

MiNa-Council

Environment and Nature Council of Flanders

Advisory opinion

of 7 March 2006

**on the environmental priorities of the Austrian
Presidency of the European Union**

Main lines of the advisory opinion

During the first half of 2006 the presidency of the Council of the European Union is held by Austria. It is the opinion of the MiNa-Council that Flanders must prepare itself in the best possible way to contribute optimally to the creation of the European environmental policy. This advisory opinion formulates recommendations with regard to the positions that will be taken by the Flemish government.

- 1. EU Sustainable Development Strategy (SDS).** The MiNa-Council highly appreciates the fact that Austria has made sustainable development one of the priorities of its presidency. European indicators show that Europe is not on a sustainable development path. In order to change this, the EU should, in the MiNa-Council's opinion, succeed in better integrating the European SDS into the Lisbon strategy for growth and employment. The instruments that are to be used to this end are (1) an improved *Impact Assessment* methodology, among other things through ex post analyses, (2) better participation through an improved communication of the strategy, (3) the organisation of efficient learning processes and (4) more attention to market instruments.
- 2. Climate change.** The positive dynamics which occurred in the climate policy after the Montreal Conference should be continued. This must be guaranteed by (1) meeting the Kyoto objectives and (2) by fostering the international negotiation process regarding the post-2012 regime. As to the first point, the Council insists on a strict assessment of the new series of national allocation plans for the EU emission trading scheme. With regard to the second point, the Council refers to the important talks about deforestation and the multi-stage approach as the proper mechanism to define future climate commitments.

As regards the control of CO₂ emissions by the transport sector and the mobility of people, the Council argues in favour of prioritizing energy saving measures. The promotion of biofuels is another important instrument, which is, however, only practicable under clear social and ecological preconditions that are to be monitored by means of a certification system.
- 3. Environmental Technologies Action Plan (ETAP).** The MiNa-Council supports the use of technological innovation to meet the environmental objectives. However, ETAP can even be improved by exchanging successful technologies more efficiently, by defining environmental performance targets, by evaluating financial support instruments, and by carrying out further research into the best policy instruments to foster the development of environmental technologies.
- 4. Thematic Strategy on the Urban Environment.** It is the Council's opinion that the limited measures and the loosely phrased nature of the planned initiatives contrast sharply with the environmental issues that cities are confronted with. The important link between the cities and the countryside and the environmental impact of mobility were not sufficiently elaborated in this thematic strategy either.
- 5. Thematic Strategy on Air Pollution.** In a recent advisory opinion the SERV (Flanders' Social and Economic Council) and the MiNa-Council jointly argued in

favour of increased measures at European level, additional action to achieve the long-term goals, more attention to the issue of fine particles (PM2.5) and vigilance with regard to possible abuse of the derogation option by Member States.

- 6. Thematic Strategy on the Protection and Conservation of the Marine Environment.** In a recent advisory opinion the MiNa-Council advocates the drafting of a directive on the marine environment. The thematic strategy must also be reinforced in terms of content, among other things through better definitions and through integration and co-operation with other policy domains.
- 7. Thematic Strategy on the Prevention and Recycling of Waste.** In an advisory opinion which was also laid down on 7 March 2006, the MiNa-Council formulated a number of recommendations on the European Thematic Strategy on the Prevention and Recycling of Waste. The Council requests, among other things, that more attention be devoted to the realisation of a decoupling between economic growth on the one hand and waste production and recycling on the other, to the application of product standardization and to the promotion of re-use and recycling. The Council also has objections to the proposed waste hierarchy.

Despite the attention which is paid to these dossiers, it should not be forgotten that decisions are yet to be taken in the next few months which will co-determine the environmental and nature policy in the coming years. In this context the MiNa-Council has in mind particularly the decisions regarding the financial perspectives, and the European policy on biodiversity.

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Introduction

Since 2003, the MiNa-Council has annually drawn up an advisory opinion, outlining the European environmental policy priorities. This year it will do so on the occasion of the Austrian EU Presidency, as the country holding the presidency of the Council of the European Union has the opportunity to establish priorities in the policy agenda. Given the great impact of European policy on the Flemish environmental policy, the MiNa-Council is closely monitoring this. In preparation of this advisory opinion the Council organised a hearing on a number of topical environmental policy themes on 16 February 2006.¹ Speakers of the European Commission, the Flemish administration and VITO (Flemish Institute for Technological Research) commented on the European Sustainable Development Strategy, the Thematic Strategy on the Urban Environment and the European Environmental Technologies Action Plan (ETAP). The information from the presentations and the debate were incorporated into the advisory opinion.

The present advisory opinion must be considered together with the recent advisory opinions of the MiNa-Council regarding the three European Thematic Strategies on Air Pollution, on the Protection and Conservation of the Marine Environment and on the Prevention and Recycling of Waste. On 19 December 2005, the MiNa-Council received a request for advice on this matter from the Flemish Minister for Environment, Kris Peeters. The first two advisory opinions were laid down on 2 February 2006. The advisory opinion on the Thematic Strategy on the Prevention and Recycling of Waste was defined together with this advisory opinion. Given the topicality of these strategies, the recommendations from these advisory opinions are repeated in the present advisory opinion.

This advisory opinion is an initiative of the Council itself. The Strategic Environmental Policy Work Group has prepared the advisory opinion and met twice two this end.

The Boerenbond (Belgian Farmers Union), UNIZO (Union of Independent Entrepreneurs) and VOKA-VEV (Flemish Economic Union) abstain in this advisory opinion.

