

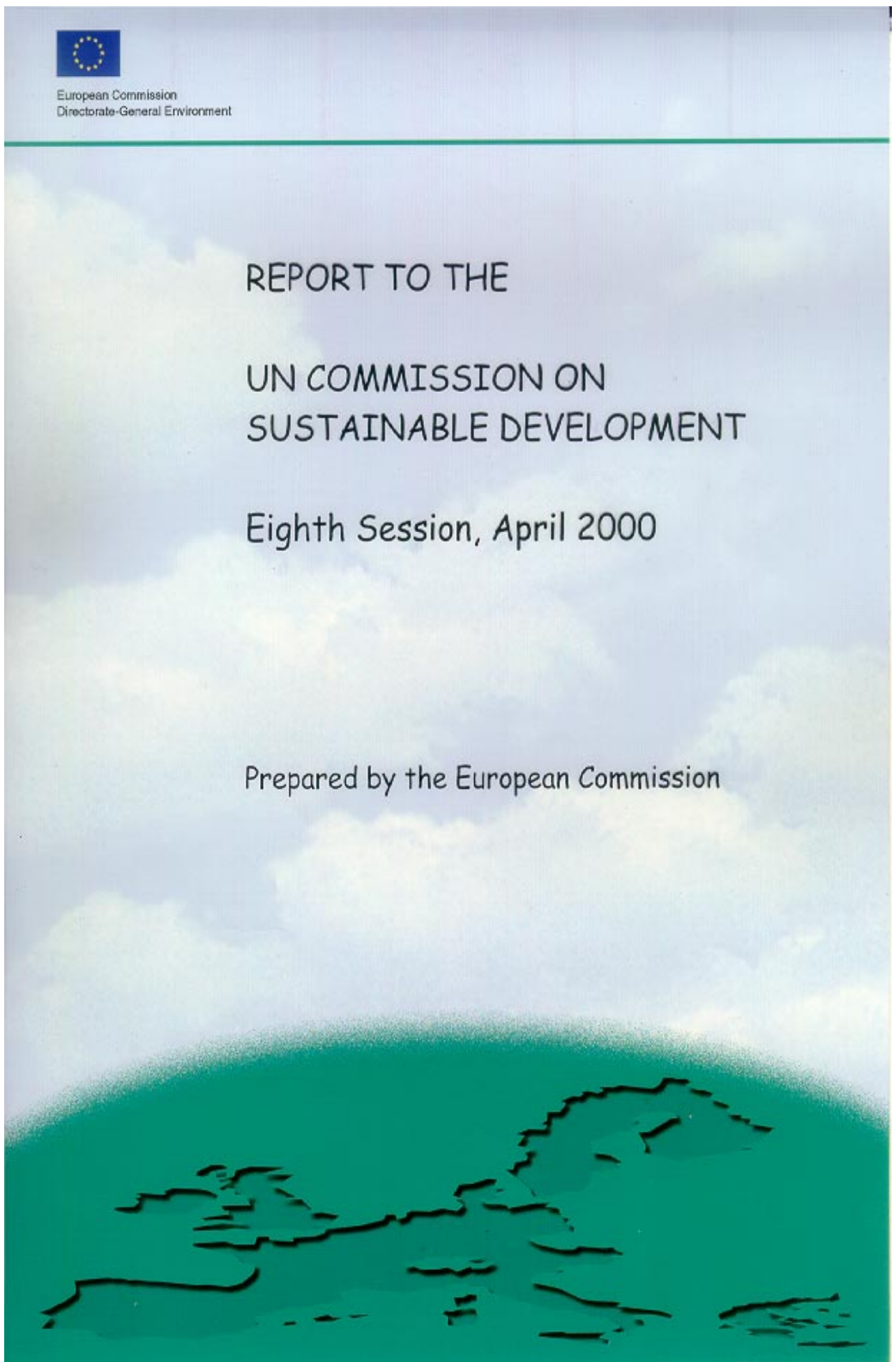


European Commission  
Directorate-General Environment

# REPORT TO THE UN COMMISSION ON SUSTAINABLE DEVELOPMENT

Eighth Session, April 2000

Prepared by the European Commission



**\* \* \* CONTENTS \* \* \***

<b>PART I:</b>	<b>UNCSD - NATIONAL LEVEL COORDINATION STRUCTURE OF AGENDA 21 ACTIONS .....</b>	<b>2</b>
<b>PART II:</b>	<b>GENERAL INFORMATION .....</b>	<b>4</b>
<b>PART III:</b>	<b>GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO INTEGRATED PLANNING AND MANAGEMENT OF LAND RESOURCES (Agenda 21, Chapter 10) .....</b>	<b>5</b>
<b>PART IV:</b>	<b>GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO AGRICULTURE (Agenda 21, Chapter 14) .....</b>	<b>20</b>
<b>PART V:</b>	<b>GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO FORESTS .....</b>	<b>38</b>
<b>PART VI:</b>	<b>GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO FINANCIAL RESOURCES .....</b>	<b>51</b>
<b>PART VII:</b>	<b>GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO TRADE AND INVESTMENT/ECONOMIC GROWTH .....</b>	<b>55</b>

