Opinion of the European Economic and Social Committee on the ‘Biennial Progress Report of the EU Sustainable Development Strategy’

(2007/C 256/15)

In a letter to Mr Dimitriadis dated 11 December 2006, the European Commission asked the European Economic and Social Committee under Article 262 of the Treaty establishing the European Community to draw up an opinion on the Biennial Progress Report of the EU Sustainable Development Strategy.

The Section for Agriculture, Rural Development and the Environment (Sustainable Development Observatory), which was responsible for preparing the Committee’s work on the subject, adopted its opinion on 8 June 2007. The rapporteur was Mr Ribbe.

At its 437th plenary session, held on 11 and 12 July 2007 (meeting of 11 July), the European Economic and Social Committee adopted the following opinion by 70 votes to 21 with 10 abstentions.

1. Summary of the EESC’s conclusions and recommendations

1.1 The Committee welcomes the marked boost given to the debate thanks to the ‘renewed’ sustainable development strategy adopted at the EU summit in June 2006. The requirement to produce biennial progress reports will, in particular, help ensure that policymakers and society are, in a more practical way, kept up to speed on positive developments and on areas where implementation is proving difficult.

1.2 In its earlier opinions on sustainability, the Committee has, in essence, welcomed the various documents submitted by the Commission, the Council and the European Council, but it has also been critical in the questions it has raised and, in some cases, has put forward extensive proposals which the institutions have frequently failed to take up. On this occasion too, the Committee is critical of the fact that the objectives set in most of the priority areas remain excessively vague. In particular, however, it is critical of the inordinate lack of clarity about the instruments to be used.

1.3 The Committee particularly welcomes the key objectives and policy guiding principles set out in the renewed strategy and calls on the Commission, the Council and the European Parliament to take these genuinely seriously and give them full consideration.

1.4 The Committee hopes that the first progress report, which is due for publication in September 2007, will provide more detailed information about, among other things:

— what economic instruments are envisaged by the Commission to ‘promote market transparency and prices that reflect the real economic, social and environmental costs of products and services (getting prices right)’;

— specifically how the European Council’s call will be implemented to ‘consider further steps to shift taxation from labour to resource and energy consumption and/or pollution, to contribute to the EU goals of increasing employment and reducing negative environmental impacts in a cost-effective way’;

— what specific time frame the Commission is setting itself for implementation of the European Council’s objective of gradually eliminating subsidies that have negative effects on the environment, and whether consideration could be given to the EESC’s idea of transferring at least some of the savings into a ‘EU sustainability fund’;

— how in future the Commission intends to avoid the blatant contradictions which still exist between aspiration and reality in sustainability policy, for example in the transport sector (see Points 4.15 and 4.16); and

— how to deal with Member States which have failed to present adequate national sustainability strategies.

1.5 Given that climate impacts are, in dramatic fashion, growing ever more acute, it is understandable that particular attention is being paid to the fields of climate and energy. However, the Committee feels that:

— this is a positive development, although it must not lead to other key elements of the strategy being neglected;

— in spite of the urgent need for political action, all decisions should be taken in line with the policy guiding principles laid down in the renewed strategy, i.e. with the involvement of citizens, businesses and the social partners, using best available knowledge etc. The decision taken under the energy package to generate 10 % of European fuels from biomass in future (as opposed to the 5,75 % agreed earlier) did not comply with these principles. The Committee sees the potential for major problems here, to be discussed in a separate opinion on the relevant Commission progress report (1).

2. Key elements of the opinion and background

2.1 In 2001, the Gothenburg European Council adopted the European Union Strategy for Sustainable Development. In December 2005, the Commission submitted a communication to the European Parliament and the Council on the Review of the Sustainable Development Strategy — A platform for action (1), the purpose of which was to set out ‘further concrete actions for the coming years’.

2.2 Over the past few years, the European Economic and Social Committee has adopted a number of opinions dealing with the sustainable development strategy (SDS), each time stressing the tremendous importance of sustainable development for the society in which we live. The Committee has given broad backing to the Commission’s various approaches in this area and endorsed the European Council’s view that the SDS is the EU’s overarching strategy, the aims of which must also be a benchmark for the Lisbon strategy.

2.3 In its opinions on sustainable development, however, the Committee has also frequently voiced criticism and raised constructive questions, to some of which the Commission and the Council have yet to provide an answer.