Hubert David
Chairman of the MiNa-Council

¹ The programme and the presentations are available at the website of the MiNa-Council under the heading "Activiteiten" (Activities).

Text of the advisory opinion

1.1. The European environmental policy priorities of the Austrian Presidency

- [1] **Sustainable development, climate change, environmental technologies and improving air quality.** In an explanation at the start of the Austrian EU Presidency the environmental priorities are fit in with the framework of the EU Sustainable Development Strategy and the Sixth Environment Action Programme.² The focus of sustainable development lies on the completion of the European Strategy. Out of the themes that fall within the environment action plan prior attention is paid to climate change, environmental technologies and improving air quality. Waste policy and the urban environment are also indicated as priorities. Therefore these themes are discussed later on in this advisory opinion. The comments of the MiNa-Council with regard to the air policy are taken from the recent advisory opinion on the Thematic Strategy on Air Pollution. The main lines of the recent advisory opinions on the Thematic Strategies on the Protection and Conservation of the Marine Environment and on the Prevention and Recycling of Waste are also adopted in this advisory opinion.
- [2] **Biodiversity.** Furthermore, the MiNa-Council stresses that other dossiers with an important environmental impact should not be lost sight of. In this context the Council particularly has in mind the discussions on the financial perspectives and the plans regarding biodiversity. In the agreement on the financial perspectives during the European Council of 19 December 2005 the environmental and nature plans were pruned considerably. The European Parliament has already made it clear that this agreement will score an unsatisfactory mark. The Council is of the opinion that additional financial resources should preferably be used for environmental projects. Currently, the LIFE+ fund does not even amount to 0.2 per cent of the overall budget.

As for the issue of biodiversity, the eighth meeting of the Conference of the Parties to the Convention on Biological Diversity (Brazil, March 2006) is of great importance. At this conference the EU should argue in favour of clear commitments to meet the objectives that were agreed on at an earlier stage. The EU should also be a leader in the implementation of Art. 20 and 21 of the Convention on Biological Diversity (financing of the policy on biological diversity).

1.2. European Sustainable Development Strategy

1.2.1. Setting and evolution

- [3] **Contents.** The European Sustainable Development Strategy (SDS) was adopted in Gothenburg in June 2001 with a view to achieving economic growth, social cohesion and a better environment in Europe. The key points of interest are climate change, poverty and social exclusion, the ageing population, mobility and transport and the management of natural resources. In the build-up to the Johannesburg World Summit on Sustainable Development in 2002 an international dimension was added to the

² http://www.eu2006.at/en/Policy_Areas/Environment/Austrian_Presidency_Programme.html

strategy. The strategy was extended by an administrative component with focus on policy coherence, impact analysis, global issues, better communication and the encouragement of citizens and businesses.

[4] Steps. The following steps were recently taken in the SDS process:

- Opinion of the European Economic and Social Committee of 28 April 2004.³
- Communication from the Commission "The 2005 Review of the EU Sustainable Development Strategy: Initial Stocktaking and Future Orientations" of 9 February 2005.⁴
- Stakeholder Forum organised by the Commission and the European Economic and Social Committee in Brussels on 14 and 15 April 2005.⁵
- Communication from the Commission "Draft Declaration on Guiding Principles for Sustainable Development" of 25 May 2005.⁶ This document outlines the Commission's view on the sustainable development strategy.
- On 13 December 2005, the Commission gave the long-anticipated initial impetus to the review of the EU Sustainable Development Strategy.⁷ Austria, which holds the presidency of the Council, has stated that to complete the revision of the strategy at the European Council of June 2006 is one of its priorities regarding environmental policy.
- Eurostat report entitled "*Measuring Progress towards a more sustainable Europe, Sustainable development indicators for the European Union*", published on 4 January 2006.⁸

1.2.2. Bottlenecks and challenges

[5] Objectives and level of ambition. In a first review, which was drawn up by the Commission in February last year, "unsustainable trends" were identified for all components of the strategy. The recent Eurostat report providing sustainable development indicators also shows that the Union is not on a sustainable development path. Yet, the European Commission merely responds by repeating the general principles of sustainable development and by listing the current policies. The new platform for action does not meet the outlined challenges. This is illustrated by the central position which the Commission gives to the Lisbon Strategy for which a detailed

³ http://eescopinions.esc.eu.int/EESCopinionDocument.aspx?identifier=ces\nat\nat229\ces661-2004_ac.doc&language=NL

⁴ European Commission, Communication from the Commission "The 2005 Review of the EU Sustainable Development Strategy: Initial Stocktaking and Future Orientations, 9 February 2005, COM(2005) 37 final.

⁵ http://www.esc.eu.int/sustainable_development/index_en.asp

⁶ European Commission, Communication "Draft Declaration on Guiding Principles for Sustainable Development, 25 May 2005, COM(2005) 218 final.

⁷ European Commission, Communication, Review of the Sustainable Development Strategy – A platform for action, 13 December 2005, COM(2005) 658 final.
http://europa.eu.int/eurlex/lex/LexUriServ/site/nl/com/2005/com2005_0658nl01.pdf

⁸ http://europa.eu.int/comm/sustainable/sds2005-2010/docs/web_2005_1704_en.pdf

monitoring and follow-up process has been set up. It is important to indicate that the European Commission itself recognizes the difference between Lisbon and Gothenburg: *“The Lisbon strategy addresses more immediate priorities- areas where we can have an impact in the short term. The sustainable development is about addressing many slow-burning issues. Action is needed now, and is being taken, but many of the benefits will be felt over a much longer time period.”*⁹

[6] Responsibilities. A positive element in the Commission's platform for action for the review of the strategy is the more detailed description of the tasks and responsibilities of the actors involved:

- Every two years, the Commission designs a progress report which draws on the set of sustainable development indicators. The strategy will be reviewed once again during 2009.
- The European Council and the European Parliament will discuss the progress reports.
- The European Economic and Social Committee and the Committee of the Regions will build stronger support for action, for example through the organisation of stakeholder discussions.
- The Member States should evaluate their sustainable development strategies and can undertake a peer review process to identify good practices.
- Stakeholders too should be mobilised for the strategy.

