

MiNa-Council

Environment and Nature Council of Flanders

Advisory opinion of 14 February 2005

on the European Lisbon Strategy

Main lines

The annual Spring Summit of the Heads of State and Government of the European Union will take place on 22 and 23 March. The main point on the agenda is the evaluation of the Lisbon strategy. In the Commission's statement, "*Working together for growth and jobs, a new start for the Lisbon Strategy*", all the attention focuses on economic growth and employment.¹ The MiNa-Council points out that neglecting the environmental aspect has a negative effect on the economy and employment. Strengthening the synergy between the three pillars of sustainable development is important for the necessary transition towards sustainable consumption and patterns of production. The Council notes that opting for an innovative and environmentally oriented policy of transition responds to the expectations of European citizens. Therefore the ecological and social aspects of sustainable development deserve more attention than they are currently being devoted to in the revision of the Lisbon strategy.

The MiNa-Council emphasises the importance of the future budget of the European Union. This debate is now focussed on the new member states. The Council points out that the budget as a whole must contribute to achieving the European objectives with regard to the environment and sustainable development.

The MiNa-Council has noted that where the Communication of the European Commission refers to the environment, it is mainly concerned with environmental technology. The Council considers that environmental technology is important but emphatically refers to the aim for which the efforts in the field of environmental technology must be increased, viz. to contribute to the decoupling of economic growth and the use of natural resources. The MiNa-Council points out that the most important gap in the Communication is that no measures have been proposed on the internalisation of external negative environmental effects. If markets work correctly, this will lead to achieving the employment and environmental objectives. In this way, it is possible to make a significant contribution to persuade consumers and in this way reduce the gap between environmentally aware thinking and environmentally aware behaviour.

With regard to the post-Kyoto debate, which is also on the agenda for the Spring Summit, the MiNa-Council would like to emphasise that Europe must continue to play a leadership role. This leadership must be carried out in a credible way with the introduction of concrete measures which will contribute to achieving the 2° Centigrade objective. The MiNa-Council refers to the importance of broader participation in a future climate regulation. This is necessary to implement an efficient climate policy. The best strategy for achieving this is with real leadership and the introduction of concrete measures.

¹ European Commission, Communication to the Spring European Council "*Working together for growth and jobs, a new start for the Lisbon Strategy*", COM(2005)24.

Introduction

On 8 February the MiNa-Council received a request for advice from Minister-President Leterme about the evaluation of the Lisbon strategy in connection with the EU Spring Summit on 22 and 23 March 2005 in Brussels. To prepare for this so-called mid-term review, the European Commission published a Communication entitled "*Working together for growth and jobs: a new start for the Lisbon Strategy*".² This Communication is the object of the request for advice.

As the Lisbon Strategy has been officially extended with an environmental dimension since the summit in Göteborg in June 2001 and has since that time been systematically placed in the context of sustainable development in terms of content, the Council opted to place this advice in the broader context of the European policy on sustainable development as well. This entails that the advice will also concern the relation with the European strategy for sustainable development, and the elaboration of the environmental dimension by means of the Sixth Environment Action Programme. In view of the importance and topical significance of the climate policy – which is also a prominent point on the agenda of the Spring Summit – the advice also devotes attention to this question.

The MiNa-Council drew up this advisory opinion during a special session on 14 February 2005 and in this way respects the requested time limit. The ABVV, the ACV, the ACLBV, the Boerenbond, the UNIZO and the VOKA Vlaams Economisch Verbond have withdrawn from this advice because they wish to express their advice on this through the SERV.

The MiNa-Council is counting on the Flemish Government to take the conclusions of this advice into account in determining its position for the European Spring Summit. Furthermore, the Council expects that the Flemish Government will defend the demand for a strong and effective sustainable development strategy in determining the Belgian position so that this will have an effect at the European Spring Summit itself. It is up to our country to form coalitions with other member states in order to exchange the excessively one-sided focus on the economic pillars of sustainable development for a more balanced view which puts social and ecological protection on an equal basis.

