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To: Delegations

Subject: COUNCIL "COMPETITIVENESS" (Internal Market, Industry, and Research)
on 29-30 September 2011
Presidency Conclusions on the discussions at the Informal Meeting of
Environment Ministers Sopot, 11-12 July 2011
– Information from the Presidency

Delegations will find in annex an information note from the Presidency on the above-mentioned subject.

Presidency Conclusions
on the discussions at the Informal Meeting of Environment Ministers
Sopot, 11-12 July 2011

Plenary Session 1: Environmental protection until 2020: Key actions. A review of the 6th EAP

Taking into account the strategic moment of shaping the new environmental policies and discussion on the financial framework, the ministers underlined that the Environmental Action Programme, focusing on the environmental priorities till 2020, combined with a long term vision, is now needed more than ever. In times of world's financial turmoil it is important to prioritize the urgency of actions for coming years to allocate effectively the resources and to assure fulfillment of the obligations towards European society.

While recalling the conclusions of the Council of 20.12.2010 on improving environmental policy instruments, the ministers agreed that the evaluation of the of the 6th Environmental Action Program should be a good base for shaping the future policy framework.

Recalling the evaluation made by the EEA in the SOER 2010 and in the Final Report for the Assessment of the 6th Environment Action Programme it was stated that the implementation of the EU policy in the framework of the 6th EAP resulted in a significant improvement of the European environment's condition, which also influenced the global environmental situation, however several objectives have not been reached and require further actions.

Simultaneously, new problems and challenges occurred. In nature protection, development of the NATURA 2000 network, which covers now 17% of the EU territory has contributed to slowing down the speed of the biodiversity loss, but the objective to stop this process was not reached. Achievement of the Kyoto Protocol objectives is not endangered; however, while the EU reduces its CO2 emissions, global emissions are still rising. In waste management, implementation of a cohesive system of legal provisions contributed to slowing down waste production compared to GDP, but the total production of waste, especially in the communal sector increased. Implementation of the thematic strategy on air pollution have resulted in a significant improvement of air quality and increased life expectancy, however a notable percentage of urban population is still exposed to pollution concentration exceeding the health related target values. Water quality has been improved considerably, even though in some countries the quality of surface and ground water resources still represents a problem.

The ministers look forward to receive from the Commission a communication on the final assessment of the implementation of the 6th EAP, which should contribute to further discussions on improvement of the environmental policy implementation and on shaping the new policy.

The ministers identified major challenges for the future: climate change mitigation and adaptation, halting loss of biodiversity, the efficient and sustainable use of resources, as well as prevention and reduction of environmental pollution, urban environment and improving the quality of life and human health.

It was highlighted that a new European environmental policy should be put in a wider context, it should contribute to the implementation of the EU 2020 Strategy, facilitate green and sustainable growth of the EU and reflect the need for taking a global approach to the new challenges.

The EU's environmental legislation is already comprehensive and it is time now to focus on its implementation, development of effective instruments eliminating existing barriers and enabling financing of necessary measures; smarter environmental regulation should be developed where it is still needed.

The involvement of stakeholders, including businesses, local and regional authorities and civil society should play an important role in achieving planned objectives, especially taking into consideration a need for changing patterns for production and consumption into more sustainable ones.

Mainstreaming of environmental policy into sectoral activities and other policy domains remains the fundamental condition for transforming the EU into a green economy, concentrated on natural capital and ecosystem services as well as sustainable resource management. The ministers indicated that integration is particularly important in the areas such as agriculture, fisheries, transport, energy, research and development, and should be taken into account while developing the financial instruments in those areas for years 2014-2020.

One of the most important elements to achieve long-term objectives for environmental policy should be effective promotion of eco-innovations and new low-emission technologies.

Plenary Session 2: Environmental protection until 2020: Key actions. Resource Efficiency

While recalling that the Communication “A resource-efficient Europe” was developed in 2010 as one of the flagship initiatives under the Europe 2020 strategy the ministers agreed that resource efficiency should be one of the bases for the future environmental policy and should be kept high in the agenda in the implementation of the EU 2020 strategy.

Ministers expressed concern that the intensive use of resources puts pressure on the environment and threatens future supply and access to natural resources. Ministers also underlined a need to manage resources in a more sustainable way. The aim is to decouple economic growth from use of resources and its environmental impact and called to move from remediation of environmental problems to its prevention.

It was underlined that the concept of resource efficiency should be a strong driver towards a modern economy and that transition to a resource-efficient economy should increase the competitiveness of the EU and create new possibilities for economic activities, stable forms of employment and development of innovative technologies.

In the global context, the EU should be ready to present its approach at the United Nations Conference on Sustainable Development – Rio +20 in 2012, showing its credibility as a leader in implementing green economy in practice.