[7] Measures and Instruments. The strategy mentions the importance of integration, the participation of all stakeholders and better policy-making. The latter should be achieved, among other things, by implementing sustainability impact assessments of large projects. However, all of the concrete measures that are proposed are already available in the respective policy domains. An example of a missed opportunity is the application of the principle “the polluter pays”.¹⁰ No proposals are made with regard to this matter.

1.2.3. Recommendations to define the Flemish position

[8] Positive commitment of the Austrian Presidency. The MiNa-Council highly appreciates the fact that Austria has made sustainable development one of the priorities of its EU presidency. Moreover, it has opted to submit the sustainable development strategy to all relevant European Councils for advice.¹¹ The Presidency stresses the need for a decoupling between economic growth and environmental pollution through changed production and consumption patterns and enhanced energy efficiency. To this end the Austrian Presidency wishes to include goal-oriented actions and clearer, realistic goals and milestones in the strategy. The Council urges the Flemish authorities to support the Austrian ambitions in all European policy domains.

⁹ European Commission, "Frequently asked questions on the review of the EU Sustainable Development Strategy", MEMO/05/477, 13 December 2005.

¹⁰ See Annex 1 of the reviewed strategy.

¹¹ It will do so in the following EU Councils: Environment, Transport, External Relations, Agriculture and Fisheries, Economic and Financial Affairs, Education, Employment, Social Policy, Health and Consumer Affairs and Energy.

[9] Orientations towards more sustainable production and consumption patterns.

The sustainable development indicators of Eurostat show that Europe is not on a sustainable development path. Although the European Commission (probably) rightfully indicates that stressing this negative trend does not have a mobilising effect on policy, it is the MiNa-Council's opinion that the level of ambition should be raised. The most important aspect in the evaluation of sustainability in Europe is the conclusion that the decoupling between economic growth on the one hand and environmental impact and materials and raw materials consumption on the other did not take place. The Flemish government must insist on clear objectives as well as additional measures to achieve these goals. This is in line with objective 17 from the updated Pact of Vilvoorde 2001-2010.¹²

[10] The integration of Gothenburg and Lisbon. The credibility of the European sustainable development strategy largely depends on the extent to which it has been harmonised and co-ordinated with the Lisbon strategy for growth and employment. The MiNa-Council is of the opinion that the Flemish government should argue in favour of the sustainable development strategy being fully recognised as the framework with long-term strategic goals for the rather short-term socio-economic Lisbon agenda. Moreover, this link is best fleshed out in a concrete and functional way, with integrated and harmonised reporting and monitoring processes.

The proposal of the Commission which is currently on the table does not meet this requirement to a sufficient extent. At the level of the European Commission no new steps were taken with regard to internal integration to ensure that the reviewed European SDS is fully integrated into the policy of all Directorates-General (DGs).

The MiNa-Council insists in particular that a biodiversity indicator (for instance *Common Bird Index*) be included in the planned shortlist of indicators to monitor the progress of the Lisbon Strategy. In 2003, the EU Council of Environment Ministers already called on the parties involved to do so.

[11] Active monitoring. The MiNa-Council argues in favour of establishing a cyclic monitoring system with an annual evaluation of the progress and with adjustments when necessary, also monitoring compliance by the Member States via rankings. The reviewed sustainable development strategy only provides for progress reports every two years and a review of the strategy every five years. The Council advocates a more active monitoring of the strategy, as provided in the Lisbon Strategy.

Through the system of the structural indicators the three dimensions of sustainable development must be monitored in a balanced way. In this field progress was made with the reporting by Eurostat.

[12] The external dimension. As with regard to the systematic integration of the external (global) dimension of European policy options, no further concrete initiatives were taken. The listed initiatives have been known for a long time: the 0.7% objective for development assistance, the co-ordination of development assistance between the

¹² Pact of Vilvoorde: 17. In 2010 Flanders will have realised an extensive decoupling between economic growth on the one hand and environmental impact and materials and energy use on the other. Flanders will substantially improve its position compared to the top of the neighbouring countries.

Member States and the establishment of a fully mandated UN Environment Organisation. The Council believes that additional efforts can be made at the level of trade policy (WTO Doha Round) and climate policy vis-à-vis the developing countries. This continues to be a point of interest for the MiNa-Council.

[13] Better regulations. Improving the *Impact Assessment* methodology continues to be an important concern for the Council. Points of interest are an equal approach towards the three dimensions, which thus means sufficient attention is to be devoted to the environmental dimension, the long-term effects, the assessment of monetarisable and non-monetarisable effects and the inclusion of external quality control. Apart from pre-assessing the (environmental) impact of policy initiatives it is also important to post-monitor the actual impact. The costs of environmental policy measures are often overestimated. By systematically carrying out ex post analyses, the reliability and workability of the instrument can be increased considerably.

