EUROPEAN COMMISSION



Brussels, 31.8.2011 COM(2011) 531 final

#### COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

The Sixth Community Environment Action Programme

FINAL ASSESSMENT

(Text with EEA relevance)

### 1. POLITICAL CONTEXT

The world today is very different to that of 2002 when the ten-year 6<sup>th</sup> Environment Action Programme<sup>1</sup> (EAP) was adopted. It is recovering from a deep financial and economic crisis, which clearly demonstrates the systemic risks of uncritically maintaining business-as-usual. This points once again to the importance of the concepts of green growth and a resource-efficient, low-carbon economy which can be seen as offering good policy guidance for global economic transformation in the long-term.

The current EU agenda offers many opportunities for environment policy to evolve in this direction. The Europe 2020 Strategy<sup>2</sup>, with the importance it attributes to resource efficiency, and economic governance in the form of the European semester, are effective frameworks to ensure that environmental objectives are integrated into the EU's overall socio-economic agenda. The Commission has recently adopted an ambitious new strategy<sup>3</sup> to halt the loss of biodiversity and ecosystem services in the EU by 2020 as well as a Communication on the preparations for the Rio+20 Conference<sup>4</sup>. It has also recently adopted a Roadmap for moving to a low-carbon economy in 2050<sup>5</sup>, a White Paper on Transport<sup>6</sup>, and Communications on Energy 2020<sup>7</sup> and an Energy Efficiency Plan 2011<sup>8</sup>. The Commission also plans in 2011 to adopt a Roadmap to a resource-efficient Europe. The agenda for 2012 includes a blueprint for water policy and review of the Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan<sup>9</sup>. Air quality policy is to be reviewed in 2013. The Commission has presented proposals on the next multi-annual financial framework and is preparing proposals to reform the Common Agricultural Policy (CAP), Common Fisheries Policy (CFP) and Cohesion Policy (CP).

All these new initiatives will complement existing environmental legislation, which has been consolidated over the past few years and covers almost all areas of environment, with the exception of soil. Once properly implemented – and the Commission's Communication on implementation of EU environmental legislation for adoption in 2011 should help - this legislation will help to protect the environment and limit negative consequences on health.

Environment Action Programmes have guided the development of EU environment policy since the early seventies and the 6<sup>th</sup> EAP should be seen as part of a continuous process spanning almost 40 years. The 6<sup>th</sup> EAP was the first Environment Action Programme to be adopted by the Council and the European Parliament via the co-decision procedure. Its lifespan encompassed two enlargements which saw the Community grow from fifteen Member States to a Union of twenty-seven and through which an increased level of environmental protection has been driven by the uptake of EU environmental legislation.

<sup>&</sup>lt;sup>1</sup> OJ L242/1 10.9.2002

<sup>&</sup>lt;sup>2</sup> COM(2010)2020, 3.3.2010

<sup>&</sup>lt;sup>3</sup> COM(2011)244, 3.5.2011

<sup>&</sup>lt;sup>4</sup> COM(2011) 363, 20.6.2011

<sup>&</sup>lt;sup>5</sup> COM(2011) 112, 8.3.2011

<sup>&</sup>lt;sup>6</sup> COM(2011) 144, 28.3.2011

<sup>&</sup>lt;sup>7</sup> COM(2010) 639

<sup>&</sup>lt;sup>8</sup> COM(2011) 109, 8.3.2011

<sup>&</sup>lt;sup>9</sup> COM(2008)397, 16.7.2008

This Communication presents a final assessment of the Programme, which gives some clear insights into environmental policy-making today and in the future.

### 2. **GENERAL FINDINGS**

This final assessment is based on an external assessment, the results of a public consultation<sup>10</sup>, and the EEA report "The European Environment - State and Outlook 2010" (SOER 2010)<sup>11</sup>.

From the outset, it should be recognised that the  $6^{th}$  EAP has been one of a number of environment policy drivers, the respective contributions of which are not easy to disentangle. The approach to this assessment has therefore been a pragmatic one, consisting of an assessment of the various sources mentioned above, to arrive at the more salient achievements and shortfalls for the various aims and objectives defined in the  $6^{th}$  EAP.