Hubert David

Chairman of the MiNa-Council

² COM (2005)24; published on 2 February 2005.

I. Position of the Lisbon Strategy

- [1] **The Lisbon Strategy and sustainable development at the Spring Summit.** The annual Spring Summit of the Heads of State and Government of the European Union is taking place on 22 and 23 March. The main point on the agenda is the evaluation of the Lisbon strategy. This strategy was determined at the European Council of Lisbon in March 2000. At that summit it was decided that Europe should become “*the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.*” The central position of the Lisbon strategy in the policy of the European Union is confirmed by the policy memorandum, “Prosperity, Solidarity and Security” of José Manuel Barroso, the president of the European Commission.³ The strategic objectives of the president of the commission for 2005-2009 put the Lisbon objectives in central place. This Communication of the Commission argues for a new start for the Lisbon strategy, with a focus on economic growth and employment.

In addition to the evaluation of the Lisbon strategy there are two other subjects on the agenda of the Spring Summit which are relevant in the context of the European policy on sustainable development and therefore of this advice. On the one hand, there is the revision of the European sustainable development strategy (EU SDS),⁴ and on the other hand the European position on future climate objectives (the so-called post-Kyoto objectives).⁵ For the MiNa-Council, the coordination of the European climate policy and above all, of the SDS with the Lisbon strategy is of the greatest importance.

- [2] **The relationship between the economy and the other pillars of sustainable development.** In the new strategy being proposed the Commission focuses entirely on economic growth and employment. Although the importance of sustainable development, social progress and improving the quality of the environment is referred to in the foreword, the emphasis is strongly on economic growth. It is important for the MiNa-Council that the proposed policies maintain a balance between the three pillars of sustainable development. The starting point that it is only, or above all the economy that is “the sick child” is not right. Additional efforts are also needed at the level of nature and the environment. For example, biodiversity continues to decline, large parts of Europe suffer from drought and the consequences of climate change are becoming tangible.⁶

³ COM (2005)12 final.

⁴ The Communication from the European Commission on this subject was not yet available at the time that this advisory opinion was edited.

⁵ The point of view of the European Commission is shown in the Communication “*Winning the battle against Global Climate Change*”; COM (2005)35 final; published on 9 February.

⁶ See, inter alia, European Environment Agency, Environmental Signals 2002 – Benchmarking the millennium, 14 May 2002.

In addition, the MiNa-Council would also like to point out that neglecting the environmental pillar has a negative effect on the economy.⁷ Numerous studies indicate that an effective environmental policy also generates more benefits than costs at the economic level in general. As an example, it could be mentioned that wetlands are essential in water management and flood protection.⁸ Forests provide timber and other products such as cork, fruits, etc. They are also important storage places of carbon dioxide and they are important for recreation and hunting.⁹

Nature provides work for millions of Europeans in the tourist sector, in the forestry and fisheries sectors, etc. This employment can only be guaranteed if the basis of the ecosystems is not jeopardised. The eco-industry is also growing strongly. For example, recent research revealed that in 2002 the eco-industry in the EU provided two million direct full-time jobs and four million if indirect jobs were also included. In addition, every euro invested in the environment generated 1.6 extra euros as a result of indirect investments, for example non-environmentally related supplies (the multiplying effect).¹⁰ The eco-industry in the EU is a strong export sector and for certain markets, the EU already has a strong competitive advantage, e.g. alternative energy. Furthermore, the policy conclusions of the Environmental Sustainability Index Report (ESI) of 2005 reveals that environmental protection not necessarily goes at the expense of competitiveness.¹¹

The Communication of the European Commission does not sufficiently recognise the positive synergy between the three pillars of sustainable development. According to the MiNa-Council an excessively one-sided choice, purely to strengthen competitiveness and growth is counter-productive and jeopardises the chances of achieving progress with regard to all three pillars of sustainable development at the same time. The ecological and social aspects of sustainable development therefore deserve more attention than they are currently being devoted to in the revision of the Lisbon Strategy.

