

**Opinion of the European Economic and Social Committee on ‘The 2011 monitoring report on the EU’s sustainable development strategy: the EESC evaluation’ (own-initiative opinion)**

(2012/C 229/04)

Rapporteur: **Mr PALMIERI**

On 25 October 2011 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion on

*The 2011 monitoring report on the EU’s sustainable development strategy: the EESC evaluation.*

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 11 May 2012.

At its 481st plenary session, held on 23 and 24 May 2012 (meeting of 23 May), the European Economic and Social Committee adopted the following opinion by 138 votes to 9 with 12 abstentions.

## 1. Conclusions and Recommendations

1.1 The EESC considers Eurostat’s monitoring report (2011 monitoring report of the EU sustainable development strategy) to be a useful and important instrument in terms of:

- taking stock of progress made so far towards meeting the objectives and targets of the European sustainable development strategy (SDS);
- reviewing and fine-tuning the objectives, actions and measures of the EU’s SDS, while also refining the methodologies and tools currently used to measure sustainable development;
- tackling the new challenges on the horizon, particularly in the light of the effects on the SDS of the global economic and financial crisis.

1.2 In this respect, the EESC is disappointed that there has been no Commission report on progress in implementing the SDS in the EU and calls on the Commission and the EU’s other institutions to respond to the findings of the Eurostat report as an integral part of the strategy itself and a basic tool for political evaluation of the measures implemented to date and helping to determine future avenues.

1.3 The EESC argues, therefore, that more effective political action is needed to achieve the strategy’s objectives, starting with endeavours to measure the state of sustainable development accurately, which will involve an assessment of pro-sustainability policy measures that is both scientific and political in nature.

1.4 To this end, the EESC calls once again for consideration to be given to the pointers and thoughts generated on these issues within its Sustainable Development Observatory, so as to

allow civil society to have its say. The only way to achieve transition to a more sustainable model for development is to activate democratic processes that encourage public awareness of and participation in decision-making, by developing the structures for dialogue between civil society and political leaders.

1.5 The EESC stresses the need to reinforce the links between the SDS and the EU’s other major policies. The cross-cutting, all-pervasive nature of the concept of sustainable development demands a very close connection with all the other emerging political priorities (social equity, the fight against poverty and unemployment, social justice, the efficient use of resources, nature conservation, social cohesion and development cooperation).

1.5.1 This need for joined-up thinking on the EU’s various policy strategies is all the more important at this point in time. The serious repercussions of the global economic crisis make it necessary to distinguish between the impact of the current world economic situation and the development of long-term, far-reaching, structured strategies.

1.5.2 In particular, the EESC reiterates the need for enhanced cooperation and symbiosis between the EU’s Sustainable Development Strategy and Europe 2020 strategy so as to ensure that the measures taken under the latter are genuinely geared towards achieving more sustainable development. Analysis of and research into new indicators can offer a way of assessing the effectiveness of measures to promote sustainable consumption and production models while also feeding into the Europe 2020 monitoring process.

1.6 The EESC recommends bolstering the social dimension of sustainable development, especially given the social repercussions of the economic crisis, particularly in terms of the increase in unemployment, inequalities and the risk of social exclusion, which hit the most vulnerable groups hardest and have a long-term knock-on effect on people’s living conditions, while also restricting room for manoeuvre on environmental protection.

1.7 The EESC is strongly in favour of promoting economic development that can secure economic growth while also neutralising negative consequences for the environment and giving consideration to the key principles of equity, cooperation and social justice (that underpin the concept of sustainable development).

1.7.1 The EESC supports the concept of green growth and the development of a green economy, to be achieved within the framework of long-term sustainable development, reducing disparities and inequalities in opportunities in the transition to a low-carbon development model <sup>(1)</sup>.

1.7.2 In this respect, the EESC welcomes the recommendations of the International Labour Organisation (ILO) on green jobs, aiming to ensure that workers are guaranteed decent, high quality work in the transition to a green economy so as to prevent replication of the social divisions that have materialised at other times of change.

