

Ecologic Institute
An International Think Tank for Environment and Development

Berlin

Brussels

Washington D.C.

San Mateo CA



► CGD – EUROPE BEYOND AID

ASSESSING EUROPE'S COMMITMENT TO ENVIRONMENT

Max Grünig

Ecologic Institute

Ecologic Institute - who we are

- ▶ founded in 1995
- ▶ independent non-profit research institute for sustainable policy making
- ▶ offices in Berlin, Washington D.C., Brussels, San Mateo
- ▶ about 120 employees
- ▶ www.ecologic.eu

Europe's commitment to environment

- ▶ link between environment and development
- ▶ healthy environment a necessity for all
 - food supply
 - natural disasters
 - diseases
- ▶ rich countries are main source for environmental damage
- ▶ poor countries very often at the receiving end of environmental impacts

Europe's commitment to environment

- ▶ strengths and weaknesses of European countries and in aggregate
- ▶ based on performance in three key areas
 - global climate (60% of score)
 - fisheries (10%)
 - biodiversity and global ecosystems (30%)
- ▶ using data provided by CGD's Commitment to Development Index (CDI) where environment is 1 of 7 policy areas

CDI ENV methodology

- ▶ scores reflect performance in several indicators for each dimension
- ▶ 0 as lowest to 10 as best score
- ▶ countries covered in Europe
 - Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway*, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland* and United Kingdom (*non EU-Member States)
- ▶ indicators range from treaty ratifications to greenhouse gas emissions to US\$ subsidies.

CDI - climate

- ▶ GHG emissions per capita (t CO₂ equ.)
- ▶ fuel production per capita (t CO₂ equ.)
- ▶ annual change in GHG emissions per unit GDP (in %, 2001-2011)
- ▶ gasoline taxes in PPP dollars per liter 2012
- ▶ consumption of ozone-depleting substances (2009)
- ▶ ratification of the Kyoto Protocol

CDI - fisheries

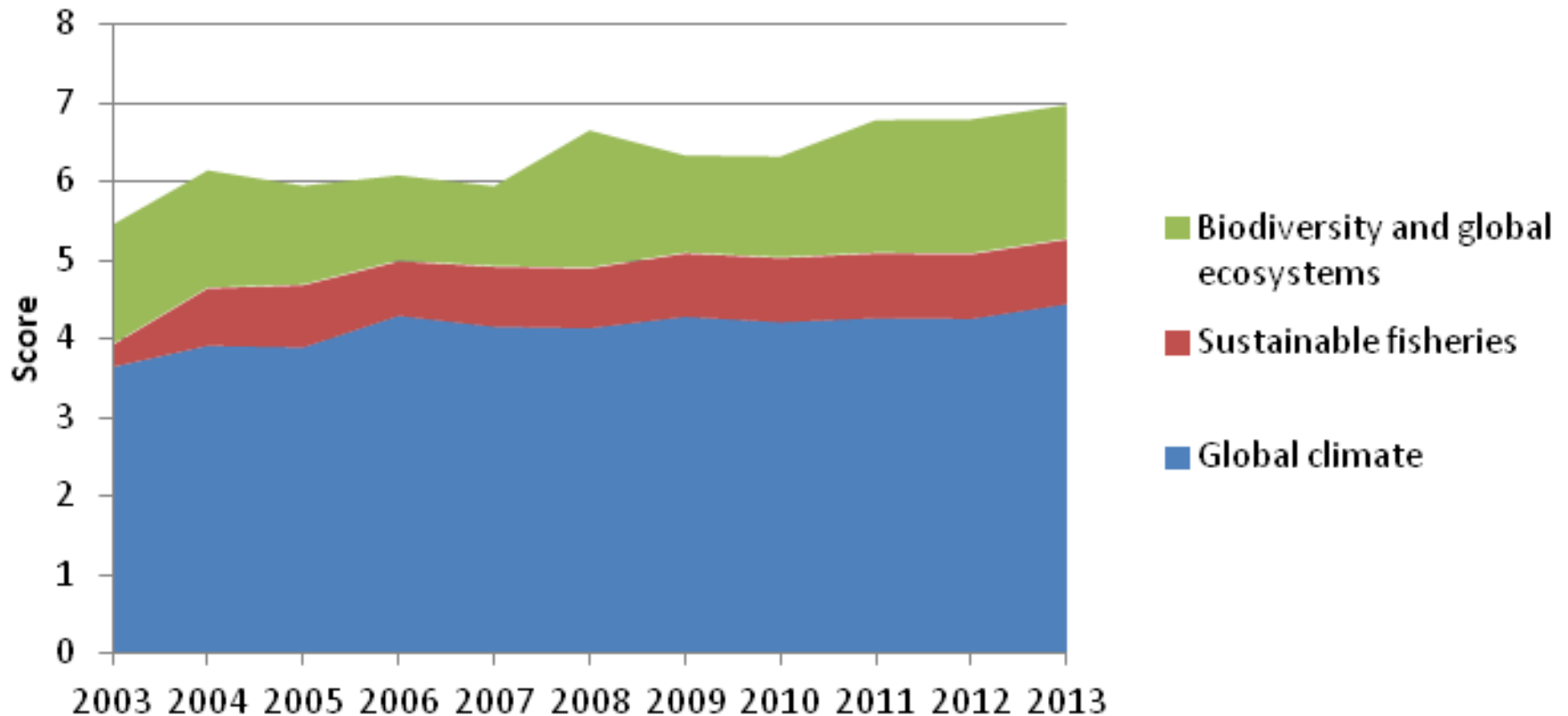
- ▶ ratification of UN Agreement for the Implementation of the Provisions of UNCLOS relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks (UNFSA)
- ▶ fishing subsidies per capita (2007 data)

