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REPORT

on environment policy and sustainable development: preparing for the
Gothenburg European Council
(2000/2322(INI))

Committee on the Environment, Public Health and Consumer Policy

Rapporteur: Anneli Hulthén

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PROCEDURAL PAGE

At the sitting of 18 January 2001 the President of Parliament announced that the Committee on the Environment, Public Health and Consumer Policy had been authorised to draw up an own-initiative report, pursuant to Rule 163 of the Rules of Procedure, on environment policy and sustainable development: preparing for the Gothenburg European Council.

At the sitting of 15 March 2001 the President of Parliament announced that she had also referred the matter to the Committee on Economic and Monetary Affairs for its opinion.

At the sitting of 3 May 2001 the President of Parliament announced that she had also referred the proposal to the the Committee on Employment and Social Affairs for its opinion.

The Committee on the Environment, Public Health and Consumer Policy had appointed Anneli Hulthén rapporteur at its meeting of 24 January 2001.

The committee considered the draft report at its meetings of 26 April and 14 May 2001.

At the last meeting it adopted the motion for a resolution by 42 votes to 0, with 1 abstention.

The following were present for the vote: Caroline F. Jackson, chairman; Guido Sacconi and Alexander de Roo, vice-chairmen; Anneli Hulthén, rapporteur; Maria del Pilar Ayuso González, Hans Blokland, David Robert Bowe, Niels Busk (for Jules Maaten), Dorette Corbey, Chris Davies, Avril Doyle, Anne Ferreira, Karl-Heinz Florenz, Cristina García Orcoyen Tormo, Laura González Álvarez, Robert Goodwill, Françoise D. Grossetête, Cristina Gutiérrez Cortines, Marie Anne Isler Béguin, Eija-Riitta Anneli Korhola, Bernd Lange, Peter Liese, Torben Lund, Minerva Melpomeni Malliori, Jorge Moreira Da Silva, Rosemarie Müller, Riitta Myller, Giuseppe Nisticò, Béatrice Patrie, Marit Paulsen, Jean Saint-Josse, Jacques Santkin (for Carlos Lage), Karin Scheele, Horst Schnellhardt, Inger Schörling, Jonas Sjöstedt, Renate Sommer (for Per-Arne Arvidsson), Catherine Stihler, Robert William Sturdy (for John Bowis), Nicole Thomas-Mauro, Antonios Trakatellis, Roseline Vachetta, Phillip Whitehead.

The opinion of the Committee on Employment and Social Affairs is attached; the Committee on Economic and Monetary Affairs decided on 26 April 2001 not to deliver an opinion.

The report was tabled on 15 May 2001.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

MOTION FOR A RESOLUTION

European Parliament resolution on environment policy and sustainable development: preparing for the Gothenburg European Council (2000/2322(INI))

The European Parliament,

- having regard to the 5th Environment Action Programme (1992-1999) 'Towards sustainability'¹,
- having regard to the progress report from the Commission on the implementation of the European Community programme of policy and action in relation to the environment and sustainable development 'Towards sustainability' (COM(1995) 624)²,
- having regard to its resolution of 20 October 1998 on the communication from the Commission to the Council and the European Parliament on a European Community biodiversity strategy (COM(1998) 42)³,
- having regard to the communications from the Commission entitled 'Directions towards sustainable agriculture' (COM (1999) 22)⁴ and 'Indicators for the integration of environmental concerns into the common agricultural policy' (COM (2000) 20)⁵,
- having regard to the Council Directive on waste (75/442/EEC)⁶,
- having regard to the EU water framework directive (Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy)⁷,
- having regard to Agenda 2000 on agriculture and basic environmental protection requirements, where Member States are required to take appropriate environmental measures in view of the agricultural land used or the production concerned,
- having regard to Agenda 2000 on the Structural Funds, where environmental protection and improvement are now included among the objectives of the Structural Funds and regional development strategies, designed by Member States, must contribute to both the further building up of environmental considerations into priority sectors such as transport, energy agriculture, industry and tourism,
- having regard to the forthcoming Decision of the European Parliament and the Council on a Community framework for cooperation to promote sustainable urban development (1999/0233/COD)⁸,
- having regard to the White Paper on a strategy for a future chemicals policy (COM (2001)

¹ OJ C 138, 17.05.1993

² Not yet published in the Official Journal.

³ OJ C 341, 09.11.1998.

⁴ OJ C 173, 19.06.1999.

⁵ Not yet published in the Official Journal.

⁶ OJ L 194, 25.07.1975.

⁷ OJ L 327, 22.12.2000, pp.1-73.

⁸ Not yet published in the Official Journal.

