Outlook opinion of the Committee of the Regions on the contribution of local and regional authorities to the European Union’s sustainable development strategy

(2007/C 197/05)

THE COMMITTEE OF THE REGIONS

— recommends that the provisions of EC Treaty Articles 99 and 128, which underpin the three-year policy cycle and the definition of the integrated guidelines for economic and employment policies, should be implemented in a comprehensive context including environmental and institutional as well as economic and social aspects in the integrated package of guidelines, so as to enable the Sustainable Development Strategy to put the cross-cutting and overarching nature of sustainable development into practice;

— proposes that the Commission develop stronger cooperation when it comes to assessing the contribution of local and regional authorities to sustainability policies, as part of a multi-annual institutional partnership;

— calls on the Commission to propose appropriate policies, such as ceilings for the production of certain pollutants or exploitation of certain resources, including farming and fishing practices, to accompany market regulation mechanisms and environmental tax policy. As far as the latter is concerned, there is an urgent need to eliminate the market distortions generated by subsidies that encourage forms of production or products that have a high environmental impact or risk level;

— believes that the Strategy should make it clear that in order to break the link between economic growth and environmental decline, it will be necessary to monitor, reduce and stabilise the flow of energy, materials and associated waste that feeds the economic system before returning to the ecosystem in less useable forms;

— stresses the important role that local and regional authorities can play in achieving sustainable development; recommends promoting Local Agenda 21 as the main instrument for the implementation of broad participatory processes, not least in the use of European funds; recommends promoting the full implementation and extension of the Aarhus Convention provisions on access to information, public participation in decision-making and access to justice with reference to all areas of sustainable development.
1. Views of the Committee of the Regions

THE COMMITTEE OF THE REGIONS

General comments

1.1 warmly welcomes the approval of the European Union’s new Sustainable Development Strategy (SDS);

1.2 is pleased to see that the new strategy reaffirms the cross-cutting nature of the sustainable development objective, which overarches (1) and governs all the Union’s policies and activities;

1.3 echoes the conclusions of the European Council of 16 and 17 June 2006 in stressing that the progress made since the adoption of the sustainable development strategy in Gothenburg in 2001 is insufficient; and expresses its concern at the absence of an in-depth study of the causes of this unsatisfactory progress and the negative trends in the main environmental variables;

1.4 agrees with the Commission that it is time to focus on a proactive approach to sustainable development, on practical action in the field and on the decisive role that local and regional authorities can play in order to achieve a sustainable society both within the European Union and in the rest of the world;

1.5 points out, as in a previous opinion, the importance of highlighting sustainable development and building it into all sectors of EU policy. The call for cohesion policy to underpin the economic, ecological, institutional and social dimensions and for the long-term effects of all policies to be properly assessed is still relevant today;

1.6 wishes to stress that safety and security are important to achieving a good quality of life. Together with a broad public health perspective, safety and security provide the necessary basis for sustainable development efforts. Safety and security encompass everything from the impact of climate change and war, to violence against women and children. The Committee would also emphasise the need to include an equal opportunities perspective in sustainable development work;

1.7 recalls the various fields in which local and regional authorities play a key part. These include spatial planning, where many of the measures necessary to promote development, concerning for instance land use, water resources, waste management and urban environmental policies, fall largely within the local and regional domain; and believes that local and regional authorities should play leading roles in the process of implementing, monitoring and reviewing the Strategy;

1.8 reiterates the attention that should be given to environmental requirements in public contracts — in the technology sector, and especially in the area of waste, energy, transport, water supplies and sewage, road and other infrastructure networks — and to the promotion of green public procurement. The Eco-Management and Audit scheme (EMAS) should be extended to local areas and public offices, and should be improved and tailored to the issues and demands of sustainable development, taking into account the economic, ecological and social dimensions. In this context, further consideration should be given to the possibility of taking the environmental benefits of locally-produced goods and services into account;

1.9 considers that the possibility of pooling experiences and acquiring new knowledge by means of cooperation and interaction between the various players is a major part of the drive towards sustainable development;

with regard to the key objectives

1.10 endorses the key objectives set out in the new strategy, which need to be further fleshed out;

1.11 believes that it should be made clear that if the link between economic growth and environmental decline is to be broken, the rate of regeneration of renewable resources must be equal to or more than the sum of the rate of use of renewable and non-renewable resources; and the rate of waste production must be lower than the rate at which it is regenerated by means of natural systems; therefore, strategies should focus not only on preventing the decline of ecosystems but also, above all, on helping to fully restore their functions, by promoting management measures to recover and safeguard their health and integrity, and thus ensure that the consumption of environmental goods and services is compatible with the socio-ecological functionality of the area;

