

Consultation paper for the preparation of a European Union strategy for Sustainable Development

EXECUTIVE SUMMARY

At the Helsinki summit in 1999 the Heads of State and Government asked the European Commission to propose a European Sustainable Development strategy for the Gothenburg European Council in June of this year.

The Consultative Document is the first step in developing the strategy. It does not include specific objectives and measures, but sets out the challenges and opportunities of sustainable development. Together with the 10 questions at the end of this executive summary, it is meant to trigger a wide debate with other European institutions, Member States and civil society. Following this debate, the Commission will propose a sustainable development strategy to the Gothenburg European Council, containing objectives, measures and timetables.

Sustainable development presents several urgent challenges to the Community . . .

The average citizen of the European union has never been better off in material terms. Average incomes are now around five times what they were in 1900. Many inequalities have been reduced through more widespread access to education and the development of systems of welfare provision. Life expectancy has increased sharply due to better hygiene, nutrition and medical care. Growing economic interdependence resulting from the single market, globalisation, and new communication technologies provide a strong spur to efficiency and continued improvements in well-being. But these positive developments should not blind us to a number of potential threats. Some do not have the means to share in these new economic opportunities, and risk being left behind. There is also a growing awareness that we are putting increased pressure on the carrying capacity of our planet.

. . . but with the right policies, it also offers many opportunities.

If policy-makers create the right conditions, and encourage citizens and businesses to integrate environmental and social considerations in all their activities, policies for sustainable development will create many “win-win-win” situations, good for the economy, employment, and the environment. Although these are clearly beneficial for society as a whole, some policy changes may create winners and losers. In such cases we must make sure that those who have to adapt to changes in policy are treated fairly and do not suffer unnecessary costs.

Technological progress has enormously increased our material wealth and improved our quality of life. Moreover, technology can help us ease potential trade-offs between competing ends. It can also offer a way to decouple economic growth from environmental degradation through more efficient use of resources, and by changes in production techniques and the way services are delivered. Policy should therefore strive to provide a framework to **influence innovation** and **encourage its take-up** so that solutions that prevail in the market are “winners” for sustainable development.

Focussing on a small number of the most pressing problems . . .

The most widely quoted definition of sustainable development is that in the Brundtland report, which describes sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. This definition is very broad, and can be interpreted to cover almost any issue with an important economic, social or environmental component. To make the concept operational and **a catalyst for change**, it is necessary to focus on the **biggest challenges to sustainability** in the Union and the accession countries. Based on the criteria of severity, their long term nature, and their European dimension, these challenges include:

- **Climate change** and its possibly dire effects, including more violent weather patterns, like storms and floods, but also prolonged drought, and rising sea levels.
- **Potential threats to public health**, stemming from persistent toxic substances, resistance to antibiotics, or food safety risks. At the same time, good quality health services affordable to all citizens are coming under strain.
- **Increasing pressure on some vital natural resources**, such as biodiversity, fish stocks and fresh water. Individuals often face little incentive to conserve and use natural resources responsibly; in recent years volumes of waste have grown faster than GDP.
- **Poverty and social exclusion**. About 7% of Europe’s population is persistently poor, and poverty has a strong tendency to be passed from one generation to another. Changes in the labour market, in skill requirements and in family patterns pose risks to vulnerable groups, with many problems concentrated in run-down city areas.
- The implications of an **ageing population**, with a shrinking labour force having to cope with higher costs of pensions and health care.
- The **congestion and pollution** from current patterns of mobility as well as urban and rural problems often arising from past spatial planning decisions. **Enlargement** will pose unprecedented challenges of reducing **the gap between rich and poor regions**.

The huge cost of doing nothing about these challenges will show up in the longer term. This must not lead to the impression, however, that there is plenty of time to act. Many of today’s unsustainable trends are rooted in past choices regarding production, technology, infrastructure and land use. Some of these problems may be very costly or impossible to put right if action is left to a very late stage. **Decisive action is urgently needed.**

. . . allows us to understand why things have gone wrong . . .

Many of these problems have common roots.

Firms and citizens often face incentives which lead them to produce and consume in an unsustainable way. They may be ill informed about the wider effects of their actions, or about alternatives. Institutional obstacles, such as sectoral policy inconsistency and short termism make it difficult to respond effectively to these failings.

The most acute threats to sustainable development typically straddle several sectoral policy areas. Tackling challenges to public health and healthcare may need action in industry, agriculture and fiscal policy, for example. Social policy alone will not solve

problems of poverty and social exclusion. When policies are determined sector-by-sector without taking account of spillovers on other areas, serious **sectoral policy inconsistency** is inevitable.

Several of the challenges to sustainable development – such as climate change, or the ageing of the population – are long-term, with problems building up gradually. Policy responses often take the form of “**quick fixes**” especially when the costs of tackling the problem are up-front and highly visible while the benefits are hard to quantify and spread over many years.

There is also a widespread perception among the public that policy is too often made in the interests of the few rather than the many, and has become very distant from the real concerns of the population. This undermines confidence in policy making, and even in the objectivity of scientific advice that is meant to inform policy.