1.8 In the transition towards sustainability more investment is needed in research and innovation, particularly in the field of energy, in order to promote a development model based more on renewables and less fossil-fuel-dependent and continue reducing the energy intensity of the economy, and also in view of the positive impact on growth and jobs that can be generated by launching of new activities and promoting economic competitiveness.

1.9 Training, too, plays a fundamental role alongside high-quality research and technological innovation: it leads civil society towards a different model for development, providing the tools needed to tackle the challenges development brings and reinforcing its role as a catalyst for change.

1.10 Appropriate awareness-raising and training in the area of sustainable development is therefore a crucial objective, one that goes hand in hand with the aim of implementing more effective parameters for measuring progress made towards greater sustainability.

1.11 In particular, it would be worthwhile continuing along the path taken by the EESC in backing the framing of new, non-GDP-based indicators <sup>(2)</sup>. The analysis must build in both quantitative and qualitative dimensions and also possibly include a survey of the way in which social players perceive and assess the issues surrounding sustainability.

<sup>(1)</sup> EESC opinion on the *EESC position on the preparation of the United Nations Conference on Sustainable Development (Rio + 20)*, rapporteur: Mr Wilms, JO C 143 du 22.05.2012, p. 39.

<sup>(2)</sup> EESC opinion on *GDP and beyond – the involvement of civil society in choosing complementary indicators*; JO C 181 du 21.06.2012, p. 14.

1.12 It is only by means of a participatory process supported by experts and political, social and civil society players alike that it will be possible to build a new political and social culture that can plan for the kind of development that embraces and combines the three dimensions - economic, social and environmental - on which the concept of high-quality, sustainable human progress is built.

## 2. Introduction

2.1 The latest Eurostat monitoring report (*2011 monitoring report of the EU sustainable development strategy*), which gives an overview of the EU's sustainable development strategy in 2011, provides a detailed picture of the situation in the EU Member States two years on from the start of the crisis and in this way allows for a critical evaluation both of the major changes taking place in our societies and of the ongoing debate on the possibility that the transition to a low carbon economy could provide an opportunity to beat the recession by stimulating a process of recovery in production and reversing the fall in employment.

2.2 In the light of its role as the bridge between the EU institutions and organised civil society, the EESC plans to contribute to the debate sparked by this report, by facilitating the involvement of the bodies representing the European public in an evaluation of those themes and projects that are important when it comes to the pursuit of sustainable economic, social and environmental development.

2.3 This opinion is also intended as a follow-up to previous opinions drafted by the EESC in preparation for the UN Conference on Sustainable Development (UNCSD), to be held in Rio de Janeiro (Rio + 20) in June 2012.

2.3.1 This opinion will constitute a civil society contribution in preparation for the negotiations at the Rio + 20 summit with particular regard to one of the two key challenges that will be central to the summit: the institutional framework for sustainable development.

## 3. General comments

3.1 Analysis of the data in the 2011 report highlights the way some of the progress made towards reaching the EU's SDS objectives is attributable more to the impact of the current world economic situation than to the implementation of structured, long-term strategies geared to achieving sustainable development. Analysing and tackling the disparities between Member States in the pursuit of these objectives must be seen as a priority.

3.1.1 **Positive developments** highlighted by the report for the period between 2000 and the present day include:

— a reduction in the number of people at risk from poverty or social exclusion (although the share of workers at risk of poverty has risen);

- an increase in life expectancy and a general improvement in public health (although unequal access to healthcare persists);
- a reduction in greenhouse gas emissions and an increase in the consumption of renewable energy;
- stability in the abundance and diversity of common bird species as a good proxy for the overall state of biodiversity and the integrity of ecosystems.

### 3.1.2 As regards negative developments:

- there has been an increase in demand for materials, despite a positive upward trend in resource productivity;
- despite an increase in the employment rate for older workers, the 2010 target was not reached;
- fishing activities have continued to outstrip sustainable fish stock levels;
- there is evidence that the current decoupling of transport energy demand from economic growth is only relative and that there has been a failure to shift goods and passenger transport to transport modes with a lower environmental impact;
- the 0.56 % target set for 2010 for the share of gross national income spent on official development assistance was not met.

