

Assessing the actions to be undertaken as part of the Thematic Strategy on the Sustainable Use of Natural Resources

Consultation Document

The consultation runs from 6 December 2004 until 30 January 2005

1. AIM OF THIS CONSULTATION

Commission departments are currently drafting a Thematic Strategy on the sustainable use of natural resources. This Strategy, which is one of seven being produced following the 6th Environmental Action Programme, will aim to reduce the environmental impacts of using natural resources, where natural resources are **raw materials** such as minerals and biomass, **environmental media** such as air, water and soil, **flow resources** such as wind, geothermal, tidal and solar energy and **space (land area)**. This consultation will build on and focus the results of the stakeholder consultations following the Commission's 2003 Communication, "Towards a thematic strategy on the sustainable use of natural resources".¹ It seeks to elicit relevant information and opinions from stakeholders on particular measures being considered for inclusion in the final Strategy. The information submitted will feed into the Extended Impact Assessment currently being prepared by Commission departments and which will guide the final Strategy, which should be adopted in summer 2005.

2. THE PREVIOUS CONSULTATION

The 2003 Commission consultation document set out the aim of developing "a framework and measures that allow resources to be used in a sustainable way without further harming the environment, while achieving the objectives of the Lisbon Strategy" and outlined three broad areas in which it considered that further action was necessary. These were:

- (1) **filling the gaps in our knowledge** about the interaction between resource use and environmental impact under different environmental and geographic conditions;
- (2) **improving the assessment of policies** so that better informed decisions can be taken on a sound understanding of their environmental, economic and social impacts; and
- (3) based on the results generated by the first two elements, strengthening the **integration of resource-related environmental issues into other policies**.

¹ COM(2003)572 (http://europa.eu.int/comm/environment/natres/titles3_6.htm#communication).

This consultation document also led to the establishment of an Advisory Forum and two Working Groups. Each working group was asked to produce a report and these were completed on 1 October 2004.² The results of these working groups have been taken account of in preparing this consultation, as have statements from the European Parliament and Council.

3. GUIDANCE FOR RESPONDING TO THE QUESTIONNAIRE

- Quantitative data on economic, social or environmental impacts, and/or concrete examples of what the different options presented would mean for a given set of stakeholders is particularly welcome.
- Information in italics or footnotes is only intended to give a very rough idea of possible ways in which such work could be organised, or how much it could cost. This is **only** indicative, in order to give a better idea of the potential implications of particular options.
- Your comments should be sent to the Commission latest 30 January 2005.
- We would prefer you to use this form as this makes it much easier to collate your replies. However, if this is not possible you may also send answers by email to env-natres@cec.eu.int. In this case, please cut and paste the questions and send your replies in a plain text (non-HTML) email message or attach a separate text file or a Microsoft Word document.
- By using one of the above transmission methods, you automatically give permission to the Commission to publish your comments on this site unless you specify otherwise in your email, fax or mail. The European Union is committed to user privacy, and details of the personal data protection policy can be found at http://europa.eu.int/geninfo/legal_notices_en.htm#personaldata.
- Your replies should cover the **pros and cons of the different options**. To structure your reply, you may wish to: consider the impacts according to economic, environmental and social criteria; or to consider the full impact on you as a stakeholder.
- You are welcome to suggest **alternative options** to deal with any of the problems. These should be substantiated, as far as possible.
- Your comments should include information on the **main stakeholders affected** and how they will be affected, benefits and costs (financial/economic, social, environmental, other), and explanation of underlying assumptions and degree of uncertainty.
- Please provide as much as possible **quantitative data** on a European scale. However, if you only have qualitative information and/or relating to one or a few Member States only, this can still be useful to us;

² They can be consulted at <http://www.europa.eu.int/comm/environment/natres/index.htm>.

- Please illustrate your response with **concrete examples** if possible. You could give an example of how a similar option has affected you or an example of the specific problems you face and that the options would need to tackle.
- Please include supporting data and information, and **indicate sources** and data collection method, including an internet link when available;

If some of the supporting data/information is not available in a format that can be included in this questionnaire (e.g. paper copy of a report), please send this separately by post, accompanied with a copy of your filled questionnaire, to the following address, mentioning “Impact Assessment on the TSR” on the envelope:

Marianne Klingbeil
Head of Unit
European Commission
DG Environment
BU-5, 5/167
B-1049 Brussels.

Options subject to consultation

N.B.: Not all questions are relevant to all stakeholders, so please answer those that are relevant to you. In any case, information on only one or some of the questions is of course better than no response at all.