2.4 The Committee’s most recent opinion on the subject — on the Commission’s December 2005 communication mentioned above — was critical of the fact that, in what is described as an ‘ambitious’ platform for action, the Commission chose not to follow the EESC’s recommendation of April 2004 or to meet its own undertaking of June 2005, failing once again to comply with its promise to set out clear goals to be reached under the sustainability strategy.

2.4.1 In that opinion, the Committee made the point that any strategy should describe the means of achieving objectives. The absence of specific objectives is bound to result in problems when it comes to identifying instruments since if you do not know exactly where you want to go, then you cannot decide how you will get there. The Committee therefore felt that the communication left more questions open than it gave answers and direction.

2.4.2 As the Committee already pointed out in its 2004 opinion (2), however, there is a failure to communicate either objectives or instruments to the broader public and to the social partners concerned — in other words, where there is uncertainty as to what sustainable development actually means and how future development will differ from the situation in which we live today’ — ‘fears and resistance’ are generated ‘in the actors potentially affected’. The Committee regrets to say that the past three years have seen little in the way of additional clarification of the issues involved here — a fact that is without doubt compromising the credibility of sustainable development policy.

2.5 The Austrian presidency that was in office during the first half of 2006 presumably took a similar view of the overall situation. It thus more or less set aside the Commission’s 2005 communication and drew up a new, independent document for consideration by the heads of state or government at the June 2006 summit, where it was then also adopted as ‘the renewed strategy’ (3).

2.6 This renewed strategy gives the EESC a key role to play, no doubt because of its past commitment to the issue. Article 39 states that the EESC ‘should play an active role in creating ownership inter alia through acting as a catalyst to stimulate debate at EU level, and is invited to prepare input to the biennial progress report of the Commission’.

2.7 In submitting the present opinion, the Committee is seeking to meet that request and satisfy its responsibilities in this area. The opinion will begin with a few basic comments on the renewed strategy (point 3). It will then briefly consider the issues raised in the renewed strategy (point 4) before setting out its views on certain substantive elements of the progress report that is to be drawn up by September 2007 (point 5).

3. General comments on the renewed strategy

3.1 When the most important EU political institution reviews and renews one of its policies — as the European Council has done in its EU Strategy for Sustainable Development — then civil society also expects that the relevant documentation will make clear:

— why a review was necessary in the first place;
— what findings came to light in the deficit analysis (i.e. where problems have been identified); and
— what specific changes are to be made in future (i.e. which areas are to be removed and/or approached in a different way, and which are to be added and why); and
— what approaches are envisaged, for example, for achieving the essential objective of integrating sustainability into the work of all Directorates-General.

3.2 Sadly, however, the document in question provides no such context and no such findings but just presents a ‘renewed’ strategy.

3.3 The Gothenburg European Council, drawing on a communication from the Commission, focused on four priority issues, viz.:

— climate change;
— transport;
— public health; and
— natural resources.

(2) OJ C 117, 31.04.2004, point 2.2.1.
3.4 Missing from the Gothenburg strategy were two additional issues which the Commission had also proposed in its communication at the time — the eradication of poverty and population ageing. The European Council failed to give a reason for the omission and it was criticised by the EESC in its April 2004 opinion (\(^\text{1}\)) as sending out an 'inadequate signal'. There was also widespread criticism that the strategy was not embodied in a single document that could be communicated and promoted publicly and that the external dimension was dealt with in a separate process leading to a separate document.

3.5 The renewed strategy now sets out seven key challenges along with corresponding targets, operational objectives and actions. The areas concerned are:

— climate change and clean energy;
— sustainable transport;
— sustainable consumption and production;
— conservation and management of natural resources;
— health;
— social inclusion, demography and migration; and
— global poverty and sustainable development challenges.

3.6 As the above comparison between the original approach and the new one shows, the renewed strategy does not involve any great shift in priorities. To the points already incorporated into Gothenburg strategy, it merely adds the key issues raised in the Commission’s 2001 communication — the eradication of poverty and population ageing — and the question of sustainable consumption and production.

3.7 The Committee can well understand this, as both the issues included in 2001 and those that were not included at the time remain unresolved, making it more urgent than ever that they be thoroughly addressed at a political level. However, precisely because the political action taken to date has fallen short of the mark, it is interesting to reflect on how the renewed strategy actually differs from the old one and what assessment can be made of the successes of the old strategy so far. This question is particularly important in forestalling any great shift in priorities. To the points already incorporated into Gothenburg strategy, it merely adds the key issues raised in the Commission’s 2001 communication — the eradication of poverty and population ageing — and the question of sustainable consumption and production.