[14] Better regulation through better participation. The main condition for achieving active participation of stakeholders is to communicate the reviewed strategy to these stakeholders in an unambiguous, transparent and coherent way. Given the current huge lack of clarity, the integration into one orderly document is absolutely necessary. The draft and large-scale distribution of a popularized summary is advisable as well.

The MiNa-Council stresses the necessity of an improved participatory democracy at all policy levels as a condition for a sustainable development policy which is supported and provides guarantees for more quality and better implementation through co-operation. In the reviewed strategy this task is above all assigned to the European Economic and Social Committee and the Committee of the Regions. The idea is to involve all relevant stakeholders in this way. Special attention is to be paid to national and in particular regional parliaments.

[15] Better regulation through better learning processes. Finally, progress can also be made in the field of effective and efficient systems regarding mutual learning and exchanging best practices (peer reviews, open co-ordination, knowledge platforms).

[16] Market instruments. The MiNa-Council is in favour of developing a policy programme in the field of economic instruments. This is necessary in order to actually implement one of the principles of the sustainable development strategy, namely "the polluter pays". To this end the recent research carried out by the European Environment Agency can be used, which may be useful.¹³ Given the large potential of these instruments and in order to progress to a level-playing field between the Member States, Community initiatives are required. Despite the difficulties a co-ordinated European approach may be the only way to break down resistance at local level (with the Member States). Possibilities in this respect are to optimise the subsidy policy aimed at sustainable development, to carry out research into and policy preparation of the possibilities of a fiscal reform for the benefit of sustainable development.

¹³ EEA, "Market-based instruments for environmental policy in Europe", Technical report 8/2005, zie http://org.eea.eu.int/news/Ann1138194370/index_html

1.3. Climate change

1.3.1. Setting and evolution

[17] **At international level.** The United Nations Climate Change Conference which took place in Montreal last year introduced a number of post-2012 processes to tackle the climate issue more efficiently. Through the Kyoto process negotiations have been started about a continuation of the current commitments entered into by the industrialised countries. In this context it is examined how the Kyoto Protocol can be adjusted so as to allow other countries to make commitments in the long term. Involving all countries in the climate policy is also the objective of the Convention process.¹⁴ What really matters now is to actually flesh out the possibilities for negotiation that were created in Montreal in a creative way.

[18] **At European level.** There are two important items on this year's European climate agenda. Last year, the second "European Climate Change Programme" (ECCP II) was launched. This year, this programme is to be further finalized with the active participation of all stakeholders. This will be done in five working groups: (1) ECCP I Review, (2) Carbon Capture and Geological Storage, (3) Adaptation, (4) Aviation and (5) Integrated approach to reduce CO₂ emissions from light-duty vehicles.

The second item on the European climate agenda is the definition of the second series of allocation plans for the European emissions trading scheme.

[19] **Biofuels.** On 8 February 2006, the Commission adopted an EU Strategy on Biofuels to boost the production of biofuels from agricultural raw materials. The document which builds on the biomass action plan¹⁵ adopted in December 2005, sets out three main aims:

- to promote biofuels in both the EU and developing countries;
- to prepare the large-scale use of biofuels by improving their cost-competitiveness, and
- to increase research into 'second generation' fuels and to support developing countries where biofuel production could stimulate sustainable economic growth; Increased use of biofuels will bring numerous benefits, by reducing Europe's dependence on fossil fuel imports, reducing greenhouse gas emissions, providing new outlets for farmers and opening up new economic possibilities in several developing countries.

1.3.2. Recommendations to define the Flemish position

[20] **Meeting Kyoto.** The main recommendation which the MiNa-Council repeats is that Flanders must first of all do its homework well in order to have a say on the climate policy at international and European level. Therefore the Council is looking forward to

¹⁴ Bettina Wittneben, et. al. (2006) "In from the Cold: The Climate Conference in Montreal Breathes New Life into the Kyoto Protocol", Wuppertal Institute.

¹⁵ European Commission, Communication "Biomass action plan", COM(2005) 628 final, Brussels, 7 December 2005.

the next climate policy plan, assuming that this will contain a detailed strategy to achieve the Flemish Kyoto targets. As regards the European level, the Council insists on a strict assessment of the new series of national allocation plans for the European emissions trading scheme. These are to achieve emission reductions in the sectors concerned (industry and energy production) that are in line with the Kyoto targets of the Member States. The application of the Kyoto mechanisms - Clean Development Mechanism (CDM), Joint Implementation (JI) and the international emissions trading scheme - must be limited to an absolute minimum.¹⁶ To this end, qualitative credits must be purchased to avoid only "hot air" being traded without actually reducing emissions.

[21] Fostering the negotiation process. The success of the international climate negotiations on the post-2012 regime can only be guaranteed if talks are fostered with creative and constructive proposals. Most of the issues on the international agenda are also discussed in the European working groups preparing the ECCPII (carbon capture, bunkers and adaptation). Apart from these issues, the "Post-2012" working group of the Flemish Climate Conference also refers to a number of other aspects that (may be) are also of great importance to Flanders:¹⁷

- The importance of input in the international talks on deforestation at the climate conference. In this respect the Council points out that Flanders should aim at a better international policy against deforestation which is to ensure the realisation of actual additional emission reductions. The development of a baseline methodology and of monitoring and verification procedures are of priority importance in this respect.
- With a view to possible future negotiations on reduction targets it is very important that today the necessary research is carried out into the most appropriate methodology to divide the reduction efforts in a "fair/correct" way. The Council very much would like to further explore the option of a multi-stage approach in this context.
- The option of sectoral targets should also be further examined. This option implies that a similar level of energy efficiency is aimed at for similar companies all over the world, so as to avoid unfair competition.¹⁸
- The possibility of compensatory measures for trade, also intended to avoid unfair climate competition, is also to be further looked into.¹⁹

[22] Biofuels. In its advisory opinion of 28 April 2005 the MiNa-Council tackled the

¹⁶ In the recommendations of the Climate Conference (18 October 2005) this was formulated as follows: Flemish climate policy should try to respect the general principle that all available reduction measures in Flanders cheaper than use of flexible mechanisms must be implemented, limiting the use of flexible mechanisms to a minimum.