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- having regard to the Green Paper on integrated product policy (COM (2001) 68)² ,
 - having regard to the communication from the Commission - Ten years after Rio: preparing for the World Summit on Sustainable Development in 2002 (COM (2001) 53)³ ,
 - having regard to Rule 163 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Consumer Policy and the opinion of the Committee on Employment and Social Affairs (A5-0171/2001),
- A. whereas the Amsterdam Treaty of 1997 regards 'environmental integration' as a key principle as enshrined in Article 6, which specifically requires that 'environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities referred to in Article 3, in particular with a view to promoting sustainable development'; whereas the Amsterdam Treaty of 1997 reflects all three dimensions of sustainability in Article 2 which defines the paramount objectives of the Union,
- B. Whereas the Cardiff European Council (June 1998) called upon all formations of the Council to establish their own strategies for achieving environmental integration and sustainable development within their respective policy areas,
- C. whereas the Helsinki European Council (December 1999) brought forth a process aimed at defining global strategies in favour of environmental integration and sustainable development and the Commission was invited to present a long-term strategy including economic, social and environmental aspects for the Gothenburg Council in June 2001,
- D. whereas the Lisbon Strategy will have to ensure environmental mainstreaming by integrating the environmental dimension in the policies involved,
- E. whereas the Commission has drawn up a consultation paper on sustainable development,
- F. whereas at the Earth Summit in 1992, governments agreed that the main challenge for industrialised countries is to change their unsustainable patterns of production and consumption.
- G. whereas, ten years after the Rio Summit, we have not succeeded in halting the unsustainable trends, of which climate change is one of the most pronounced,
- H. whereas in certain areas EU policies do not contribute sufficiently to the practical introduction of sustainable development, and the conditions for granting European

¹ Not yet published in the Official Journal.

² Not yet published in the Official Journal.

³ Not yet published in the Official Journal.

subsidies must take more account of this dimension,

- I. Whereas sustainable development is a matter of solidarity between generations,
- J. whereas poverty and environmental degradation frequently go hand in hand, so that sustainable development is a matter of solidarity between developed and developing countries,
- K. whereas the Commission has not taken account of the global aspect in its consultation paper,
- L. whereas we need a different form of growth, based on responsible and efficient use of natural resources, on respect for the environment, on modes of production that comply with the imperative requirements of public health and consumer safety and protection, and the 'polluter pays' and precautionary principles must be the fundamental guidelines,
- M. whereas the precautionary principle must be affirmed as the principle governing public policies in incomplete information,
- N. whereas sustainable development stimulates the creation of new jobs, e.g. in research and development in the energy sector aimed at developing more efficient technologies,
- O. whereas lifelong learning is necessary to give people the chance to adapt to changes in the labour market,
- P. whereas specific targets, tools, monitoring systems and follow-up are needed if sustainable development is to be achieved; whereas the Helsinki European Council has specifically asked for a regular monitoring, evaluation and follow-up mechanism,
- Q. whereas the Commission has taken the economic dimension as the point of departure for its consultation paper,
- R. whereas the Commission has chosen to address the strategy at Presidential level,
- S. whereas the Commission has chosen to focus on six topics, namely:
 - * public health
 - * climate change and clean energy
 - * management of natural resources
 - * poverty and social exclusion
 - * demography and ageing
 - * mobility, land use and territorial development,
- T. whereas the Cardiff process, whereby environmental aspects are integrated into other policy areas, is a fundamental part of the sustainable development strategy, and the strategy must at the same time be the driving force behind further integration,
- U. whereas the strategy should set out medium- and long-term targets,

- V. whereas the aim is not to create new processes but to coordinate existing processes with the aim of developing a coherent policy,
- W. whereas the Union's sustainable development strategy must be compatible with the Lisbon strategy as far as the social and economic dimension is concerned,
1. Welcomes the Commission's consultation paper for the preparation of a European Union strategy for sustainable development but regrets that due to lack of time the European Parliament is left out of its discussion and will have no possibility to comment on the specific proposals of the Sustainable Development Strategy, in time for the Gothenburg Summit;
 2. Welcomes the fact that the Commission has addressed sustainable development at the Presidential level, as the sustainable development strategy is entirely dependent on the importance which the political leadership attaches to it;
 3. Considers that the strategy must be the result of an open process involving the citizens of Europe and that it is especially important that the strategy makes it clear what the benefits are for ordinary citizens and different stakeholders;
 4. Furthermore, considers that, in order to enable citizens to be adequately informed and involved in this and other policy processing, the Aarhus convention on access to information, public participation and access to justice in environmental matters, should be fully implemented;
 5. Asks the Commission to heighten the awareness of European consumers and the public as to the ecological and social impacts of their consumption patterns;
 6. Stresses that the environmental dimension must be the point of departure for any sustainable development strategy and that the Sixth Environmental Action Programme forms the basis;
 7. Considers that global responsibility must be a key feature of the strategy, which must make an important contribution to the Rio +10 Summit to be held in Johannesburg in 2002; underlines the importance of a thorough public debate on the global dimension of sustainable development, involving the civil society but also national parliaments and the European Parliament to prepare the EU contribution at the Rio+10 conference;
 8. Notes that it is essential for a global strategy of sustainability that the social and economic problems of the developing countries should also be addressed; notes that it is just as important in this connection to combat poverty and secure access to education and medical care for all people as to launch programmes to reduce or cancel debts;
 9. Calls for specific targets to be set for reversing unsustainable trends and for such targets to be measurable; takes the view that the targets must be consistent with the provisions of the Sixth Environmental Action Programme, in particular those concerning climate change and ozone, to which the Union has already committed itself; considers that the strategy should extend over a generation, e.g. a 25-year period, and that five-yearly reviews could provide the opportunity for detailed

analyses;