- [3] Transition policy and the added value at the social and economic level.** Far-reaching adaptations are necessary in order to redirect the existing patterns of production and consumption in our society to a more sustainable direction. This concerns permanent changes in the way in which society fulfils its needs and the way in which the policy attempts to determine how these

⁷ This problem is recognised in the Communication. However, no concrete measures are imposed. *“Lasting success for the Union depends on addressing a range of resource and environmental challenges which if left unchecked will act as a brake on future growth. This goes to the heart of sustainable development. In contrast to Europe, many parts of the world see high rates of economic growth combined with rapid rise in their population. Europe must rise to this challenge and take the lead in shifting towards more sustainable patterns of production and consumption.”* COM(2005)24, p. 23.

⁸ Report, ‘Living waters – the economic values of the world’s wetlands’, the WWF and the Institute for Environmental Studies, Meyerhoff & Dehnhardt, ‘The European Water Framework Directive and the economic valuation of wetlands’, <http://www.tu-berlin.de/fak7/ilup/fg-hartje/publikationen/wp1104.pdf>

⁹ World Bank and IUCN, Assessing the Economic Values of Ecosystem Conservation, p. 42.

¹⁰ See, inter alia, the ECOTEC Report (2002), commissioned by DG Environment *“Analysis of the EU Eco-Industries, their Employment and Export Potential”*.

¹¹ Esty, Daniel C., Marc Levy, Tanja Srebotnjak, and Alexander de Sherbinin (2005). 2005 Environmental Sustainability Index: Benchmarking National Environmental Stewardship. New Haven: Yale Center for Environmental Law & Policy.

needs are fulfilled. These changes require creative innovations aimed at “intelligent” qualitative economic development which at the same time achieves a measure of social redistribution and strengthens the basis of the natural system. For this it is necessary to move away from the existing economic paths and look for far-reaching changes and innovations in the organisation of the basic social services. Such changes are often identified as “transitions”; the policy which focuses on this is then described as a “transition policy” or “transition management”. These transitions should be realised in the economic systems which fulfil our needs and in the sectors and target groups corresponding to these. This concerns fundamental social services such as energy supply, transport, housing and industrial production. Such transitions are also required in rural areas (e.g., in the field of food and water supply), as demonstrated by the relationship with the agricultural policy determined by Europe. A thorough restructuring of the European agricultural sector will only be able to lead to economic added value (including the creation of employment), if this reorganisation takes place within a sustainable context. This implies a reorientation of subsidy measures, investments and the development of markets in a balanced way, particularly in relation to economic and environmental as well as social objectives.

In view of the great challenges confronting a sustainable development policy (maintaining scarce supplies intact, using them as efficiently as possible and dividing them as fairly as possible), this policy by definition also comprises a transition policy to an important extent. The Council is convinced that there are prospects, in the form of technological and structural innovations, to direct the necessary transitions in such a way that they can achieve economic growth, reduce social exclusion and diminish environmental pressures at the same time. According to the MiNa-Council, the Lisbon Strategy must attempt to achieve its ambitions with regard to economic growth and employment, above all by this sort of transition policy. However, this implies that it is necessary to aim for a strong synergy between the three pillars of sustainable development.

[4] The social basis for an environmentally-oriented transition policy.

The MiNa-Council has noted that opting for an innovative and environmentally-oriented transition policy meets the expectations of European citizens. The great majority of recently interviewed citizens regard environmental policy as a stimulant to innovation (64%), while only a small group considers environmental policy as an obstacle to the economic competitiveness (20%). If a choice has to be made, European citizens give priority to protecting the environment (63%) above economic competitiveness (23%).¹² The study reveals that the preferences of Belgian citizens do not deviate from this significantly. This finding places the current choice of the European Commission to concentrate mainly on economic growth *per se* in a different light.

