

European Union Case Study

Analysis of National Strategies for Sustainable Development

This document is one of 19 country case studies that form the knowledge base for a synthesis report entitled “National Strategies for Sustainable Development: Challenges, Approaches, and Innovations Based on a 19-country Analysis.” The synthesis report and country case studies are available electronically at:

<http://www.iisd.org/measure/capacity/sdsip.asp>

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Notice to Reader

Information in the country case studies was obtained primarily from publicly available sources (e.g., Internet and literature sources) and, where possible, was supplemented through interviews with government officials. The information was up-to-date as of May 2004. Every effort was made to ensure that official national sustainable development focal point contacts had the opportunity to provide feedback on the research, but such contacts were not successful in all cases. **This case study is in an unedited, working paper format.**

These case studies are made publicly available to add to the national sustainable development strategy knowledge base. The project’s research partners accept responsibility for any inaccuracies or omissions. The views expressed in this working paper do not necessarily represent the views of the funding partners.

The research partners welcome your comments on this country case study. Please e-mail comments to Darren Swanson at dswanson@iisd.ca.

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1 Introduction

The European Union (EU) is a union of 25 European countries, covering an area of 3,977,304 km² and a population of 446 million (112 inhabitants per km²). The Union is a somewhat unique entity – it can be considered a mixture of a federative state and a supranational institution. The Member States transferred partial sovereignty rights to the European Level in order to form a single common market, and nowadays also a common defence policy, but Member States remain to have the last responsibility for decision-making. Today, many different policies are subject of European regulation. Especially Environmental Policies of Member States are mainly shaped by European Environmental Law.

Economy

The GDP of the 15 Member States amounted in 2004 to US\$ 10,422.2 billion (1995 exchange rates) with annual growth rates between 3.6 and 0.6 from 1994 to 2003 (OECD 2004). In 2002, the GDP per capita was 22,911 US\$ based on PPS. It ranges from 8,400 US\$ in Lithuania to 48,900 US\$ in Luxemburg (OECD 2003, Eurostat 2004). By this, the Union constitutes the largest single market in the world. From 1999 onwards, a common currency, the Euro was introduced in the EU-15 stepwise, in 2002 the national currencies were given up with the exception of UK, DK, Sweden. The economic structure varies between the Member States; however, compared to many countries in the world, they are highly developed and industrialised countries with a small share of agriculture, an important share of industry in a great variety of sectors and a large and growing service sector.

Society

The European Community was founded in 1951 initially by 6 countries: Belgium, Germany, France, Italy, Luxembourg and the Netherlands as the European Community for Coal and Steel. In 1952 the European Defence Community was founded by the same countries and in 1957 the European Economic Community and the European Atomic Energy Community was founded. All of these form the European Communities. Denmark, Ireland and the United Kingdom joined in 1973, Greece in 1981, Spain and Portugal in 1986, Austria, Finland and Sweden in 1995. 10 Southern and Eastern European countries joined the Union on May 1st, 2004. The deepening of integration was underlined by the foundation of the European Union in 1993. The Union encompasses the Common Foreign and Security Policy, and cooperation in the fields of Justice and Home affairs.

A constitution for the Union is currently under negotiations among its members. Meanwhile, the main institutions are defined in the Treaties which are the European Parliament, the Council of the European Unions (representing the governments of the Member States) and the European Commission (the executive body of the Union). The European Council (which comprises the heads of governments and the foreign ministers), the European Court of Justice and the Court of Auditors are completing the list of institutions. The members of parliaments are directly elected; the number of seats for each Member States depends on the number of inhabitants. The parliament has to decide on bills, it has, however, not the right of proposing new legislation. Together with the Council the European parliament decides on the budget of the

Union, and it has to agree on the appointment of the members of the Commission. The 30 members of the Commission (2 members for the five largest Member States each and one for each other) are appointed by the Member States. The Commission has the right to initiate legislation, it has to implement the Treaties and the legislation, together with the Court of Justice it monitors the maintenance of the Treaties, and it is responsible for trade policy. The European Council is the lead institution in the Union, it is deciding on legislations. The presidency of the Council is passed for a six month term among the Member States. Depending on the policy area, there are different roles for decision making with qualified majorities or unanimity.

As of 2002, life expectancy at birth is 75.5/81.6 years (male/female). Ageing of the population and the according stress for social security systems is a growing problem in the Union: The proportion of population aged 65 and over grew from 14.7 (1991) to 16.3 in 2000 as percentage of total population. The share is expected to be doubled by 2050. 17% of the population lives in relative poverty (below 60% of the median of household income). All of the Member States are having a high rank on the Human Development Index ranging from 3 (Sweden) to 24 (Greece) (data for EU-15).