¹⁷ Flemish Climate Conference, "Post-2012" working group "*Kyoto na Montreal. Wat met het klimaatbeleid na 2012?*", Report of the working group of 10 January 2006

¹⁸ The Post-2012 working group indicated that it might be a good idea to draw up a paper in which the issue is discussed in greater detail. The sector concerned (industry) might give the initial impetus to this.

¹⁹ The same remark was made with regard to the compensatory measures for trade; environmental organisations will examine whether they can give the initial impetus to this.

sustainability aspects of bio-energy.²⁰ This opinion stated that the promotion of bio-energy – including biofuels – fits in with the climate policy as part of the policy for the promotion of renewable energy sources. Partially on the basis of this advisory opinion the Council points out the following:

- Giving priority to energy saving. Vehicles too must become more fuel efficient. Furthermore, the Council points out that the use of biofuels should in no case prevent manufacturers from bringing more fuel efficient cars on the market. Biofuels should not count in achieving the emission reduction targets for vehicles which the sector concerned (ACEA, *European Automobile Manufacturers Association*) committed to.
- Bio-energy can only be promoted under strict ecological (and social) preconditions. These are to be defined by strategic environmental impact analyses based on a complete life cycle analysis.
- A certification system should be introduced for bio-energy. In this way it can be guaranteed that environmentally and socially sound bio-energy is produced and consumed in Flanders.
- The Council points out that Flanders has insufficient space to meet the objectives regarding the cultivation of energy crops. When cultivating these crops, attention should be paid to the overall environmental pressure.

1.4. Environmental Technologies Action Plan (ETAP)

1.4.1. Setting and evolution

[23] Action plan. The Environmental Technologies Action Plan (ETAP) was adopted by the European Commission on 28 January 2004 and approved by the European Council on 2 March 2004.²¹ As indicated in the conclusions of the Council, the plan is intended *“to promote win-win opportunities where environmental improvement can help to achieve the economic and social goals of the Lisbon strategy”*²². The Action Plan’s objectives are:

- to remove the obstacles so as to tap the full potential of environmental technologies for protecting the environment while contributing to competitiveness and economic growth;
- to ensure that over the coming years the EU takes a leading role in developing and applying environmental technologies;
- to mobilise all stakeholders in support of these objectives.

[24] ETAP progress. Last year, the Commission made a first evaluation of the Plan.²³ The

²⁰ MiNa-Raad, Advies van 28 april 2005 over de duurzaamheidsaspecten van bio-energie, 2005|17.

²¹ European Commission, Communication “Stimulating Technologies for Sustainable Development: An Environmental Technologies Action Plan for the European Union”, COM(2004) 38 final, Brussels, 28 January 2004.

²² Presidency Conclusions of the Brussels European Council (25 and 26 March 2004).

²³ European Commission, Communication “Report on the implementation of the Environmental Technologies Action Plan (ETAP) in 2004”, COM(2005) 16 final, Brussels, 27 January 2005.

most important conclusion was that “*more evidence is emerging on the contribution of environmental protection to the competitiveness of EU business and enterprises as a whole.*” In order to achieve a decisive impact on the wider use of environmental technologies, a number of measures were indicated to intensify the EU policy:

- the use of financial instruments to better promote the mobilisation of risk finance for knowledge related activities and innovation such as eco-innovation;
- the establishment of environmental performance targets for products, processes and services; the establishment of benchmarks for environmental performance of key product groups, processes and services complementing the more traditional standards with ambitious targets for markets to respond;
- the establishment of an EU wide system for testing and verifying environmental technologies;
- a revision of the state aid rules for ETAP;
- the development of indicators in order to better analyse the development of eco-innovation and evolution of environmental technologies' markets.

According to the evaluation report, the EU Member States should also take further action:

- setting national roadmaps for the implementation of ETAP in 2005;
- taking steps to mobilise additional risk funding;
- drawing up action plans for green public procurement;
- co-ordinating the activities of national and regional R&D programmes.

[25] ETAP in 2006. Just like the Dutch EU Presidency in 2005, the Austrian Presidency attaches much importance to environmental technologies. The informal European Council of 19-21 May 2006 will deal with the positive interaction between environmental protection and economic growth which can be achieved by promoting the development of environmental technologies. At the informal Council the Commission will report on the ETAP roadmaps of the Member States.

[26] Environmental technologies in Belgium and Flanders. At a hearing on European environmental policy priorities, organised by the MiNa-Council on 16 February 2006, representatives of AMINAL (Environment, Nature, Land and Water Management Administration) and VITO talked about the current state of affairs in Flanders with regard to ETAP.²⁴ Their explanation showed that Belgium has not yet completed its national ETAP roadmap. Differences of opinion between the Regions about the way in which regional and federal initiatives should be combined into one single plan result in the drafting of the plan being delayed. Furthermore, the speakers indicated that many actions are already being taken in implementation of ETAP. In Flanders, these initiatives are combined into the Environmental and Energy Technology Innovation Platform (MIP).²⁵ The MIP is a competence pool established within the Flemish Institute for Technological Research (VITO) and has short, medium and long-term goals. The

²⁴ MiNa-Raad, Milieuthema's op tafel "Europese Milieubeleidsprioriteiten", explanation with regard to ETAP by Axel Verachtert (AMINAL) and Roger Dijkmans (VITO), 16 February 2006.