## **PART I: UNCSD - NATIONAL LEVEL COORDINATION STRUCTURE OF AGENDA 21 ACTIONS**

### **1. Key National Sustainable Development Coordination Mechanism(s) (e.g. Councils, Commissions, Inter-Ministerial Working Groups)**

The basic document setting out the sustainable development strategy of the European Union is the **Fifth Environmental Action Programme (5EAP)**, adopted in 1992. The European Commission has established a system of Environmental Integration Correspondents (specifically appointed officials) in all Directorates-General (DGs), charged with the implementation of the Programme.

Within the European Commission the **Core Group Environment Development** prepares UNCSD and other related processes. It comprises all relevant DGs.

The **Environment Council** and the **Development Council** takes decisions at the European level, through the **High Level Environment Development Group** which consists of the representatives of the Member States' governments preparing the EU positions for the UNCSD.

The **European Council** comprising EU Member States Heads of Government meets bi-annually. At its Cardiff meeting in 1998 a plan for the integration of environment in other policies and the achievement of sustainable development was launched. This process has in the first instance concerned the transport, energy and agriculture sectors. Development, internal market, industry, economics and finance, fisheries and general affairs have been added since. Reports on these areas will be presented to subsequent European Councils.

Following the Treaty of the European Union, the **European Parliament** is jointly responsible with the Council for a large number of policy areas, including the review of the 5EAP. The Parliament has also passed resolutions on Agenda 21 and the outcome of Earth Summit+5. The lead is with the Environment Committee consulting other Committees as deemed necessary, in particular the Development Committee.

See also description of the EU Institutions in the Annex of the European Community's report to the Earth Summit+5: Agenda 21 – The First Five Years (page 170).

**Contact point** (Name, Title, Office): Mr. Patrick Rabe, Administrator

Telephone: +32 2 299 24 39

Fax: +32 2 296 95 58 E-mail: [patrick.rabe@cec.eu.int](mailto:patrick.rabe@cec.eu.int)

Mailing address: Environment DG  
European Commission  
Rue de la Loi, 200  
B-1049 Brussels, Belgium

## **2. Membership/Composition/Chairperson**

### **2a. List of ministries and government agencies involved:**

Within the European Commission many Directorates-General are involved in the preparation of UNCSD, these are: Environment, External Relations, Development, Trade, Enterprise, Agriculture, Fisheries, Health and Consumer Protection, Transport and Energy and Research.

### **2b. Names of para-statal bodies and institutions involved, as well as participation of academic and private sectors:**

The European Commission receives advice from the **European Consultative Forum on the Environment and Sustainable Development** which consists of 32 members representing local authorities, trade unions, professional bodies, universities, NGOs and others in the EU Member States and associated states.

### **2c. Names of non-governmental organizations:**

The European NGOs are represented through Member States consultation processes. In addition, there are umbrella organisations at the European level, notably the **European Environmental Bureau, EEB**.

## **3. Mandate/Role of Above Mechanism/Council**

The mandates of interservice groups within the European Commission are governed by its internal procedural rules. The Treaty establishing the European Union outlines the procedures under which Member States co-operate in Council. The European Consultative Forum on the Environment and Sustainable Development derives from a (revised) Commission Decision 97/150/EC.

## **4. Submitted by:**

**Date: 09.12.1999**

Name: Patrick Rabe

Title: Administrator

Ministry/Office: European Commission, Environment DG. A3

Telephone: +32 2 299 24 39

Fax: +32 2 296 95 58

E-mail: [patrick.rabe@cec.eu.int](mailto:patrick.rabe@cec.eu.int)

## **PART II: GENERAL INFORMATION**

### **National Decision-Making Structure**

Does your country have:

1. National Sustainable Development Coordination Body: **yes**
2. National Sustainable Development Policy: **yes**
3. National Agenda 21/other strategy for SD\*: **yes**
4. Local/Regional Agenda(s) 21: **yes, but these are the responsibility of the Member States**
5. Environmental Impact Assessment Law: **yes**
6. Major Groups involved in Sustainable Development Decision-Making: **yes**

**\* “Towards Sustainability” The European Community programme of policy and action in relation to the environment and sustainable development (COM(92)23).**

### **National Instruments and Programmes**

Does your country have:

1. Sustainable. Dev. or Environmental education incorporated into school curricula: **yes**
2. Sustainable Development Indicators Program: **yes**
3. Ecolabel Regulations: **yes**
4. Recycle/Reuse Programs: **yes**
5. Green Accounting Program: **yes**
6. Access to Internet: **yes**
7. A national World Wide Web Site for Sustainable Dev. or State of the Environment: **yes**