3.8 This renewed strategy is based on an excellent set of principles for sustainable development and endeavours to work these through into a set of objectives and actions for each of the seven priority areas selected, together with some actions on cross-cutting themes and the development of processes for implementing and monitoring progress. In these respects the new strategy is certainly an improvement on its predecessors.

3.9 Early indications are that the parts of the strategy that deal with climate change and energy are being vigorously addressed at present. This is a positive development, although it must not lead to other key elements of the strategy being neglected. The present review of implementation is an important opportunity to explore this question and to try to give the strategy greater weight and driving force in all the key areas it deals with. The Committee once again wishes to emphasise that sustainable development is a comprehensive integrating approach and not a menu of separate options from which one can pick and choose à la carte. The climate change objectives and targets are now becoming sufficiently clear, precise and urgent to act as real drivers for action. But for most of the other themes of the strategy the sustainable development objectives are too vague open-ended to be capable of driving significant change.

3.10 Scope of the strategy: The seven themes in the new strategy are an improvement on the inadequate four of the previous one. There are however still some important omissions. The Committee’s exploratory opinion of April 2004 (\(^\text{2}\)) already called for agriculture to be included as a chapter in its own right. The Committee now reiterates that call in the light of the serious doubts it has repeatedly raised as to whether sustainable agriculture as envisaged by the ‘European agricultural model’ is at all feasible under world market conditions. The Committee’s scepticism as to whether the CAP is genuinely moving in the right direction is reinforced by the fact that, for the 2007-2013 financing period, the heads of state or government have slashed the resources available under the second CAP pillar that is particularly important for the development of sustainable agriculture. The Committee has criticised this move on several occasions and questions the compatibility of this decision with sustainable development policy. Including agriculture in the renewed strategy under the heading of ‘natural resources’ is simply not enough.

3.11 The question as to whether a European agricultural policy that is geared towards global, open markets can be sustainable at all automatically also raises the fundamental issue of global production and trade rules. The WTO is a body based on agreements that are designed to foster global free trade. Yet, as the Committee has repeatedly shown, it does not follow that free and liberalised trade is necessarily also sustainable. Sadly, the renewed strategy says nothing about how to turn free trade into trade that is compatible with sustainability principles. That is a major failing. Here too, the Committee can but regret EU decision-makers’ failure so far to address this issue, despite the fact that it was raised by the Committee all of three years ago (\(^\text{3}\)) — though the EESC acknowledges that the EU has shown real determination to negotiate new rules for globalised trade, including with the IMF and the World Bank.

3.11.1 Of course, the global dimension is closely relevant to a European sustainability strategy, given that the European economy is also affected by external developments. Any EU strategy must therefore be consistent with and actively assist a global approach to sustainable development. This is recognised in the renewed strategy by references to supporting the Millennium Development Goals, Kyoto, UNEP, and other worldwide initiatives. The strategy also acknowledges the need to make


\(^{(3)}\) OJ C 117, 30.4.2004, p. 22, inter alia points 0.8 and 6.4 et seq.
'globalisation work for sustainable development'. It notes that
the Commission is producing a Sustainable Consumption and
Production Action Plan in 2007 but the EESC believes a more
far-reaching analysis is required to have any hope of tackling the
issues of global inequalities. The 'drive for growth' by newly
industrialising nations which justifiably are seeking much higher
standards of living will almost certainly have a catastrophic
effect on global resources and systems. The strategy is therefore
a place to address the limits to the 'carrying capacity' of the
planet, already under strain from 200 years of unequally
distributed industrialisation.

3.12 Clarity of objectives: Sustainable development is widely
accepted as an overall goal for society. But in order for a sustain-
able development strategy to have any real driving force or trac-
tion it needs to be carried through into specific measurable
objectives and targets, based on rigorous analysis. The new
strategy certainly contains a large number of objectives and
actions. But it does not relate these to any quantified analysis of
data and trends or to any qualitative analysis of issues and
problems. So it is frequently not clear why particular objectives
and actions have been selected, how progress towards them will
be evaluated, and how far they may contribute to overall
sustainability even if achieved. The current review should
provide an opportunity to sharpen up and clarify all these
points, so that in future it will really be possible to assess
progress more systematically.

3.13 Having made these rather critical comments, the
Committee would, however, also like to say something positive.
Compared with the platform for action submitted in December
2005, the renewed strategy clearly does contain a greater
number of specific objectives, designed, for instance, to curb
climate emissions or boost energy efficiency. The fact that some
objectives are now becoming clearer, however, is due in particu-
lar to the March 2007 European Council's specific conclusions
on climate issues and, to some extent, energy policy.