10. Welcomes the work on developing indicators for meaningful progress towards integration by the Commission and relevant institutions such as the EEA and Eurostat; considers that indicators and targets must be used for the follow-up and review of the sustainable development agenda established in Gothenburg; takes the view that the ecological footprint should become a useful indicator for the SDS;
11. Takes the view that the European Council should set up a 'Sustainability Council' which should meet every spring to revise short-term priorities and sustainability indicators; considers that the requirements for the implementation of this 'enhanced' Lisbon strategy should be integrated in the EU enlargement strategy and that the sustainability indicators should be used by the Commission for its regular reports on the candidate countries;
12. Takes the view that an independent 'Sustainability Council' also should be established to fulfil the Helsinki European Council mandate of monitoring, evaluation and follow-up on the basis of political priorities and sustainability indicators; this consultation body should reflect the different stakeholder interests in the European Union and the accession countries and report regularly to Council and Parliament;
13. Notes that the Cardiff process has been instrumental in supporting new environmental integration in the CEC, Member States as well as the Council;
14. Notes that the Cardiff process should continue as a separate key vehicle to deliver Article 6 and that the sustainable development strategy must provide momentum for the continuing work;
15. Calls on the Council to develop a standard set of guidelines for the proper evaluation, follow-up and monitoring of the Cardiff process and the sustainable development process;
16. Notes that the current Cardiff process lacks a vision and urges that capacity be developed within the European institutions to coordinate the creation of a vision to support the Cardiff process;
17. Calls for the broad economic policy guidelines to fully incorporate the objectives of environmental integration, making use of a reliable set of indicators that is yet to be developed;
18. Notes that the basis for improving the Lisbon structural indicators, reflecting the economic, social and ecological dimensions of sustainability, is given by the indicators of the European Environmental Agency, The European Foundation for the Improvement of Living and Working Conditions, Eurostat and the European Central Bank. Their monitoring should be integrated for the regular synthesis reporting to the spring European Councils and be the basis for regular reports on the candidate countries;
19. Calls on the Commission and the European Council to define and outline – in the context of the EU Sustainable Development strategy - the most urgent needs for

reform of existing EU policies and set up a time frame and general aims for these reforms (e.g. CAP, Common Fisheries Policies, Structural Funds) during the Gothenburg Summit;

20. Urges the Commission and the European Council to agree on some concrete first steps which can be easily and immediately put into practice – such as sustainability criteria for public procurement – to illustrate the vision of the Sustainable Development Strategy to the general public and to make the EU contribution at the Rio+10 conference more credible;
21. Calls for the greening of the economy, by environmental tax reform, the removal of subsidies to environmentally harmful activities, introduction of financial incentives for environmentally friendly activities, by using public procurement explicitly for environmental and social purposes, by the introduction of environmental liability and producers responsibility; demands specifically for EU public procurement rules environmental and social criteria, which should be properly audited;
22. Calls on the Commission to further develop the Union's environmental management and audit schemes;
23. Notes that active participation of science and industry is essential for the long-term preservation of intact ecosystems;
24. Takes the view that only products and processes permitted within the Union should be permitted for export;
25. Considers that the EU should continue to work for greater legal clarity on the relationship between WTO rules and trade measures taken pursuant to Multilateral Environmental Agreements. The two legal systems must play a mutually supportive role in favour of sustainable development and the trade system must be able to support the global environmental co-operation. In accordance with the Council Resolution, adopted on the 4 December 2000, the EU should also work for the recognition of the Precautionary Principle in the WTO and make sure that it is applied in a predictable, transparent, non-discriminatory way, based on objective and scientific criteria;
26. Stresses that a strategy for sustainable development must clearly affirm that it sets itself the task of reforming the World Trade Organisation so as to subordinate its activities to the objectives of sustainable development and international commitments to protect the environment;
27. Asks the Commission to promote corporate social responsibility in European companies and to set up a framework to green domestic and overseas investments by EU companies and financial institutions;
28. Establishes that sustainable development encompasses environmental, social and economic dimensions; stresses that there is no contradiction but a genuine complementarity between the objectives of creating jobs, economic development and sustainable development strategies; such development can play an important role in creating new models and methods of production; reiterates that the local economy has a vital role to play in reducing transport requirements, maintaining social cohesion,

reducing imports and assisting in the development of more flexible working patterns and therefore urges the Council and the Commission to maintain the value of the budget line for local employment initiatives;