Environment

Given the large size of the Union and the dense population and industrialisation, a variety of environmental concerns do arise: Pollution to air and water remain high, although there have been some reductions for selected pollutants during the last decades. The European Union (EU-15) contributes 14% of the world-wide GHG emissions but only 6% of the world population. Under the Kyoto Protocol, the EU has agreed to an 8% reduction in its greenhouse gas emissions by 2008-2012, compared to the base year 1990. In fact the emission decreased to 98 % in CO2 equivalents by 2000. It is uncertain if the goal of 92% in 2010 will be reached.

Other issues of concern at the European level of policy making are the use and the quality of water, the production of chemicals, the use of resources and the generated waste, the management of natural resources and the protection of biodiversity. Many European policies as for example the regional, industrial, agricultural or trade policies do have considerable impacts on the environment in the Member States and beyond.

Table 1: EU-15 profile by selected indicators

Indicator	Value
Human Development Index (and ranking)	n.a.
Environmental Sustainability Index	n.a.
GHG Emission	3,324,800 Gg (2000)
GDP and GDP per capita (1995 US\$ PPS, 2003)	US\$ 10,173.4 (22,600)

Sources: UNFCCC: <http://ghg.unfccc.int/>, OECD 2003; 2004, Eurostat : <http://forum.europa.eu.int/irc/dsis/structind/info/data/index.htm>

The study is mainly based on the analysis of official EU reports and other secondary sources.

2 Content of the national Sustainable Development strategy

The Strategy for Sustainable Development of the European Union was adopted at the European Council in Gothenburg in 2001. The European policy for SD is, however, characterised by several strategies that evolved as a result of action of different actors and which relations are yet undetermined. The important complementary strategies are the Cardiff process for Environmental Policy Integration (initiated in 1998), the Lisbon Strategy for employment, economic reform and social cohesion, adopted in 2000, and the environmental policy of the Union as it is laid down in its 6th Environmental Action Program (EAP) adopted in 2001. The EU Treaty refers to SD in Article 2 and is a driving force in EU's SD strategy activities.

In 2001, the Sustainability Strategy was added to the Lisbon Strategy at the Stockholm summit in 2001 in order to ensure sustainability. Since then, the Lisbon Strategy, which consists not of a single document, but more of a set of sub-strategies, has functioned as the core strategy framework. As the SDS was explicitly integrated in that process with regard to Sustainability, the study focuses on this strategy in the following text.

Strategy content

The SD strategy is laid down in the presidency conclusions of the Gothenburg summit in about 12 paragraphs. It refers to a more comprehensive Communication of the Commission and focuses on a selection of a limited number of priority areas, providing a set of headline objectives for EU wide measures to tackle the biggest challenges to SD not dealt with in the Lisbon strategy. The selection criteria for the priority areas were: importance, long term relevance and Europe wide dimension (Dalal-Clayton 2004).

The issues addressed are:

- Limiting climate change and increasing the use of clean energy;
- Addressing threats to public health;
- Managing natural resources more responsibly;
- Improving the transport system and land-use management;
- Combating poverty and social exclusion; and
- Dealing with the economic and social implications of an ageing society;

For each theme, a number of headline objectives are identified, and in the Document of the Commission, a set of measures is developed in order to meet those objectives. In some cases there are also supplementary objectives linked to the measures, for example, 'alternative fuels should account for at least 7% of fuel consumption by cars and trucks by 2010'.

The Gothenburg European Council endorsed the SD strategy but also invited the Commission to further develop it by addressing the external dimension by January 2002. It is stressed that sustainable development requires global solutions and that sustainable development is made an objective of development cooperation and in all international organisations and agencies. The final document: "*Towards a Global*

Partnership for Sustainable Development”, agreed by the Commission, was released on 13 February 2002 (COM (2002) 82).

The external dimension of the SD strategy sets priority objectives and outlines concrete actions to harness globalisation and promote the role of trade for sustainable development, to fight poverty and promote social development and the sustainable management of natural and environmental resources. It also addresses the pre-conditions for success, i.e. improved coherence of EU policies, better governance at all levels and increased financial resources. As part of the strategy the Union reaffirms its objective to reach the UN target for official development assistance of 0.7% of GDP as soon as possible.