The ministerial debate should be a valuable contribution to the Commission Communication on Resource Efficiency Road Map, which is expected to be adopted in September and will propose a long term vision to 2050, mid-term objectives to 2020, and a set of indicators and implementation instruments. The Roadmap would aim to give a clear signal to business, decision makers and consumers in order to ensure green growth and jobs.

In the opinion of the ministers, the greatest potential for resource efficiency, as cross cutting-policy, should be expected in the following sectors: food/agriculture, buildings/construction, transport/mobility, energy, raw materials, waste and water management. The decision on which sectors to focus should be carefully prepared in order to avoid the risk of a too broad and general strategy, which could be very difficult to implement.

The ministers confirmed a need to identify targets and indicators for resource efficiency and consider suitable instruments on the EU level. First of all it's crucial to develop coherent EU standards, encouraging innovation and development of new technologies, concepts of eco-design, eco-labelling, green public procurement. At the same time a need for deregulation was underlined and avoiding creation of additional burdens for both the public and private sectors. There was general support for considering market based instruments and fiscal measures proposing a transition from labour taxation to resource taxation.

There was an agreement between the ministers that involvement of stakeholders, including, business, local authorities and civil society is essential. Activities should be focused on changing consumption and production patterns to more sustainable ones by means of promoting and exchange of good practices and development of incentives mobilising the private sector.

Plenary Session 3. How to Effectively Implement National Adaptation Strategies to Climate Change?

Ministers agreed that the effective implementation of national adaptation strategies is an indispensable prerequisite for building resilience of European countries to climate change. They recognized that adaptation to climate change became an equivalent issue with the GHG mitigation and underlined the important role of the EC's White Paper on adaptation, which provides foundations for working out the EU comprehensive adaptation strategy and is intended to facilitate efficient and effective adaptation to climate change by its member states.

Ministers confirmed that they expect the Adaptation Clearinghouse Mechanism will play a crucial role in capacity building of stakeholders, mainly through the best practices exchange and they look forward to its completion by the EC and make it operational in early 2012, as scheduled. Ministers were acquainted with the prototype of the Clearinghouse Mechanism presented by EC DG CLIMA.

Ministers confirmed that the progress in the elaboration of national adaptation strategies by member states varies quite significantly. They agreed that there is a need for discussion at the ministerial level of some crucial issues related to the implementation of national adaptation strategies. Among those issues the Ministers indicated: the role of regional and local authorities in the process of implementation and awareness raising of stakeholders, the main obstacles to effective adaptation and possible ways for overcoming them and also the integration of adaptation with other policies.

Ministers underlined the importance of recognition of crucial role of regional and local authorities in implementing national adaptation strategies and raising awareness of stakeholders. They underlined the importance of experience sharing and lessons learned on practical adaptation measures taken by member states at local and regional level and the role of Clearinghouse Mechanism in this process.

Ministers acquainted with the ICLEI's presentation on the role of local authorities in European multilevel governance for adaptation, and agreed on the issues discussed in there, among them the vulnerability of cities and urban regions, adaptation needs, risk assessment and communicating the risk, key responsibilities of local and regional authorities in the adaptation process. Ministers also recognised that the effective adaptation in urban areas in the EU is of particular importance, due to raising scale of climate change impact affecting the biggest part of the total UE population, which live in urban areas, although they cover only a small percentage of the EU surface.

Ministers confirmed that local authorities will have to play a significant role to increase the importance of urban and local authorities in the field of adaptation. The effects of climate change are felt regionally and will need to be addressed regionally. Heads of local authorities are responsible for proper management in order to reduce the negative effects of climate change. Risk analysis should be developed for extreme weather phenomena, in relation to the current effects of climate change and those which may happen in the future. What is needed is comprehensive economy and management. Infrastructure planning should be based on an analysis of the risks and dangers. To enable the local population information activities are needed. However, that action taken at the local level can be properly implemented it is necessary to support by central government. Solutions should be implemented at the local level, however, with the involvement of the central government.

Ministers underlined the main obstacles such as: low awareness of societies and authorities at the local level, lack of climatic scenarios and analysis of climate impact at local level, lack of access to climate change information, deficiency in or lack of climate monitoring and early awareness systems, lack of adaptation strategies and implementation plans. Many colleagues stated the adaptation challenges are local and also need private actors to take up responsibility and their active involvement in concrete adaptation measures. Raising awareness, work with regions and private sector need cooperation on EU level, especially in biodiversity, energy infrastructure, health.

On integrating adaptation into other policies and strategies of socio-economic growth, which is mainstreaming of adaptation into key policy areas, Ministers agreed that further integration is needed in other major sectors of the economy and social life and policy areas that are most vulnerable to climate change impact (e.g. cohesion, agriculture, water, health, transport, etc.). Therefore, the adaptation measures should be the responsibilities of the responsible Ministers and be a regular part of long-term sectoral policies.