3.14 Tools for implementation: That said, the renewed
strategy — and the March 2007 European Council conclusions
— are still far too vague on the tools to be used to achieve
these more specific objectives — and thus on the actual
'strategy' that is to be pursued. It is interesting to note, however,
that some indications at least are given — albeit between the
lines — of potential tools to be used in this area. Although
these indications are still far too vague for the Committee's
liking, the progress report could and should, therefore, provide
specific information on this front, thereby addressing the issue
at hand and providing some degree of guidance (see point 5
below).

4. Specific comments on the renewed strategy

4.1 The revised strategy outlines the importance of inte-
grating the dynamic of the Lisbon strategy process into the
broader goals of sustainable development. But it does not
follow this through with a serious analysis of how patterns of
growth and development in the world will need to change to
achieve a more sustainable world in the future. The impact of
non-sustainable developments are becoming ever more evident,
including, in particular, the dire effects of climate change, the
continuing global decline in biodiversity, the ever-growing gulf
between rich and poor, and the foreseeable depletion of raw
materials.

4.2 Such an impact will have dramatic economic repercus-
sions. In some places, the very basis of the present-day
economy is at risk of complete collapse. In Switzerland, for
instance, banks are no longer lending to investors in winter
sports infrastructure if the location is less than 1,500 m above
sea level. There is also great — and increasing — uncertainty
about the future of farming and tourism in the Mediterranean
area should it become even hotter and drier.

4.3 ‘Public expenditure in the EU dedicated to coastline
protection against the risk of erosion and flooding has reached
an estimated EUR 3.2 billion, compared to EUR 2.5 billion in
1986, and studies indicate that the cost of coastal erosion will
average EUR 5.4 billion a year for the period 1990-2020.’ Yet
these vast amounts are enough to avert or mitigate only some
of the emerging adverse impacts.

4.4 We face a grave situation, living, as we do, in an
economic system which, for instance, at a macroeconomic level,
views health costs and environmental damage — the billions
spent in the wake of storm Kyrill in early 2007 for example —
in a favourable light because they contribute to higher GDP. The
Committee is pleased that, in its renewed strategy, the European
Council is at last beginning — albeit, sadly, only on the margins
to address this contradiction in a more forthright way. The
European Council is quite right when, in point 20 of its
renewed strategy, it notes that 'the core system of national income
accounting could be extended by inter alia integrating stock and flow
concepts and non-market work and be further elaborated by satellite
accounts e.g. environmental expenditures (and) material flows'.
At this point, the Committee would reiterate a point it made back in 2004: ‘As part of the sustainable development strategy, ... the Committee feels it is right to discuss issues that have so far been seen as well-nigh taboo. One of these questions concerns permanent economic growth as the primary goal and the key aspect of all policies’. The point the Committee was making is that growth can no longer be seen in purely quantitative terms; rather, a new concept of growth is needed, which puts qualitative objectives based on sustainability criteria first. The Commission and the Council should use the upcoming report:

— to determine whether there is not a clash — hitherto unrecognised or unarticulated — between the sustainable development strategy on the one hand, and the Lisbon strategy on the other, particularly as regards the use of GDP as an indicator of social welfare and economic prosperity; and

— to indicate the requisite features of any new ‘prosperity indicator’ more in line with sustainability principles.

Numerous examples demonstrate that progress in terms of the economy and of environmental policy does not necessarily generate GDP growth, but can very well create jobs and relieve environmental pressures. Using energy-saving bulbs instead of less efficient conventional bulbs reduces electricity consumption, and even taking account of the investment, this would tend to lower GDP. Nevertheless, this is another area in which the EESC would like to see more ‘growth’ — including in terms of insulation for buildings, fuel-efficient engines, energy-efficient appliances, etc.

The Committee therefore welcomes the work now being put in hand by the Commission to explore alternatives to GDP as measures of prosperity and will wish to take a close interest in this work.

As the Committee has frequently highlighted, sustainable development does not come free of charge. The Committee has also repeatedly made the point that drastic structural changes are inevitable at macroeconomic level, and will happen whether we want them to or not. The policymaker’s task should be to provide a smooth lead-in to these necessary changes so as to avoid any major disruptions and mitigate the most serious negative impacts.

With regard to responsibility for resolving these issues, the Committee notes that, at the microeconomic level, it is not only policymakers who are called upon to make sure the right conditions are in place. Action is also required of industry — and of each and every individual. The Commission has for a number of years now rightly been drawing attention to corporate social responsibility which brings together economic, social and environmental aspects through the conduit of social dialogue.