The WSSD Plan of Implementation adds to the commitments made in the internal and external SD the issues of changing unsustainable patterns of production and consumption, including Energy, Transport, Waste, Chemicals, and Corporate environmental and social responsibility and standards for implementation of development assistance in particular regarding the need of participation. (European Commission 2002).

Co-ordination with Other Strategies or Planning Processes

There are several other strategy processes in the European Union that are relevant for the SDS, in particular the Lisbon Process. Originally this strategy defined primarily the economic and social policy of the union in a medium and long term perspective. However, one year after its adoption an environmental pillar was added to this strategy. It remains unclear if the three dimensions are well balanced or if the Lisbon Strategy remains to be primarily a strategy to enhance the economic performance.

Box 1: The Lisbon strategy for economic, social and environmental renewal

The Lisbon Strategy is a commitment to bring about economic, social and environmental renewal in the EU. In March 2000, the European Council in Lisbon set out a ten-year strategy to make the EU the world's most dynamic and competitive economy. Under the strategy, a stronger economy will drive job creation alongside social and environmental policies that ensure sustainable development and social inclusion.

The Lisbon Strategy touches on almost all of the EU's economic, social and environmental activities. The European Commission's annual Spring Report examines the Strategy in detail. The Spring Report is the only document on the agenda of the Spring European Council, where EU Heads of State and Government assess the progress of the strategy and decide future priorities in order to realize the Lisbon targets

Source: http://europa.eu.int/comm/lisbon_strategy/intro_en.html

Sustainable Development is perceived as an issue that affects all policy areas of the Union. Accordingly, a set of crosscutting measures has been proposed in the EU SD strategy by the Commission. It is called for an improvement of policy coherence to be achieved by an Impact Assessment of European policies (COM(2002)276). Furthermore, a future review of common policies (e.g. agriculture, fisheries, transport) is requested in order to place SD issues as their central concern. It is asked for a promotion of technological innovation in order to solve the problems of environmental degradation. Finally it is stressed out that a stronger involvement of civil society and business in policy formation is necessary.

Box 2: Policy Impact Assessment

The Commission committed itself to perform an Impact Assessment of all major policy proposals (COM(2002)276final). By this, the quality and coherence of the policy development process should be improved. It is intended to contribute to a more coherent implementation of the EU Strategy for Sustainable Development. The new method integrates all existing impact assessments, as e.g. business, gender, SME or environmental assessments. The process has started in 2003 with a selection of 43 policies for an Extended Impact Assessment from which until end of 2003 14 were adopted. The extended impact assessment requires an in-depth assessment while the preliminary assessment is a filtering mechanism to identify policies for which an extended assessment is required. A handbook with guidelines was developed, describing the steps that are conducted in the course of an assessment: First the policy problem should be described, the objectives to be reached should be stated, and policy options to achieve the objective should be stated. Positive and negative impacts of the most important options as well as the no-policy option should be estimated and if possible quantified. The impact assessments are conducted by the Commissions staff.

Further information: http://europa.eu.int/comm/sustainable/pages/impact_en.htm

The Commission calls for market reforms in order to achieve price signals for individuals and business. It proposes a removal of subsidies that encourage wasteful use of natural resources and to put prices on pollution. The Commission will give priority to market-based approaches in its policy and legislative proposals.

Legislation that hamper innovation or that pose market barriers on the diffusion of new technologies should be avoided and investments in the promotion of technological change are called for. The forthcoming research programmes of both the European Union and the Member States should support research activities on technologies that contribute to Sustainable Development.

Within the EU budget there is no single budget for sustainability development defined. Expenditures for sustainability are implemented into the overall budget of EU. Over the last decade a “greening” of agricultural policies and regional and structural funds can be recognized, that represent by far the most important shares of the overall budget. (Lenschow 2002)

Integration of Sustainable Development Principles

The European SDS in its narrow sense is focusing mainly on the environmental pillar and understands itself as being complementary to the major economic and social strategies of the Union. The issues that are covered are of long-term perspective, the measures proposed are to be realised in a time frame of few years.

The external dimension of Sustainability is treated in a separate document and the relation of development issues in the overall economic and social strategies remain unresolved.

3 Profile of EU: Institutional and procedural aspects**3.1 Development and institutional setting and process**

The Helsinki European Council (December 1999) invited the European Commission “to prepare a proposal for a long-term strategy dovetailing policies for economically, socially and ecologically sustainable development to be presented to the European Council in June 2001”. The request reflected the need to present a SDS on the

upcoming Johannesburg summit, but also the requirements to integrate environmental concerns in the Unions policies as it is laid down in article 6 of the Treaty of the Union.