Climate adaptation is crucial for economy and sustainable growth. There is a need of adequate investment mainly on infrastructure, transport, water, agriculture, tourism sectors securing from negative climate change impact and providing for proper balance in economic growth.

The European level efforts on adaptation will need to be complemented by country level actions. Some Member States have completed their adaptation strategies, many other are still working on them, and all those strategies should contribute towards the comprehensive European adaptation strategy, to be developed starting from the year 2013. In addition, mainstreaming adaptation to climate change in other main policies is identified by many as a crucial specific instrument towards European comprehensive adaptation strategy.

This debate would also allow to take into account Member States' varying abilities to fund adaptation measures, especially needed in most affected sectors and areas, such as urban and rural areas.

Based on the above, further consideration should be given to the financing the EU adaptation efforts on the level of individual countries, and countries adaptation needs should be recognized and assessed in their national adaptation.

Plenary session 4 – UNFCCC negotiation strategy: how to make COP17 successful

The broad scope of issues related to the negotiation strategy to be adopted before and during this year Durban Climate Conference have been discussed during informal meeting.

Ministers agreed that the stepwise approach adopted in Cancun worked very well last year and the EU should aim at continuing similarly this year. The Cancun Agreements on long term cooperative actions, including shared vision, technology, adaptation framework as well as the progress made in KP track, particularly in establishing LULUCF accounting framework helped to restore trust in, and to reinvigorate the multilateral process under the UNFCCC. Keeping the global temperature rise within the limit of 2 deg remains the ultimate goal of the EU, therefore full operationalization of Cancun Agreements is needed along with further progress made in implementation of Bali Action Plan.

The overall level of the so far pledged reductions of the emissions is not sufficient to reach this target, and the EU, which is responsible for less than 14% of global emissions is unable to reach the 2 deg target alone. Therefore all major economies should adopt more ambitious approaches and raise their pledges in order to bridge the mitigation (gigaton) gap as soon as possible. The gap should be quantified by the UNFCCC secretariat in order to help the parties better understand the climate related challenges.

Further steps should be taken in order to achieve the progress in preparing the important decisions on:

- MRV / ICA – IAR, which should provide for the necessary transparency of emission reductions and/or mitigation action in both developed and developing country parties;
- inclusion of international aviation and maritime to the efforts consistent with 2 deg target, under the UNFCCC,;
- establishing new market based mechanisms, which should support sectoral actions as well as NAMAs.

The Ministers agreed that the most important political issue before Durban will be the decision whether to get involved in the Kyoto Protocol 2nd commitment period (KP2). Political pressure on the EU might be greater than ever, as the G77 and China group consider the EU the only group of Annex I parties being ready to take such a step.

Any international legal framework should be built on rules. Therefore the EU will be ready to accept KP2, but without major economies taking up their ambitious commitments, the EU emission reduction alone will not suffice to keep the temperature rise within the limits. Clear roadmap to establish the legally binding framework with binding timelines would be needed to ensure that single legal framework will be negotiated and established in a parallel process under the UNFCCC.

The time before October EU environment council meeting should allow the experts to look into possible legal options of the EU stepping into KP2 in order to help the ministers in decision making.

Extensive and well planned outreach activities are needed, which should:

- promote top-down architecture, and allow for building the alliances with alike-minded developing country parties;
- focus on better understanding of other parties' positions;
- look for ways to create internal pressure in the group of G77 and China on the major emerging economies;

Ministers underlined that the COP 17 should be an “African COP”, where agriculture, forest protection and clean energy should be adequately considered and addressed in the COP decisions, however the meaning of “African” should be elaborated.

Well thought, focused and clear communication will be needed with the 2°C goal – main aim of the EU – being on the forefront of our messaging. It should include inter alia the following:

- the EU alone is not able to help in reaching the 2°C goal, since it only accounts for less than 14% of global emissions, therefore engagement of all major economies is necessary;
- Durban should also progress towards a roadmap aimed at elaboration of the legally binding agreement;
- message on the need to increase ambition because the mitigation gap should be repeated and clearly stated;
- for Durban to be a success it is not enough to just implement Cancun Decisions. Call for establishing new market based mechanisms as well as the mechanisms for international aviation and maritime together with MRV / ICA /IAR framework.

It was highlighted that the Fast Start Finance (FSF) together with further development of Green Climate Fund will be a key to proof credibility of EU financial declarations. Therefore detailed information on how the EU complies with its FSF pledges, detailing the information about all projects supported by EU will be an important tool in negotiations. We will also need to look at the possible options for transition from FSF to reaching 100 bn US\$ annually by 2020 as the long term finance commitment.