1.12 maintains that it is not enough to speak of an eco-efficient economy; it must be made clear that eco-efficient here means that the prosperity generated by growth is commensurate with, or is not outweighed by the associated social and environmental costs;

1.13 would clarify that in this context sustainability requires equity in the use of resources and the production of pollution. A world in which the rich (11 % of the world’s population) own over 80 % of the natural resources and a corresponding share of global income is not sustainable;

with regard to the policy guiding principles

1.14 endorses the guiding principles set out in the new strategy, which need to be further fleshed out;

(1) Cdr 66/2005 fin.
1.15 believes, with regard to citizen, business and social partner involvement, that there should be more specific reference to types of participatory and deliberative democracy, i.e. to mechanisms for participation and decision-making that depending on the circumstances can be combined with forms of traditional representative democracy; and maintains that the promotion of corporate social responsibility should include experimentation with measures regarding business ownership structure, such as cooperatives and programmes for the distribution of shares to the workers or communities concerned;

1.16 agrees that it is necessary to secure coherence between governance policies, policy mainstreaming and the use of the best available knowledge; feels, however, that this coherence has yet to be achieved, that there is a lack of integration, and that the best knowledge is geared primarily towards competitiveness and innovation serving economic growth and the conquest of new markets and much less towards the requirements of sustainable development;

1.17 to this end states that it is necessary to clarify that sustainable development refers to a quality of life that can be achieved even in the absence of economic growth understood in terms of greater production of goods and services or per capita gross domestic profit. This means above all sustainable development that responds to current demands while also taking into account the needs of future generations;

1.18 agrees that all the European institutions and Member States, at all levels, should ensure that the main policy decisions are based on proposals that have been subject to a high-quality impact evaluation, that weighs up the social, environmental, institutional and economic dimensions of sustainable development;

1.19 recalls, in terms of the potential synergy between the Lisbon and Gothenburg strategies, a point it made in a previous opinion, stressing that the Lisbon strategy provides the basis for the EU's response to the impact of globalisation on competition, the economy and the workforce in Europe but should also reflect the impact on sustainable development in Europe and internationally;

1.20 would contend that the link between the two strategies has lost its way; the Gothenburg strategy should have been a synthesis of the Lisbon strategy and the process of reviewing the Fifth Environmental Action Programme and defining the sixth;

1.21 regrets that this has not been the case, and that the two strategies are implemented through separate decision-making procedures and that sustainability has effectively been confined to the environmental dimension, with the sustainable development strategy relegated to second position by the Lisbon strategy and its key words of growth, competitiveness and innovation;

1.22 notes that the call for greater synergy appears faint and is not backed up by the governance of the two processes. The Lisbon strategy is founded on the procedures provided for by Treaty Articles 99 and 128. It has an impact on the framing of economic and employment policies in the various countries and on the decisions of the council meetings that define EU policy;

1.23 regrets that the Spring Council meeting, which should have been the time to assess the implementation of internal and external commitments in the realm of sustainable development (1) has so far been given over entirely to the cycle of Lisbon economic and social policies;

1.24 notes the intention of the Commission to present an annual report on the environment, to feed into the work of the Environment Council in the Spring Summit preparation phase;

with regard to the key challenges

1.25 notes the seven key challenges identified by the strategy and the corresponding targets, operational objectives and actions; considers, however, that there is a danger that the division of tasks could lead to a neglect of the deep interconnection between the various areas of action identified, diluting the main issue of the integrated and comprehensive control of the flow of materials and energy that feeds the economic system;

1.26 is concerned that the targets and operational objectives make no reference to precisely defined goals, as might have been hoped, but rather to principles and guidelines, and notes that the objectives relating to climate change should be reviewed in the light of the findings of working groups I and II of the Intergovernmental Panel on Climate Change (IPCC) and the guidelines that arose recently from the March 2007 European Council;

1.27 calls for the promotion of the use of biomass as a means of diversifying EU fuel supply sources to be reconsidered in the light of the most recent studies:

(1) RECALLING that, in accordance with the strategy for sustainable development adopted at the Gothenburg European Council, the Spring European Councils will review the progress achieved in the implementation of this strategy and give further policy guidance to promote sustainable development; that the Barcelona European Council will start this new policy approach on the basis of a balanced and coordinated analysis of the three dimensions of the strategy (social, economic and environmental) when defining, reviewing, assessing and monitoring the strategic policy orientations of the European Union; Presidency Conclusions from the Barcelona European Council, 15 and 16 March 2002.
1.28 notes the recent Eurobarometer survey, which indicates that 61 % of the EU population believes that the share of energy produced using nuclear technology should be reduced; and considers that the strategy should indicate the need to eliminate market distortions generated by EU budget support for nuclear energy (over EUR 350 million a year), which is four times higher than the support for renewable energies and energy efficiency (EUR 168 million);