If yes, please provide us with the Internet address:

**[http://europa.eu.int/en/comm/dgs/environment/index\\_en.htm](http://europa.eu.int/en/comm/dgs/environment/index_en.htm)**  
and **<http://www.eea.eu.int/>**

### **Policies, Programmes and Legislation**

Does your country have either policy, programme and/or legislation consistent with Agenda 21 in

1. Combating poverty: **yes**
2. Changing consumption and production patterns: **yes**
3. Atmosphere: **yes**
4. Land Use Planning: **yes**
5. Forest and Deforestation: **yes**
6. Combating Desertification and Drought: **yes**
7. Sustainable Mountain Development: **yes**
8. Sustainable Agriculture: **yes**
9. Biological Diversity: **yes**
10. Biotechnology: **yes**
11. Oceans and Coastal Areas: **yes**
12. Freshwater Management: **yes**
13. Toxic Chemicals: **yes**
14. Hazardous Wastes: **yes**
15. Solid Wastes: **yes**
16. Radioactive Wastes: **yes**
17. Energy: **yes**
18. Transport: **yes**
19. Sustainable Tourism: **yes**

### **PART III: GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO INTEGRATED PLANNING AND MANAGEMENT OF LAND RESOURCES (AGENDA 21, CHAPTER 10)**

Please note replies to the questions are given from an Urban and Coastal Zone perspective.

#### **General Introduction**

- 1. Please describe briefly, not exceeding a half page, the current situation of integrated land management in your country. Please include in your description the major ways of changing the sector towards sustainability. In your response, you might also wish to address gaps and challenges to the development or enhancement of integrated land management and sustainable use of land resources in your country.**

In May 1999, the Member States and the European Commission reached agreement on common objectives and concepts for the future development of the territory of the European Union. The European Spatial Development Perspective (ESDP) aims to contribute to the effective implementation of a new spatial development strategy encompassing economic, social and environmental dimensions. ESDP places emphasis on sustainability as the prime objective of development and focuses on three objectives: 1) promotion of economic and social cohesion, 2) preservation of the environment and 3) ensuring balanced levels of competitiveness within the European territory.

The specific integrated land management activities of the European Commission have focussed initially on certain areas which are of particular importance due to their multiple uses and stresses – namely urban areas and coastal zones. In each of these areas, the approach has focussed on demonstration and promotion of best practice, and encouraging opportunities for action at local and regional levels.

#### Urban

*Action targeted at the local level:* The European Commission is actively encouraging local authorities to initiate Local Agenda 21 processes and other actions towards sustainability. Actions in this field are mainly undertaken within the framework of the European Sustainable Cities Project, which includes activities of the Expert Group on the Urban Environment, the European Sustainable Cities & Towns Campaign and a number of local authority networks. Activities have focused on awareness raising, exchange of information, demonstration projects, studies, etc. and have resulted in significant multiplier effects at the local level:

- the adoption of the Aalborg Charter, a high-profile political commitment to working towards sustainability, by the leaders of 540 local authorities representing 115 million inhabitants across Europe;
- the implementation of organisational changes as a direct result of signing this Charter, to make the local authority more conducive to working towards sustainability, in nearly 80% of these authorities;

- 83% of these local authorities cooperate across sectors (horizontal integration), 69% routinely cooperate across government levels, especially in coordinating policy and action (vertical integration);
- the preparation of strategies for Local Agenda 21 in 86% of the local authorities participating in the Campaign;
- the wide-spread implementation of local policies and projects for urban sustainability (seen for example in the quality of applications submitted over the past few years under the European Sustainable City Award Scheme);
- the application of EMAS (Eco-Management and Audit Scheme) or elements of it by an estimated 50% of the local authorities participating in the Campaign, while another 45% are planning to introduce it in the near future;
- the use of financial mechanisms to promote sustainable development by up to 35% of the local authorities, e.g. environmental criteria in purchasing and contracting, environmental budgeting, local environmental charges.

### Coastal Zones

Since 1996, the European Commission has been running a Demonstration Programme on Integrated Coastal Zone Management. As well as supporting concrete action in individual areas, and promoting the development and exchange of best practice, this programme is intended to help the European Commission in identifying possible actions for the future (the conclusions are expected in February 2000). It is anticipated that many of the lessons and conclusions of the ICZM Demonstration Programme could be equally valid for other areas, particularly mountainous regions and rural areas.

The concept of integrated land management is also incorporated into various sector policies including the Habitats Directive (92/43/EEC) and the proposed Water Framework Directive.