Notwithstanding these caveats, the overall conclusion of this final assessment is that on balance the  $6^{th}$  EAP was helpful in that it provided an overarching framework for environment policy. The large majority of actions set out in the Programme have been or are in the process of being completed.

Preparation of the programme gave actors an opportunity for a comprehensive stock-taking and better understanding of EU environment policy as a whole. As it was adopted by codecision, stakeholders see it as having more legitimacy than previous programmes. This has helped to create a wider sense of ownership for subsequent policy proposals. Many stakeholders see the 6<sup>th</sup> EAP as a reference point, not only at national level but, in some Member States, at regional and local levels, from which to defend environment policy against competing policy demands, to secure appropriate funding and to provide predictability for business regarding certain future policy developments.

The seven thematic strategies<sup>12</sup> of the  $6^{th}$  EAP – air, pesticides, waste prevention and recycling, natural resources, soil, marine environment, urban environment – were developed in order to strengthen policy integration and to improve the knowledge base. Although progress varied across the areas covered by the thematic strategies, in some cases their preparation helped to build political will for the adoption of effective targets and timetables, and their subsequent implementation. This encouraged a more holistic approach to environmental policy-making and established a consensus on how best to proceed in view of concerns over competence or insufficiently robust data. Marine, soil, urban and resources strategies are seen by stakeholders as having provided most impetus. Some of these even spawned specific legislative instruments. Those on air, pesticides, and waste prevention and recycling focused to a greater degree on revising existing measures to improve coherence and to address specific gaps.

However, evidence of the 6<sup>th</sup> EAP's capacity to leverage the adoption of specific environmental instruments is not compelling. Part of the varying progress towards the

<sup>&</sup>lt;sup>10</sup> http://ec.europa.eu/environment/newprg/final.htm

<sup>&</sup>lt;sup>11</sup> http://www.eea.europa.eu/soer/

<sup>&</sup>lt;sup>12</sup> COM(2005)446 (Air Pollution); COM(2006)372 (Sustainable Use of Pesticides); COM(2005)666 (Prevention and Recycling of Waste); COM(2005)670 (Sustainable Use of Natural Resources); COM(2006)231 (Soil Protection); COM(2005)504 (Protection and Conservation of the Marine Environment); and COM(2005)718 (Urban Environment).

objectives set out in the 6<sup>th</sup> EAP can be explained by the design of the Programme, especially in light of the respective levels of ambition in the different thematic areas. For example, the objectives set for climate change were subsequently overtaken by the dynamic policy developments in that field which were not driven by the 6<sup>th</sup> EAP. In contrast, the 2010 biodiversity target was not achieved, as strong initial commitment from MS was not matched by adequate means.

While the intent of the Treaty is that general environment action programmes should focus on priority objectives, the co-decision process resulted in a 6<sup>th</sup> EAP with a large number of actions, varying both in scope and effect. This, coupled with the absence of a longer-term vision, compromised the Programme's capacity to deliver a clear message, which would have helped to maintain its profile more effectively throughout its lifespan. The thematic strategies were developed at significant costs in terms of time and human resources: the last strategy was adopted as late as 2006. Inadequate implementation and enforcement of EU environmental legislation has also been a limiting factor.

The ten-year timeframe of the  $6^{th}$  EAP was not always appropriate. It proved long enough to cover policy formulation, adoption and the early stages of implementation in some areas (e.g. waste). In others (e.g. resources, biodiversity) it proved to be too short because of the need for more information or because of other obstacles. Lastly, in terms of financing, while the  $6^{th}$  EAP influenced the 2007-2013<sup>13</sup> multi-annual financial framework, the timing of its adoption in 2002 was too late for the period 2000-2007<sup>14</sup>.

# **3. PRIORITY AREAS**

This section provides a more detailed assessment of the priority areas of the  $6^{th}$  EAP – nature and biodiversity, environment and health, natural resources and waste, climate change, and international issues – in terms of their contribution, the achievements and shortfalls of environment policy during the period, and lessons learned.

### 3.1. Nature and biodiversity

*Contribution:* For nature and biodiversity, the  $6^{th}$  EAP instigated the development of the thematic strategies on soil protection and on the protection and conservation of the marine environment. It pointed to the need to build a stronger knowledge base, to improve financing, and to step up current activities. It sought to raise political awareness of nature and biodiversity to a level similar to other environmental issues, in particular climate change, and highlighted the need to increase recognition of the economic value of biodiversity and ecosystem services in the policy process.