29. Underlines the significance of measures to promote and encourage quality of life including the development of more and better jobs; stresses in this context the importance of the Social Agenda as an element in a Sustainable Development Strategy; emphasizes that a resource efficient sustainable economy also means enabling people to work efficiently through effective consultation and participation in the work-place, reduced working hours and good quality work in safe working conditions supported by an effective system of social security; calls for rapid progress to be made on the initial steps taken in this direction at the Stockholm Summit;
30. Requires that the environmental dimension be considered in all training programmes funded by the EU through the ESF and Community initiatives such as EQUAL ; requests that in the indicators used to arrive at qualitative assessments of educational attainment in the EU, the role of education in environmental factors should be included as this provides the basis for an environmentally aware society;
31. Considers that specific vocational qualifications corresponding to new and updated job profiles should be developed and that assistance should be given in adapting existing ones; considers that a wide range of training programmes for new skills, such as organic farming and urban maintenance, should be developed;
32. Stresses the need for a comprehensive and coordinated approach to poverty and social exclusion; maintains that social inclusion is an essential element of sustainable development and that a minimum income and the ability to have access to essential services of general interest are key elements in such development; therefore requires that these factors are taken into consideration in any further liberalisation of services of general interest;
33. Calls on the Commission to review the Common Agricultural Policy in 2002 with the aim of bringing about consumer-centred sustainable farming that produces safe food and remotivates the agricultural community which has a fundamental role to play both from a food point of view and from the point of view of rural development;
34. Takes the view that environmental concerns, species conservation and the prevention of overfishing must be included amongst the goals of the common fisheries policy and that this could be done when the policy is reviewed in 2002; considers that a coherent policy is also needed to prevent pollution of the sea;
35. Notes the need for the coordination of environment and energy policy and takes the view that, in the long term, energy policy must be drawn up at Community level;
36. Considers it essential that the topic of 'Sustainable Food Supply' should be added to the six fundamental topics of the European strategy for sustainable development proposed by the Commission;
37. Calls on the Commission to complete the European climate change programme as soon as possible and implement emissions trading for the Union;

38. Notes that non-renewable raw materials are being plundered and that without an economical use of these resources global environmental problems will soon be insoluble; takes the view that renewable energy sources should therefore be encouraged, with a view to meeting a target of 12% of energy from renewable sources by 2010 and 50% by 2040;
39. Calls upon the Commission to come with proposals for programmes and regulation which aim to increase the resource and energy efficiency of production and consumption by a factor 10 by 2025;
40. Considers that the aim should be to replace, within ten years, the motor vehicles currently on the roads with motor vehicles that all conform at least to the environmental standard which the best vehicles now meet and to stimulate competition amongst vehicle manufacturers and energy companies in the switch from fossil fuels to renewable fuels in new motor vehicles;
41. Considers that the aim should be to realise stabilisation of total distances in terms of mileage of motorised transport, while realising a transition to an access oriented approach with optimised land-use planning, application of clean and intelligent technologies and support for regionally and locally oriented production and consumption patterns where applicable;
42. Calls for a change in transport policy to reduce long-distance transports on road along with an increase in investments in public transports and rail systems;
43. Takes the view that a new single system based on the precautionary and substitution principles should be developed for the testing, evaluation and risk management of new and existing chemicals substances, and that they should be tested by 2012; considers that a separate strategy for pesticides is also necessary and that the goal must be to eliminate gradually the use of chemicals (e.g. those which are persistent, bioaccumulative or toxic) on their own or in other products, so that the environment can be rid of these substances as far as possible by 2020;
44. Takes the view that safeguarding biological diversity must be an objective as regards all forms of land use;
45. Calls on the Commission to involve non-governmental organisations more closely in developing sustainability strategies and therefore to consult them comprehensively;
46. Takes the view that the Gothenburg Summit should establish an agenda for sustainable development; considers that the challenge is to integrate and coordinate processes, so that they all aim in the same direction, not to create new ones; considers that, in order to have a real impact, the strategy must be made concrete and the European Council should continue to lead the ensuing process;
47. Calls on the Gothenburg Summit to identify a Summit during the Danish Presidency in 2002 to follow up the Cardiff integration process;
48. Requests that adequate budgetary means be made available for actions implementing the future sustainable development strategy and the Cardiff environmental integration

process;

49. Calls for the introduction of a binding environmental impact assessment for all decisions and legislative proposals by the European Commission and publication of the results;
50. Calls on the European Parliament also to regularly monitor the progress in the implementation of sustainability in EU policies, i.e. involving each parliamentary committee in a yearly sustainability assessment exercise on the policies on which it is competent for;
51. Instructs its President to review Parliament's own methods of working with a view to devising working practices which promote sustainable development;
52. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

Background

The expression 'sustainable development' was coined in 1987 in a report entitled 'Our Common Future' by the World Commission on Environment and Development, otherwise known as the Brundtland Commission. The message was clear. Each generation has a responsibility to give future generations the chance to enjoy the same quality of life as that it has enjoyed. The concept of sustainability was founded on three dimensions: economic, social and environmental. The UN Extraordinary General Assembly in 1997 set as an aim that all countries should have their own sustainability strategy by 2002, when the UN was to hold its general assembly in Johannesburg, South Africa. The desire to see develop a sustainability strategy for the European Union became clear at the Helsinki Summit in 1999, which tasked the Commission with drawing up a common strategy drawing the three dimensions together.