In addition, the MiNa-Council also refers to the broad support in civil society for a more balanced approach to the Lisbon process based on sustainable development. In a joint letter to the president of the European Commission, the European umbrella organisations of trade unions (ETUC *European Trade Union Confederation*), environmental organisations (EEB, *European*

¹² European Commission, Special Eurobarometer: The Lisbon Agenda, 2 February 2005.

Environmental Bureau) and social organisations (Social Platform) have pointed out the danger of an unbalanced approach to the Lisbon process.¹³

II Three strategic tracks for greater synergy

[5] Integration with the Göteborg strategy.

In June 2001, European Heads of State and Government added an environmental dimension to the socio-economic strategy determined in Lisbon for the European Union during their meeting in Göteborg. Since then, there has been a European sustainable development strategy which focuses, inter alia, on decoupling the use of natural resources from economic growth. During the Environment Council of the European Union on 20 December 2004, it was decided that the Commission must present: (1) a comprehensive stock taking of the progress in the implementation of the EU SDS since Göteborg, (2) an analysis of the key-findings of the Public Consultation, and (3) policy options for a revised EU SDS.¹⁴

The MiNa-Council would like to make a number of comments in this respect. The first comment concerns the necessary coordination of the SDS with the Lisbon strategy. As indicated above the MiNa-Council maintains that this coordination is lacking and that the SDS is in danger of being wholly suppressed by the emphasis on competitiveness. The Council points out that the integration of the SDS in the EU policy as a whole is explicitly provided for in Article 6 of the Treaty establishing the European Community.¹⁵ Sustainable development should be the overall aim of the Lisbon strategy.

The external dimension of the Göteborg strategy should also have an important influence on the Lisbon strategy. In fact, the new actions comprising the Lisbon strategy refer to the importance of “open and competitive markets inside and outside Europe”, and state that the European Union will press hard for completion and implementation of the Doha Development Round (WTO), as well as progress on other bilateral and regional economic relationships. For the MiNa-Council it is essential that further trade liberalisation should not go at the expense of the environment. The MiNa-Council requests that sustainable development is also translated in further trade negotiations and agreements of the European Union at the multilateral, regional and bilateral level.

The Communication of the European Commission in preparation of the Spring Summit on the evaluation of the Lisbon strategy does not reveal a balanced

¹³ *“We believe that a shift away from the balanced Lisbon approach would be potentially disastrous and would set the EU on a different tack from that which today has enabled it to have some of the best social and environmental standards in the world. It is crucial that these standards are maintained and built on, rather than undermined in the name of short-term competitiveness goals.” EEB, ETUC and Social Platform letter to Commission President Barroso on Commission 5 year plan and Lisbon Strategy, January 11th, 2005.*

¹⁴ Council of the European Union, ‘Sustainable Development Strategy, Council Conclusions’, 21 December 2004.

¹⁵ “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.”

view on sustainable development.¹⁶ Absolute priority is given to economic growth and employment and the social and environmental aspects are subordinate to this. With regard to environmental policy, attention is only devoted to environmental technologies (see below). The Commission's proposal does not adequately look into the positive interaction which can be created between the environmental policy and economic development (including the creation of employment).

[6] Environmentally-oriented innovation. The second finding of the MiNa-Council concerns the crucial role of "eco-innovation". During the Dutch presidency of the EU in 2004, it was stated that the European environmental policy should be "*Clean, Clever and Competitive*".¹⁷ This is also a priority in the Kok report which had to carry out an independent evaluation as a contribution to the interim evaluation of the Lisbon strategy.¹⁸ The important role of technological innovation for competitiveness in the European economy was repeated in the recent evaluation report of the European Environmental Technology Action Plan (ETAP, *Environmental Technologies Action Plan*).