### **Coordination**

2. **Chapter 10 of Agenda 21 called for strengthening institutions and coordination mechanisms for land and land resources by not later than 1998. Please describe progress that your country has made towards meeting this target. In your response, you may wish to reflect on how coordination among the responsible bodies for land management is facilitated in your country. Is there a specific mechanism for coordination?**

### Urban

In relation to Local Agenda 21 the main coordination mechanism is the European Sustainable Cities & Towns Campaign. The Campaign, which is funded by the European Commission, was set up in 1994 to encourage and assist local authorities in initiating and implementing Local Agenda 21 processes. Today the Campaign is an alliance of over 540 European local authorities committed to the development of local policies and action for sustainability. The Campaign Office plays a role in coordinating the efforts of five local

authority networks: Council of European Municipalities and Regions (CEMR), Eurocities (a network of European big cities), United Towns Organisations (UTO), International Council of Local Environmental Initiatives (ICLEI) and World Health Organisation Healthy Cities Project. The Campaign Coordinating Committee, which includes mayors from local authorities representing the various networks, has provided a valuable dialogue platform.

### Coastal Zones

There is no specific organisation for land management at EU level. Different departments of the European Commission lead depending on the issue at stake.

- 3. Please indicate to which extent the authority for policy and decision-making on land-use planning and management of land resources has been delegated to the lowest level of public authority (local level).**

In line with the principle of subsidiarity, the European Commission does not undertake to solve environmental problems at the local level, but aims to facilitate the work done at the local level, through the provision of appropriate frameworks and instruments. These include policy (e.g. the 5<sup>th</sup> Environmental Action Programme, Communication on Sustainable Urban Development – A Framework for Action), funding programmes (e.g. LIFE Regulations, Community Initiatives), co-operative instruments (e.g. Eco-Management and Audit Scheme), awareness-raising activities (e.g. the Database on Good Practice in Urban Management and Sustainability).

### **Strategies, policies and plans**

- 4. Agenda 21 called for the review and development of policies to support the best possible use of land and sustainable management of land resources, with a target date not later than 1996. Please describe progress that your country has made towards meeting this target. In your response, you may wish to indicate if your Government has developed a National Strategy or Policy on integrated land management. If yes, please describe briefly the contents of the policy by indicating the following:**

- **Year of the revision/establishment;**
- **Objectives of the policy;**
- **The ways dealing with possible conflicting issues in land use goals;**
- **Main activities in implementing the policy, e.g. examples of programmes, projects or other activities.**

### Urban

*Action targeted at the European level:* The Review of the 5th Environmental Action Programme (June 1998) commits the Community to developing ‘a comprehensive approach to urban issues with special emphasis on the assistance required to support actions by local authorities to implement the Programme and Local Agenda 21’. In October 1998, the European Commission adopted the Communication “Sustainable Urban Development in the EU: A Framework for Action” which goes a long way towards meeting this commitment. The Communication includes concrete commitments on the



part of the European Commission and represents important progress towards a more integrated and strategic approach to urban issues. The Communication recognises that the state of the urban environment is a fundamental concern with local, European and global implications and that urban environment problems are inter-related. The Communication highlights three criteria for solving these problems:

- **integrated approaches** within strategic frameworks, designing measures which solve more than one problem at a time;
- policy interventions that result in **solving problems locally** rather than passing them on to other places or to future generations;
- policy solutions which lead to **changes in individual patterns of consumption and behaviour** on the part of all key actors, especially enterprises and citizens.

*Action targeted at the local level:* In 1996 the European Commission published the report on European Sustainable Cities, prepared by the Expert Group on the Urban Environment. The report is concerned with identifying the principles of sustainable development and the mechanisms needed to pursue it, not only in cities, but at all levels of the urban settlement hierarchy. The report, which has an institutional as well as an environmental focus, provides a framework for local action and identifies a set of principles to use in setting goals and in evaluating and monitoring progress towards sustainability in urban areas.

### Coastal Zones

The European Spatial Development Perspective includes a review of policies related to spatial planning. It also establishes general principles for integrated land management but does not go as far as a concrete strategy.

The Demonstration Programme on Integrated Coastal Zone Management has included a preliminary review of EU policies that influence the sustainable management of land resources in these areas. The programme is also committed to producing a “European Strategy for integrated coastal zone management”, expected to be adopted by the Commission in spring 2000. While this will not cover all the geographic area, it will go a step further than the ESDP towards implementation of the principles. This strategy is still under development.