Sustainable development is thus the topic that is going to dominate the European Union's summit in Gothenburg in June 2001. As already stated, the concept is not a new one; it has been used frequently since 1987, initially with great enthusiasm, though often without practical results. It is therefore hoped that the Gothenburg Summit will be a give fresh impetus to sustainable development for the Union and its relations with the rest of the world, not only in words but also in deeds.

Necessary features of a sustainability strategy

Any such strategy should take the environmental dimension as its point of departure. Sound and sustainable management of the Earth's resources is essential for the survival of mankind. The generation currently in charge of running things has a moral responsibility to see to it that development ensures the best possible conditions for future generations, as pointed out in the Brundtland report. The Union's Sixth Environmental Action Programme must provide the environmental support for the sustainable development strategy. This will help provide concrete shape for the environmental dimension. The aims of the Sixth Environment Action Programme apply for ten years, and this could provide a means of verifying compliance with the sustainability strategy whilst also extending the strategy's mandate. However, the next ten years are particularly significant, as the Union is set to experience its biggest ever enlargement during that period.

Global responsibility must be a key feature of the strategy. The Union cannot resolve the problems single-handedly whilst playing its role of influencing the rest of the world. The strategy should therefore also form part of the Union's contribution to the UN's Rio +10 Summit which is to be held in Johannesburg in 2002. The Union must make sure that there is coordination between internal and external policy areas.

The strategy's significance and its implementation depend on the importance the political leadership attaches to it. It is therefore absolutely essential that the highest political priority be accorded to developing and implementing a sustainability strategy. In Articles 2 and 6 of the Treaty of Amsterdam, the European Union made it clear that environmental issues are of importance in the Union. In order that the substance of those articles is reflected in all Union policy areas, it is necessary to have specific overall and subsidiary goals, relevant policy instruments, and follow-up and monitoring of developments. Joint indicators must be

established and trends must be measured. The strategy's goals should be ones which can be reasonably achieved in the space of a single generation. i.e. 25 years. All three dimensions, i.e. economic, social and environmental, must be integrated into all decision-making processes, both short- and long-term. An analysis should be made of the impact, both positive and negative, of all aspects of current policies on what the Union wishes to achieve with its sustainable development strategy. Assessments should be made of where conflicts and benefits could arise, so that the right decisions are taken. A cost-benefit analysis of policy measures is fundamental and very important for identifying what instruments and measures would be best. Obstacles inherent in the Union's own structures must be removed, and administrative systems must be made more effective. The conclusions of the Gothenburg Summit must contain guidelines for follow-up and review. This should be carried out at every EU Spring Summit. Each component should be reviewed in detail at least every four years.

The Cardiff process, too, which the Council launched in 1998, is about integrating environmental concerns in other policy areas. This process must be a fundamental part of the strategy, which itself must be the driving force for further integration. By virtue of Article 6, this is a binding process of great importance. An assessment based on scientific analysis should be able to indicate the pros and cons for society as a whole when it comes to deciding whether or not to take action.

The strategy must be relevant to people's everyday lives, for without public participation and commitment, it could become no more than a political manifesto which bears no relation to reality. Dialogue and communication with individuals and organisations at local and regional levels is necessary, both when the strategy is drawn up and when it is implemented.

This own-initiative report by the Committee on the Environment, Public Health and Consumer Policy addresses all three dimensions but places the emphasis on the environmental dimension.

The economic dimension

In Lisbon in 2000, the European Council agreed on a new strategic goal for the Union, namely to be the most competitive and dynamic knowledge-based economy in the world, capable of economic growth with more and better jobs and greater social cohesion.

There is not necessarily any inherent conflict between economic growth and sound management of the environment. They should not be regarded as being opposites but rather be viewed in terms of how improved living standards and an improved environment can go hand in hand as a result of sound economic policy. Economic policy must be able to take account of the requirements both of producers and of consumers, and this requires the participation and consultation of all stakeholders. In order to ensure that the market works for sustainable development, there must be a clear focus together with positive incentives for renewal. There is a need for economic reforms which help to effectively exploit competition amongst firms, so as to speed up the development of better and sustainable solutions. Fiscal policy is a key instrument, as are EU subsidies.

The maintenance of favourable economic development will require budgetary processes which make possible structurally balanced budgets capable of coping with the demographic challenge the Union is facing in the shape of an ageing population. This requires an overhaul

of the pensions system, health and medical care systems and care of the elderly, and a better deal for families with children. Increased labour market participation is also a must. Sustainable development requires a monetary policy which effectively maintains price stability and a commercial policy which is aimed at reducing barriers to trade with the rest of the world.