The MiNa-Council notes that the Communication refers to the economic importance of environmental technologies. As indicated above, eco-innovation can play an important role in the field of job creation as well as reducing environmental pressures. However, the Council emphatically refers to the goal for which the efforts in the field of environmental technologies must be increased, viz., to contribute to the decoupling of economic growth from the use of natural resources. This aim cannot be achieved through ETAP alone. As indicated above, the integration of the environment and sustainability objectives is necessary in the whole of EU policy. Furthermore, with regard to environmental innovation it is important to take care to ensure that there are no neutralising effects.¹⁹ Therefore technological environmental innovation as a policy instrument must always be accompanied by clear and absolute environmental objectives. An additional peripheral condition which the MiNa-Council wishes to indicate for a policy focusing on technological environmental innovation concerns the broader social context in which the technological development takes place. In addition to technological developments focusing on efficiency, it is necessary to ensure important system innovations, e.g., focusing on the incorporation of industrial production in sustainable industrial sites, or clusters of industry which deal as efficiently as possible with space, energy, raw materials and mobility. The main lines in this concern the operationalisation of a "cascade effect" for the use of energy and raw materials and collective facilities in the field of the use of space and flows of transport.

¹⁶ Communication from President Barroso in agreement with Vice-President Verheugen of the European Commission to the Spring European Council, 'Working together for growth and jobs. A new start for the Lisbon Strategy', COM(2005)24, 2 February 2005.

¹⁷ Informal Environment Council, July 2004.

¹⁸ "*Well-thought-out environmental policies provide opportunities for innovation, create new markets, and increase competitiveness through greater resource efficiency and new investment opportunities. In this sense environment policies can help achieve the core Lisbon strategy objectives of more growth and jobs.*" Wim Kok (ed.) 'Facing the challenge; The Lisbon strategy for growth and employment', Report from the High Level Group chaired by Wim Kok, November 2004.

¹⁹ This is usually called the "*rebound effect*". Efficiency improvements can lead to reduced costs, which can in turn result in higher consumption. This means that the 'environmental effectiveness' of measures, e.g., to save raw materials or energy, is reduced.

To supplement ETAP, the government can also provide an important encouragement or serve as an example for a sustainable economy on the demand side by means of green public procurement.

- [7] **The internalisation of external social costs.** A third finding relates to the concrete policy initiatives which are proposed. In the recent environmental policy evaluation for 2004, the European Commission argued for a better implementation of the existing European environmental regulations by the member states, and for a better environmental policy.²⁰ The MiNa-Council fully supports the policy aims in this report for better scientific policy support, better exchange of information, and simplification. As indicated earlier in this advisory opinion, the Council is concerned that by concentrating on economic competitiveness and eco-innovation, the focus on environmental objectives could disappear into the background. The Council considers that it is necessary to accompany the pursuit of innovation and the decoupling of economic growth and environmental pressure with measures which achieve a greater internalisation of the external environmental costs. This results in a better operation of the market which should encourage the demand for eco-innovation. This position is clearly formulated in the Kok Report.²¹

The MiNa-Council points out that the lack of initiatives and measures for a better internalisation of the external environmental costs is the most important gap in the Communication.²² Nevertheless, this strategy is an important condition for achieving sustainable development.

The MiNa-Council repeats its plea for a strategy focusing on a gradual shift of the fiscal burden from the employment factor to environmental factors, without this resulting in an increase of the total burden. This sort of strategy can lead both to a reduction in environmental pressure and to more employment. The correct internalisation of the environmental costs in the market price of goods and services will also result in a clearer pricing signal for the consumer, and provide a solution to the dilemma confronting many consumers today. There is a high level of environmental awareness in the population (see above) which leads to people being prepared to pay more for sustainable products. However, there are limits to this. Correct pricing from a sustainability point of view could significantly contribute to persuading consumers and to closing the gap between an environmentally aware attitude and environmentally aware behaviour. This would in turn increase the market shares for those products which are produced in an environmentally-friendly way.