**Please also describe the manner in which the strategy/policy reflects an integrated approach. In your response, you may wish to indicate which of the following elements are addressed:**

- |          |   |
|----------|---|
| [ ]      | <b>Food security (e.g. right of every citizen to have access to safe food and nutrition and enhancement of agriculture production potential of lands to meet these needs)</b> |
| [X (CZ)] | <b>Rural development (e.g. rural employment and income generation opportunities, local participation, tenure security etc.)</b>   |

**[X (CZ)] Viability of rural areas (e.g. reduced migration to urban areas, preservation of rural landscapes, promotion of eco-tourism in rural areas etc.)**

**[X (U+CZ)] Environmental aspects (e.g. minimisation of negative environmental impacts of human-induced activities such as unsustainable agriculture practices on marginal lands, regulation of productive lands and urban land use zoning and enhancement of positive impacts such on the environment through better land use and management practices)**

**[X(U+CZ) ] Social aspects (e.g. increased public awareness/common vision of sustainability issues, promotion of participation of a wide range of stakeholders, improved self-esteem of natural resource users)**

**5. Please describe briefly how conservation of biological diversity, conservation and management of fresh water resources and protection of fragile mountain ecosystems are taken into account in your current land-use planning and land management.**

Land-use planning is a matter for the Member States; however, the following Community commitments and initiatives play a role in influencing Member State land-use planning and land management. These are: Community Biodiversity Strategy, European Spatial Development Perspective, Water Framework Directive and the Alpine Convention.

The Community Biodiversity Strategy aims to anticipate, prevent and attack the causes of significant reduction or loss of biological diversity at the source and provides the framework for developing Community policies and instruments in order to fulfil the European Community's legal obligations under article 6 of the Convention on Biological Diversity.

The European Spatial Development Perspective addresses biodiversity under the heading "Continuing pressure in Europe's natural and cultural heritage". It underlines that specific local factors should be taken into account when implementing policies with a spatial impact to avoid further loss of biodiversity.

European Water Framework Directive

The European Union is restructuring its water policy. A proposal by the European Commission for a Water Framework Directive is currently being negotiated. This new approach requires integrated water management planning on a river-basin basis and sets common rules to ensure comparability of effort and results. Unlike previous water legislation, the Framework Water Directive will cover surface water and ground water as well as estuaries and coastal waters. Its purpose is threefold: to prevent further deterioration in, and to protect and enhance, the status of aquatic ecosystems; to promote sustainable water consumption based on the long-term protection of available water resources; and to contribute to the provision of a supply of water needed for its sustainable use. Each Member State is required to establish a programme addressing the measures to be taken within its territory to ensure that all waters in the river basin achieve good water status by a certain deadline.

### Fragile Mountain Eco-System (Alpine Convention)

In 1996 the Community completed the ratification of the Alpine Convention. The Convention defines a body of general obligations aiming to safeguard Alpine ecosystems and ensure the sustainable development of the Alpine regions. The Convention promotes common planning and management amongst the contracting parties and one of the Convention's protocols covers regional planning.

- 6. Please explain briefly, to what extent are plans for expansion of human settlements reviewed with respect to the impacts on (i) farmland, (ii) landscape (open space), (iii) forestland, (iii) wetlands and (iv) biological diversity in coastal areas.**

The expansion of human settlements and landscape are not issues of EU competence. Nevertheless, the Habitats Directive (92/43/EEC) addresses any actions that would have a negative impact on the relevant species and habitats in designated sites.

The issue "expansion of human settlements" is certainly one of the themes addressed by the Integrated Coastal Zone Management, but the action needs to be taken at the local and regional levels. The EU promotes general methodologies of cooperation, participation, and information provision, which could be used by local initiatives to address these issues.

### **Regulatory and market-based measures**

- 7. Please indicate the kinds of regulatory or market-based measures (such as legislation, guidelines, taxes or other financial incentives, removal of subsidies, or others) that your Government has designed to encourage the best possible land use and sustainable management of land resources since UNCED.**

A number of Community legislative measures that encourage, among other things, best possible land use and sustainable management of land resources have either already been created, or are in the process of being created. These include:

- The Habitats Directive (92/43/EEC) establishes a common framework for the conservation of animals, plants and natural habitats in the European Union through the creation of the Natura 2000 network of special areas of conservation.
- The Proposal for a Strategic Environmental Assessment Directive aims to ensure that the environmental consequences of plans and programmes are identified and assessed before adoption. An environmental assessment should therefore be carried out at the strategic level before land-use plans and programmes are adopted. This would apply to plans and programmes adopted under the national town and country planning legislation, including plans and programmes in sectors such as transport, energy, waste management, water resource management, industry, telecommunications and tourism. An environmental impact assessment would be a condition for the adoption of these plans and programmes or for the modification of existing ones.

- The European Spatial Development Perspective (ESDP) contributes to the effective implementation of a spatial development strategy.

### Urban

The European Commission provides funding support to local authorities working to implement Local Agenda 21 processes and other measures towards sustainability (e.g. ad-hoc funding, the LIFE Environment programme). Following the revision of the Eco-Management and Audit Regulation in 1998, its application is extended to municipal administrations, widening its scope as a tool for better urban management and legislative compliance.