*Achievements:* The Natura 2000 network of protected sites has been extended to cover some 17% of the EU's total land area, while the Thematic Strategy on Soil Protection<sup>12</sup> has highlighted the importance of soil as a key resource and in biodiversity protection. The Thematic Strategy on the Protection and Conservation of the Marine Environment<sup>12</sup> laid the foundations for the protection of marine biodiversity, while nitrate and phosphorus pollution of rivers and lakes has declined. Moreover, building the knowledge base has been a key driving force, e.g. the TEEB initiative (*The Economics of Ecosystems and Biodiversity*)<sup>15</sup> has

<sup>&</sup>lt;sup>13</sup> COM(2004)487

<sup>&</sup>lt;sup>14</sup> COM(97) 2000

<sup>&</sup>lt;sup>15</sup> http://www.teebweb.org/

boosted the ongoing process of putting a monetary value on natural capital and ecosystem services. The EU 2010 Biodiversity baseline will serve as a benchmark and the updated SEBI 2010 (*Streamlining European 2010 Biodiversity Indicators*)<sup>16</sup> will be key to measuring future progress. Finally, a new ten-year strategy to protect biodiversity has recently been adopted<sup>3</sup>.

*Shortfalls:* The overall target of the 6<sup>th</sup> EAP to halt biodiversity decline by 2010 was not reached and the general trend of most indicators relevant to biodiversity has been negative, albeit with significant regional variations, e.g. land abandonment, habitat fragmentation resulting from developments in transport infrastructures, urban sprawl, and inappropriate agricultural practices. A substantial proportion of Europe's freshwaters are at risk of not achieving a good status by 2015<sup>11</sup>. Out of more than 10,000 non-native species in the EU, it is estimated that 10-15% have negative impacts on nature and biodiversity. Detailed biogeographical evaluations of the species and European habitat types listed in the EU Habitats Directive<sup>17</sup> indicate that only 17% of habitat types and species have a "favourable conservation status"<sup>18</sup>. Development of a network of marine protected areas has been slow, designated sites accounting for approximately 6% of species and 10% of habitats to date. Despite having highlighted the sustainable use of soil as a priority in the 6<sup>th</sup> EAP, the Council has not been able to make progress on this issue, in particular by adopting the proposed Soil Framework Directive<sup>19</sup>. This has to date limited the ability to reach the 6<sup>th</sup> EAP objective on *soil management* practices in the EU.

*Lessons learned:* More progress could have been made towards the goal of halting the decline of biodiversity by 2010 had it been matched by the necessary political attention and financial commitments from both EU and Member States.

## **3.2.** Environment and health

*Contribution:* The  $6^{th}$  EAP prompted a useful stock-taking exercise of existing commitments and planned actions and brought greater focus to the linkages between environmental factors and human health. It helped to push forward action which otherwise might not have happened, e.g. on the urban environment, or which may have taken longer or been less comprehensive without the impetus of the Programme, e.g. in relation to pesticides. The 2005 Thematic Strategy on Air Pollution<sup>12</sup> set up a comprehensive and holistic methodological framework built on a solid knowledge base which continues to provide the basis for integrated policy on air quality.

*Achievements:* While protecting human health has been an objective of many environment policies, e.g. on air, water and chemicals, the 2004-2010 Environment and Health Action  $Plan^{20}$  helped to increase awareness and information on the linkages between environment and health. Comprehensive legislation was adopted in the areas of chemicals, pesticides and water, although long implementation times mean it may take time to have an impact. Levels of SO<sub>2</sub>, NO<sub>x</sub> and lead in air have declined over the last nine years. In addition, new measures have been taken which were not in the 6<sup>th</sup> EAP, reflecting changes in policy priorities due to increased risks of water scarcity and forest fires.