- [8] **Effects on the European budget.** Once the European Council has decided on the concrete fleshing out of the revised Lisbon Strategy, this will also have an effect on the budget of the European Commission. An initial start on this

²⁰ European Commission, '2004 Environmental Policy Review', COM(2005)17 final, 27 January 2005.

²¹ "Establishing an appropriate regulatory framework to allow eco-innovations to be taken up in markets is essential. Nowadays prices are distorted in some markets, leading to a misallocation of resources and creating disincentives for investors and buyers to participate. Market prices need to reflect the real costs of different goods and services to society. This requires gradually removing environmentally harmful subsidies and progressively including externalities in prices, taking account of other policy objectives such as competitiveness in the global economy and social aspects." Wim Kok (ed.), *ibid.*

²² There is one exception to this, viz., with regard to infrastructural prices on p. 21 of the Communication.

discussion was already made in the Communication of the Commission “Financial Perspectives 2007-2013”.²³ The most important recommendation of the MiNa-Council in this respect is that in the idea of integration, sustainable development should be the guideline against which budget decisions should be evaluated. In particular, the Council states that:

- The budget is drawn up, reflecting the big challenge with regard to the new countries acceding to the Union. The Council would like to point out that the mistakes of the past must not be repeated. The budget as a whole must contribute to achieving the European objectives with regard to the environment and sustainable development. This applies in particular for the common agricultural policy and the Cohesion policy instruments (*Structural Funds and Cohesion Fund*). These funds must be used to decouple economic growth and environmental pressure. In the context of the external dimension of the sustainable development strategy, an environmentally responsible use of the funds for development cooperation is also important. The funds which are spent on developing the European road infrastructure, the *trans-European transport network (TENs)* must be thoroughly subjected to a social cost-benefit analysis in a transparent way, in which the environmental costs are correctly taken into account with a sufficiently long term perspective. In this respect, the Council also emphasises the important impact which the infrastructure policy can have on European biodiversity objectives.
- In any case, it is necessary to prevent important items in the budget which contribute to the environmental policy in the context of the Lisbon Strategy from being siphoned off to other policy objectives. Amongst other things, the Council attaches great importance to releasing sufficient funds for the management of the Natura 2000 network of protected areas and for the financial support for the European Agenda on health and environment.
- The action plan of the Communication (part 3.3, “*Knowledge and innovation for growth*”) puts forward the 3% target for R&D expenditure (growth of expenditure for R&D from 1.9% GNP up to 3%). However, it is not clear what share of this will be used for sustainable development, specifically to achieve the decoupling objective, the reduction of greenhouse gases, the prevention of waste, efficient use of water, a reduction in transport needs, etc. The budgets for R&D should be more clearly linked to the European policy on these matters.

²³ European Commission, ‘Financial Perspectives 2007 – 2013’; COM(2004)487 final, 14 July 2004.

III. Relationship with the regular European environmental policy

[9] **The role of the Sixth Environment Action Programme.** The environmental dimension of the European sustainability strategy is elaborated in the context of the 6th Environment Action Programme. This will be done on the basis of seven thematic strategies (related to air, soil, natural resources, waste prevention, pesticides, marine ecosystems and urban environments). The final decision on the thematic strategies is planned for this year. It would be good for the Spring Summit to insist on ambitious, but realistic and clearly supported objectives for their implementation and to put forward a concrete schedule for the execution of these strategies. It is clear that their coordination and compatibility should also be monitored. In this respect, it is also necessary to refer to the Commission Communication on Biodiversity Policy which is expected this year.