1.29 regrets that the objectives given for transport are limited to the characteristics of cars and do not cover the modes of transport themselves. Specific targets should be set for the relationship between the various modes of transport, market rules should be introduced to make rail transport more competitive, not least by introducing innovative instruments such as ceilings for kilometres travelled/year for individual means of transport and exchangeable permits for goods transport. When defining targets consideration should be given to the specific situations of different individuals, families, companies and economies, and different geographical factors and the differing ranges of transport options and other infrastructure currently available;

1.30 carefully considers the role that local government can play, as indicated in the strategy, in shaping and implementing transport plans and systems in the context of the urban environment thematic strategy;

1.31 welcomes the importance placed on the challenge of world poverty and development, but expresses concern at the delays in meeting the aid quotas for developing countries; believes that the strategy should reconsider the approach to aid for developing countries and trade policies, in the light of the broadening gap between the world’s rich and poor and also of the looming ecological crisis;

1.32 agrees that education is a prerequisite for promoting changes in consumption models and in patterns of behaviour in general and is aware that these can be at odds with the requirements of sustainability if nothing is done in the areas that influence or determine them; there is a need to establish a value system that is more easily applicable to lifestyle (and therefore production and consumption models);

1.33 welcomes the current initiatives in the context of the UN decade of education for sustainable development; but is aware that more than education is needed to make market behaviour consistent with the requirements of sustainability and that there is a need for market regulation and social control mechanisms;

1.34 considers that a distinction must be made between the education and training sectors and believes that life-long training is one of the most important instruments when it comes to securing equal opportunities for all in the context of a market society, strengthening the social pillar to promote sustainable development;

1.35 agrees that research into sustainable development should include short-term projects to back up decision making, as well as long-term projects, and that it should address regional and global issues;

1.36 considers it urgent and necessary to develop new technologies that are kinder to the environment. In this context the objectives of the Seventh Research Framework Programme seem useful, as do measures which can foster schemes to promote sustainable development at local level and to support the development of environment-minded companies, SMEs in particular; such measures ought to be stepped up;

1.37 agrees on the need to promote interdisciplinary approaches in the light of the constant changes in the relationship between the various economic, ecological, social and institutional systems; and considers that maximum transparency and participation are vital, given the level of uncertainty surrounding the development of the systems, the many interests vested in the decision-making processes, the need to respond to issues concerning scientific research itself (e.g. the premises underpinning it), as well as the need to safeguard health and the quality of the environment and ensure that decision-making processes adhere to ethical principles and values;

1.38 agrees on the need for greater understanding of the connection between income generation, income accounting and wellbeing. More specifically, the Committee considers that the calculation of national income should include indicators designed to cost the flow of energy and materials that feeds the economic system and to assess the full range of economic activity;

1.39 considers that the range of sustainability policy instruments cannot be limited to market regulation measures, however useful and necessary these may be. The search, through transparency and corrective measures, for the ‘right price’ — one that reflects social and environmental costs — takes no account of the fact that it is impossible to gain an accurate enough picture of changing trends in the various systems;

1.40 agrees on the need for greater coordination between Member States and the Commission to ensure or a better use of European funds; on that note, expresses concern regarding the possibility that the 2007-2013 Structural Funds may end up contributing to an increase in CO₂ emissions, as stated in a recent report of the CEE Bankwatch Network;
with regard to communication, mobilising actors and multiplying success.

1.41 **agrees** that appropriate communication measures should be used to facilitate information and raise awareness regarding sustainability issues and that the latter should tie in with the shaping of a coherent and realistic EU vision for sustainable development in the long term;

1.42 **agrees** on the role that local and regional authorities can play in achieving sustainable development with community action in urban and rural areas: Local Agenda 21 is the prime tool for implementing policies that are designed and carried out through broad participatory processes; **believes**, however, that these participatory processes cannot be fully developed unless they are accorded real importance in the budget management of the corresponding tiers of government, particularly when managing resources from the Community budget;

1.43 **considers** that monitoring should focus not only on defining and tracking the progress of indicators, but also on tracking the policies and actions of the EU, individual Member States and even local and regional authorities;

1.44 **believes** that this will require changes to the current decision-making procedures in the sphere of European governance for sustainable development;

