



Following through on Climate Commitments

As the Durban climate change negotiations in December approach, expectations about the outcome are almost universally low. This creates the opportunity to move the agenda forward in some concrete ways without an onslaught of discouraging negative media attention. The Environment Council has taken a first step by affirming that the EU is open to a second commitment period under the Kyoto Protocol 'as part of a transition to a wider legally binding framework' but only under certain conditions which will not be easy to meet. Notably 'all major economies', which include China, India and the USA, will need to make mitigation commitments within a given period, set out in yet another roadmap, Europe's favourite planning device.

A process is needed and it is entirely appropriate for the EU to put pressure on other major emitters to participate in a legally binding agreement. This would be the most robust and transparent international lever for securing progress on climate action. However, it would be easy for the EU to overplay its hand and give the impression that it is half-hearted about the continuation of Kyoto, particularly against the backdrop of the Euro crisis and divisions of opinion about how it should be addressed. The Kyoto Protocol was one of the greatest achievements of European diplomacy; it remains in the EU's long term interest to defend the principles embodied in it and to maintain some international leadership. This message needs to be clear.

The best way for the EU to maintain leadership would be to agree to a 30 per cent greenhouse gas (GHG) emissions reduction target by 2020 rather than the present 20 per cent target. Doing this soon would maximise the international impact and increase the chances of convincing other major emitters to move. Furthermore, the current negotiations over the EU Budget and major spending programmes, such as the CAP and Cohesion Policy, provide an opportunity to link public sector support to strategic investment programmes and take account of the concentration of particularly cost effective options in new Member States. Several different approaches were explored in the IEEP's recent report on 'Achieving more climate ambition in the EU: Distribution Options'.

However aggravating the stance of other emitters, this is not the moment for the EU to beat a retreat, but rather to work towards the next stage.

David Baldock, Executive Director IEEP

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This newsletter is published and distributed by the Institute for European Environmental Policy (IEEP). IEEP is an independent institute for the analysis and development of policies affecting the environment in Europe and beyond.

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Charting Europe's environmental policy future

EU environmental policy stands at a critical crossroads. On the one hand, pressing environmental challenges continue to exist, despite progress in a number of areas. Global inter-linkages between areas such as climate change, biodiversity, natural resources, and environment and health are increasingly recognised. On the other hand, there is growing agreement that Europe needs to transition to a low-carbon, resource-efficient economy and society, given the changing global conditions of the economy and policy-making.

Yet the potentials for change in sectoral policies such as agriculture, energy and transport are far from being fully exploited. Markets and consumers still get distorted price

signals that do not fully reflect the cost to the environment, and the implementation of environmental legislation is still insufficient.

Which priorities should guide EU environmental policy action? What are the key strategies and instruments that can be utilised to help make them happen? And how can these inform the upcoming discussion about a 7th Environment Action Programme?

These are some of the key questions which are being analysed in a new IEEP project that seeks to advance the debate on the future strategic framework of EU environmental policy. Funded by the Danish Villum Foundation, the project will analyse the needs, options and delivery

mechanisms for a 7th Environment Action Programme.

It seeks to establish a platform for policy dialogue among relevant stakeholders, including representatives from the European institutions and the current trio of EU Presidencies. The project will run until December 2012 and will be developed through a series of research papers, policy dialogue meetings and interviews with stakeholders. A final synthesis report, a concluding conference and targeted publications for both policy-makers and the academic community will conclude the project in late 2012.

Contact: [Axel Volkery](#), [Sirini Withana](#)

Redesigning agricultural policy to deliver public goods



A new social contract is needed between farmers and society which sees the delivery of public goods as part of a modern approach to agriculture where food, fibre and fuel are supplied in ways that are resource efficient, help address climate change and deliver high levels of biodiversity

and farm animal welfare, within the context of diverse and vibrant rural areas. This is essential to set the path for the long-term future of a sustainable and competitive agricultural sector.

This is one of the key messages of a recent report by IEEP for the European

Parliament, 'What Tools for the European Agricultural Policy to Encourage the Provision of Public Goods'. The report highlights the need to use the opportunity offered by the upcoming reform of the Common Agricultural Policy (CAP) to introduce a much stronger focus on delivering public goods. It stresses that the status quo is no longer tenable politically as it will not deliver what is being demanded by society

and would send the wrong signal both to farmers and to civil society about the role of agriculture in the 21st century.

However, this requires ambitious changes to be decided as part of this reform process and implemented progressively

during the 2014–2020 period and beyond. The report acknowledges that there is no magic bullet to achieve this change in focus. In particular, it is difficult to find one-size-fits-all measures to deliver public goods as different responses are required to take account of local or regional circumstances. A range of options for restructuring the CAP are set out in the report. Key areas highlighted for improvement include the need for more tailoring and targeting of measures to local priorities, greater technical support to land managers, strengthened monitoring and enforcement, as well as the availability of greater budgetary resources for the delivery of public goods.