[10] **The REACH dossier.** The MiNa-Council points out that the Communication on the Lisbon strategy from President Barroso and Vice-President Verheugen shows that the Commission will not abandon the REACH Directive (the new policy on the registration, evaluation and authorisation of chemicals). Therefore the European Parliament and the European Council must urgently ensure that the debate on the REACH Directive can be concluded. Additional research (*extended impact assessment*) has confirmed that the costs of the REACH system are largely surpassed by the social advantages.²⁴ Quite apart from the social gains at the level of the environment, public health and employment conditions, REACH can also result in purely business and economic advantages. A clearer policy framework will result in greater legal security for industry. REACH will simplify the current policy as it will replace approximately forty current legal texts. Innovation will be encouraged because marketing lower quantities of new materials will have to comply with fewer information requirements than is currently the case. Greater transparency and better communication about the safety and qualities of materials throughout the chain will benefit industry (including many SMEs) which use chemicals. With a good chemical policy, it will be possible to avoid liability claims more effectively and a preventive approach will lead to greater consumer confidence. The MiNa-Council does request that support measures are provided to guide SMEs in the introduction of new chemical regulations.

The Council also points out the importance of the “Environment and Health Action Plan” which the Commission will start this year. With this plan, research will be funded and information will be provided about the impact of environmental pollution on health. The MiNa-Council notes that Flanders can contribute its knowledge and experience related to the activities of the “environment and health” support centre and the three-stage system.

[11] **The post-Kyoto climate policy.** At the environmental level, the strengthening of the environmental dimension in the Lisbon process is the first priority of the Luxembourg presidency of the European Union. This has to be done “*by establishing a clear vision in terms of strategy for combating climate change and associated objectives for reducing emissions.*” The agenda of the Spring Summit includes a discussion of emission reduction

²⁴ European Commission, ‘2004 Environmental Policy Review’, COM(2005)17 final, 27 January 2005.

strategies for the medium and long term, including the target figures, taking into account the Commission's report on costs and benefits.

On 20 December 2004, the EU Council on the environment confirmed that, in order to achieve the climate objectives, *"the overall global annual mean surface temperature increase should not exceed 2 ° C above pre-industrial levels"*.²⁵ However, there is still considerable scientific uncertainty about the level of stabilisation of greenhouse gas concentrations to achieve this 2° C objective. The European Council acknowledges that *"in order to have a reasonable chance to limit global warming to no more than 2° C, stabilisation of concentrations well below 550 ppmv CO₂ equivalent may be needed"*. The European Council indicates that a significant reduction of the emissions of greenhouse gases *"of possibly 50% compared with the 1990 levels may have to take place by 2050"*.

In an advisory opinion of 18 November 2004, the MiNa-Council expressed its view on the future climate objectives. According to the Council, the following elements are of central importance in the European discussion on future climate objectives:

- If Europe wishes to fulfil its leadership role in the climate policy, the Council considers it necessary to put forward clear and ambitious objectives. The most important scientific information reveals that a minimum emission reduction of 30% by 2020 and 70% by 2050, compared to the emissions in 1990 will be essential to prevent dangerous climate changes. In order to avoid all risks and taking into account the precautionary principle, the target figure should be an upper limit of 450 ppmv CO₂ equivalent.²⁶ In a recent Communication the Commission indicated that a level of 550 ppmv (CO₂ equivalents) offers at most a one in six chance of respecting the 2° C target.²⁷ This position is supported by a Resolution of the European Parliament which was adopted with a large majority.²⁸
- The Council indicates that the appropriate strategy to achieve future climate objectives consists of stimulating rational energy consumption and generating energy from renewable energy sources.
- In order to guarantee the credibility of an international approach to the climate problem, an effective enforcement and sanction mechanism must be introduced for countries which do not comply with their obligations.

²⁵ Council of the European Union, 'Climate change: Medium and longer term emission reduction strategies, including targets, Council Conclusions, 22 December 2004.