CDI – biodiversity and ecosystems

- ▶ required reporting to multilateral biodiversity-related treaties
 - UN Convention on Biological Diversity (CBD)
 - RAMSAR Convention on Wetlands of International Importance
 - Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
 - Convention on Migratory Species (CMS)
- ▶ amount of tropical timber imports per capita

Performance of European countries

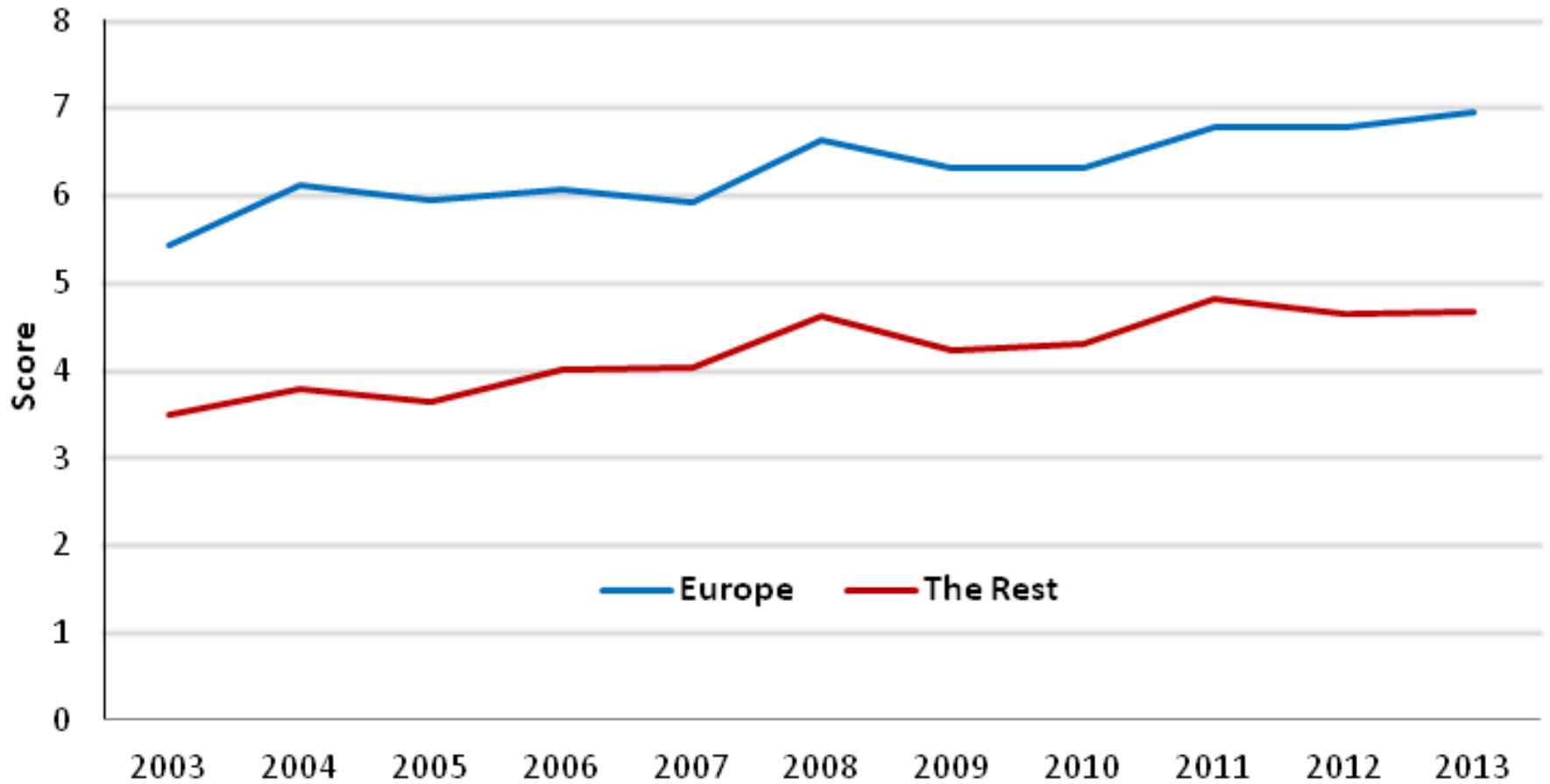
▶ total score in environment: 7 points 2013