1.45 **is convinced** that this demands an about-turn in the relationship between the Lisbon and Gothenburg processes, back to what it was originally intended to be. By way of example: it should not be results from the EU’s SDS contributing to the work in the Lisbon context, as stated in Point 38 of the Sustainable Development Strategy, but rather the results of the Lisbon strategy contributing to the objectives of sustainable development, bearing in mind the latter’s overarching position among European policies;

1.46 **underlines** the need to frame and take forward the Commission’s proposed sustainable development measures in a way that facilitates their implementation at local and regional level in the 27 Member States. It is important that the suggested measures can be implemented at local and regional level whatever the different circumstances that apply in the various Member States;

1.47 **expresses concern** at the Commission’s suggestion that an SDS governance plan should be referred to the December European Council; this would serve to worsen the decoupling of the Gothenburg and Lisbon strategies and further marginalise sustainability in European governance;

1.48 **recalls** on this note how, at the time of the Lisbon strategy relaunch, the 2005 Spring Council reaffirmed that it fitted into the broader context of the sustainable development imperative.

2. **Recommendations of the Committee of the Regions**

**THE COMMITTEE OF THE REGIONS**

2.1 **is convinced** that an approach to sustainable development encompassing the economic, ecological, social and institutional aspects is a precondition for increased well-being, a high level of good-quality employment, and economic growth that does not generate greater environmental costs and hence only illusory well-being; for such an approach to take root, there must be a thorough reform of the EU’s governance of sustainability;

2.2 **recommends** that the provisions of EC Treaty Articles 99 and 128, which underpin the three-year policy cycle and the definition of the integrated guidelines for economic and employment policies, should be implemented in a comprehensive context including environmental and institutional as well as economic and social aspects in the integrated package of guidelines, so as to enable the SDS to put the cross-cutting and overarching nature of sustainable development into practice;

2.3 also **recommends** that local and regional authorities should be given a key role in the various phases of this new cycle when it comes to shaping and implementing the global objectives and changes necessary for achieving a sustainable society, when necessary starting from a local standpoint. In this light, a report on the implementation of the Sixth Environmental Action Programme should be added to the reports on economic and employment policies that all Member States have to submit by October of every year. The three reports should interlink and show how each policy is contributing to the sustainability objectives set by the SDS;

2.4 **believes** that the Strategy should make it clear that in order to break the link between economic growth and environmental decline, it will be necessary to monitor, reduce and stabilise the flow of energy, materials and associated waste that feeds the economic system before returning to the ecosystem in less usable forms;

2.5 **recommends** that the programme documents be accompanied by an analysis of those flows, so as to verify their contribution to the decoupling of economic growth from environmental impact; and that the aims of cohesion measures should refer first and foremost to achieving the sustainable development strategy objectives, and should only refer to the Lisbon agenda’s integrated guidelines for growth and employment insofar as these are consistent with the SDS;

2.6 therefore **calls on** the Commission to make a proposal to this end, and asks the Council and the European Parliament to give it early consideration;
calls on the Commission to propose appropriate policies, such as ceilings for the production of certain pollutants or exploitation of certain resources, including farming and fishing practices, to accompany market regulation mechanisms and environmental tax policy. As far as the latter is concerned, there is an urgent need to eliminate the market distortions generated by subsidies that encourage forms of production or products that have a high environmental impact or risk level;

recommends that the SDS set precise quantitative targets with precise deadlines; and calls on the Member States to develop sustainable development strategies that are consistent with the European strategy and that can contribute to it. In this context, commits regional and local authorities to defining their own strategies in line with the strategic objectives set at national and European level, with appropriate feedback mechanisms;

calls on the Commission to consider a climate change response plan to address the impact of rising temperatures on fisheries, the protection of coasts and inland waters, and of rainfall fluctuations and other adverse events on arable and livestock farming, aquaculture, forest fires, droughts, biodiversity and forests, tourism, coastal protection, health, etc.;

recommends defining procedures and strengthening institutional capacity for assessing the environmental sustainability of plans, programmes and projects so as to allow for proper public information and participation; believes that the primary objective of these procedures should be to ascertain whether the planned measures are consistent with, and contribute to, the objectives set at all relevant levels of the sustainability strategy;

stresses the important role that local and regional authorities can play in achieving sustainable development; calls on the Commission to shape initiatives to boost the social, urban and environmental regeneration of city peripheries; recommends promoting Local Agenda 21 as the main instrument for the implementation of broad participatory processes, not least in the use of European funds; to that end, considers it necessary to extend participation processes, both to ensure that the relevant decision-making processes respect the values systems of the communities concerned (something that the market, given its nature, cannot do) and to improve the quality of scientific practice; recommends promoting the full implementation and extension of the Aarhus Convention provisions on access to information, public participation in decision-making and access to justice with reference to all areas of sustainable development: the economy, society, the environment and institutions;

