great to be here today, for the 40<sup>th</sup> Anniversary of EEB. Here in particular also because in this place many Annual General Assemblies were held, and it was also here that end November 2010 an important conference took place, a result of the campaign of EEB and the Belgian Presidency to convince the European Commission of the need for a 7<sup>th</sup> Environmental Action Programme. That campaign was successful, the 7<sup>th</sup> EAP was adopted, and looking at the messages from President Juncker about environmental policy, this Programme might become more important than ever, as it is a legally binding agreement between the three institutions lasting till 2020. One of the many examples of the unique role EEB has been playing.

Environmental Action Programmes have been guiding the EU environmental policy, even though in the end compromises often undermined the ambitions. Christian Hey, who will speak tomorrow, wrote in the EEB EU Environmental Handbook of 2005 an interesting overview of the results of the Community environmental policy till then, built upon the six Programmes that had so far existed. I will borrow from that analysis in the coming minutes.

But first, back to the roots, 1972, when the 6 original Community member states, just before the first enlargement, decided to kick off an EU environmental policy, responding to the first UN Environmental Conference in Stockholm earlier that year, but certainly also in response to citizens' concerns and action emerging in those member states, against pollution from industry and traffic, threats to natural areas, large infrastructural projects, and, indeed, nuclear power. The decision was on the other hand inspired by the resistance of industries against unilateral national measures in an increasingly common market.

I was an environmental activist in those days, worried about the upcoming consumerism wasting valuable natural resources, as well as about nuclear power plants. I cannot remember detailed discussions in the Dutch environment movement about the upcoming European Community role. We generally were suspicious, convinced that we could make more progress by organizing national pressure, and not wanting the Community to stand in the way.

However, the 1<sup>st</sup> EAP, as Christian Hey describes, already had a quite good conceptual approach. Its key principles were:

- Prevention, reduction and containment of environmental damage
- Conservation of an ecological equilibrium
- Rational use of natural resources

And it included the concept of environmental impact assessment of other policies, a first step in the thinking about an integrated approach and sustainable development.

In practice, initial policies focused on limiting specific environmental problems, such as on water and air pollution and waste, with varying success. It started off slowly and carefully, and the economic recession of the second half of the seventies reduced ambition. Nevertheless, the ground work for several policies was laid, and the 1980 Directive on quality of drinking water stands out as a game changer with lasting impacts.

After 15 years, in 1987, the Community integrated the environment into its Treaty, and at the same time, it decided to establish a single market by end 1992. This combined the ambition for a "high level of environmental protection" throughout the Community with a stronger pressure upon individual member states not to undermine level playing fields for industry with unilateral environmental action.

While the economics of environmental policy, and the environmental dimension of economic policy were already in the scope of the first action programmes, this integration became more important. But how this played out depended to a large extent on the fluctuating popularity of environment on the political agendas in the member states.

The Commission always served two, often conflicting agendas: On the one hand, it brought governments to court to support industry against specific national measures, such as Denmark when it introduced a ban on cans, or Germany when it introduced a re-use obligation for mineral water bottles. On the other hand, it did try to integrate environmental objectives into the economy, for example with its CO2/energy tax proposal in 1992. And the White Paper on Growth, Competitiveness and Employment in 1993, by President Jacques Delors, proposed a new development model, focusing on SUSTAINABLE development, with as key instrument shifting the tax burden from employment to resource use. However, the member states killed the CO2/energy tax proposal in 1994, and since then it has remained difficult to make progress on changing the rules of the game in the economy through fiscal measures. The Energy Tax Directive that was finally agreed in 2004, was an insult to the ambition of fiscal tax reform. Also the phasing out of environmental harmful subsidies has been a painful subject all along.

Integrating the environmental dimension systematically in the economy proved difficult. But the EU did make progress in some ways. It introduced "producer responsibility" into some important sectoral waste policies, such as on cars and electric and electronic equipment: companies were obliged to have reduction and management of waste in mind already from the design phase. And REACH, the chemicals policy that entered into force in 2007, shifted the burden of proof from government to industry. Industry has to prove a chemical is safe, rather than government having to prove it is harmful.