The Commission first produced an analytical report without conclusions in respect of policy measures, that was released as a *consultation paper* (SEC (2001) 517) in late March 2001 for wider comment and stakeholders were invited to express their views (in writing or electronically) by the end of April 2001. The paper posed a series of questions, analysed six key themes and suggested a policy toolkit to address the key problems.

The commitment undertaken by the European Commission to develop a strategy aimed at integrating sustainable principles in all European policies led not only to the above described “European Union Strategy for Sustainable development“ (COM (2001) 264 def) but also to the adoption of the 6th Environmental Action Programme (Decision 1600/2002/EC) and the EU contribution to the World Summit on Sustainable Development in 2002 (COM(2001)53).

The evolvement of the Strategy for Sustainable Development reveals that there have been different institutions involved. The integration of environmental concerns into the sectoral policy making was up to the middle of the 1990s primarily the task of the General Directorate for the Environment. This model of horizontal integration failed to be effectively. Therefore, the process was shifted to the European Council as part of the Cardiff process of Environmental Policy Integration (see Box 3).

Box 3: The Cardiff Process of Environmental Policy Integration

Up to the 1990s the implementation of the integration principle was mainly laid down in the Environmental Action Programmes and institutionalised at the DG Environment. Policies in the priority sectors remained relatively unchanged. Therefore, in subsequent steps to bring forward the integration principle, the process was shifted from the Commission and its DG Environment to the European Council. The 1998 Cardiff European Council invited all the relevant formations of the Council to develop strategies for a consideration of the environment in their policies containing objectives, timetables and task assignment, but also to monitor improvements and shortcomings, with the Energy, Transport and Agriculture Councils starting the process. The Commission was requested to facilitate this process by monitoring the development and to provide indicators for the evaluation of the process. Other Council formations were asked to develop such strategies as well on later summits and the Commission was asked to evaluate the progress on mainstreaming of environmental policy in 1999 (SEC(99)777 and COM (1999)543 def). These assessments mark an important signpost in developing an EU SDS. Currently a new stocktaking exercise of the Cardiff integration process is in preparation.

Inside the Commission the responsibility for the development of the SD Strategy was initially given to the “Forward Studies Unit” that is part of the Secretary General which is headed by the President of the Commission. But during the year 2000 this unit failed to deliver a proposal for a strategy. Because of the lack of progress made, a group of Commissioners, in particular Environment Commissioner Wallström took up the initiative in order to achieve additional momentum. In consequence a small task force was founded with staff from several DGs. Furthermore, a wider consultation group was established with representatives from all concerned DGs. (Dalal-Clayton 2004)

There is no special Commissioner or Commission established for SD issues, this reflects that SD is perceived as a cross sectoral task that affects all policies of the Union. The Environmental Directorate has no special role to play in the institutional set-

ting, although their concern for SD strategies and for the integration of environmental issues in the different sectoral policies is high.

The Commission calls for an enhanced coherence with SD policies at the Member State level. Although all Member States have adopted own SD strategies, the Commission sees a great variety in these national strategies reflecting national contexts. There is, however hardly the possibility for the European Institutions to impose specific SD strategies to its Members. (COM (2004) 29)

The implementation of specific measures is subject of the regular process of decision making. The parliament did not play an important role in the development of the strategy but it will become more important when it comes to concrete measures.

The revision of the SDS is planned to start in 2004, in order to cover the period until 2009. This will be co-ordinated by the Secretary General. Reviews are conducted at the start of every new Commission.

3.2 *Participation and integration in the planning process*

Developing the strategy there were standard inter-service negotiations to develop and agree to the communications within the Commission. Member States participate through their membership in the Council in particular by contributing to the annual Spring Review.

How to participate in the planning process is defined in the communication on the new SD strategy *A Sustainable Europe for a Better World – A European Strategy for Sustainable Development* (COM (2001)264 final) which was adopted in May 2001 by the College of EC Commissioners. *Steps needed to implement the strategy and to take stock of progress* were formulated. Regarding participation aspects the establishment of a *SD Round Table* of independent experts to advise the Commission President is included. The Round Table has 15 members (politicians, scientists and representatives from civil society) and it was established in January 2003. Up to now it has met five times and a final report was envisaged for end of 2003, but hasn't been published to date.