Contact: [Kaley Hart](#)

Measuring what we treasure: sustainability indicators for policy making

There is a growing concern that the global current levels of economic growth are putting us on an unsustainable path. We are already consuming more than the planet can produce, with a global footprint equal to 1.5 planets and, should current trends continue, it is expected that we will need the equivalent of more than two planets to sustain us by 2050. The realisation that economic growth that comes at the expense of our natural and social capital is simply not sustainable, has made the flaws of gross domestic product (GDP) as the sole measure of progress increasingly apparent. It is equally clear that GDP and GDP growth cannot be used as a measure of societal well-being.

IN-STREAM, a three-year research project involving IEEP and several other

partners, has investigated the need and opportunities for new indicators to move 'beyond GDP'. IEEP explored the current and future role of sustainability indicators to inform policy-making across the full set of steps of the policy cycle. This was done for eight



policy areas within three 'storylines' – biodiversity, resource efficiency and green growth.

The analysis revealed that there is a need to further develop indicators measuring policy impacts

and responses. For instance, the further adoption of indicators for ecosystem services and sustainable yields, and their integration into agriculture and other policy areas was considered essential to achieve the EU objectives of halting biodiversity loss. The role

of indicators to monitor progress on resource efficiency and climate change targets appeared crucial for green growth. The development and adoption of sustainability indicators in the context of the EU cohesion policy

could also help to drive EU investments along a more sustainable path. The recent development of 'environmental accounts', which now need to be further integrated into national accounts, is a step in the right direction. Overall, a rising interest in sustainable indicators is visible at EU, national and regional levels. However, a more radical paradigm shift is arguably needed, to counterbalance the current focus on economic growth with better-informed attention to true sustainability performance, which is also important for economies' resilience to future pressures and shocks.

All the project deliverables, including IEEP's policy reports, will soon be available on the [IN-STREAM website](#).

Contact: [Samuela Bassi](#), [Leonardo Mazza](#)

Maximising Adaptation and Mitigation Benefits

Future energy planning will need to consider how climate change will affect resource use as part of different generation options. The Science Technology and Options Assessment (STOA) panel of the European Parliament commissioned IEEP to draft a report entitled 'Systematic Approach to Adaptation to Climate Change and Renewable Energy Harnessing (Biomass and Mini-hydro)'.

The report assesses the potential for recoverable energy resources for both technologies in light of the potential conflict between the implementation of adaptation measures and the need to harness renewable energy sources, particularly given increasing fiscal constraints. It considers the

mitigation and adaptation potential of biochar (an exogenous organic material that can be used to enhance soil productivity) and small scale hydro (for an installed capacity of less than 10MW).

In focussing on biochar, the report considered the entire carbon cycle in assessing the cost and benefits of both product inputs and outputs. In assessing the potential for either technology to address the impacts of climate change, our analysis considered an assumption put forth by the Intergovernmental Panel on Climate Change, stating that adaptation and mitigation are not necessarily mutually reinforcing. The synergy between the two is only

obvious when confined to a limited geographic boundary, where the benefits are immediately obvious.

Our research indicates that biochar helps to reduce greenhouse gases while simultaneously enhancing the resilience of soil, enabling it to cope with increased levels of saturation and potential flooding. However, the ability of small scale hydro (often 'run-of-the-river' technology) to respond to the impacts of climate change while also reducing greenhouse gases, is not easily observed for a given watershed.

The report will be on the [IEEP website](#) soon.

Contact: [Jane Desbarats](#)

Integrating the Environment into Cohesion Policy

An IEEP-led consortium has completed a study for DG Regio on how to improve the integration of the environment into the next Cohesion Policy period (2014-2020). The report demonstrates that Cohesion Policy is missing important opportunities to secure environmentally sustainable economic growth.

To address this, the study has identified ways of improving environmental integration by moving away from funding which supports activities that do not take into consideration environmental externalities, and instead moving towards funding that supports

environmental and economic wins. To support this assessment the study has developed a process/tool that is capable of explaining and categorising trade-offs for existing funding categories by using six different 'development paths'. These six development paths consist of declining sustainability, environmental compliance, risk management, natural capital investment, eco-efficiency and decoupling, enabling categorisation of Cohesion Policy investments in relation to these development paths.

In addition the study assessed in detail 26 case studies and corresponding Operational Programmes

in a number of Member States, and identified innovative approaches that can be used to improve ex-ante conditionality (such as Greening Public Procurement), proofing tools (such as carbon neutrality), assessment tools (such as holistic use of Strategic Environmental Assessment, contributing to indicators and project selection criteria and ex-post evaluations), financial engineering (such as experiences from the JESSICA financial instrument) and organisational set-ups (such as cluster programmes).

Many of the study's recommendations have already been incorporated

in the proposed Regulations for Cohesion Policy funds for 2014-2020, published in October 2011, although others have not. This report provides a detailed evidence base that can be further utilised as part of the negotiations on the proposals, so that the future Cohesion Policy can encourage smart, sustainable and inclusive growth and a green economy.