- 8. Please indicate trends, if applicable, in transforming forest land into other uses such as agriculture, human settlements, etc. Please provide information on the forest area (ha) transformed since UNCED. Please also indicate if your national legislation restricts the transfer of forest land to other uses.**

Within the EU, the area of forests has steadily increased in the last decades. 36% of its territory is now covered by 130 million hectares of forests.

A report for the Third Ministerial Conference on the Protection of Forests in Europe<sup>1</sup> shows that over a differing periods, the total area of forests in the EU has increased by around 650,000 hectares, while the area of other wooded land has decreased by 215,000 hectares.

---

<sup>1</sup> Follow-up reports on the Ministerial Conferences on the Protection of Forests in Europe, Volume II, Sustainable Forest Management in Europe Special Report on the Follow-up on the implementation of Resolutions H1 and H2 of the Helsinki Ministerial Conference, compiled and edited by the Liaison Unit in Lisbon, June 1998, Table 4, page 43.

**Table 2: Changes in area of forest and other wooded land over a recent period in EU Member States**

Country	Period of change		Average annual change in area (±1000 ha)	
	From	To	Forests	Other wooded Land
Austria	1986-90	1992-96	7700	0
Belgium	1982	1997	1300	100
Denmark	1976	1990	1000	2000
Finland	1980-89	1991-96	-9000	-31000
France	1987	1997	103000	-26000
Germany	1961	1987	21400	0
Greece	1964	1992	30000	-29000
Ireland	1987	1996	17000	0
Italy	1985	1995	349400	-71500
Luxembourg	1994	1997	00	0
Netherlands	1988-92	1992-96	1000	0
Portugal	1985	1995	57000	-31000
Spain	1970	1990	50000	-32000
Sweden	1985-89	1992-96	-600	2900
UK	1980	1995	20000	0
<b>Total</b>			<b>649200</b>	<b>-215500</b>

A detailed appreciation of the amount of forest land that has been converted into other uses since 1992 is not possible as forestry statistics refer to different time periods.

The European Community supports, through Council Regulation EEC N° 2080/92, the afforestation of agricultural land.<sup>2</sup>

This Community aid scheme is part-financed by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) in order to promote the afforestation as an alternative use of agricultural land and comprises:

- (a) aid for afforestation costs;
- (b) an annual premium per hectare afforested to cover maintenance cost in the first five years;
- (c) an annual premium per hectare to cover losses of income resulting from afforestation of agricultural land.

The implementation of this scheme has led to the following afforestation of agricultural land:<sup>3</sup>

---

<sup>2</sup> Council Regulation (EEC) No 2080/92 of 30 June 1992 instituting a Community aid scheme for forestry measures in agriculture, Official Journal L 215 , 30/07/1992 p. 96 – 99.

<sup>3</sup> Report from the Commission to the Council and the European Parliament on the application of Regulation (EEC) No 2080/92 of 30 June 1992 instituting a Community aid scheme for forestry measures in agriculture (COM/97/630 final).

<b>Member State</b>	<b>Area afforested 1992-96 (in hectares)</b>	<b>Area to be afforested (approved by the EC)</b>
Austria	331	4600
Belgium	0	6300
Denmark	3703	7400
Finland	177	38500
France	28900	48000
Germany	18611	57750
Greece	6234	15000
Ireland	60477	105000
Italy	32301	80000
Luxembourg	0	400
Netherlands	6499	9200
Portugal	50035	94000
Spain	238112	305750
Sweden	0	0
UK	61597	100000
<b>Total</b>	<b>508873</b>	<b>871900</b>

From an approved total area of 872,000 hectares with a total budget of EUR 2.9 billion (from which EUR 1.3 billion are an EU contribution), around 510,000 have been established.

This scheme will be continued under the Community Rural Development Scheme,<sup>4</sup> which aims, among other things, to increase the woodland area by offering a Community support to the afforestation of agricultural land provided that such planting is adapted to local conditions and is compatible with the environment.

Land use is the competency of the Member States. Most Member State legislation in place has strong provisions for the protection of forest land from conversion and strict conditions for allowing the change of forest land into other land uses.

**9. Please explain briefly what are land ownership and tenure rights among private individuals, especially indigenous people. Are these rights recognised in your national legislation?**

National competence, not applicable at EU level.

---

<sup>4</sup> Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations, OJ L 160 p. 80.

## **Involvement of Major-Groups in decision-making**

10. **Chapter 10 of Agenda 21 also called for the creation of mechanisms to facilitate the active involvement and participation of all concerned, particularly communities and people at the local level, in decision-making on land use and management, by not later than 1996. Other key Major Groups in this sector include farmers, small-scale food producers, indigenous people, NGOs and women, in particular their vital role in rural communities. Please indicate how and to what extent these and other Major Groups are involved in national decision-making related to land management.**

### Urban

*Action targeted at the local level:* The European Commission's policy and actions towards sustainability targeted at the local level emphasise citizen participation and involvement of all stakeholders in planning and decision making. This principle is enforced through a number of initiatives, e.g. the European Commission-funded European Sustainable City Award, whose evaluation criteria include the extent to which all relevant stakeholders have been part of the local development processes.