The European Council points out (1) that the renewed strategy ‘forms the overall framework within which ... economic, social and environmental objectives can reinforce each other’. The Council also considers that all the EU’s political decisions should be made after ‘assessing in a balanced way the social, economic and environmental dimensions of sustainable development and taking into account the external dimension of sustainable development and the costs of inaction’. However, the moment it comes to resources, the renewed strategy no longer looks towards social dialogue, but towards an institutional dialogue between the Commission and Member States, on the one hand, and ‘businesses’, on the other, in order to set performance targets for products and processes.

The Committee would stress how important it is to have a truly broad-based discussion with all social players of the policy measures to be taken and to consistently bear in mind — and genuinely take seriously — the key objectives and policy guiding principles set out in the renewed strategy. This is the only way to avoid potential mistakes, to secure broad acceptance within society, and to ensure that action is indeed guided by the principle of sustainability.

The European Council’s decisions as part of the energy package to require a 10 % share of biofuels (instead of the 5.75 % agreed earlier) are a good example of how, in terms of the procedures used, things should not be done. The Committee expressly backs the European Council’s objective to cut CO₂ by 20 % or 30 % by 2020 (depending on commitments from non-European partners) and also endorses the more far-reaching objective (i.e. cuts of 60 % to 80 % by 2050). As well as being a conduit to achieving this objective, the biofuel requirement also has to comply with the other guiding principles.

Account must therefore be taken of the energy balance and of impacts on the natural world and the environment, as well as the effect of any potential competition for land use (at both national and global level). The debates that are gathering increasing pace at the moment — for instance on the extremely high use of fossil energies in the production of apparently CO₂-free biofuels (2), on the true climate relevance of such fuels (3) or on the impact on foodstuff production (4) — shows that by no means all sustainability issues have been adequately addressed. The Committee will be devoting a separate opinion to this extremely important question.

The Committee is pleased that further objectivity has been brought to bear in the discussion of the economic and financial implications of sustainability, thanks, among other things, to the publication of the Stern Review which, as we

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(1) See point 8 of the renewed strategy.
(2) 83 % of the energy contained in ethanol produced from maize comes from fossil energies.
(3) High proportion of nitrous oxide generated in rapeseed production (study to be available before the summer break and thus before the plenary session).
(4) Look at the situation in Mexico which has seen unrest at rising tortilla prices as the maize required is increasingly being used as car fuel.
know, calculates that ‘just’ 1 % of GDP will, for instance, be enough to largely avoid the impacts of climate change. A study by Vattenfall submitted to the Davos World Economic Forum concludes that it would be even cheaper than that. Even although, expressed in real monetary terms, 1 % of GDP still seems like a vast sum, it must be put into the context of other policy fields that also cost a great deal of money. In the transport field, for instance completion of the TINA projects (13) would, in the specific transport corridors alone, require annual investment up to 2015 of around 1.5 % of GDP — more, therefore, than the figure the Stern Review calculates would be needed to mitigate climate change impacts.

4.13 However, as was pointed out above, this is not just about money, but in many cases about structural change. The Committee welcomes, for instance, the renewed strategy’s call to decouple ‘economic growth and the demand for transport with the aim of reducing environmental impacts’. However, this also raises questions about ‘just-in-time’ production, with businesses cutting out warehousing and associated costs and turning trucks and freight trains into mobile warehouses.

4.14 That said, the Committee is sad to note that gaps are appearing — remarkably quickly — between aspiration and likely reality. Just thirteen days exactly after the European Council had adopted this point as an operational objective and target, the European Commission submitted the mid-term review of its 2001 transport white paper (14). According to this document, GDP is likely to grow by 52 % in the period 2000-2020, road freight transport by 55 % and air transport by 108 %. The desired ‘decoupling’ is set to be achieved above all in rail freight transport (+ 13 %) and rail passenger transport (+ 19 %).

4.15 The Committee can only look on with amazement at the apparent lack of coordination between the drafting of the mid-term review of the transport white paper and the renewed sustainable development strategy, as no allusion is made to this blatant contradiction between aspiration and reality. In the transport sector it appears that the Commission has virtually abandoned the sustainable development strategy’s first specific objective of decoupling economic growth from growth in mobility. In future, the Commission must do everything possible to ensure that such contradictions are not allowed to arise in the first place. And in the transport sector, there needs to be a renewed quest to find ways of shaping our towns and communities and patterns of different activities in ways that will tend to shorten lines of communication and journeys rather than constantly expanding the distances that people and goods have to travel to meet their needs and desires. This will require adaptation of fiscal policy, spatial policy and adequate coordination at all levels of government, from the EU down to local bodies.