The final report, case studies and the five supporting papers will soon be available on DG Regio's and IEEP's websites.

Contact: [Peter Hjerp](#)

Tackling illegal, unreported and unregulated fishing

The EU is the world's largest importer of fisheries products and trades with over 170 import partners. In 2008, the EU responded to international momentum to address the problem of illegal, unreported and unregulated (IUU) fishing by adopting the 'IUU Regulation' (EC) 1005/2008 to establish a Community system to prevent, deter and eliminate IUU fishing.

The Regulation entered into force in 2010, and aims to ensure that IUU-caught fish does not enter the EU market by requiring imported fishery products to be accompanied by a

catch document. In this document, the country owning the vessel which caught the fish validates the product and verifies that the fish was caught legally, in accordance with the rules

applicable to that fishery.

Between 2008 and 2010, the IUU Regulation was heavily debated both within and outside the EU. Concerns



were raised about its complexity and conditions, as well as its impact on third countries currently exporting to the EU that must comply with the Regulation.

IEEP has recently undertaken an independent analysis of the IUU Regulation. The analysis included a review of implementation progress during the first year, the identification of implementation challenges faced by Member States and third countries, and recommendations for changes that may improve the system.

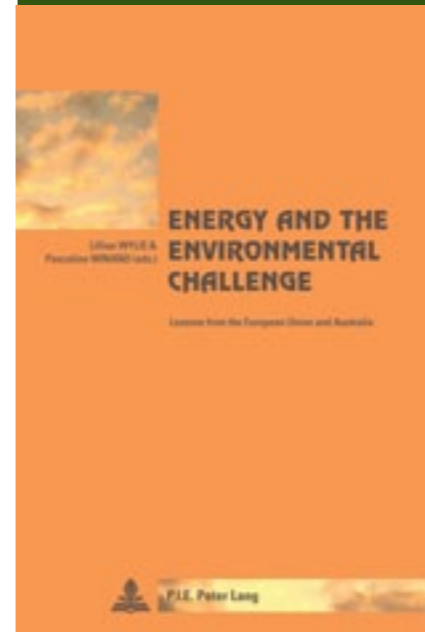
A summary report will be available on the [IEEP website](#)

in November 2011.

Contact: [Indrani Lutchman](#)

IEEP BOOKS AND PUBLICATIONS

With its publications, IEEP contributes to disseminating information and insights on environmental policy and environment-related topics. The latest release is:



Energy and the Environmental Challenge Lessons from the European Union and Australia

Bringing together eminent Australian, European and Russian experts and practitioners, this volume provides an important contribution to the crucial international debates on climate change and energy. IEEP's Marc Pallemmaerts contributed a chapter on 'Climate Change, Natural Gas and the Rebirth of EU Energy Policy'.

Lillian Wylie / Pascaline Winand (eds.). **Energy and the Environmental Challenge: Lessons from the European Union and Australia**. Bruxelles, Bern, Berlin, Frankfurt am Main, New York, Oxford, Wien, 2011. 417 pp., num. fig. and tables. European Policy. Vol. 48

Further details and ordering information can be found [here](#).

IEEP CONFERENCES AND EVENTS

In the coming months IEEP is organising and/or participating in a number of meetings and events. To find out more, do not hesitate to contact us.

Stakeholder event on economic instruments in the waste management sector – DG Environment, European Commission, Brussels (Belgium), 25 October 2011

This event, co-organised by IEEP and DG Environment, is part of an IEEP-led study on the use of economic instruments to improve Member States' waste management performance. The workshop will present the interim results of the study and debate the impacts of landfill and incineration taxes, pay-as-you-throw schemes and producer responsibility systems. Attendance is by invitation only; if you are interested in the event, please contact [Emma Watkins](#).

Expert meeting on 'Options and priorities for a 7th EAP' – IEEP office, Brussels (Belgium), 28 November 2011

This meeting is being organised by IEEP in the context of our project on [the future strategic framework of EU environmental policy](#). This is the first policy dialogue meeting organised under the project and will gather key policy makers and experts to discuss the overall options and priorities for a 7th Environment Action Programme (7th EAP). Attendance is by invitation only. Contact: [Axel Volkery](#) or [Sirini Withana](#)

Workshop on 'Sustainable Management of Natural Resources' – European Parliament, Brussels (Belgium), 29 November 2011

This workshop, organised by IEEP with help from Ecologic Institute and BIO Intelligence Service, aims to present the first results of the STOA project 'Sustainable Management of Natural Resources' and to discuss the next project's steps. The study will provide an overview of sustainable resource management and identify future challenges, looking in particular at water and the use of natural resources in agriculture. The workshop is part of a full-day event, the 10th Annual Lecture organised by the European Parliament's Science and Technology Options Assessment (STOA) Panel. Invitations will be sent out soon by IEEP and the STOA Panel. Contact: [Kristof Geeraerts](#)