²⁵ More info at www.mipvlaanderen.be

short-term focus lies on improving the eco-efficiency of existing processes and products. In the medium term, research is to be focused on fundamental improvements and the development of new processes and products, the development of so-called environmentally sound techniques.²⁶ In the long term, both technology and social structures and cultures will need to be substantially and radically changed and adjusted so as to meet the needs of future generations whilst respecting the environment.

1.4.2. Recommendations to define the Flemish position

[27] Recommendations of the MiNa-Council. Following the discussions on ETAP during the informal EU Environment Council, the Council argues in favour of the Flemish government including the following elements in the debate:

- Co-operation between the Member States is to be strengthened. Best practices can only be exchanged efficiently, provided Europe acts as a strong director with regard to political support and policy initiatives.
- The MiNa-Council fully endorses the need for environmental performance targets for products, processes and services, identified by the Commission. Traditional standards are to be complemented with benchmarks for environmental performance with ambitious targets for markets to respond. The promotion and development of environmental technologies is not a goal in itself; initiatives are to be functionally implemented so as to meet the environmental targets.
- The MiNa-Council is also in favour of mobilising additional risk funding for technological development. In this respect priority attention is rightly paid to SMEs which can make the largest contribution in this field, but at the same time face the biggest problems to acquire risk funding. However, the Council also points out that there is still much work to be done. A large number of European, national and regional subsidies indeed still has a negative impact on environmental protection and encourages environmentally unfriendly behaviour. An accelerated audit of the environmental impact of state subsidies continues to be necessary.
- In connection to the previous point, the investment streams from public budgets must be used to promote sustainable consumption and production patterns (for instance through investment programmes and the purchasing policy).
- The MiNa-Council advocates a European study into the best policy instruments which promote environmental technologies. The link with the positive contribution of technological policy to the environment is indeed often lost track of. The innovation-stimulating effect of Best Available Techniques (BAT) should be explored as the basis for permits.

²⁶ These environmentally sound technologies not only relate to individual technologies, but also to total systems which include the development of know-how, technologies, products and services and the related organisational and managerial procedures. It is thus not just about the hard technology, but also about the soft technology, such as managerial techniques.

1.5. Thematic Strategy on the Urban Environment

1.5.1. Setting and evolution

[28] Significance of the urban environment. The Communication from the Commission on the Thematic Strategy on the Urban Environment starts from the conclusion that *in urban areas the environmental, economic and social dimensions meet most strongly.*²⁷ *Cities are where many environmental problems are concentrated, but they are also the economic drivers, the places where business is done and investments are made. Four out of five European citizens live in urban areas, and their quality of life is directly influenced by the state of the urban environment. A high quality urban environment also contributes to the priority of the renewed Lisbon Strategy to 'make Europe a more attractive place to work and invest'.*

Contrary to other thematic strategies, such as the one on air pollution, the Thematic Strategy on the Urban Environment does neither contain any legally binding elements like a directive, nor a part on financing.²⁸ The proposed measures are focused on co-ordination methods, networks and stimulating measures:

- guidance on integrated environmental management
- guidance on sustainable urban transport plans
- support for EU wide exchange of best practices
- Commission Internet Portal for Local Authorities
- training, support of capacity building on urban management
- better use of European support programmes.

1.5.2. Recommendations to define the Flemish position

[29] Flanders must promote its positive experiences in Europe. Since 2002, Flanders has been working actively on a co-ordinated local environmental policy, among other things through co-operation agreements with the municipalities and the provincial and municipal environmental planning governed by Flemish Parliament Act. It is the opinion of the MiNa-Council that this Flemish experience with a co-ordinated local environmental and sustainability policy should be more strongly embedded into the European initiatives. Whenever possible, the level of ambition of the European plans is best elevated to the Flemish level. This can be illustrated by means of well-known success stories, such as the initiatives for selected waste collection and waste prevention.

[30] The urban environment deserves a better policy. The limited measures and the loosely phrased nature of the initiatives that are announced in the Thematic Strategy on the Urban Environment sharply contrast with the description in the strategy of the

²⁷ European Commission, Communication on Thematic Strategy on the Urban Environment, COM(2005) 718 final, 11 January 2006.

²⁸ The Thematic Strategy on the Urban Environment was explained by Miryam Moors, Urban Policy Project Co-ordinator with AMINAL, at the hearing of the MiNa-Council on European environmental policy priorities which took place on 16 February 2006.

environmental issues cities are confronted with. The MiNa-Council also points out the important link with the countryside, as the environmental issues which cities are facing do not stop at the city boundaries. The interaction between the city and the countryside should be much better elaborated from an environmental point of view, especially for regions like Flanders.

[31] Increased attention to the environmental impact of mobility. As indicated in the strategy, traffic in urban areas has a considerable impact on the environment. However, it often seems to be very difficult to implement a co-ordinated approach in this field. The use of economic instruments is often put forward in order to make progress in this field. That is why, in an orientation memorandum on the introduction of road transport charging systems, the MiNa-Council argued in favour of introducing a smart kilometre tax.²⁹ This system yields the most benefits, both from a mobility viewpoint and from an environmental and social viewpoint. Europe should definitely provide co-ordination, support and assistance to the Member States and their cities in the introduction of such instruments.