3.2 As regards the influence of the crisis on the positive and negative trends analysed by the Eurostat report, it has been observed that while the reduction in climate-changing gas emissions can be attributed in part to a more efficient use of energy and greater recourse to low carbon fuels, it is also one of the effects of the recession.

3.2.1 Energy, which is necessary for all economic activities, appears to be the variable most closely linked to economic growth, as shown by the reduction in final energy consumption in parallel with the fall in GDP. This makes it fundamentally important to take further steps towards decoupling economic growth from environmental pressures by breaking the link between the generation of wealth and energy consumption.

3.3 Ultimately, the picture painted by the Eurostat report shows that while the European Union has made considerable progress towards sustainable environmental, economic and social development, the EU economy is still energy- and carbon-intensive and efforts to make far-reaching structural changes will have to be stepped up in order to launch a long-term transition process, free of the effects of the current global economic situation.

## 4. Specific comments

4.1 Analysis of indicators measuring the scale of **socio-economic development** from 2000 to 2011 gives a stark indication of the effects of the recession generated by the global economic crisis. This is particularly clear when examining GDP, investments and labour productivity.

4.1.1 Negative trends have been recorded for unemployment and employment, with particularly worrying youth unemployment rates. On the plus side, there has been an upturn in household savings in response to the crisis, spending on research and development has increased and energy intensity has improved, showing total decoupling.

4.1.2 The socio-economic development theme involves measuring progress made in building a society based on an innovative and eco-efficient economy offering society high standards of living. The economic crisis has had a negative influence on progress towards achieving these objectives. Nevertheless, the process of greening the economy could be a powerful tool when it comes to tackling the recession, contributing to a recovery in production and employment.

4.2 Analysis of progress made towards **sustainable models of production and consumption** shows contradictory trends. Although the EU has become more efficient in its use of resources, there is evidence of a continued increase in demand for materials. On the energy front, consumption of electricity is increasing, but there has also been a reduction in final energy consumption. With regard to waste, there has been an increase in the production of dangerous waste, whereas the quantity of non-mineral waste has decreased and recycling is on the increase. In addition, the number of cars continues to grow, but there has been a reduction in emissions of polluting substances, owing largely to falling transport volumes and the spread of higher-performance engines.

4.2.1 The picture of contrasts that emerges from the indicators analysed shows that, despite the progress made, additional efforts are needed to achieve the objective of breaking the link between economic growth and use of resources, while respecting the carrying capacity of ecosystems. It is also fundamentally important to consider consumption and production more interdependently, and promote the concept of product life cycle. More must be invested therefore in awareness-raising measures to promote more environmentally responsible models of production and consumption.

4.3 Indicators relating to **social inclusion** show rather positive trends, with a reduction in the risk of poverty or social exclusion. However, the risk of poverty is growing for the 25-49 age-group, and there has been a slightly less marked increase in youth unemployment for the 18-24 age-group. On the other hand, reductions have been recorded in poverty intensity, income inequality, the long-term employment rate, and the gender wage gap.

4.3.1 Negative trends also include: an increase in the share of working poor; insufficient growth in participation in life-long learning to reach the 2010 target; and the need to further reduce the early school-leaving rate.

4.3.2 Whereas the picture painted by the Eurostat report is quite positive, there is a need to improve the results relating to early school leaving and life-long learning. The risk of poverty is greater for people with a low level of education. Furthermore, education and training play a crucial part in enabling people to benefit from the employment opportunities associated with the development of the green economy, requiring the development of new eco-efficient technologies and re-skilling in line with technological innovation processes. Training is therefore fundamental in terms of both enabling young people to access the labour market and responding to the needs of those already working and needing to meet new demands resulting from the changes taking place.