4.16 The renewed strategy’s handling of the ever-increasing transport problems is, if anything, disappointing. As the Committee sees it, the EU is now pursuing a much more tangible course of action in energy policy than in the transport sphere, where damaging impacts on the climate, the environment and nature conservation are set become even more acute.

4.17 In its conclusions, the March 2007 European Council indicated (15) that the Emissions Trading Scheme might possibly be extended to surface transport. The sustainable development strategy progress report should consider this issue and assess its potential impact, not least when set against other instruments.

5. Content of the progress report

5.1 The EESC is pleased that, under point 33 of the renewed strategy, the Commission is to submit every two years (starting in September 2007) a progress report on implementation of the sustainable development strategy in the EU and the Member States, also including future priorities, orientations and actions. The Committee hopes that this process will supply answers to questions that have so far remained unresolv.

5.2 This is particularly important in relation to the management and economic instruments, which are alluded to only in somewhat vague terms. Point 22, for instance, states: ‘The most appropriate economic instruments should be used to promote market transparency and prices that reflect the real economic, social and environmental costs of products and services (getting prices right). This brings us back to the call — repeatedly made by the EESC, among others — for the internalisation of external costs and also touches on the instruments needed to do that. The Committee recalls that this debate has been going on for many years — largely to no avail. After a delay of three years, in late March 2007 the Commission finally published its Green Paper on market-based instruments for environment and related policy purposes, which provided the debate with a fresh impetus. The Committee will work to ensure that, using the progress reports as a vehicle, we at last get some movement on this issue which is of such key importance for sustainable development.

5.3 In point 23, the European Council — that is to say the heads of state or government — calls on the Member States to ‘consider further steps to shift taxation from labour to resource and energy consumption and/or pollution, to contribute to the EU goals of increasing employment and reducing negative environmental impacts in a cost-effective way’. The Committee welcomes this call and asks the Commission to give this point extensive consideration in the progress report and to submit practical proposals on how this can be done. A precise analysis will be needed of the environmental impact and of how the burden is to be shared, in order to ensure that socially disadvantaged persons are not particularly hard hit by tax changes.

(13) TINA = Transport Infrastructure Needs Assessment.
(15) See point 35.
5.4 The Committee also welcomes the announcement that ‘by 2008, the Commission should put forward a roadmap for the reform, sector by sector, of subsidies that have considerable negative effects on the environment and are incompatible with sustainable development’. The Committee also subscribes to the objective of ‘gradually eliminating’ these subsidies, although it does feel that a specific time frame for such a move would be useful and that consideration should also be given to the possibility of transferring the savings thereby made to a new ‘EU sustainability fund’, on which the Member States can draw when an environmental measure involves costs that are disproportionate to their budget (Article 175(5) and 174(1) of the Treaty of Nice).

5.5 In its earlier opinions, the Committee has, time and again, noted the importance — for the public, for companies and for other stakeholders — of having a clear overview of what specific policy plans are in the offing and the reasons behind them. Only then will people be willing to take an active part in the action needed and give it their support. Thus, the Council’s request that the Commission ‘produce a layman’s guide to this strategy, including good practice and good policies in Member States’ (point 26) is correct but, once again, the absence of a specific timetable is a matter of regret that should be addressed in the progress report.

5.6 The strategy commits to better policymaking through wider use of impact assessment and greater involvement of stakeholders. The Committee welcomes this commitment and urges the Commission and Member States to review experience with sustainable development impact assessment methodology and to make sure that it is effectively applied in all fields of policy and action.

5.7 The Committee feels that the plan to ‘elaborate a concrete and realistic vision of the EU on its way to sustainable development over the next 50 years’ is very important (point 27). Once again, however, the question must be asked as to what specifically has to be done and by when. The Committee would ask that, already at this stage, any vision of this kind should also look beyond 2060, as, given the key objectives and commitments already at this stage, any vision of this kind should also look to be done and by when. The Committee would ask that, over the next 50 years and realistic vision of the EU on its way to sustainable development.