<sup>&</sup>lt;sup>16</sup> http://biodiversity.europa.eu/topics/sebi-indicators

<sup>&</sup>lt;sup>17</sup> Council Directive 92/43/EEC, OJ L 206 , 22.07.1992

<sup>&</sup>lt;sup>18</sup> http://www.eea.europa.eu/publications/eu-2010-biodiversity-baseline/

<sup>&</sup>lt;sup>19</sup> COM(2006)232

<sup>&</sup>lt;sup>20</sup> COM(2004)416

*Shortfalls:* The 6<sup>th</sup> EAP target that, within one generation, chemicals would be produced and used only in ways that did not lead to a significant negative impact on health and the environment is unlikely to be fully met. In addition, data is still scarce on the concentrations of chemicals in the environment and in humans, and on the effects of exposure to complex cocktails of chemicals. The Thematic Strategy on the Urban Environment<sup>12</sup> does not appear to have had a significant impact with respect to the 6<sup>th</sup> EAP objective of improving the quality of the urban environment. Particulate matter and ozone remain major concerns, in particular,  $PM_{10}$  concentrations in many EU urban areas continue to make a significant contribution to earlier deaths and disability from respiratory diseases, cardiovascular diseases and cancer. An estimated 40% of the EU's population live in urban areas with levels of noise at night above the recommended WHO levels. Access to water of satisfactory quality is insufficient and represents a risk to health in a number of rural areas.

There are also a number of gaps in legislation - not exclusively environmental - for example in relation to indoor air (given that European citizens spend an estimated 90% of their time indoors), and on emissions from domestic and commercial appliances. In addition, national emission ceilings have yet to be revised and excess atmospheric nitrogen deposition is still an issue across the EU.

*Lessons learned:* More attention is needed to support implementation at both national and regional levels. Research findings and information on the impacts of environmental quality on health should be better integrated into the broader policy objective of improving public health. The urban environment needs to be better reflected in policy development, given that nearly 75% of the EU population reside in urban areas.

## **3.3.** Natural resources and waste

*Contribution:* The 6<sup>th</sup> EAP strengthened the link between waste policy and resource policy, and helped to reinforce waste management and move towards policy based on sustainable consumption and production. The Thematic Strategy on the Sustainable Use of Natural Resources<sup>12</sup> inspired further research, led to the creation of new forums<sup>21</sup> and formed the nucleus of the current work on resource efficiency. The Thematic Strategy on Waste Prevention and Recycling<sup>12</sup> provided a common strategic framework for EU legislation on waste.

Achievements: Resource use is no longer increasing at the same rate as economic growth. The SCP-SIP Action Plan<sup>9</sup> set out an integrated series of measures to green European manufactured products, among them the creation of a multi-stakeholder platform - the Retail Forum - designed to influence more sustainable consumption. Recently adopted measures such as the Eco-design Directive<sup>22</sup>, the revised Ecolabel Regulation and the Green Public Procurement initiative are designed to have positive impacts on resource use in the future.

Waste legislation has also been significantly modernised and simplified in order to better meet the overarching objectives set in the  $6^{th}$  EAP. Waste management legislation has been made more comprehensive by incorporating life-cycle analysis, by establishing re-use, recycling, and recovery targets and by reducing the hazardousness of certain wastes. The amount of potentially harmful substances in electronics placed on the EU market has already been

<sup>&</sup>lt;sup>21</sup> The ESTAT Data Centre on Natural Resources and the UNEP International Resource Panel

<sup>&</sup>lt;sup>22</sup> Directive 2009/125/EC, OJ L285/10, 31.10.2009

substantially reduced as a result of the Directive on Restrictions on the Hazardous Use of  $Substances^{23}$ .

*Shortfalls:* In absolute terms resource use is still increasing which is not compatible with the goal of respecting the carrying capacity of the environment in the longer term. Substantial differences in resource productivity among Member States persist. There is also an increasing reliance on imports which now account for 20% of all resources consumed and for which the impact is largely unknown.

In contrast to the 6<sup>th</sup> EAP objective of reducing the overall volume of waste generated in the EU, it appears that waste generation has at best stabilised, and is perhaps increasing. Although the Waste Framework Directive places greater emphasis on waste prevention than previously, the absence of a sufficiently robust knowledge base and different circumstances at national level did not permit more tangible measures or target-setting.