In addition a *stakeholder forum* was founded to assess the SD strategy every two years. It allows senior representatives of stakeholder organizations from the EU and candidate countries to evaluate the way the EU SDS agreed at the Gothenburg European Council had developed and to consider the way forward as the Commission began to prepare its report for next year's Spring European Council. (Dalal-Clayton 2004)

NGOs are playing an active role in inputting and critiquing the EU SD strategy by active pushing for preparation and reviewing of the EU SD strategy, lobbying Commissioners and government and submitting inputs and comments to the internal and external dimension of the strategy. NGOs and other stakeholders now have better access to information thanks to the Commission-funded European Environmental Communication Networks Secretariat. (Dalal-Clayton 2004, COM (2001) 31)

The Sixth Environment Action Programme *Environment 2010: Our future, our choice* (COM (2001) 31) stresses that involving society at large in decision-making on environmental protection is also a priority and appraises public participation is a

central element in the common procedures applying across the EU for assessing the environmental impact of public sector policies and programmes and of investment projects.

Organised civil society also participates through consultation of the European Economic and Social Committee. Responding to a demand formulated by the Commission, the EESC recently published an exploratory opinion on the planned review of the EU sustainable development strategy (EESC 2004).

3.3 *Monitoring aspects*

The communication on the new SD strategy adopted by the Commission also stresses that the EC will submit a progress report on implementing the SD strategy at all future spring meetings (*SD spring review*) of the European Council. The strategy will be comprehensively reviewed at the start of each Commission's term of office, and assessed every two years by a *Stakeholder Forum*.

The *SD spring review* aims to analyse the progress made by the Union and by the Member States. It is based on the implementation reports of the Broad Economic Policy Guidelines and Employment Guidelines, and on the structural indicators proposed by the Commission and agreed on by the Council. The 2004 review states that some advances in were made in certain domains of the EU SD strategy, but the report clearly highlights *that measures taken at the European level are only part of the formula for putting the Lisbon strategy on the right track; numerous reforms and investments, which are the responsibility of the Member States, have yet to be achieved.* (COM(2004) 29) Environmental NGOs expressed their concerns on the recently published input of the Competitiveness Council for the Spring Review. According to the European Environmental Bureau the Council perceives environmental policies mainly as an impediment of economic development and hence environmental legislation should be subject of deregulation (EEB 2004). The priority areas for the Lisbon Strategy decided at the 2004 spring summit also give priority to the economic development.

Box 4: Priority areas of action o the 2004 SD spring review

Improving investments in knowledge and networks, by implementing the "Growth initiative", all the while giving greater priority to level and quality of investment in research, education and training.

Strengthening the competitiveness of European enterprises, by applying better regulation – particularly for the industrial sector – and by adopting both the proposal for the Framework Directive on Services and the proposal for the Environmental Technologies Action plan.

Finally, promoting active aging by encouraging older workers to remain in the work and trough a modernisation of educational systems for lifelong learning, of work organisation, and of prevention and health care systems.

Source: COM (2004) 29

The development of *indicators* to monitor the EU SD policy has a long history and is an ongoing process. A first set of structural indicators was presented by the European Commission in September 2000 to be used in the synthesis report for the Spring 2001 European Council in Stockholm. This set consisted of 27 indicators covering the areas of general economic background, employment, innovation and research, economic reform and social cohesion. In a second contribution by the European

Commission to the European Council in Stockholm, this set was enlarged to 36 indicators. Following the development at the strategy level environmental indicators were simply added to the list of economic and social structural indicators as they are laid down in the Lisbon strategy: By October 2002, the third Commission communication on structural indicators was published and supplemented with a few amendments. The indicators are attributed to four environmental policy areas (combating climate change, ensuring sustainable transport, addressing threats to public health, managing natural resources more responsibly) which reflect the areas of SD strategy of the Gothenburg Council. At the European Council in Laeken a longer ‘open-list’ of environmental headline indicators was suggested which is open for further developments. The structural indicators are to be evaluated every Spring Council based on Commission reports (Synthesis Reports) on the progress of the Lisbon Strategy. The Structural Indicators covers the five domains of Employment, Innovation and Research, Economic Reform, Social Cohesion, Environment as well as the General Economic Background. (SERI 2003)

In connection with the preparation of the annual report for the year 2004 the Commission has proposed a reduction of the structural indicators in the Spring Report 2004 with a view to strengthen analytical possibilities of the indicators and to improve work methods. Based on an agreement between the European Commission and the relevant Council committees, only 14 structural indicators have been determined for the Spring Report 2004. Only 3 (!) environment related indicators are left in the short list from which the indicators on transport and energy are only indirectly related to the environment.