5.8 The Committee would be reassured if this cross-sectional data, which is to be incorporated at all levels of policymaking (in the EU and in Member States), were also taken into account in the strategy in order to render it operational. However, no mention is made of how this would be guaranteed, probably because, as the current texts stand (as confirmed by the draft Constitutional Treaty), the EU’s competence in the area is shared, and the Member States are responsible for funding and implementing environmental policy (Article 175(4) of the Treaty of Nice). The players are therefore not identified.

5.9 The renewed strategy states that each Member State is to appoint a representative to act as focal point. The Committee trusts that the progress report will indicate whether these appointments have already been made and how cooperation has been developing.

5.10 The first progress report should also indicate whether all Member States have now completed their (first) national strategies which, as announced, are due by June 2007. The Committee wonders, who checks these national strategies, what benchmarks are used, and what happens if Member States fail to complete the strategies or if the strategies are ‘below par’.

5.11 In point 41, the European Council speaks of ‘voluntary peer reviews of the national strategies which were to start in 2006 with a first group of Member States. The progress report should provide details of the outcome of these peer reviews and the concomitant repercussions for the European strategy.

5.12 While fully respecting the competence of Member States and regional and local government in many aspects of sustainable development, and the importance of their developing their own approaches and commitment to many of the problems, the Committee believes that maintaining progress on sustainable development at the rate that is needed will also require a strengthening of capacity in the Commission to monitor overall progress and to be ready to initiate new measures where implementation appears to be falling behind and a collective European approach is needed. The Committee doubts whether the coordination and exchange of good practices alone is enough. The Committee would like to receive, each year, the compiled results of the Member States submitted for examination.

5.13 The strategy recommends the establishment or strengthening of national councils for sustainable development. National councils play an important role in the preparation of the national sustainable development strategies and can also play a part in stimulating action in Member States, involving civil society with action on sustainable development and monitoring progress. Their duties also include the application of the principle of sustainable development while maintaining a dynamic balance between its economic, social and environmental parts. The Committee is not aware of much progress on this recommendation. It intends to examine this issue later in the year, and meanwhile recommends that the implementation review should also examine this issue with Member States.

(16) These are: to enable ‘future generations’ to ‘meet their needs’, to respect ‘social equity and cohesion’, to achieve ‘high living standards’ and ‘full employment’, and to implement the guiding principles, i.e. to ‘place human beings at the centre of the European Union’s policies by promoting fundamental rights’, to ‘combat discrimination in all forms’, and to contribute to ‘the reduction of poverty and the elimination of social exclusion’.

(17) See point 30 of the conclusions.
5.14 It is also important that Member States and the Commission should consider further how to secure the coordination of sustainable development issues within their own structures. Sustainable development is a cross-cutting and integrating concept, which should transcend and sometimes modify the more sectional concerns of particular departments and agencies. Experience suggests that this can only happen operationally if there is a strong central unit for promoting sustainable development in a government that has the knowledge and authority to challenge and debate sectional or departmental orthodoxies. The progress report should indicate how the Commission feels that its own departments could be further improved in this respect. The EESC has no doubt that some room for improvement exists here (cf. Points 4.15 and 4.16).

5.15 The strategy rightly points out that sustainable development must be thoroughly integrated into the remit and practice of regional and local governments at all levels. Some European local and regional authorities have been leaders in adopting a sustainable development approach to their work and in developing imaginative responses to climate change and other sustainability challenges. The implementation review provides a good opportunity for taking stock of the progress on sustainable development at regional and local level and considering how the practice of the best players can be more widely disseminated.

5.16 Point 45 states that, in 2011, a decision will be made on when a ‘review’ of the sustainable development strategy is needed. The Committee cannot endorse this. If it becomes clear from the progress reports that Europe is encountering difficulties on the road to sustainable development, then there is something wrong with the strategy (which is the means to the end). If that happens, a review is needed immediately — and not just in 2011.


The President
of the European Economic and Social Committee
Dimitris DIMITRIADIS

APPENDIX
to the Committee Opinion

The following amendments which were supported by more than a quarter of the votes cast, were rejected:

Point 2.4
Modify as follows:

‘2.4. The Committee’s most recent opinion on the subject — on the Commission’s December 2005 communication mentioned above — was critical of the fact that, in what is described as an ‘ambitious’ platform for action, the Commission chose not to follow the EESC’s recommendation of April 2004 or to meet its own undertaking of June 2005, failing once again to comply with the promise to set out clear goals to be reached under the sustainability strategy.’