4.4 Analysis of **demographic changes** shows significant improvements in the employment rate of older workers, life expectancy beyond 65 and reduced risk of poverty for the over-65s.

4.4.1 Nevertheless, despite these improvements, there has been an increase in the quantitative and qualitative levels of spending on welfare and of public debt. The demographic changes being seen – in particular lower fertility rates, longer life expectancy and the resulting inter-generational imbalances – raise the challenge of creating a socially-inclusive society, keeping public spending at sustainable levels and tailoring welfare spending to altered expectations involving greater demand in the realms of pensions, health and long-term medical care.

4.5 Analysis of **public health** shows improvements when it comes to living and staying healthy for longer: life expectancy has increased, the numbers of deaths from chronic diseases and the number of suicides have decreased; furthermore, there have been reductions in the production of toxic chemical substances, the rate of serious accidents at work and the level of exposure to noise pollution. Despite this positive picture, inequalities in access to healthcare persist between the various socio-economic groups.

4.5.1 The concept of public health encompasses various social, economic and environmental aspects of development (health and safety at work, healthcare funding, exposure to pollutants, etc.), and represents one of the key challenges of the EU's SDS, requiring greater efforts to take a joined-up, analytical approach in order to remarry the three spheres of sustainability that often end up being addressed separately.

4.6 Analysis of indicators relating to **climate change and energy** shows a few significant improvements; however, the economic crisis has had a significant impact on these trends, owing to the close link between energy and economic growth. The positive changes observed include: a reduction in greenhouse gas emissions, bringing the EU closer to meeting its reduction target of 20 % by 2020 and the Kyoto target set for 2012; an increase in the energy share of renewables that could hit the target of a 20 % renewables share in gross final energy consumption by 2020; and an increase in the use of renewables in transport. Lastly, demand for energy has fallen.

4.6.1 Negative developments, however, include: the increase from 2000 to 2009 in dependence on energy imports; failure to meet the 21 % target for the share of renewables in electricity production; and slow progress on cogeneration and on shifting the tax burden from labour to resource use.

4.6.1.1 Energy production and consumption, meanwhile, carry the main responsibility for CO<sub>2</sub> emissions and therefore for their global environmental impact. This makes technological innovation in the energy field extremely important. Furthermore, in addition to cutting emissions of climate-changing gases, the development of renewable resources and energy efficiency can also yield economic and social benefits, by generating new activities that bring jobs, coupling environmental protection with economic and employment growth.

4.6.1.2 To this end, care must be taken to ensure that the economic crisis does not jeopardise the current processes of greening the economy, which seem particularly fragile at this time of recession.

4.7 Even the changes noted in the area of **sustainable transport** can be put down in part to the consequences of the economic crisis. The reduced number of road accidents and the lower levels of greenhouse gas emissions and of energy consumption can be attributed to the resulting lower volume of transport, for which the decoupling has been only relative.

4.7.1 Positive trends include, in particular, progress on reducing CO<sub>2</sub> emissions from new cars and decreased levels of pollutants in the air. When it comes to negative trends, it has been noted that neither goods nor passenger transport has shown a shift to transport with a lower environmental impact.

4.7.1.1 Transport is a complex sector in which the critical elements have diverse origins involving life style choices and cultural models of consumption. In this respect, transport provides an example of how if the fight against climate

change is to be effective, it must deal directly with people in their daily routines, and not just with political measures and technical choices.

4.8 Efforts to protect **natural resources** have led to some positive results but there is still a very long way to go. Whereas the abundance and variety of many common bird species has remained stable, the over-exploitation of fish stocks continues<sup>(3)</sup>. The number of areas designated for nature conservation has increased, but the expansion of built-up areas has continued, to the detriment of farmland and semi-natural land.

4.8.1 Natural resources are not only necessary for the development of human production and consumption, but they are also the key to a balanced ecosystem, whose alteration can have irreversible consequences for the entire planet. For this reason, major efforts are needed to stem environmental decline, including conservation of the natural capital of the land and of its biodiversity.