²⁶ Also see Jean-Pascal van Ypersele of the Catholic University of Louvain, who is also a member of the Intergovernmental Panel on Climate Change (IPCC) of the United Nations in De Morgen of 28 January 2005: *"The European objectives state that we must not exceed the pre-industrial temperature by more than two degrees. In terms of CO₂ levels this means that we must remain between 350 and 450 ppm. (...) We are now at 378 ppm, with an annual increase of 2 ppm."* This means that we will reach the maximum limit in 36 years' time.

²⁷ European Commission, "Winning the Battle Against Global Climate Change", COM(2005)35 final.

²⁸ European Parliament Resolution on the outcome of the Buenos Aires Conference on climate change, P6_TA-PROV(2005)0005, 13 January 2005.

- As indicated in the above-mentioned European Parliament Resolution on climate change, the MiNa-Council insists that a new climate protocol will include the international aviation and shipping emissions.
- The MiNa-Council considers that all countries must take up their responsibilities with regard to the climate. This is possible with a multi-track approach, making a distinction between the industrialised countries and the various developing countries. In this way, it is possible to meet the legitimate development needs of these countries without losing sight of their contribution to climate change. The Council emphasises that it would be irresponsible (and unethical) for the industrialised countries to take the reluctance of the developing countries to reduce their emissions as an excuse to avoid taking any initiatives themselves.
- The MiNa-Council refers to the importance of the participation of the US in a future climate regulation. This is necessary to implement an efficient climate policy. The Council points out that there is no point either in wholly eroding the commitments with regard to climate in order to get the US on board. If the EU wishes to play a leadership role, it must involve developing countries in climate policy in a credible way. In this way, the US will become increasingly isolated and it could also become possible to take economic and trade measures against countries which avoid their responsibilities with regard to the climate. Furthermore at the political level, Europe must point out the great economic damage to the US which is (already) being caused as a result of climate problems. In this way it should be possible to get the US on board for the climate policy in the long term as well.
- Finally, the MiNa-Council states that the economic damage of climate-related events has increased considerably in recent years. A correct assessment of the costs of the climate policy (and the costs which would be incurred if no policy were implemented) is difficult to achieve. However, recent research has shown that the costs of an ambitious climate policy are acceptable in the light of the expected rise in (economic) prosperity in the same period, and in comparison with the expected costs of the effects of climate change. In its Communication, the Commission indicates that the advantages of the climate policy are greater than the costs.²⁹

²⁹ European Commission, "Winning the Battle Against Global Climate Change", COM(2005)35 final.

IV. Effects on the internal policy in Flanders

- [12] **Transposition of European regulations.** The MiNa-Council supports the plans of the European Commission to ensure better supervision of the transposition of the European regulations by the member states. Our country has a very bad reputation in this respect. Furthermore, the Commission's last report reveals that Belgium fell behind even further last year with regard to the transposition of EU Directives. According to the European Commissioner for the Single Market, Charlie McCreevy, in drawing up the figures: "Belgium has gone into reverse gear and has the worst figures for years." 30 The MiNa-Council greatly regrets this evolution, because the advantages, e.g., protecting the environment better, cannot benefit the population in this way. Furthermore, it conflicts with the policy intentions of the coalition agreement and the policy memorandum on sustainable development to adopt a more active approach to European and international policy. Obviously the decline which has taken place is not solely Flanders' responsibility.
- [13] **Towards a Flemish strategy for sustainable development.** Finally, the MiNa-Council would like to request the Flemish Government to act in accordance with its own intentions. With the 2001 Vilvoorde Pact and the recent policy memorandum on sustainable development, the Flemish Government has taken some steps in the right direction. These two documents certainly reveal a more coherent vision on sustainable development. The MiNa-Council is asking the Flemish Government to extend this approach to its activities in the federal coordination of the Belgian position for the Spring Summit. In addition, the aim is obviously for the Flemish Government to develop and give shape to its own fully-fledged Flemish policy on sustainable development. In this respect the MiNa-Council repeats that - where possible in combination with other strategic advisory councils - it will always be prepared to make a regular, concrete and constructive contribution.