*Lessons learned:* Food and drink, private transport and housing are considered to account for 70% to 80% of the EU environmental impact on consumption<sup>24</sup>. Moreover, it is estimated that over 80% of all product-related environmental impacts are determined during the design phase of a product<sup>11</sup>. More focus is needed on these sectors and on eco-design in order to tackle the environmental impacts of human activities and behaviour. The implementation of waste legislation continues to present a challenge, especially as trade in waste is increasing.

# **3.4.** Climate change

*Contribution:* Although the 6<sup>th</sup> EAP helped in the climate change area, mostly through priority-setting and by mobilising broader institutional support, other external drivers were more forceful, e.g. international developments, public awareness, the Stern review on the economics of climate change and the costs of inaction, the IPCC Fourth Assessment Report which provided a sound scientific basis for climate action, geopolitical concerns regarding fossil fuel dependency, energy prices and energy security, and increasing evidence of the effects of climate change across the globe and their associated costs, due notably to more numerous extreme weather events in many parts of the world.

Achievements: Although ambitions in relation to action by the international community were not achieved, the objectives and ambitions of the 6<sup>th</sup> EAP in relation to targets and progress at EU level were exceeded. The 2007 Climate and Energy Package set 2020 targets for greenhouse gas emissions reduction, share of renewable energy and energy efficiency. The 2005 EU Emissions Trading Scheme <sup>25</sup> put a price on carbon, and the Nitrates and Landfill Directives<sup>26</sup> succeeded in reducing greenhouse gas (GHG) emissions. Adaptation emerged as a new area of policy-making. The Carbon Capture and Storage Directive<sup>27</sup> was adopted, although not included in the 6<sup>th</sup> EAP. Overall, binding quantifiable targets, such as the Kyoto Protocol target of reducing emissions by 8% by 2012, will be exceeded.

<sup>&</sup>lt;sup>23</sup> Directive 2002/95/EC, OJ L37/19, 13.2.2003

<sup>&</sup>lt;sup>24</sup> http://ec.europa.eu/environment/ipp/pdf/eipro\_report.pdf

<sup>&</sup>lt;sup>25</sup> Directive 2004/101/EC amending Directive 2003/87/EC, OJ L 338, 13.11.2004, p. 18–23

<sup>&</sup>lt;sup>26</sup> Council Directive 91/676/EEC, OJ L 375 , 31/12/1991 and Council Directive 1999/31/EEC, OJ L 182 , 16/07/1999

<sup>&</sup>lt;sup>27</sup> Directive 2009/31/EC, OJ L140/114, 5.6.2009

*Shortfalls:* Quantifiable targets, such as the renewable energy target of 12% of total energy use by  $2010^{28}$ , were more aspirational in nature and were more difficult to achieve. In addition, the increases in GHG emissions in the transport sector continue to be closely linked to economic growth<sup>11</sup>. Emissions from hydro-fluorocarbons also increased between 1990 and  $2008^{11}$  but remain unregulated internationally.

*Lessons learned:* The 6EAP contributed to increased public interest in the issue. However, what proved to be more important was the ability to make a clear cost and benefits case for action, as well as political commitment at EU Heads of State level to key policy objectives.

#### **3.5.** International issues

*Contribution:* The 6<sup>th</sup> EAP reiterated EU commitments (a) to integrate environmental considerations into all EU external relations and (b) to the external dimension of the EU Sustainable Development Strategy.

Achievements: The EU's international commitments under the Convention on Biological Diversity and the 2010 Nagoya agreement on biodiversity targets recently helped to push forward action on biodiversity at the international level, and some other Multilateral Environmental Agreements, such as the PIC Rotterdam Convention<sup>29</sup> and the POPs Stockholm Convention<sup>30</sup>, have had notable success. The EU has also actively promoted coordination between climate change and biodiversity at international level. Sustainable development chapters have been included in free trade agreements and lower barriers to trade in environmental goods and services have been pursued. Last but not least, the EU has had a strong global impact via its environmental legislation, as countries exporting to the EU have had to adopt EU product standards.

*Shortfalls:* Despite the EU's efforts to strengthen multi-lateral cooperation and demonstrate its commitment to international conventions and agreements, little progress was made towards improved global environmental governance. Although environmental concerns were promoted in the EU's trade relations policies, they could have been better integrated into core issues such as access to markets in trade agreements. Integrating the environmental dimension into development aid was too dependent on the priority attributed to it by beneficiary countries.