Box 5: Shortlist of 14 structural indicators to be covered in the statistical annex to its 2004 Spring Report to the European Council.

1. GDP per capita in PPS
2. Labour productivity
3. Employment rate*
4. Employment rate of older workers*
5. Educational attainment (20-24)*
6. Research and Development expenditure
7. Comparative price levels
8. Business investment
9. At risk-of-poverty rate*
10. Long-term unemployment rate*
11. Dispersion of regional employment rates*
12. Greenhouse gas emissions
13. Energy intensity of the economy
14. Volume of freight transport

* Indicators disaggregated by gender

Source: <http://europa.eu.int/comm/eurostat/Public/datashop/print-product/EN?catalogue=Eurostat&product=struct-EN&file=shortlist.htm>

The first Stakeholder Forum was jointly organized by the European Commission and the Economic and Social Committee in September 2002 which calls for more effec-

tive stakeholder involvement bringing the EU SD strategy into life. Very few high level representatives of EC attended and no report was presented by the commission. Broad but unfocussed working sessions were held on transport and energy, sustainable production and consumption, agriculture and public participation (Dalal-Clayton, 2004)

The Sixth Environment Action Programme *Environment 2010: Our future, our choice* (COM (2001) 31) calls for a specific role of the European Environment Agency (EEA) in implementing the EU SD strategy. The EEA is asked to monitor the state of environment and to provide an early warning by a) providing policy makers with information on which to base their decisions, b) promoting best practice in environmental protection and technologies and c) helping the European Commission disseminate the results of environmental research. Doing so the EEA publishes regularly four distinct series of reports, with *Environmental Signals reports* being the Agency's most important one.

Box 6: European Environmental Agency (EEA)

The EEA was set up by the EU to collect, prepare and disseminate timely, targeted, relevant and reliable information on the state and trends of the environment at European level. The founding regulation of EEA stipulates that it is open to countries that do not belong to the European Union but share its concern for the environment. Iceland, Liechtenstein and Norway have been members from the start, and 12 out of 13 candidate countries have joined in 2002, making the EEA the first EU body to welcome these countries as members. The Agency also co-operates actively with other relevant bodies and international organisations. EEA publishes four distinct series of reports. All publications are available for downloading free of charge from the EEA website <http://www.eea.eu.int>.

Source: [Europa.eu.int/agencies/eea/index_en.htm](http://europa.eu.int/agencies/eea/index_en.htm)

The Commission also publishes yearly reports assessing progress in the implementation of environmental policy at EU and Member State level. The 2003 report was the first of its kind and focused mainly on the EU level. A Sustainable Development Indicators Task Force was initiated by the Commission in collaboration with Eurostat and the EEA, with participants from national governments and the OECD. An extensive list of SDI is being developed.. The SDI Task Force will be strongly involved in preparing the 2004 review of the EU SDS.

3.4 *Implementation of the Sustainable Development strategy and related specific initiatives*

There is no special agency that is responsible for implementing the EU SDS. Instead, all different Institutions are called for a review of their policies and for mainstreaming SD issues in their policies. Therefore, the implementation of SD is subject of the normal decision making process. All different Directorate Generals in the Commission are asked to review their sectoral policies according to requirements that arise from sustainability. Naturally, the different Directorates have different perceptions of SD that is linked to differences in the weighting of the environmental, economic and social pillar of Sustainable Development. (ECSG 2004)

With few exceptions, the Union does not implement regulations themselves. Instead the Member States have to transpose European law into national law. There are mechanisms to enforce the adoption of European law, but often they fail to work effectively.

So far with limited exceptions the Member States have not much considered the EU SDS in preparing their national SD-strategies, although the EU strategy was already in place at least for the review. (ECSG 2004)

A great number of policy initiatives could be subsumed under the heading of Sustainable Development. Almost every Directorate General at the Commission has its own web pages on SD issues, with a number of policies or communications on SD issues. The following selection highlights some very prominent initiatives; the selection covers the different priority areas of the EU SDS.