1. GATHERING AND ACCESS TO KNOWLEDGE

1.1. What is the problem?

In order for European policy-makers to take well-founded decisions that address resource-related environmental impacts when proposing new policy initiatives and legislation, there needs to be a clear picture of what these impacts are, what causes them and their relative trade-offs.³ Promoting the use of this type of information in policy-making is part of the Thematic Strategy. Much information currently exists that could contribute to this picture, but it is often in many different places and many different forms. There is no single entry point (or “one-stop shop”) for European policy-makers that has an overview of all information sources and is able to synthesise the information in them to provide answers to policy-makers’ questions within a reasonably short timeframe.

Information is needed to:

- understand the relationship between resource production and use and their associated environmental impacts at material level. For example, aluminium can be transformed into goods as diverse as window-frames, aircraft bodies and beverage cans, and these all interact in very different ways with the environment⁴;
- understand the relationship between land use and environmental impacts at European and national level;
- have quantitative information on the reserves, production rates and availability of resources including on the productive capacity of renewable resources, such as energy crops and fish (i.e. can renewable resources satisfy growing demands or is there a danger of them being ‘run down?’);
- use environmental accounting to assess whether existing policies achieve the environmental policy objective of decoupling environmental impacts from economic growth.

³ The European Council of June 2004 stated, for example, that, “it is necessary to make significant efforts to improve the quality of information in this area by a strategic European capacity for the gathering and pooling of knowledge about resource use and impacts and related policy assessment, in order to decide which impacts to tackle and to develop options on how they can be reduced in a growing economy” and then stated that it, “acknowledges the critical role the new knowledge base recognised as necessary in the delivery of the Natural Resources Strategy will play and urges the Commission to proceed expeditiously with the necessary research and database development.”

⁴ As stated on page 4 of COM(2003) 572

This information will be required for the duration of the strategy and not on a one-off basis.

It is difficult to estimate how many “questions” per year will be posed by policy-makers, particularly in the initial phase. Any estimate would be essentially arbitrary as there is no experience of this type of set-up. For this reason, no estimate of the workload can be given. Nevertheless, a certain amount of co-ordination and background work would be required. Since promoting the use of scientific knowledge in the preparation of policy-making is part of the strategy these numbers should increase in the future.

1.2. Suggested options

This problem could be addressed by the EU either expanding an existing institution to perform these tasks or by setting up a completely new one. Expanding an existing institution would mean that existing infra-structure and procedures would be in place which could be immediately made use of. This could mean that it can begin work quickly. A new institution would probably take a while longer (for example, the statute, remit and location would have to be defined) but would perhaps benefit from a distinct identity and profile. In preparation of the Strategy three options are being assessed:

- (1) creating a virtual network of existing bodies, perhaps including, amongst others, Eurostat, the EEA and national geological services. Its structure could be similar to the network of European Topic Centres, but with access to a large network of, for example, institutes and databanks.

For example, a framework contract being set up could mean daily rate for project work and a separate, lower one for administration costs. Individual requests to the “one-stop shop” would be negotiated with the contractors on a case-by-case basis depending on their nature. In addition, specific requests would have to be made for additional tasks, such as identifying gaps. Resources would also be required in the Commission to supervise and negotiate the work packages. Such a contract could be established fairly rapidly, and the network could be up and running within 12 months of the decision to establish it being taken.

- (2) giving the same task to the Commission’s statistical office (Eurostat) and/or to the European Environment Agency (EEA), perhaps by broadening the remit of the latter’s existing network of European Topic Centres (ETCs);

In both cases, the basic informatics facilities and infra-structure are already in place. Additional resources would be needed for new personnel and infra-structure. Subject to the agreement of the organisations in question, such a task could be up and running within 12 months, although this would depend to some extent on the exact option being taken.

- (3) establishing a new European Resources Institute to gather information on resource production and use at European and, where relevant, international level. It would be funded by the EU budget and would exploit existing sources of information and ensure that up-to-date knowledge is available to policy-makers;

For example, a European Resources Institute would need to have its own support infrastructure (informatics, offices and equipment, administration etc.), in addition to those manning the “one-stop shop”. Resources would also be required in the Commission to supervise this Institute’s work. Its establishment would probably

take several years, particularly if it required a “Regulation” to be adopted and a “seat” to be found. It would, however, have a clear identity that could raise the profile of resource issues.