Economic and social development both depend on a properly functioning welfare system. Good standards of public health are also important for economic development and for a smooth-functioning labour market. Welfare systems must foster active participation in working life. Lifelong learning is a precondition for a flexible labour market which does not exclude groups of people from society.

A good business climate is one of the cornerstones of a sustainable economic model. Administrative burdens should be lessened in the business sector, especially for SMEs. However, this must not prevent them, too, from contributing in a constructive manner to achieving environmental sustainability. It is therefore necessary to promote cooperation and partnership with businesses in environmental issues. Businesses which are environmentally innovative must be encouraged, and it ought to be possible to develop a system for rewarding businesses for environment-friendly practices. There is a need to further develop the Union's environment management and audit schemes. An integrated product policy being drawn up by the Commission is an important part in communications with businesses in the Union, and there is also a need for the Union's free market to function in a sustainable manner, and for environmental liability legislation which establishes the polluter-pays and precautionary principles. To promote environment-friendly practices, EU competition rules should be overhauled so that they do not constitute obstacles to sustainable goods and services. As part of efforts to achieve environmentally sustainable development, it must be possible to apply market-based instruments other than legislation to a greater extent than at present. Better economic structures and policy instruments which permit the market to take proper account of environmental considerations need to be developed.

In order for there to be a functioning, sustainable market, consumers must be able to make free and informed choices. To send the correct signals, environment labelling must be used and prices must be set at levels which reflect the environmental impact of the goods and services concerned. It must be possible in public procurement transactions, which account for a large proportion of EU economic activity, to give priority to goods and services with a better environmental profile.

Shifting the tax burden, by putting up taxes on environmentally harmful activities and reducing tax on labour by the same amount so as not to increase the overall tax burden, could be one way for the Union to define sustainable development more clearly. The Union should also ensure that all subsidies which are paid in respect of its own activities that contribute to unsustainable environmental development are removed.

The global aspect of the Union's activities is key. Environmental considerations must be integrated in all areas of the Union's external relations. Sound environmental practice must be encouraged in the context of direct investments abroad and export credits. Trade agreements must be assessed and checked with regard to sustainable development before the Union signs up to them. The Union must aim to reach consensus at the international level on methods of assessing health and environmental risks and on risk management procedures, including the

precautionary principle.

The social dimension

Full employment is crucial for functioning welfare state. It was therefore laid down at the summit held in Stockholm in March 2001 that the total employment level would, as an initial target, be set at 67% for the Union as a whole. The Lisbon Summit has earlier stated that people were Europe's main asset and that they should be the focal of the Union's policies. Investment in people, e.g. in the form of better education and training, an improved quality of life and genuine opportunities to actively participate in society, make the Union more competitive and improve people's chances of being well-placed in the knowledge-based economy. It is also one way of reducing existing social problems. The cost of social exclusion is high, both for the individuals concerned and for society. It is a fact that the lowest income groups often fare worse in terms both of health and of environmental conditions than financially better-off groups.

Demographic trends in Europe also pose a growing challenge which will increase the care burden on the working population from 2010 onwards. This will put pressure on pension systems. Greater importance should therefore be attached to the social agenda adopted in Nice in 2000, and the European employment strategy should also be pursued and developed further.

Work towards sustainable social development in the Union should focus on equality between men and women so that it is possible for both sexes to have smooth-functioning family and working lives. Lifelong learning opportunities give men and women alike the chance, depending on their situations, to enter, return to or remain in employment. Lifelong learning is an effective tool for bridging the gap in terms of both knowledge and experience. Education policy must at the same time offer a good and broad basic education for everyone and higher education for more people than it does at present. If the quest for environmental sustainability is to be successful, education and training at all levels must impart knowledge of the environment.

Health is key component of the social dimension. How people feel and how long they live depends on a number of factors. Their living and working conditions play a crucial role. The Union should have a cohesive strategy for improving the health of its citizens. The aim should be to achieve a sharp reduction in the most obvious health risks such as smoking and high levels of alcohol consumption.

Housing is another important part of people's lives. Housing which is of good quality externally as well as internally also has an impact on health. Better house-building which takes environmental factors into account should be a goal for the Union. Better planning, the use of renewable materials and reduced use of chemicals should be guiding principles.

The environmental dimension

Unsustainable trends

The efforts that have been made to date to improve the environmental situation within the Union and throughout the world show that we have not been successful. Many trends indicate

unsustainable development which requires far-reaching measures to change the situation. Environmentally unsustainable trends are fostered by the persistence of the view that economic growth is generated by increased use of resources. If these trends are to be reversed and sustainable development achieved, then the link between increased use of resources and economic growth must be broken. We must change our approach and drastically change our patterns of consumption and production.

- Climate change is the biggest challenge of our age as research shows that temperatures have risen more sharply during the past few decades than previously. The planet's temperature has always changed but never so rapidly or so clearly in one direction as now. Changing temperatures will have major consequences for mankind, animals and plant life. Greenhouse gases which contribute to climate change also have other environmentally harmful effects, such as acidification and the formation of ground-level ozone. The depletion of the ozone layer is helping to amplify climate change. Emissions from the burning of fossil fuels cause health problems, especially in the Union's big cities. A radical change in fuel use is needed in order to alter current trends.