*Lessons learned*: Environmental challenges, which are increasingly global, require a more cohesive and focused effort within the EU so that it can play its role more effectively in shaping international policy and continuing to strive for better global environmental governance. An agreed vision setting out key objectives should be the starting point for future EU action to tackle global and regional environmental problems. This would help to mobilise limited financial resources in the optimum way. The EU's growing external footprint<sup>31</sup> must be considered along with the effectiveness of the environmental dimension in aid policies. More could and should be done to raise awareness of the economic costs and benefits of environmental issues, and the costs of inaction. The EU should also promote the "green

<sup>&</sup>lt;sup>28</sup> Directive 2001/77EC OJ L 283, 27.10.2001

<sup>&</sup>lt;sup>29</sup> Convention on the Prior Informed Consent (PIC) Procedure for Certain Hazardous Chamicals and Pesticides in International Trade, Council Decision on conclusion OJ L 063, 6.3.2003

<sup>&</sup>lt;sup>30</sup> Convention on Persistent Organic Pollutants (POPs), Council Decision on conclusion, 14.10.2004

<sup>&</sup>lt;sup>31</sup> A comparison between human demand and the Earth's ecological capacity to regenerate, e.g. the water footprint measures the total amount of water used to produce good s and services consumed.

economy" at global level, integrating environmental, social and economic aspects such as poverty alleviation.

#### 4. THE EFFECTIVENESS OF THE STRATEGIC APPROACHES AND INSTRUMENTS

In addition to the priority areas above, the  $6^{th}$  EAP refers to a range of policy-making approaches and instruments including coherence and integration, finance and implementation and enforcement. These are assessed below.

*Contribution:* The 6<sup>th</sup> EAP complemented the Lisbon Strategy<sup>32</sup> and the Sustainable Development Strategy<sup>33</sup> and focused in particular on integrating environmental concerns in all policy areas, notably through the Thematic Strategies. It highlighted the need for mainstreaming environmental expenditure and financing the Natura 2000 network. Sixteen percent of the Union's multi-annual budget for  $2007-2013^{34}$ , which covers the second half of the 6<sup>th</sup> EAP, is nominally allocated to supporting environmental objectives including the dedicated LIFE programme<sup>35</sup>.

The  $6^{th}$  EAP strongly encouraged and promoted principles and instruments for better policymaking, in particular integrated impact assessments and increased use of market-based instruments. It also highlighted the importance of solid scientific foundations for policy making.

*Achievements:* The 6<sup>th</sup> EAP aimed for coherence throughout the EU environment policy cycle itself, addressing objectives, instruments, implementation and - though difficult to measure - outcomes. The Thematic Strategies in particular contributed significantly to coherence within the Programme's priority areas, either by closing important gaps such as for the marine and urban environments, soil and resources, or by addressing smaller, more specific lacunae in existing measures, e.g. air, pesticides, waste prevention and recycling.

With regard to integration, the 6<sup>th</sup> EAP helped to guide the ongoing process of environmental integration in reforms of the CAP, CFP and CP. Forestry actions were also pursued, culminating in the 2010 Green Paper on forest protection and information.

To improve the implementation of environmental legislation the Commission deployed efforts ranging from greater emphasis on *prevention* of breaches to more strategic enforcement activities, such as focusing on fundamental or systemic infringements. The Environmental Liability Directive encourages the provision of financial security to remedy environmental damage.

More substantial funding was made available from Cohesion Policy funds<sup>36</sup> for various investments into the environment such as sustainable energy, biodiversity and nature protection or waste and water infrastructure, and from agricultural funds for better environmental performance. The 6<sup>th</sup> and 7<sup>th</sup> RTD Framework Programmes<sup>37</sup> also increasingly

<sup>&</sup>lt;sup>32</sup> COM (2005) 24

<sup>&</sup>lt;sup>33</sup> COM (2005) 97

<sup>&</sup>lt;sup>34</sup> COM (2004) 487

<sup>&</sup>lt;sup>35</sup> OJ L 149 9.6.2007

In the 2007-13 programming period approximately one-third (€ 105 billion) of the total Cohesion Policy funds will be directly or indirectly invested into the environment
<sup>37</sup> Desiring 1513/2002/EC and 1082/2006/EC