4.8.2 There is a pressing need to address the current lack of ecological indicators, by adding additional indicators that can provide a better reflection of the state of biological resources and the current and future benefits to the public that derive from functioning ecosystems.

4.9 Developments under the **global partnership** theme, from 2000 onwards, are looking favourable, despite the negative impact of the crisis on trade flows (as a result of increased imports from developing countries and the reduction in EU agricultural subsidies), on financing for sustainable development and on the management of natural resources.

4.9.1 On the other hand, however, there was only a slight increase in the share of gross national income earmarked for official assistance for development in developing countries, making it impossible to meet the 2010 target. Furthermore, the gap in CO<sub>2</sub> emissions between the EU and developing countries has narrowed owing to the increase in emissions from the latter and a decrease in emissions from EU countries.

4.9.2 Global partnership is a fundamental component of the EU's SDS: tackling widespread poverty, inequalities and the lack of access to resources in less-developed and developing

countries is a key challenge in the realm of sustainable development. Whence the duty to help the poorer countries to keep up with the transition to sustainability in a fair way, facing up to the growth in the world population, growing expectations in terms of living standards and the increased consumption of raw materials.

4.10 The indicators that measure the level of **good governance** are showing both positive and negative trends. On a positive note: a) there has been a significant reduction in the number of cases of infringements of EU laws at national level; b) between 2007 and 2009 the transposition of European directives surpassed the 98.5 % target; c) there has been an increase in the availability of e-government for basic public services and its use by the public in the Member States; d) half of the people interviewed stated that they had confidence in the European Parliament. As regards negative developments: e) there has been a fall in national election turnout, while turnout at the elections to the European Parliament was still lower (over 20 % difference in all 27 countries except one which had a higher turnout); f) there has not yet been sufficient progress in shifting taxation towards a higher share of environmental taxes in total tax revenues.

4.10.1 The concept of governance is closely linked to sustainable development and the affirmation of the principle of social and inter-generational equity, requiring that the interests of future generations be incorporated within current inter-generational agreements. Good governance requires the development of a democratic society, involving full participation of the economic players, the social partners and civil society by fine-tuning the structures for dialogue between the public and political leaders.

4.11 The EESC views the involvement and participation of civil society to be of fundamental importance if further progress is to be made towards achieving sustainable development and consolidating the EU's SDS. To secure civil society participation and allow it to contribute to the achievement of sustainable development it is necessary to expand access to knowledge and information on sustainability-related themes.

4.12 In order to improve communication it is also necessary to set out more effective parameters in order to measure the progress made in securing sustainable development. For instance, it would be worthwhile pursuing the path taken by the EESC in supporting the framing of new non-GDP-based indicators for measuring economic progress<sup>(4)</sup>, to include the environmental and social quality evaluation along side the economic evaluation; it is also necessary to marry both quantitative and qualitative dimensions, while also possibly including a survey of the perceptions and evaluations of social players regarding sustainability matters.

<sup>(3)</sup> EESC opinion on the Proposal for a Regulation of the European Parliament and of the Council on the Common Organisation of the Markets in Fishery and Aquaculture Products, JO C 181 du 21.06.2012, p. 183.

<sup>(4)</sup> EESC opinion on *GDP and beyond – the involvement of civil society in choosing complementary indicators*, JO C 181 du 21.06.2012, p. 14.

4.13 In truth, the development of a good information system, far from being merely a matter of knowledge, ties in with the decision and policy-making process, and is the basis upon which to build a system of social preferences. It is for this reason that the discussion on the very meaning of social and environmental progress and the resulting search for new indicators and interpretative instruments must actively involve experts, political and social forces and civil society, by means of democratic participation in decision-making.

4.14 The EESC also notes the absence of a report on the implications of Eurostat's work for the future and requests clarification as to how the development of policies and future trends will be built into the work of the Commission and of the Member States.

Brussels, 23 May 2012.

*The President*  
*of the European Economic and Social Committee*  
Staffan NILSSON

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