. . . and helps to identify what we must do to put things right.

Sustainable development must be placed at the core of the mandate of all policy makers. **Better policy integration**, relying on a systematic and **transparent review of the costs and effects** of different options, is crucial, so that different policies reinforce each other, trade-offs are made by informed decisions, and environmental and social objectives are met at least economic cost. Openness will also facilitate better dialogue between stakeholders with divergent interests, paving the way for a broad consensus on solutions and their implementation.

Policy should focus on **steady long-term management** and ambitious, verifiable objectives, which allow business and individuals to plan better and adjust gradually, thereby greatly reducing the costs of change. To assess progress toward these objectives, they need to be supplemented by a set of accurate indicators, for what is not measured proves hard to manage.

However, better co-ordination, dialogue and long-term targets in themselves will not be enough. What ultimately matters is the content of policy.

Sustainable Development calls for **sweeping economic reform to create new markets and “get prices right”**, for example, by ensuring that prices paid for goods and services include the costs of damage caused by pollution. In this way, markets will stimulate companies and consumers to take better account of the effects of their behaviour on others.

A clear understanding of the state of knowledge and its limits is necessary for **renewed confidence in science** as an input for policy, and for responsible management of emerging risks. Science and technology policy should also support independent scientific evaluations of the advantages and potential dangers of new products and techniques, and fund research that is too risky or costly for the private sector.

Finally, as the success of any sustainable development strategy depends critically on changes in people’s behaviour, governments must do more to **educate and inform** businesses and citizens so that they become more conscious of the costs their current behaviour imposes on others, and are aware of alternatives.

Everybody must be involved in achieving Sustainable Development . . .

At Gothenburg, the EU should set out a sustainable development strategy that will enable an effective response to pressing long-term problems that are of real concern to its citizens. This way, sustainable development will help to bridge the gap between Europe and ordinary Europeans. Putting our society on a more sustainable path calls for action at all levels of society and government. European, national, regional and local policy makers can create the right conditions, but sustainable development depends on the daily consumption, production, employment and transport decisions of millions of people. Actions by business and citizens are therefore critical.

. . . at the level of the Community . . .

Our growing institutional, economic and social interdependence require us to work together to meet these challenges. In a number of economic sectors, **moves towards sustainable development can only be achieved by action at the EU level**. Clear examples arise where the Community has exclusive competence because of internal market regulations, or where integrated European markets mean that uncoordinated action by Member States is likely to be ineffective. Enlargement will make this all the more important. Our common future demands a common European approach.

. . . and for the World.

Ultimately, though, sustainable development is a global concept. Pursuing sustainable development in Europe is therefore not enough. The EU also has to support efforts by other parts of the world to put their societies on more sustainable paths, and play its full role in international organisations with an important contribution to make towards sustainable development, such as the UN, the IMF, the World Bank and the WTO. At the Rio+5 conference in 1997, the European Union and other signatories of the Rio declaration committed themselves to drawing up strategies for sustainable development in time for next year's Rio+10 summit in South Africa. To achieve real progress at this summit, Europe needs to demonstrate that it is putting its own house in order and **provide international leadership**.

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All stakeholders are invited to express their views on the issues raised in the consultative document and to consider what more concrete measures should be included in the EU sustainable development strategy for Gothenburg. Observations on the questions and other issues raised may be submitted electronically at the web site address: http://www.europa.eu.int/comm/secretariat_general/index_en.htm

Written comments may also be sent to:

Sustainable Development Task Force,
European Commission,
Brey 10/217
Rue de la Loi 200
B-1049 Brussels,
Belgium.

The deadline for submissions is the 30th April 2001.

Questions

1. Does focussing on a limited number of the most pressing problems help to make the concept of Sustainable Development operational? Do the six themes chosen embody the main long-term challenges confronting European society?
2. This document focuses on Sustainable Development problems in Europe. Are there any cases in which actions to place European society on a more sustainable path might make the attainment of Sustainable Development at a global level more difficult? How can reforms of EU policies support efforts to achieve Sustainable Development worldwide?
3. Since Sustainable Development is a long-term idea, it should be of clear relevance to accession countries. To what extent are the challenges they face different from those in the current Member States?
4. Do you share the analysis of the causes of these problems and their potential remedies identified here? Do you have any additions to the policy toolkit?
5. What practical measures can be taken to better translate the principle of “policy integration” into concrete action to achieve greater sectoral policy consistency?
6. Governments cannot deliver Sustainable Development on their own. Business, workers, and civil society have an indispensable role to play. How do we make this happen?
7. How can we ensure that the costs of adjusting to Sustainable Development are minimised, and the opportunities seized?
8. In what areas of Sustainable Development do you see a clear policy role for the European Union?
9. What are the most urgent steps the European Union should take in the framework of an EU Sustainable Development strategy?
10. What specific objectives would you like to see included in the EU strategy for Gothenburg? What arrangements should be foreseen to ensure their implementation?