They would all, at least in an initial phase, concentrate on fulfilling the needs of the European Institutions, and of Member States in the context of meeting EU policy commitments. In addition, they would all have the task of identifying gaps in data and methodology and developing a strategy for filling them. They would also have to ensure that the international aspects of the dealing with this information are taken into account, including those presented by developing countries.

1.3. Questions to stakeholders

- (1) What benefits could arise for your sector/area of interest from such knowledge capacity (indirectly by better informed policy making, directly by access to the knowledge)?
- (2) On the basis of your experience, how would you rank these options in terms of factors such as independence, cost, likely response time to questions, avoidance of duplication, and credibility with particular regard to your organisation/business?
- (3) Who could/should run and/or participate in the network in the first option? Would your organisation be able/willing to perform such a role? What particular expertise does it have in this area?
- (4) Any other comment.

2. AWARENESS-RAISING ON RESOURCE ISSUES

2.1. What is the problem?

Efforts to improve the environmental impacts of natural resources will benefit from greater awareness of the related issues within society. General awareness of the full life-cycle of resources is low amongst everyday citizens and often also among key actors, involved in resource use, such as those involved in land use planning, mining permits and farming.

2.2. Suggested options to deal with the problem

- Publication of a European newsletter and educative website for the general public, to be accompanied by supporting educational curriculum activities from Member States;

For example, the a biannual newsletter in English, French, Greek, Italian and Spanish is produced and distributed to promote the EU Eco-label, which has a circulation of about 7000.⁵

⁵ See http://europa.eu.int/comm/environment/ecolabel/pdf/flower_news/may04/flowernews0604_en.pdf for an example. This costs around €25,000 per year.

- Support to awareness campaigns addressed to target audiences, e.g. local authorities, producers, consumers, retailers etc;

For example, an awareness-raising campaign for the EU Eco-label in 2004 called the EU Flower Week, involved a week long set of activities in 9 EU countries. The activities included television and radio advertising, schools competitions and in-store campaigns.⁶

- Development of a web-based exchange facility for professionals, such as those working in municipalities, licensing agencies etc. This could, for example, use the Commission's CIRCA site⁷;

2.3. Questions to stakeholders

- (1) How effective in communicating the Strategy's vision would each of these options be? Are you likely to make use of any of these options? If so, in what way?
- (2) Would your organisation be willing to further highlight the content and purpose of the Strategy at the national level to your members?
- (3) Any other comment.

3. DEVELOPING INDICATORS FOR RESOURCE USE

3.1. What is the problem?

Monitoring progress towards the goal of decoupling is essential. One way of doing this is by looking at resource productivity, which measures the quantity of material that is needed to produce a country's GDP (€/kg). However, since kilograms of resource use is often a poor proxy for environmental impact (because things that weigh the most are not necessarily those that have the biggest environmental impact), an environmentally-weighted material consumption indicator is also needed. This indicator (called eco-efficiency) would measure the level of environmental impacts that are needed to produce a country's GDP (€/impact). These two indicators could be used to structure knowledge gathering, to help in exploring the international dimension of resource use and to facilitate the monitoring of decoupling of environmental impacts from GDP in Member States. It could also then be used to identify priority resources for targeted action.

3.2. Suggested options to deal with the problem

- By 2008, development of a weighted indicator, or a set of indicators, of material flows that reflect the highest environmental impacts. Such indicators should be based on existing work, for example that carried out by the Commission and the EEA, including the methodology of Material Flow Accounting.

⁶ More information on http://europa.eu.int/comm/environment/ecolabel/marketing/flower_week_en.htm
This costs around €3.1 million.

⁷ <http://forum.europa.eu.int>

- By 2008, development of sectoral eco-efficiency indicators to measure environmental impacts relative to sector growth.

3.3. Question to stakeholders

- (1) Would the development of a weighted indicator or a set of indicators of material flows that reflect environmental impacts gather support from your organisation/business?
- (2) What are the scientific, technical or economic reasons hindering the development of indicators in your business sector/area of activity? How could these reasons be overcome?
- (3) Any other comment.

4. SPURRING PROGRESS TOWARDS DECOUPLING

4.1. What is the problem?

Current patterns of natural resources use (e.g. landscape degradation, groundwater depletion, habitat disruptions, loss of biodiversity, loss of bio-productive land due to sealing) are unsustainable, potentially threatening the functioning of natural systems. There are also concerns in some quarters about finiteness and possible scarcity of mineral resources, including fossil fuels.