Country by country

country	score	country	score
Slovakia	8.6	Denmark	7.0
Hungary	8.0	Netherlands	6.9
Sweden	7.8	Italy	6.9
Finland	7.8	Ireland	6.7
Portugal	7.7	Spain	6.7
Poland	7.6	Austria	6.6
Czech Republic	7.5	Switzerland	6.1
United Kingdom	7.3	Greece	5.9
Belgium	7.2	Luxembourg	5.8
Germany	7.1	Norway	2.8
France	7.1	The Rest	4.7

Europe compared to the rest



Analysis

- ▶ overall slow but positive development
- ▶ widening gap between Europe and the rest
- ▶ significant spread within Europe (2.8 – 8.6)
- ▶ significant progress in climate dimension
- ▶ considerable room for improvement

Policy recommendations – climate EU

- ▶ reform to the Energy Taxation Directive
 - increase ambition, including higher floor for energy taxation
 - harmonisation, especially regarding diesel
 - coordinated effort towards shifting taxation revenues from labor to environmental taxes
- ▶ more ambitious 2030 climate targets

Recommendations – climate Member States

- ▶ Eliminate subsidies for production and consumption of fossil fuels
 - improve resource allocation
 - lessen the financial impact on budgets
 - avoid negative social impacts on human health and household spending
 - encourage growth of eco-innovation and associated business sectors
 - benefit from more efficient resource use across sectors
 - reduce GHG emissions by encouraging alternative fuels/resources
- ▶ Raising gasoline taxes
 - Elevating fuel taxes in countries with low fuel prices could disincentivise fuel consumption

Policy recommendations - fisheries

- ▶ reform of European Maritime and Fisheries Fund (EMFF) after 2020
 - further reduce capacity enhancing subsidies
- ▶ eliminate capacity enhancing subsidies from national operational programs for the EMFF
 - replacement of old engines
 - business start-ups
 - storage aid
 - temporary cessations

Recommendations – biodiv. + ecosystems

- ▶ assessment of constraints limiting ability of individual countries to submit reports under UN Convention on Biological Diversity
- ▶ possible actions to address capacity gaps could include
 - providing support to improve data management
 - ensuring the availability of sufficient financial and personnel resources for monitoring, evaluation and reporting activities

Recommendations – biodiv. + ecosystems

- ▶ endorse UN's efforts reducing burden of national reporting via harmonisation of reporting to biodiversity-related multilateral environmental agreements (MEAs)
 - one consolidated report for all of the MEAs
 - joint thematic reports between a limited number of MEAs

Policy recommendation – timber

- ▶ emphasis on new momentum in mainstreaming *sustainable* tropical timber rather than simply reducing all imports
 - expanding the number of Voluntary Partnership Agreements (VPA) under the Forest Law Enforcement, Governance and Trade Action Plan (FLEGT)
- ▶ EU Timber Regulation up for review in 2015
 - occasion to involve stakeholders in improvement process and recognise and alleviate any existing shortcomings to make the legislation more effective

Policy recommendation – timber

- ▶ augment demand-side intervention to increase sustainable forest management efforts
 - bundling policy (such as FLEGT and its associated measures) with increased consumer awareness of environmental and social impacts of purchased products

Summary

- ▶ Europe is best in class in CDI environment
- ▶ Europe performs well in all dimensions compared to the rest of the world
 - global climate
 - fisheries
 - biodiversity and ecosystems
- ▶ results at country-level are quite heterogeneous – not all European countries are leaders

EU-level policy recommendations

- ▶ climate
 - higher minimum energy taxation
 - more ambitious climate targets
- ▶ fisheries
 - eliminate capacity enhancing subsidies
- ▶ biodiversity and ecosystems
 - reduce reporting constraints and burden
 - focus on sustainable tropical timber
 - demand side efforts

Member State-level recommendations

- ▶ climate
 - raising fossil fuel taxes
 - elimination of fossil fuel subsidies
- ▶ no prioritised recommendations for Member States in the fields of
 - fisheries
 - biodiversity and ecosystems

Disclaimer

- ▶ reported performances and scores are based on the Commitment to Development Index
- ▶ any set of indicators or index includes subjective choices on priorities and weighing
- ▶ data issues are unavoidable with complex indices and can result in thwarted results
- ▶ CDI methodology is constantly improved

THANK YOU!

Max Grünig

Ecologic Institute, Pfalzburger Str. 43-44, D-10717 Berlin
Tel. +49 (30) 86880-0, Fax +49 (30) 86880-100

max{dot}gruenig{at}ecologic{dot}eu

www.ecologic.eu