recommends, with regard to the participation of the public, business and the social partners, that more specific reference be made to forms of participatory and deliberative democracy and experimentation with measures regarding ownership structure, such as programmes for the distribution of shares to workers and communities, and cooperatives;

calls for a review of: i) the scale of and procedures for development aid, since the trickle down approach is no longer an option given the growing gap between rich and poor countries and the limits on economic growth imposed by the finite nature of the ecosystem; ii) the growth model deriving from globalisation and its sustainability; iii) the relative priority and the relations between the European regional market and its capital and international markets and capital; iv) the drive, in WTO negotiations, to privatise public services and goods, such as water, and calls for this to be definitively abandoned; v) subsidies, incentives and other measures that create trade barriers for developing countries;

trusts that the Commission will develop and deepen its dialogue with local and regional authorities in the course of its evaluation of the sustainable development strategy and its work on the action programme; the Committee intends to play an active role in efforts to achieve a sustainable society both within the European Union and in the rest of the world;

proposes that the Commission develop stronger cooperation when it comes to assessing the contribution of local and regional authorities to sustainability policies, as part of a multiannual institutional partnership. In the context of this cooperation the Committee of the Regions would inter alia (see Appendix I) draw up specific opinions on a series of dossiers, taken from the Commission work programme for 2007-2009 and considered by regional and local authorities to be especially relevant to sustainable development, and would also make practical proposals for carrying out joint initiatives.

Brussels, 6 June 2007.

The President
of the Committee of the Regions
Michel DELEBARRE
3. Procedure

<table>
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<th>Title</th>
<th>The contribution of local and regional authorities to the European Union’s Sustainable Development Strategy</th>
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<td>References</td>
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<td>Legal basis</td>
<td>Article 265, first para</td>
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<td>Procedural basis</td>
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<tr>
<td>Date of Commission referral</td>
<td>11.12.2006</td>
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<td>Date of President’s decision</td>
<td>9.1.2007</td>
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<td>Commission responsible</td>
<td>Commission for Sustainable Development (DEVE)</td>
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<td>Rapporteur-general</td>
<td>Nichi Vendola (IT/PES), President of the Apulia Region</td>
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<td>Analysis</td>
<td>26.2.2007</td>
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<td>Discussed in commission</td>
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<td>Date adopted in plenary</td>
<td>6.6.2007</td>
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(1) OJ C 81, 4.4.2006, p. 18.
APPENDIX I

Committee of the Regions’ schedule regarding the European Union’s Sustainable Development Strategy — 2007-2009

Types of activity

1. Consultative activities

1a. In preparation for the December 2007 European Council

<table>
<thead>
<tr>
<th>European Commission document reference</th>
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1b. In preparation for the March 2008 European Council

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<td>Outlook opinion on the future of the common agricultural policy</td>
<td>February 2008</td>
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1c. Other consultative activities

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<td></td>
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<td>Outlook opinion on the situation of migrant women in the European Union</td>
<td>October 2007</td>
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<td></td>
<td>—</td>
<td>Outlook opinion on education and sustainable development</td>
<td>November 2007</td>
</tr>
<tr>
<td>2007/ENV/012</td>
<td>Action plan on sustainable production and consumption</td>
<td>Non-legislative proposal</td>
<td>February 2008</td>
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<td>2007/FISH/003</td>
<td>Communication and Proposal for a Council Regulation on stepping up the fight against illegal, unreported and unregulated (IUU) fishing</td>
<td>Legislative proposal</td>
<td>February 2008</td>
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<td>2007/TREN/005</td>
<td>Green paper on urban transport</td>
<td>Non-legislative proposal</td>
<td>Second quarter of 2008</td>
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<td>2006/SANCO/005</td>
<td>Community Framework for safe and efficient health services</td>
<td>Legislative proposal</td>
<td>Second quarter of 2008</td>
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2. Complementary activities

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<td>Analysis of the possibility of establishing a permanent joint observatory to monitor the contribution of regional and local authorities to sustainability policies (possibly in conjunction with the European Economic and Social Committee)</td>
<td>Second half of 2007</td>
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<tr>
<td>Committee of the Regions study on 'The contribution of the regional and local authorities to sustainable development strategies'</td>
<td>Second quarter of 2008</td>
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<tr>
<td>Participation in thematic conferences and working groups on sustainable development</td>
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