<sup>&</sup>lt;sup>37</sup> Decisions 1513/2002/EC and 1982/2006/EC

addressed sustainable development and the environment. The LIFE programme, despite its limited size, has had a visible impact on supporting implementation of the 6<sup>th</sup> EAP and has enabled targeted efforts in support of environment policy. The Environmental Compliance Assistance Programme (ECAP) offers specific help to small and medium-sized enterprises. Internationally, the Commission dedicated funds from a development aid instrument<sup>38</sup> for the 2007–2013 period, and from geographic cooperation programmes. Some progress, albeit limited, was also made on removing Environmentally Harmful Subsidies during reviews of the CFP and in the transport sector and more recently in the coal sector.

Different sets of indicators have been developed over time to strengthen the knowledge base. The five-yearly SOER Reports from the EEA have provided essential stock-taking while the Commission's Annual Environment Policy Reviews<sup>39</sup> also give regular information. In addition, the implementation of INSPIRE<sup>40</sup> and the further development of SEIS will improve environment information systems in coming years.

*Shortfalls:* Although it was also flagged at the end of the 5<sup>th</sup> EAP, and despite some progress, more needs to be done to improve coherence between the different strands of EU policy. Over-exploitation of the marine environment and in particular fisheries remains a problem. Transport continues to impose a significant environmental burden and environmental pressures from unsustainable consumption and production continue to grow.

Member States could still considerably improve their implementation record. The 6<sup>th</sup> EAP provided predictability on forthcoming initiatives in order for Member States and those involved in implementing legislation to be better prepared. However, this did not seem to happen: environmental infringement procedures still account for approximately one fifth of all open cases for non-communication, non-conformity or bad application of EU legislation. Implementation has been particularly problematic in the nature conservation, waste and water areas which accounted for approximately two-thirds of EU environmental infringement cases in 2010.

The political debate on the 6<sup>th</sup> EAP in co-decision took place in the aftermath of the financial framework debate. This had already established the broad lines of the mainstream budget for the first half of the programme until 2006, which was not optimal. The effective translation of development aid and geographic cooperation programme funds into environmental programmes/projects in beneficiary countries has yet to be assessed.

Despite recent positive developments, environmental information, in particular official data and statistics, is still incomplete and not always available on time. Measures to phase out environmentally harmful subsidies did not proceed as far as had been initially hoped for and the potential to orient taxation to promote better sustainability has not been exploited. While market-based instruments have been exploited in some sectors, notably through the greenhouse gas emission trading system, their full potential remains to be tapped.

*Lessons learned:* The changing nature of environmental challenges requires better coherence from policy formulation to delivery, including at Member State level, both between priority areas, e.g. climate change and air policy, and in other environmentally important sectors.

<sup>&</sup>lt;sup>38</sup> CEC (2007) Thematic Strategy for the Environment and Sustainable Management of Natural Resources (ENRTP)

<sup>&</sup>lt;sup>39</sup> COM (2009) 304

<sup>&</sup>lt;sup>40</sup> OJ L 108 25.4.2007

Trade-offs implicit in policy development could have been made more visible, e.g. the effects of bio-energy production, or the negative impacts of renewable hydropower on many water bodies.

Poor implementation of environmental legislation undermines the achievement of objectives and the credibility of environment policy, and does not help to secure the commitment of other sectors to better performance. Commission experience points to weaknesses in the EUwide environmental governance structure, and inadequacies in the information-related provisions of environmental legislation and other EU legislation, in monitoring and in inspections.

Maximising the effectiveness of financing from programmes whose primary objective is not environmental protection requires constant scrutiny. Given the pressure on public budgets, the possibility to mobilise private sector capital needs to be addressed adequately and sufficiently early in EU environment policy development. Moreover, those policies with a clear added value in creating a green economy and that can be delivered in the short/medium term should be prioritised, e.g. Green Public Procurement. Further steps towards reform of environmental harmful subsidies are also needed.

A more extensive environmental knowledge base is required together with a better understanding of the drivers and barriers to improvements and implementation of legislation.

Efforts to support eco-innovation in Europe should be reinforced to address barriers to market uptake of promising research results.