4.2. Suggested option to deal with the problem

- Member States could draw up resources management plans covering the use of raw materials (minerals and biomass), environmental media (air, water and soil), flow resources (wind, solar, etc.) and land. If feasible, these could be voluntary, perhaps following guidelines developed on an EU level, with an option to discuss legislation, if needed, after some years of experience. They should include the following elements:
 - (1) data on material flows, land-use intensity and eco-efficiency,
 - (2) future demand and supply security needs are identified (including the international dimension),
 - (3) plans to improve the eco-efficiency of resource use (domestically extracted and imported),
 - (4) plans to develop economic instruments to reduce environmental impacts of resource use,
 - (5) how they will monitor the decoupling of environmental impacts of resource use from economic growth.

This approach would acknowledge the large differences in natural resource reserves in various EU countries and their different economic structures. For example, a Member State with a large quantity of forest resources could need to ensure that it has data on where these resources are situated and where the

finished products end up, including the waste materials. They would also need to look at the eco-efficiency of production methods and how these could be improved. This would all need to be monitored over time. They would also need to develop information on how demand would be likely to develop, taking account of technological advances that may reduce uses, or development in other countries that may increase them. At the same time such plans could look at how different policy tools could be used to reduce the impacts of using forest products, including potential national measures, such as incentives and taxes.

- Action plans could be agreed between the European Commission (EC) and specific sectors for reducing the environmental impacts of resource use. In these action plans it should be possible to work out concrete proposals to address the impact of resource use while ensuring the sectors' competitiveness. These plans could contain, for example, foresight studies for creating long-term visions, a series of long-term priority targets to reduce specific environmental impacts and an agenda for policy development.

For example, the EC could agree with a particular sector on how to reduce overall environmental impacts of a given resource, while at the same time, ensuring that the future demand of that resource is met. This could include agreeing particular targets with the sector, and, at the same time, assessing the benefits of developing future policies for the sector. An important advantage of this approach would be stronger ownership by the sector of continuous improvement objectives and targets or indicators.

4.3. Questions to stakeholders

- (1) What should be in the aforementioned resource management plans – should it broadly be the information indicated above? Should any other major element be added or removed from the list?
- (2) What human and economical resources would be needed at the national, regional and local level for developing such plans?
- (3) Is the voluntary development of these national plans sufficient to solve the identified problem?
- (4) Would your organisation be willing to engage in a sectoral action plan with the EC to improve the impacts of resource use?
- (5) Any other comment.

5. INTERNATIONAL PANEL ON DECOUPLING

5.1. What is the problem?

EU resource use has a significant international dimension. Fossil fuels, metals and industrial minerals are significant imports, while imports of biomass are relatively low, but gradually increasing. Extraction and harvesting practices in other continents to produce these imports are often a heavy burden on the environment. This means that negative environmental impacts are most acute in countries where the resources originate

and less where they are consumed. Careful international co-operation in the context of the World Sustainable Development Strategy and the Global Earth Observation Programme is necessary to make progress.

5.2. Suggested options to deal with the problem

The Commission could set up:

- an ad-hoc network of experts that it can call upon to discuss internationally relevant problems related to the use of natural resources;
- a multidisciplinary team with a permanent membership, analogous in intent and purpose, not necessarily in size, to the International Panel on Climate Change (IPCC), which
 - (1) reviews progress on decoupling environmental impacts of resource use from economic growth on an international level;
 - (2) works on a methodology to measure and aggregate environmental impacts, including the extra-European dimension;
 - (3) develops (sustainability) standards for materials and products. These standards could not only include material quality standards but also production quality standards, taking account of social and environmental issues (including environmental impacts in the country of origin);
 - (4) builds knowledge capacity on national resources in developing countries.

For example, such a network or multidisciplinary team could consist of around 20 experts from academia, the business world and environmental NGOs across a range of developing and developed countries that would enable the full implications of resource use to be assessed throughout their life-cycle. This network could meet about four times a year, taking about 20 days work for each expert, including travelling time.⁸ Possible issues to discuss could be the export of waste and products that no longer meet developed world standards to developing countries, or how to promote awareness of resources issues amongst global supply-chains.

Both options could be established in co-operation with relevant international agencies, e.g. the UN Environment Programme, the UN Economic Commission for Europe, the International Labour Organisation and the OECD, and possibly co-financed by them and the EU.

5.3. Question to stakeholders

- (1) What are the pros and cons of each of these two options for your organisation/business?

⁸ This could have an estimated cost of around €25,000 per expert per year.

- (2) Would the remit of the Panel as described above be sufficiently broad to cover all relevant aspects relative to resource management? If not, what other elements in your opinion should be added or modified?
- (3) Any other comment.