- The use of chemicals is another challenge for sustainable development. Chemical substances may damage genetic material, and the use of chemicals in farming and industry contributes to eutrophication and poses a threat to biological diversity. The consequences of the unchecked use of chemicals are a serious threat to both animals and humans.

- The depletion of biological diversity as a result of the excessive exploitation of natural resources and the unrestricted use of land and chemicals is reducing the chances future generations have of experiencing the diversity of nature and is creating imbalances in ecosystems. Reduced biological diversity is incompatible with sustainable development.

- The common agricultural policy and its focus on large-scale farming have shown themselves to have disadvantages for other sectors. Long-distance transport, the high use of chemicals and the intensive production of crops and animals are just some of them. Agriculture is responsible for substantial emissions into the atmosphere, water and land. The use of antibiotics could result in resistance and could be transmitted to humans. Parts of the Union's agricultural policy have adverse effects on sustainable global development.

- The common fisheries policy has similar characteristics. The depletion of marine resources and increasingly lower fish stocks clearly indicate the unsustainable situation. The situation in coastal areas is serious and poses a threat to the survival not only of species of fish but also of coastal communities.

Necessary changes

The Union's sustainable strategy must focus on reducing emissions of carbon dioxide. A European action plan for reducing greenhouse gases should be introduced, in which the Union's own transport and energy policies should play a decisive role. Environment policy and energy policy must be coordinated. The Kyoto Protocol targets should be seen as a first step towards reducing CO₂ emissions by 30-40% by 2040. In order to achieve the first objective of reducing emissions as provided for by the Kyoto Protocol, the details of the Commission's climate strategy should be fleshed out as soon as possible and put into practice together with the emissions trading system. The Union must increase the use of renewable

forms of energy, and this will require an increase in resources for research and for the development of existing technologies. The aim should be to obtain 12% of energy from renewable sources by 2010 and 50% by 2040. The Union must at the same time increase the energy efficiency of production methods and housing.

A tax on motor vehicle fuels should be introduced in order to reduce fuel consumption. Within ten years, the Union should have replaced the motor vehicles currently on the roads with vehicles that all at least conform to the environmental standard which the best vehicles meet now. The Union should encourage vehicle manufacturers and energy companies to compete with each other in finding alternatives to fossil fuels for the new vehicles. Investment in collective transport and rail systems is necessary, and this will require a new strategy for infrastructure, logistics and coordination.

A new chemicals policy must be introduced based essentially on the precautionary and substitution principles. New and existing substances must be tested by 2012 at the latest. The most dangerous chemicals which are persistent, bioaccumulative or toxic must be phased out by 2020. A special thematic strategy is required for pesticides. The overall aim must be to ensure that in the long term no chemicals can find their way into products on the market if they could have a harmful effect on the environment and health.

In order to achieve sustainable development what is needed is to aim for greater efficiency in all sectors, though the situation is virtually the opposite when it comes to the common agricultural policy, which must quickly provide for more extensive farming methods, with more arable and pasture land farmed organically. It ought to be possible to set targets concerning the proportion of land and/or livestock which must be certified organic. The CAP must be revised, the focus being on environmental sustainability and human and animal health whilst also having sound rural development as a basis. Such a revision should be carried out by 2002. By the end of five years, subsidies must no longer be paid in respect of activities that have an adverse effect on the environment. The common fisheries policy must be based on the same principles of sustainability. Environmental considerations, species conservation and the prevention of overfishing must be amongst its objectives. A coherent policy is needed to prevent pollution of the sea.

Safeguarding biological diversity must be an objective as regards all forms of land use. Strategies for protecting coastal ecosystems and the marine environment are most urgently needed, and the Habitats Directive must be complied with.

Effective methods of measurement are a precondition for ensuring that the goals set are achieved. It is therefore vital to develop indicators. The European Environment Agency has so far done a good job, for instance on compiling indicators for transport. It is important that this work be continued and further developed. More resources are therefore needed for research in this field.

Comments on the Commission's consultation paper

The Commission has chosen to forward its proposal for an EU sustainability strategy to Parliament in two parts. This approach, which in terms of timing is not well suited to allowing Parliament to consider the document in accordance with its normal procedures, means that this report can comment only on the section which the Committee on the Environment, Public

Health and Consumer Policy has so far seen. Reference is made in the other sections, i.e. the actual proposal, which we expect to reach us before the Gothenburg Summit, to the points and proposals mentioned above.

Firstly, the fact that the Commission has chosen to address the sustainability strategy at Presidential level is a welcome move. This confers greater political weight on the issue and improves the chances of its being reflected in all the Union's policy areas. Secondly, the Commission's analysis of the current policy and situation is thorough and frank. In several areas, it indicates the negative trends to which the Union's own policies are contributing and giving rise. Thirdly, the topics defined by the Commission and prioritised by the Swedish Presidency have been well chosen. Public health, climate change and clean energy, management of natural resources, poverty and social exclusion, ageing and demography and mobility, land use and territorial development.