Voting
For: 35
Against: 61
Abstentions: 4

Point 2.4.1
Modify as follows:

‘2.4.1. In that opinion, the Committee made the point that any strategy should describe the means of achieving objectives. The absence of specific objectives, which are difficult to set in order to meet the requirement of taking into account the different aspects of sustainability, is bound to result in problems when it comes to identifying instruments since if you do not know exactly where you want to go, then you cannot decide how you will get there. The Committee therefore felt that the communication left more questions open than it gave answers and directions.’

Voting
For: 34
Against: 63
Abstentions: 3
Point 3.11

Modify as follows:

‘3.11. The question as to whether a European agricultural policy that is geared towards global, open markets can be sustainable at all automatically also raises the fundamental issue of global production and trade rules. The WTO is a body based on agreements that are designed to foster global free trade. Yet, as the Committee has repeatedly shown, it does not follow that free and liberalised trade is necessarily also sustainable. Sadly, The renewed strategy says nothing about how to turn free develop trade into trade that is towards being compatible with sustainability principles. That is a major failing. Here too, the Committee can but regret EU decision-makers' failure so far to address this issue, despite the fact that it was raised by the Committee all of three years ago — though the EESC acknowledges that the EU has shown real determination to negotiate new rules for globalised trade, including with the IMF and the World Bank.’

Voting
For: 35
Against: 63
Abstentions: 8

Point 3.11.2

Delete

Voting
For: 38
Against: 63
Abstentions: 3

Point 4.2

Modify as follows:

‘4.2. Such an impact may have dramatic economic repercussions. In some places, the basis of the present-day economy is at risk of complete collapse. In Switzerland, for instance, banks are no longer lending to investors in winter sports infrastructure if the location is less than 1 500 m above sea level. There is also great — and increasing — uncertainty about the future of farming and tourism in the Mediterranean area should it become even hotter and drier.’

Voting
For: 41
Against: 57
Abstentions: 3

Point 4.4

Modify as follows:

‘4.4. We face a grave situation living as we do in an economic system which, for instance, at a macroeconomic level, views It is a well known problem that health costs and in some cases environmental damage — the billions spent in the wake of storm Kyrill in early 2007 for example — in a favourable light because they contribute to higher GDP, while some important activities are not covered by it. The Committee is pleased that, in its renewed strategy, the European Council is at last beginning — albeit, sadly, only on the margins — to address this contradiction in a more forthright way. The European Council is quite right when, in point 20 of its renewed strategy, it notes that “the core system of national income accounting could be extended by inter alia integrating stock and flow concepts and non-market work and be further elaborated by satellite accounts e.g. environmental expenditures (and) material flows”.’

Voting
For: 35
Against: 56
Abstentions: 8
Point 4.10

Modify as follows:

4.10 The European Council points out that the renewed strategy “forms the overall framework within which ... economic, social and environmental objectives can reinforce each other”. The Council also considers that all the EU’s political decisions should be made after “assessing in a balanced way the social, environmental and economic dimensions of sustainable development and taking into account the external dimension of sustainable development and the costs of inaction”. However, the moment it comes to resources, the renewed strategy no longer looks towards social dialogue, but towards an institutional dialogue between the Commission and Member States, on the one hand, and “businesses”, on the other, in order to set performance targets for products and processes.

Voting
For: 41
Against: 55
Abstentions: 3

Point 4.14

Modify as follows:

4.14. However, as was pointed out above, this is not just about money, but in many cases about structural change. The Committee welcomes, for instance, the renewed strategy’s call to decouple “economic growth and the demand for transport with the aim of reducing environmental impacts.” However, this also raises questions about “just-in-time” production, with businesses cutting out warehousing and associated costs and turning trucks and freight trains into mobile warehouses.

Voting
For: 39
Against: 56
Abstentions: 6

Point 4.16

Modify as follows:

4.16. The Committee can only look on with amazement at the apparent lack of coordination between the drafting of the mid-term review of the transport white paper and the renewed sustainable development strategy, as no allusion at all is made to this blatant contradiction between aspiration and reality. In the transport sector it appears that the Commission has virtually abandoned the sustainable development strategy’s first specific objective of decoupling economic growth from growth in mobility. In future, the Commission must do everything possible to ensure that such contradictions are not allowed to arise in the first place. And in the transport sector, there needs to be a renewed quest to find ways of shaping our towns and communities and patterns of different activities in ways that will tend to shorten lines of communication and journeys rather than constantly expanding the distances that people and goods have to travel to meet their needs and desires. This will require adaptation of fiscal policy, spatial policy and adequate coordination at all levels of government, from the EU down to local bodies.

Voting
For: 36
Against: 63
Abstentions: 4