



He who hesitates is lost

This year has not been an easy ride for the environmental policy community in Europe. It is not only external events such as the tremors in the Eurozone, nervousness about long-term investment and the reluctance of other OECD countries to join the EU in supporting another phase of the Kyoto Protocol; nor the preoccupation with short-term growth and blunt national interests which overshadowed the run up to the Commission's proposals for the 2014-2020 EU Budget. In the closing weeks of this saga, there was a serious attempt to slash expenditure on 'rural development', which includes the single largest chunk of spending on the environment in Europe, so as to maximise spend on Pillar One, the largely untargeted bulk of the CAP.

There also has been a sense of hesitation. How far is the EU prepared to go out on a limb to maintain the Kyoto Protocol? Several Member States remain reluctant to advance the 2020 emissions reductions target from 20 to 30 per cent. The Commission's strategic resource efficiency roadmap has yet to appear and there have been equivocal messages from the Commission about the value of a Seventh Environmental Action Programme.

It would be foolish to underestimate the significance of the current economic conditions and long-term concerns about Europe's competitiveness in the world. However, there are a number of issues where action is inevitable, postponing it will be expensive and the atmosphere of economic stringency may help to focus priorities. One example is fisheries, where the Commission's proposals to reform the Common Fisheries Policy make strides in grasping the problems of excess capacity and discarding. Another is the proposal for mainstreaming climate issues in the EU Budget, which could help with a shift to lower carbon infrastructure if implemented effectively. Other examples would include robust sustainability standards for bioenergy, improved recycling rates for key materials and measures to improve the efficiency of water use.

Beyond this, long-term strategies for action continue to be needed and also to be refreshed as circumstances change.

Stronger arguments and better evidence for environmental measures may be required now but the need to make the case is undiminished; a raft of issues cannot be deferred until after the recession is over. This is not only a challenge for the Commission. With many environmental pioneers amongst Europe's governments now quiescent there are openings for leadership here as well. Given the mixed messages in the budget proposals and concerns about what can be achieved at Durban, the need for a clear vision of where Europe is heading on the green agenda is now pressing.

David Baldock, Director IEEP

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The new EU Biodiversity Strategy: halting biodiversity loss by 2020?

The EU failed to meet its target of halting the loss of biodiversity by 2010. Despite this setback and the realisation of how ambitious the target was, the Council of Ministers recently committed to a 2020 target of 'halting the loss of biodiversity and the degradation of ecosystem services in the EU, and restoring them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss'. To help achieve this, the European Commission recently adopted a Communication on 'Our life insurance, our natural capital: an EU biodiversity strategy to 2020' (COM(2011)244). Influenced by the findings of the TEEB (The Economics of Ecosystems and Biodiversity) initiative, it emphasises the social and economic value of ecosystems and their services, and their importance for human well-being. Although this has potential drawbacks, it enables the Communication to explicitly promote the Biodiversity Strategy as 'an integral part of the Europe 2020 Strategy, and in particular the Resource Efficiency Flagship Initiative'.

The new EU Biodiversity Strategy

includes six targets, which are broken down into a set of 20 actions and 36 measures. The 2020 targets address key issues including the implementation of the Birds and Habitats Directives, the restoration of ecosystems and their services, overexploitation of fish stocks, invasive alien species (IAS), land use changes related to agriculture and forestry, and global biodiversity loss. The restoration and promotion of green infrastructure is proposed as a new key action; a number of Commission studies are currently underway to develop the concept, including an IEEP-led study. The establishment of a dedicated instrument on IAS is also envisaged, and is expected to draw on a recently published IEEP assessment. Another new policy measure, related to key recommendations in an Eftc/IEEP-led study, is to ensure no-net-loss of biodiversity and ecosystem services. To achieve this, improved assessments of the potential impacts of EU funded projects and programmes are envisaged, together with an initiative to promote offsetting of residual impacts.

The new targets are more specific, 'measurable' and time-bound than those in the previous strategy. In some respect this is a step forward, but it might also explain why the Council, though in broad agreement with the targets, did not endorse the 20 related actions. It seems likely that they were wary of committing to specific measures without further discussions, or evidence of the measures' costs. This is despite many of the targets being rather unambitious, including those relating to the conservation status of habitats and species of Community interest.

Further discussions will continue under the Polish EU Presidency in the second half of 2011. It therefore remains to be seen whether the increased awareness of ecosystem service benefits will increase political will enough to result in a step change in key actions. This will almost certainly be needed to achieve the 2020 biodiversity targets.

Contact: [Graham Tucker](#), [Sonja Gantioler](#)

EU Water Policy – fit for purpose?

The European Commission is currently conducting a so-called 'Fitness Check' of EU Water Policy. It will assess the effectiveness of existing laws and identify possible gaps or inconsistencies that need to be addressed in next year's 'Blueprint to safeguard EU waters'.

Deloitte and IEEP have drafted a [report](#) to support the Commission in the first scoping phase of the Fitness Check. The report assesses the relevance, coherence, effectiveness and efficiency of EU Water Policy and identifies

particular achievements and shortcomings.

Our analysis confirms that the policy laid out in the Water Framework Directive seems to be robust and largely coherent with other EU environmental laws. A decade after its adoption, the Directive's implementation is now at a critical stage. River basin management plans have been delivered in most EU Member States, and programmes of measures are being put in place.

However, implementation remains a challenge.