Table 1: Selected Sustainable Development Initiatives

Initiative	Outline
<i>IPP</i>	Integrated product policy (IPP) is an approach that begins by asking how the environmental performance of products can be improved most cost-effectively. It is founded on the consideration of the impacts of products throughout their life-cycle, from the natural resources from which they come, through their use and marketing to their eventual disposal as waste. It is also a relatively new approach to environmental policy. A communication has been adopted that outlines a strategy for IPP (COM(2003)302)
EU action plan to boost Environmental Technologies for innovation, growth and sustainable development (2004-)	The objective of the action plan is to improve the development and wider use of environmental technologies. Many new environmental technologies have great potential to improve the environment and, at the same time, boost the competitiveness of companies. There are still many barriers, including the complexity of switching from traditional to new technologies, and insufficient access to capital. The Action Plan aims to overcome these barriers through a concerted European effort to help maximise the potential of environmental technologies. It will also help the EU achieve its sustainable development goals in a cost effective way. The Plan should enable the EU to become a recognised leader in environmental technologies. Key actions include the launch of technology platforms with stakeholders in areas such as hydrogen and fuel cells, photovoltaics, and water supply and sanitation; establishing environmental performance targets for products and services; and making the most of funding schemes and public and private procurement policies. (Source: Stimulating Technologies for Sustainable Development: An Environmental Technologies Action Plan for the European Union”, COM(2004)38)
Infrastructure charging	Charges on infrastructure will be applied to encourage use of lorries with lesser environmental impact. The revenue raised in the process will then allow for investment in new infrastructure. The draft directive on the charging of the use of road infrastructure would apply to all lorries used for the transport of freight and exceeding 3.5 tonnes. In terms of area, it would cover around 60,000 kilometres of trans-European roads
<i>Biofuels</i> (2003-)	In May 2003, the Commission adopted a draft directive which requires Member States to take the necessary measures to increase the market share of biofuels (liquid or gaseous fuels used for transport and produced from biomass, i.e. biodegradable waste and residue from, for example, agriculture and forestry). The Member States must ensure that the minimum share of biofuels sold on their markets is 2 per cent by 31 December 2005 at the latest, and 5.75 per cent by December 2010. Any Member State setting lower objectives will have to justify this on the basis of objective criteria.
SIA of Trade Agreements	The EU General Affairs Council of April 2001 requested the European Commission to carry out sustainability impact assessments of all trade agreements between the EU and other countries. The Council also asked the Commission

(2001-)	to put together a more detailed integration strategy, including indicators to support its implementation. This includes registering the number of third country agreements that have been environmentally assessed and accounting for the amount of environmental assistance given to countries. The Council also agreed to review regularly its integration strategy — the first review is due to take place during 2003.
<i>Emission Trading</i> (2003-)	In order to minimise the economic costs of its Kyoto commitments on combating climate change, the European Union is setting up an EU-wide market for carbon dioxide emissions of companies. Under this trading scheme, around 10,000 EU companies will be able (from 1 January 2005 onwards) to buy and sell permits to emit carbon dioxide. According to the directive establishing an EU-wide greenhouse gas emissions trading scheme Member States have until 31 March 2004 to be ready with their national emission allocation plans. These plans will set the number of tradable allowances allocated to each of the industrial installations participating in the scheme.
<i>EU Chemical Policy</i> <i>REACH</i> (planned)	The outline of the future European chemical regulation was published in 2001 in the White book “Strategy for a future chemicals policy” (COM(2001)88 final). The regulation asks producers and importers of chemicals for an encompassing assessment on possible effects on the environment and on human health. The requirements for an analysis of the substances depend on the yearly production figures. Data has to be produced until end of 2012. For chemicals with a production volume exceeding 100 t/y the evaluation of the test data will be conducted by the authorities, below this level the evaluation will be conducted by the industry itself. Substances with a very high toxic potential, in particular carcinogenic or mutagenic potential are subject to a permit procedure that may restrict the use to certain applications. All of these steps are symbolised in the acronym REACH (registration, evaluation and authorisation of chemicals).

3.5 Country summary of national SD strategy

Table 2: Summary of EU’s National Sustainable Development Strategy

Criteria/Aspects	Outline
<i>Content of SDS</i>	
Typology	Cross sectoral strategy with focus on the environmental dimension. Four environmental priority areas (climate change, transport, public health, and natural resources) are covered. External dimension of SD is covered by a separate strategy.
Content	The EU SD strategy serves as an overall approach containing guidelines and action areas but has very few quantified objectives, implementation framework needs to be revised, best practise examples from EU Member States need to be identified.
Linkages with other strategies and planning processes	Integration regarding sectoral strategies developed by the different Council Formations. Little integration with national strategies of Member States. Closely related to economic and social strategy of the Union (Lisbon process).
<i>Development Aspects</i>	
Legal basis, state of process Institutions, responsible agencies	EU SD strategy serves as a policy guideline, but no legal obligation to implement the strategy by Member States exists. Procedures for policy preparation within Commission are binding e.g. Impact Assessment and participation Responsibilities lays within the European Councils and European Commission, Euro-