1.6. Thematic Strategy on Air Pollution

[32] Advisory opinion of the MiNa-Council. On 2 February 2006, the SERV and the MiNa-Council jointly issued an advisory opinion on the European Thematic Strategy on Air Pollution. As the Strategy on Air Pollution is one of the most important issues on the environmental agenda of the Austrian Presidency, we will now repeat the recommendations from this advisory opinion.

[33] First and foremost argue in favour of measures at European level. Due to its cross-border character and its scale the issue of air pollution requires a firm European approach. With national unilateral measures it is – certainly for small countries such as Belgium – sometimes difficult and expensive to abate air pollution to a sufficient extent, while the contribution from abroad is extensive. A co-ordinated European approach does not alter the fact that additional national or local measures are necessary, especially in regions where air quality is poorer than in other parts of Europe, such as Flanders, North Italy or the Ruhr Area. Depending on the parameter, it must be examined which is the most appropriate policy level to deal with this issue.

[34] Insist on additional action to achieve the long-term goal. The European strategy will not be able to reduce the air pollution to a sufficient extent so as to achieve the long-term goal from the European Sixth Environment Action Programme by 2020. That is why the Councils propose that the European Commission already develops the broad outlines of a long-term vision for the post-2020 period. Meanwhile, the Union must continue to look for new measures to tackle air pollution. In this respect the SERV and the MiNa-Council have the following in mind, among other things: the introduction of a EURO V standard for light vehicles, reducing the currently proposed NO_x standard (taking account of the technical and economic aspects), and a EURO VI standard for heavy vehicles; the promotion of the sale of particle filter- equipped diesel vehicles; more stringent emission norms for shipping and the introduction of a price fixing system for the use of transport infrastructure.

²⁹ MiNa-Raad, Oriëntatienota van 22 november 2005 inzake de invoering van een heffingsstelsel voor het wegverkeer in Vlaanderen, 2005|46.

[35] Request attention to the issue of fine particles (PM2.5). The MiNa-Council and the SERV point out that fine particles (PM2.5) are more hazardous than larger ones. However, the knowledge and information which is currently available on this subject is still insufficient in order to be able to pursue an efficient European policy. Hence, the Councils urge that more research be carried out into the sources, concentrations, risks and effects on spatial and economic developments in the EU, as only then can a European PM2.5 binding norm (limiting value) be defined. The introduction of these limiting values must go hand in hand with a reinforced and ambitious policy on sources.

[36] Make sure the possibility of derogation is not abused by the Member States. Because some zones are suffering from acute and exceptional problems to improve air quality, the strategy provides the possibility to extend the deadline for compliance in those areas. This is only possible if strict criteria are met and plans are in place to move towards compliance. The Councils admit that this derogation may be necessary, but insist that such an extension be granted cautiously to the Member States. Under no circumstances should this possibility be used to delay or cancel measures that have already been planned.

[37] Support the planned regulatory simplification. The SERV and the MiNa-Council support the European intention to simplify regulations and make them more transparent. Flanders can play an active role in this based on its own experience.

[38] Demand continuous efforts to support policy. The Councils would like Flanders to urge the European Union to continue to make efforts in the fields of information and knowledge development and modelling, so that the costs and benefits can be shown more accurately.

[39] Make sure Flanders adopts an alert and active attitude. Finally, the MiNa-Council and the SERV want Flanders to adopt a very alert and active attitude in the further talks on the strategy and in the breakdown of the efforts by Member State. It appears from the preparation of the European Commission that the per capita costs and benefits in Belgium are above the European average. However, it is not clear whether and/or to what extent these costs and benefits will be realised. Belgium must be prevented from committing to unrealistic targets which turn out to be unfeasible afterwards or which result in very high costs compared to other countries. Therefore the Councils insist that Flemish negotiators should be able to fall back on well-founded study material and on as much consulted support as possible when defining the Flemish position. The Councils also ask that agreements be made so as to better co-ordinate additional or complementary measures of neighbouring regions.

1.7. Thematic Strategy on the Protection and Conservation of the Marine Environment

[40] Advisory opinion of the MiNa-Council. On 2 February 2006, the MiNa-Council drew up an advisory opinion on the main lines of the European Thematic Strategy on the Protection and Conservation of the Marine Environment. The following lines of action were mentioned in this advisory opinion.

[41] A Marine Strategy Directive. The MiNa-Council vigorously and unconditionally argues in favour of using a directive as instrument within the framework of the Thematic

Strategy on the Protection and Conservation of the Marine Environment. Indeed, a directive can activate a number of policy measures that are necessary to meet the objectives of the marine strategy.

A new European marine strategy should, however, not detract from existing commitments. Not all existing commitments are discussed in the marine strategy, which would be advisable.

[42] Reinforced content. Furthermore, the Council urges that the Strategy be reinforced in terms of content:

- The 'good environmental status of Europe's marine environment' must be defined and the Council recommends to incorporate the obligation to achieve this in the directive.
- Due to a lack of links with other policy domains the Thematic Strategy on the Protection and Conservation of the Marine Environment cannot be considered an integrated strategy right now. The Council asks that a new list be introduced of existing directives and other documents that are to be adjusted to contribute to the improvement of the marine environment.
- Regional co-operation should go further than the co-ordination of actions, as currently provided. Member States should at least have the task of aiming at one (sub) strategy per marine (sub) region.
- The Council requests that attention be paid to the impact of the EU on the marine system beyond European waters.