*Action targeted at the European level:* At the European level, emphasis is increasingly placed on the involvement of relevant stakeholders early on in the development of new legislation and other instruments. Working Groups with representatives of local, regional and national level administrations, NGOs, the academic and the private sectors are one mechanism used by the European Commission to ensure that new instruments meet the needs of these actors.

### Coastal

The Integrated Coastal Zone Management (ICZM) demonstration programme has been developing best practice in this area. It has also applied the principle through organising a broad debate period (April-September 1999) prior to developing the proposal for a European Strategy for ICZM. The results of the consultation are now being compiled and it is expected that the Proposal for an ICZM Strategy will be presented in February 2000.

## **Information**

11. **Chapter 10 of Agenda 21 urged the improvement of, *inter alia*, evaluation systems for land and land resources by 2000. Please indicate steps taken to fulfil this commitment in your country.**

The Proposal for a Strategic Environmental Assessment (SEA) Directive aims to ensure that environmental consequences of plans and programmes are identified and assessed before adoption. The SEA requires an environmental assessment to be carried out at the strategic level before land-use plans and programmes are adopted.

## Urban

*Action targeted at the local level:* The European Commission is currently in the process of developing, through a Working Group operating under the Expert Group on the Urban Environment, a new monitoring tool based on a set of Common Indicators of Local Sustainability. The work is being carried out with the close involvement of a Group of Local Authorities, securing a bottom-up approach. The new monitoring tool is aimed at encouraging local authorities to monitor and assess the performance of their policies in terms of quantitative and qualitative outcomes on the ground. The focus is on integrated indicators reflecting the interaction between environmental, economic and social aspects. The intention is to encourage the formal adoption of this monitoring tool – including a first generation of integrated indicators – by European local authorities at the third European Conference on Sustainable Cities in Hanover, February 2000. This will be followed by a testing phase during which the monitoring tool will be further developed and refined.

## Coastal

The European Environment Agency and, in particular, the Marine and Coastal Environment Topic Centre are charged with developing a set of indicators for Coastal Zones.

- 12. Please list the types and methods of land inventories that are used in your country to guide sustainable land resource allocation and management (such as satellite image processing/aerial photograph surveys for monitoring the land uses changes, soil, slope and vegetation maps, compilation of climatic information, etc.). How regularly are these inventories undertaken?**

In addition to the National inventories,

The **European Environment Agency** plays a role in this area and carries out its tasks in co-operation with the European Information and Observation Network (EIONET).

EIONET was set up and is coordinated by the Agency. It consists of national networks organised to help it retrieve information, identify special issues and produce efficient and timely information on Europe's environment. For further information see <http://www.eea.eu.int>

The **EC Joint Research Centre (JRC)** conducts research, including studies on the evolution of the rural environment involving earth observation monitoring of changes in rural and coastal areas. The JRC has eight scientific institutes. The Environment Institute and the Space Applications Institute, both located in Ispra, play a role in monitoring the environment. Since 1998 the Environment Institute is the JRC's centre of expertise in the field of scientific and technical support to the design and implementation of EU policy for the protection of the environment. See <http://www.ei.jrc.it/>

The Space Applications Institute seeks to make the best use of information from space systems, the Environment and Geo-Information Unit conducts research and development work on the use of remote sensing for environmental purposes. The focus is on the natural environment of Europe and changes in the urban environment. Research is



performed in the development of advanced methods in image and data processing such as automatic classification and map generalisation, advanced visualisation, and the harmonisation and interoperability between GIS and remote sensing data catalogues and systems. For further information see: <http://www.egeo.sai.jrc.it/>

**EUROSTAT** - the European Communities Statistical Office also contributes to work in this area by providing a high-quality statistical information service, for more information see <http://www.europa.eu.int/en/comm/eurostat/>

- 13. Please evaluate whether you have sufficient access to information (e.g. on soil and slope characteristics, climatic and hydrological data, vegetation cover, land capability and suitability at nation-wide scale, agricultural inputs, land area covered by human settlements and other physical infrastructures etc.) in your country in order to make sound decisions on an integrated approach and sustainable use of land resources. How is the information disseminated at the local level? What are the data gaps?**

### Coastal Zones

In the context of the European Commission's Demonstration Programme on Integrated Coastal Zone Management (ICZM), a study was undertaken to identify the information needs for good coastal zone management. The study indicates that specific information needs vary from place to place. In many coastal zones, managers and decision makers do not always have access to the information they require and the data when available are not always in the correct technical format, scale or level of detail. The full report is available on the Internet at <http://www.europa.eu.int/comm/dg11/iczm/themanal.htm>

- 14. Please indicate if your Government has developed and used indicators on integrated land management and sustainable use of land resources.**

### Urban

*Action targeted at the European level:* includes information on the sectoral reporting mechanisms and the Environmental Headline Indicators.