	pean Parliament plays almost no role, high level mandate but no facility with clear authority and power to coordinate the EU SD policy measures
Decisions and negotiation	Decision power lies within the European Council and European Commission, as well as coordination and dispute settlement
External Support	No external support
<i>Participation</i>	
Coordination	Coordinated by European Commission, Directorate Generals responsible for sectoral planning, no overall platform of coordination
Intergovernmental actors	
Civil society, NGOs actors	SD <i>Round Table</i> of independent experts advises the Commission, <i>Stakeholder Forum</i> was founded, but Stakeholder involvement needs to be more effective, regularly involvement by European and non-European NGOs focussing on external strategy
<i>Monitoring, Reporting and Adaptation Aspects</i>	
Responsibilities & Mechanisms	Yearly monitoring and update by Spring Review using a set of structural indicators, identification of priority areas, no provision or independent quality checks, central role of European Council, involvement of stakeholder at Stakeholder Forum possible, Review at beginning of every new Commission, using list of SDI developed by SDI Task Force.
Compliance mechanisms	No compliance mechanism for Member States in place (if legislation, then normal compliance procedures are valid (Commission and Court of Justice).
Learning and Adaptation	learning and adaptation by Spring Review by formulating pilot areas of action
Application of Strategic Environmental Assessment	Strategic Environmental Impact Assessment is obligatory for the Member States from 2004 on. Extended Impact Assessment for planned policies is mainstreamed since 2004.
<i>Implementation of SDS</i>	
Responsibility and Coordination	Responsibility rests with the European Council and Commission, implementation of sectoral measures is delegated to European Generals
Financing and capacity	Financing via general budget of EU Commission
Communication	Mainly via the media, growing web based SD information available, EEA provides information to stakeholder and the general public on the environmental pillar of SD.
Specific SD Initiatives	Strong focus on promoting environmental issues by implementing market based methods, e.g. emission trading
	Attempts to promote environmental industries and technology development
	Ambitious measures to implement impact assessment with large involvement of stakeholders.

4 Supporting information

EURACTIV:

http://www.euractiv.com/cgi-bin/cgint.exe/101769-541?714&1015=9&1014=id_sdintro&-tt=SSIN&-s2=y

EEB:

<http://www.eeb.org/Index.htm>

EU:

<http://europa.eu.int/scadplus/leg/en/s15001.htm>

EEA:

<http://www.eea.eu.int/>

European Commission:

http://europa.eu.int/comm/sustainable/pages/document_en.htm

UN- CSD information on european union:

<http://www.un.org/esa/agenda21/natlinfo/countr/eu/index.htm>

5 List of references

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European Commission 2004: Implementing Agenda 21: The EU's record.

<http://europa.eu.int/comm/environment/wssd/020722draftagenda.pdf>

European Commission Secretariat General (ECSG) 2004: Evaluation of approaches to integrating sustainability into community policies, final summary report

European Environmental Bureau 2004: Don't dilute EU's environmental policy! EEB's input to the Competitiveness Council's preparation of this year's Spring European Council.

<http://www.eeb.org/activities/integration/EEBpositionpaperCOMPETITIVENESS2004.pdf>

Eurostat 2004: Bruttoinlandsprodukt zu Marktpreisen. Quelle:

http://europa.eu.int/comm/eurostat/newcronos/queen/display.do?screen=detail&language=de&product=THEME2&root=THEME2_copy_200579925957/yearlies_copy_597844084039/da_copy_1012695314039/daa_copy_48420190082/daa10000_copy_42926345359 (Zugriff: 12.6.2004).

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OECD 2004: GDP per capita, 2002 at current prices in US dollars. Source:

<http://www.oecd.org/dataoecd/48/5/2371372.pdf> (03-13-04)

OECD 2004: Gross Domestic Product. OECD Main Economic Indicators. March 2004. Source: <http://www.oecd.org/dataoecd/48/4/18597233.pdf> (03-13-04).

Sustainable Europe Research Institute (SERI) (2003): Ways towards sustainability in the EU beyond the Spring European Summit 2003,

Available at: <http://seri.at/Data/projects/spring2003/spring2003main.htm>, (Assessed March 12, 2004)