# 5. CHALLENGES FOR THE FUTURE

The principal pillars of environment policy and legislation, with the exception of soil, are now in place, although their full potential to deliver improvements has yet to materialise due to shortfalls in **implementation**.

During the lifespan of the  $6^{th}$  EAP, the global economic order has been reshaped. New economic actors are emerging, and as the global population grows, increasing demand for resources is putting more pressure on the environment. The EU has expanded through its enlargements during this period, and so is increasingly dependent on imported resources<sup>41</sup>.

Traditional environment policy still has a very important role to play in protecting the environment. But changing circumstances and the increasingly **interlinked** nature of environmental challenges imply a need to be flexible and to adapt.

The underlying key challenge for future environment policy is to evolve from *remediation* to *prevention* of degradation, and to help further integrate the environment in all relevant policies. In this context a longer term **vision** would provide a sense of assurance for policy direction while not compromising the need to reflect changing circumstances in the interim.

The Europe 2020 strategy envisages transformation to a **green**, **resource-efficient**, **competitive and low-carbon economy** as a potential new paradigm for sustainable economic growth. Achieving similar gains for resource productivity in future decades, as in past decades

<sup>41</sup> 

<sup>(</sup>up more than 30% from 1999 to 2008, according to EEA SOER 2010)

for labour productivity, will reduce EU dependency on raw materials and natural resources. Using land more sustainably will reduce pressures on ecosystems and the services they provide. Equally, technological developments and innovation, and in particular eco-design, will help respond to these challenges and lead to more sustainable growth than in the past.

**Internationally**, the EU should also leverage its potential as a marketplace of some 500 million people with strict environmental standards and related skills and products. It can thus promote sustainable green growth beyond its borders, including among the beneficiaries of EU aid, while continuing to strive for better global environmental governance. This is likely to require paradigm shifts in international environmental governance based on sound science-based policy decisions. **Integrating** environmental and low-carbon considerations into business models in other sectors, and ensuring coherence from policy formulation through to implementation are essential. Obstacles to proper implementation of existing legislation need to be addressed, in particular governance issues at all levels in Member States, in order to protect the environment and limit negative consequences on public health.

Environmental pressures are increasingly global and systemic in nature. Because of the complex inter-linkages, we require a more extensive **knowledge base** to understand better the drivers and barriers, to justify the cost of action and inaction, and to develop reliable indicators to measure progress toward a sustainable future for the EU.

The potential to change the behaviour of **consumers**, both as individuals and as groups, and particularly in urban communities, in order to ease pressures on the environment, must also be fully examined<sup>42</sup>. The use of market-based instruments to mobilise more sustainable consumption patterns should be expanded. In addition, efforts to remove environmentally harmful subsidies should continue.

In the future, given the pressures on public budgets, environmental improvements will increasingly depend on a mix of public and private sector **financing.** Setting environmental objectives and deciding in parallel on the extent to which they can be publicly and privately funded would provide a greater degree of certainty that they would be achieved. This implies that environment policy planning should be better aligned with the multi-annual financing frameworks, since these set the publicly funded financial envelopes at EU level and determine the needs for co-financing in other policy domains on whose actions environmental outcomes increasingly depend.

# 6. CONCLUSIONS

The results of this assessment show that on balance the 6<sup>th</sup> EAP helped to provide environment policy an overarching framework for a decade during which environmental legislation was consolidated and completed to cover almost all areas of environment, with the exception of soil. Adoption by co-decision has been seen by stakeholders as giving it more legitimacy and helped to create a wider sense of ownership for subsequent policy proposals. But it also shows shortcomings and limitations: in particular, inclusion in the EAP is no guarantee that Member States are actually committed to these objectives.

Although the 6<sup>th</sup> EAP is in its final year, the Commission continues to pursue an ambitious environment policy that is now an integral part of the Europe 2020 Strategy for smart,

<sup>42</sup> 

http://ec.europa.eu/consumers/behavioural\_economics

sustainable and inclusive growth. Policy orientations have been adopted on climate, transport and biodiversity. Others are expected later this year on resource efficiency and initiatives in the areas of water, air pollution, waste legislation and sustainable consumption and production are foreseen for the next one to two years. Against this background, the Commission will consider how a new environment action programme could best provide added value in the rapidly evolving context for environment policy.