By and large, the Community, later the Union, has been pulling environmental policies forward. Besides the already mentioned examples I can refer to Environmental Liability, Natura 2000, agri-environmental measures, the Water Framework and IPPC Directives, the more recent work on circular economy. The results were seldom ambitious enough in the eyes of environmentalists, or even the most progressive countries. On the other hand, many of the individual member states of the EU would not have gone that far individually. This is because, in certain periods, not the lowest common denominator but the engagement of the frontrunners amongst member states was decisive. The disappearance of such frontrunners is therefore the biggest threat to the environmental agenda today.

Several of these policies were agreed or launched around the year 2000. I remember how in my first years at EEB, end of the nineties, the Environmental Council, 15 persons in total, was composed of four green ministers and some six or seven active social-democrats. And also most others were in the mood, such as Minister Bartenstein, for whom Mr. Freytag worked those days. There was Mikael Meacher of the UK, who gave the kickoff for what became REACH, one of the centerpieces of EU environmental policy today, and Sven Auken, the giant from Denmark whom we owe, amongst others, the Aarhus Convention to. Such a Council, in 1997, also played an essential role in the achievement of the Kyoto Protocol: a failure in the rest of the world, but a game changer in Europe.

Auken, Minister for Environment and Energy of Denmark, made it at some point very clear how much a progressive country as Denmark would need the Union: he said: "we have gone to the limit of what we can do on our own, the next steps we have to do together".

In those years also, the ambition of sustainable development entered the political agenda. However, always in competition with a traditional agenda focusing on economic growth.

Since then we saw EU's lead role under pressure and, indeed, fading away. The enlargement made the EU more complex, and the newcomers already had an uphill battle to get their house in order. But also globalization, the emergence of new economic powers, the nervousness about competition and increased unemployment put the progressive countries under pressure. A few years later, all frontrunners except for Sweden had abandoned that role. Reluctance about EU initiatives, evolving to strong opposition from previous frontrunners such as Netherlands and Germany against the soil-directive. The argument that such EU initiatives would help countries with a less strong domestic environmental agenda to come along was apparently not so important anymore. Most of the previous frontrunners even decided to take EU environmental policies as the ceiling rather than the floor: "no gold plating", "word-by-word transposition" became popular mottos. Also the European Parliament, historically the greenest of the three institutions, became less reliable.

Sustainable development became marginalized. Instead, environmental policies got a high profile in policies to reduce the burdens for business. An exaggerated profile indeed. I was

member of the so-called Stoiber group, a high level advisory body to President Barroso. Even though the group recognized, by adopting two reports I wrote, that the EU environmental policy causes less than 1% of the total administrative burden of EU policies, environmental policies remained amongst the most popular policies to attack, with REACH top on the list.

Such discussions are also a symptom of an industry that feels more and more threatened by global competition, that looks for all kinds of ways to reduce production costs and regulatory constraints, that wants to lower the bars here in Europe to be more competitive. It is also a reflection of EU countries that sense that the EU as such is losing power in the world, so they do not have the guts anymore to play a frontrunner role. And of course they feel the heat of larger and larger groups of political hooligans who agitate against the EU and make people believe that the only way to solve all our problems is to go back to national states with high walls around them. The absence of strong political leaders who are prepared and able to stand up for an EU that should focus on the most important problems of our time, including climate change, dramatic overuse of natural resources, biodiversity depletion, worries me deeply.

I was asked to look back at 42 years of EU environmental policy, and was given eight minutes. I cannot do justice to that subject in that frame. A whole morning is a more adequate time limit. So I just touched upon some elements, elements in which the EEB played an important role.

## In conclusion:

- The EU has been successful in picking the low hanging fruit and played an important role in shaping environmental policies in most of the current members of the EU;
- It has introduced elements of system change, with the introduction of producer responsibility in production-waste chains, the reversal of burden of proof in chemical policy, eco-design etc. But these measures are insufficient to effectively reduce the EU's footprint to sustainable levels;
- Globally the stakes are higher as ever and the EU risks to become a weaker player. Still the EU is studied and followed by other countries in environmental policies. The potential to lead is still there. But we urgently need politicians that can inspire people for the great role the EU can have, that see the importance of global action and

solidarity, that fight against the shortsightedness of national interests and traditional economic thinking. It is the environmental movement that needs to mobilise and force the EU decisionmakers to take up this role. The EEB is necessary more than ever!