Although the European policy framework puts the right measures in place, they are sometimes difficult to enforce and vulnerable to national political pressures. The quality of some river basin management plans is rather poor. Many also appear to delay action until the final stages of EU law implementation, making the achievement of policy goals by 2015 uncertain.

The EU needs to step up action on policy integration, particularly with regards to more efficient use of water in agriculture and buildings. Member States have made

only sluggish progress on introducing economic instruments such as water pricing, while the principle of cost-recovery remains controversial.

More action is needed to improve demand side management, making use of all the available tools. Other issues such as climate change impacts on water are increasingly recognised, but this has not yet led to action in all countries.

Contact: [Axel Volkery](#), [Kristof Geeraerts](#) or [Andrew Farmer](#).

Costs of delivering environmental outcomes through agricultural and forestry management

A recently published study, led by IEEP, estimates that the annual costs of delivering a full range of environmental outcomes on agricultural and forested land in 2020 would be in the region of €43 billion/year, of which approximately €27 billion needed to be sourced from the EU budget. This is more than three times the current available budget.

Many of Europe's rural environment objectives can be achieved only by appropriate land management, especially by farmers and foresters. Environmental regulation and incentives to land managers do exist, largely through the Common Agricultural Policy (CAP), but this has not been sufficient to deliver environmental results at the scale required to meet EU targets and policy objectives. One of the reasons for this is limited budgetary resources.

Based on an assessment of the scale and nature of farm and forestry management needed to meet the EU's environmental priorities, the study identifies the costs of

addressing these priorities through voluntary incentives, such as agri-environment schemes. A nominal figure is included for the cost of investments and extension services needed to support the delivery of these goals. The study covers the full range of environmental issues linked to rural land management including the protection and enhancement of biodiversity, water quality and

quantity, soil, landscape, forest protection and climate change adaptation and mitigation.

Three case studies provided specific cost estimates for soil conservation, HNV farmland and arable farmland birds. These estimated that approximately €12 billion/year would be needed to halt soil organic matter decline in the EU-27, that €16-23 billion/year

would be needed to maintain HNV farmland, and that approximately €1 billion/year is needed to halt biodiversity declines on arable land (of which €854 million/year is estimated to be needed to halt declines of arable birds).

Contact: [Kaley Hart](#)



Perspectives for the new European Fisheries Fund (EFF)

A reform of the European Fisheries Fund (EFF) is high on the agenda, with the recent publication of the draft legislative proposal and impact assessment for the future Common Fisheries Policy (CFP). However, the future role and scope of a reformed EFF remain controversial and under discussion.

IEEP has carried out an independent evaluation of the EFF for the European Parliament. The report evaluates the implementation of the fund and identifies shortcomings and challenges that Member States and the fishing industry have faced during the current programming period (2007-2013). The report also develops a series of options for a future EFF, in the form of different scenarios.

Due to an obligation under the EFF for collaboration or 'partnership'

between stakeholders, the content of the national EFF programmes reflects broadly the current needs of the sector. Wide consultation at both national and local levels resulted in effective strategic planning, but actual implementation is hampered by severe delays. Overall, the sector is in an economically fragile state. Perhaps most importantly, the natural capital is still being run down with fish stocks remaining under pressure.

Our analysis confirms that EFF spending does not follow a clear intervention logic and does not seem to integrate the objectives of the Common Fisheries Policy (CFP) in a coherent manner. The fund also lacks a quantitative reporting framework at the European level to facilitate monitoring and evaluation. Future reforms of the EFF should link its axes and measures to the objectives

of the reformed CFP in a logical and transparent way. EFF funding should provide added value to where it is needed most (for example small coastal communities, stewardship of fragile ecosystems and effective transition programmes) but not to the larger, already profitable operators. A data reporting system should be set up to allow timely and detailed monitoring and evaluation, and the partnership between stakeholders should be further encouraged and strengthened.

The project is in its final stages and will be on the IEEP website soon.

Contact: [Indrani Lutchman](#), [Stephanie Newman](#)

Directions in European Environmental Policy (DEEP) - New paper series from IEEP

The Institute has launched a new series of think piece papers on current policy issues on the European environment. Two themes for the first papers have been the challenge of [greening the EU budget](#) and the ingredients required for the forthcoming Roadmap on [Resource Efficiency](#) in the EU, now expected to be launched in September. Under the series title 'Directions in European Environmental Policy' these papers can be found on the website:

<http://www.ieep.eu/policy-papers/>

Keep your eye on the website for further papers over the next couple of months.



The latest update of the Manual of European Environmental Policy, IEEP's comprehensive guide to EU legislation and policy on the environment, is now available online. A new print version is also now available and can be ordered from the link below.

The Manual was fully revised in 2010 to allow quick and efficient online access. It provides analysis of more than 500 EU environmental Directives, Regulations and Decisions as well as an overview of their implementation across the 27 Member States.

Find out more and sign up for a free trial: <http://www.europeanenvironmentalpolicy.eu>

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.

IN-STREAM final workshop: key findings on sustainability indicators – Académie Royale des Sciences, des Lettres et des Beaux-Arts, Rue Ducale 1, Brussels (Belgium), 27-28 September 2011

This event is part the INSTREAM FP7 project and is organised by the Ecologic institute, IEEP and the broader project team. The workshop will present the final quantitative and qualitative results of the project and stimulate the debate on Beyond GDP indicators, involving the project team together with other high level speakers.

Registration information will be available soon on the [INSTREAM website](#).

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

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](#).