The European Commission mainly imposes tasks and assignments on the Member States, but hardly commits itself. The Council would like the European Commission

- to take initiatives to improve the knowledge of the marine ecosystem and co-ordinate it between the different Member States,
- to take action when the Member States are failing their duties,
- to commit itself to making adjustments in other policy fields when this is necessary to meet the objectives of the Thematic Strategy on the Protection and Conservation of the Marine Environment.

[43] At Flemish level. Throughout the advisory opinion the MiNa-Council also makes suggestions with regard to the preparation for the Thematic Strategy on the Protection and Conservation of the Marine Environment at Flemish level. The Council advocates more integration between the Flemish responsibilities and initiatives at sea. In addition, the scientific research must be streamlined and completed with an eye to developing the marine strategy, as well as to supporting the Flemish activities.

The Council also urges the Flemish and federal levels to co-ordinate the preparation and monitoring of the action plan.

1.8. Thematic Strategy on the Prevention and Recycling of Waste

[44] Advisory opinion of the MiNa-Council. On 7 March 2006, the MiNa-Council drew up an advisory opinion on the main lines of the European Thematic Strategy on the Prevention and Recycling of Waste. The following lines of action were mentioned in this

advisory opinion.³⁰

On 21 December 2005, the European Commission presented its new Strategy on the Prevention and Recycling of Waste. The Commission indicates that the long-term goal for the EU is to become a recycling society which seeks to avoid waste and uses waste as a resource.

- [45] Decoupling between economic growth and waste generation and raw material consumption.** The MiNa-Council is of the opinion that Flanders should insist on the decoupling between economic growth and waste generation/raw material consumption. In the long term, this decoupling must be absolute. Indicators and clear indicative targets with regard to prevention, re-use, recycling and removal are also insisted on for each separate Member State and for the Union as a whole.
- [46] More attention to product standardization.** The Council also calls for more attention to product standardization. Product standardization is hardly discussed in the strategy. More attention should be devoted to prevention (e.g. longer life) and recyclability (eco-design) from the design phase of a product onwards.
- [47] A waste hierarchy with five different steps: prevention, re-use, recycling, incineration with energy recovery and landfilling.** The strategy stresses the principle of waste hierarchy, but decides in favour of a waste hierarchy with three steps and puts waste incineration (with energy recovery) on a same footing as recycling and re-use. The majority of the Council advocates a hierarchy with five different steps: prevention, re-use, recycling, incineration with energy recovery and landfilling. Derogations are possible, provided it can be demonstrated that a processing option which is lower in the waste hierarchy has a smaller environmental impact than one or more options that are higher up the hierarchy or if it is advisable for the public welfare (e.g. public health, socio-economic reasons,...). This assessment framework should be defined at European level.

The MiNa-Council is in favour of developing an assessment framework for defining 'waste' and 'raw materials' at European level. The reason for this is that residues and by-products of business processes are currently often defined differently in one European Member State than in the others (e.g. black or red schists, biomass, metals, paper and cardboard). This assessment framework should also indicate when a waste product that is being recycled loses its status of waste and becomes a raw material again.

- [48] All cement kilns or other furnaces incinerating waste must meet similar energy efficiency and emission standards.** In the draft revision of the Framework Directive an efficiency standard is only introduced for plants that are licensed to incinerate household waste and not for plants incinerating industrial waste or for cement kilns. Therefore the Council proposes that all cement kilns or other furnaces incinerating (household or non-household) waste meet similar energy efficiency and emission standards. These energy efficiency and emission standards are best based on BAT in order for the standards laid down for energy efficiency and emissions to be realistic and technically feasible. The majority of the Council is of the opinion that for practical

³⁰ VOKA-VEV, UNIZO and the Boerenbond adopted minority positions in the advisory opinion on the European Thematic Strategy on the Prevention and Recycling of Waste. As these same organisations abstain in the current advisory opinion, the minority positions are not repeated anymore.

reasons these standards are best integrated into the licensing conditions through an adaptation of the Waste Incineration Directive.

[49] More attention to re-use and recycling. The Thematic Strategy hardly pays any attention to re-use. The Council requests that the strategy be focused more on the significance of re-use and that a framework be developed to promote re-use. Questions also arise about the definition of re-use in the Waste Framework Directive. As for prevention, the Council insists on interpreting this as an optimisation process.

With regard to recycling, the MiNa-Council would like a European regulation on secondary raw materials to be elaborated with criteria that guarantee a high level of protection.

[50] Classification of biomass streams. The promotion of bio-energy through the system of green certificates for the incineration of biomass as a form of renewable energy has caused a field of tension between material recycling and energy recovery. From an environmental point of view it is not advisable to process all organic waste streams through incineration with energy recovery, whereas from the point of view of renewable energy it is not advisable to keep all organic streams out of the incineration process.

The majority of the Council is of the opinion that biomass streams are to be classified on the basis of three different criteria: (1) quality of the raw material/biomass; (2) energy efficiency; (3) environmental impact.

[51] Subsidiarity. The strategy should flesh out the measures to be taken at the different levels of government in a more detailed way. It should also be monitored that the further concretisation and fleshing out of the European framework takes account of the existing effective structures in Flanders.

[52] Producer responsibility. The majority of the MiNa-Council would like to have the principle of producer responsibility apply to additional waste streams. Moreover, the strategy, like the Flemish Waste Plan 2003-2007, should be based on the principle of 100% financial responsibility for the producers of these products.