The criticism that should be made of the Commission's choice of sectors is that there are a number of dimensions and sectors which are not addressed. It is impossible to consider sustainable development without viewing it in relation to the rest of the world and the global situation. The Commission's paper takes the economic dimension as its point of departure, which could mean that the choice of methods and goals is based on a predetermined framework. Cost-effective solutions are important but cannot be found before we have formulated the goals of sustainable development. And those goals cannot be based on what we consider nature to be capable of sustaining at present, but rather on a longer-term scientific analysis. There are limits to the extent to which we can exploit natural resources, and they are not negotiable. The environmental dimension must be the basis both for the analysis and for proposals. Long-term solutions that translate the content of the Brundtland report into reality are needed, rather than a reconstruction after the event.

The Commission should, as part of its continuing work, give serious consideration to how members of the public might participate in the ongoing process. This should include players at local and regional levels, for, after all, it is they who put into effect large parts of the Union's common legislation. More attention should also be devoted to developing relevant applicable indicators and methods of measurement. Another fundamental criterion is the sectoral analysis that is to be carried out, which must cover all EU policy areas.

26 April 2001

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on the Environment, Public Health and Consumer Policy

on environment policy and sustainable development: preparation for the Council meeting in Gothenburg

(2000/2322(INI))

Draftsperson: Jean Lambert

PROCEDURE

The Committee on Employment and Social Affairs appointed Jean Lambert draftsperson at its meeting of 5 April 2001.

It considered the draft opinion at its meetings of 25 April 2001.

At this meeting it adopted the following conclusions by 22 votes to 16, with 5 abstentions.

The following were present for the vote: Michel Rocard, chairman; Winfried Menrad, Marie-Thérèse Hermange and José Ribeiro e Castro, vice-chairmen; Jean Lambert, draftsperson; Sylviane H. Ainaridi, Elspeth Attwooll (for Elizabeth Lynne), María Antonia Avilés Perea, Regina Bastos, Philip Bushill-Matthews, Chantal Cauquil (for Arlette Laguiller), Alejandro Cercas, Luigi Cocilovo, Elisa Maria Damião, Proinsias De Rossa, Den Dover (for Raffaele Lombardo), Carlo Fatuzzo, Ilda Figueiredo, Hélène Flautre, Fiorella Ghilardotti, Marie-Hélène Gillig, Anne-Karin Glase, Stephen Hughes, Karin Jöns, Pii-Noora Kauppi (for Rodi Kratsa-Tsagaropoulou), Ioannis Koukiadis, Toine Manders (for Luciano Caveri), Thomas Mann, Mario Mantovani, Claude Moraes, Mauro Nobile, Manuel Pérez Álvarez, Bartho Pronk, Tokia Saïfi, Herman Schmid, Peter William Skinner (for Jan Andersson), Miet Smet, Ilkka Suominen, Helle Thorning-Schmidt, Bruno Trentin (for Harald Ettl), Ieke van den Burg, Anne E.M. Van Lancker and Barbara Weiler.

CONCLUSIONS

The Committee on Employment and Social Affairs calls on the Committee on the

Environment, Public Health and Consumer Policy, as the committee responsible, to incorporate the following points in its motion for a resolution:

1. establishes that sustainable development encompasses environmental, social and economic dimensions; stresses that there is no contradiction but a genuine complementarity between the objectives of creating jobs, economic development and sustainable development strategies; such development can play an important role in creating new models and methods of production; reiterates that the local economy has a vital role to play in reducing transport requirements, maintaining social cohesion, reducing imports and assisting in the development of more flexible working patterns and therefore urges the Council and the Commission to maintain the value of the budget line for local employment initiatives; demands specifically for EU public procurement rules environmental and social criteria, which should be properly audited;
2. stresses the need for a comprehensive and coordinated approach to poverty and social exclusion; maintains that social inclusion is an essential element of sustainable development and that a minimum income and the ability to have access to essential services of general interest are key elements in such development; therefore requires that these factors are taken into consideration in any further liberalisation of services of general interest;
3. underlines the significance of measures to promote and encourage quality of life including the development of more and better jobs; stresses in this context the importance of the Social Agenda as an element in a Sustainable Development Strategy; emphasizes that a resource efficient sustainable economy also means enabling people to work efficiently through effective consultation and participation in the work-place, reduced working hours and good quality work in safe working conditions supported by an effective system of social security; calls for rapid progress to be made on the initial steps taken in this direction at the Stockholm Summit;
4. requires that the environmental dimension be considered in all training programmes funded by the EU through the ESF and Community initiatives such as EQUAL ; requests that in the indicators used to arrive at qualitative assessments of educational attainment in the EU, the role of education in environmental factors should be included as this provides the basis for an environmentally aware society.