*Action targeted at the local level:* The Common Indicators for Local Sustainability (see reply to question 11. will be linked to a number of activities and tools that are increasingly used to support and encourage efforts by local organisations. For example, they will serve as an evaluation tool for initiatives such as the European Sustainable City Award Scheme and its successor, and the Database on Good Practice in Urban Management and Sustainability, allowing for more objective and fact-based identification of European good practice. With comparable information that allows for the measurement of progress and the identification of trends, local authorities will get increased benefit from these activities and tools.

### Coastal

The European Environment Agency (EEA) and Eurostat (Statistical Office of the European Communities) are both involved in indicator development for coastal zones

and the latest draft EEA indicator report includes a section on the prevalence of Integrated Coastal Zone Management initiatives.

**15. Please indicate how information on integrated land management and sustainable use of land resources is made available to potential users. Can it be accessed via the Internet? Please provide the addresses of the national World Wide Web Sites that contain the requisite data.**

The European Environment Agency, based in Copenhagen, provides information and data on environment at European level (<http://www.eea.eu.int>). The agency carries out its task in cooperation with the European Information and Observation Network (<http://www.eionet.eu.int>), the main vehicle to collect data, information and knowledge for the process of reporting on the state of the environment. EIONET is both an organisational network (Nodes) and telematic network (services). To execute particular tasks identified in the Agency's multiannual work programmes, institutions or organisations are contracted as European Topic Centres, for information and data on the work of the different European Topic Centres, please see <http://www.eionet.eu.int/node/etc/>

#### Urban

In 1998 the European Commission launched the Internet-based Database on Good Practice in Urban Management and Sustainability (<http://www.europa.eu.int/comm/urban/>). This database is designed to help local authorities to work towards sustainability by disseminating good practice and policy, facilitating the exchange of experience and raising awareness about how cities and towns can be managed in more sustainable ways. The intention is to extend its use to cover the monitoring of impacts of EU policy and instruments on urban areas. The further development of this database will also include the creation of a linked network of EU databases with relevance to urban issues.

#### Coastal

In 1996, the European Commission set up a demonstration programme to identify appropriate measures to remedy the deterioration of conditions in coastal zones. The background to the Demonstration Programme and information on projects and publications are on the Environment Directorate General web site at <http://www.europa.eu.int/comm/dg11/iczm/home.htm>

#### **Overriding issues**

**According to the multi-year programme of work of the CSD, the overriding issues in each of the CSD sessions are poverty and consumption and production patterns.**

**16. Please indicate the relationships between the poverty reduction activities in your country and your current land management policies.**

Although action to fight poverty is mainly the responsibility of Member States, the European Community has regularly contributed to Member State initiatives and attention has been given to the importance of operational co-ordination between fighting poverty and other social exclusion factors, through initiatives such as the European Regional

Development Fund's (ERDF) activities in city areas and the European Cohesion Fund's activities. Indeed, one of the fundamental objectives of the EU is to reduce inequality between Europe's regions in pursuit of peace, stability and prosperity.

Many projects funded in the ERDF and Cohesion Fund (dealing with road infrastructure and transport) have land use effects. In addition, the Proposal for a Strategic Environmental Assessment Directive by contributing to a more transparent planning will also improve sustainable development.

The European Spatial Development Perspective, by focusing on the promotion of economic and social cohesion, preservation of the environment and ensuring equivalent levels of competitiveness within the European territory, will also help to bring about balanced and sustainable development across Europe.

**17. Please describe briefly the impact of managing solid and hazardous wastes on the land use in your country.**

Under Community legislation, Member States are obliged to draw up waste management plans for waste in general, for hazardous waste and for packaging waste. Several pieces of legislation have been introduced to deal with the problem of hazardous waste at European level. One such directive is the Hazardous Waste Directive (94/31/EC) requiring Member States to abide by certain rules for the collection, handling, recycling and treatment of hazardous waste.

Landfill is still one of the main ways of disposing of waste. It is important that it is carried out to a high standard to protect human health and the environment. The new Landfill Directive (99/31/EC) provides for measures, procedures and guidance to prevent or reduce as far as possible negative effects on the environment. In particular, the pollution of surface water, groundwater, soil and air, and on the global environment, including the greenhouse effect, as well as any resulting risk to human health, from landfilling of waste, during the whole life-cycle of the landfill. In this respect, the Directive aims 1) to reduce both the amount and toxicity of landfilled waste, 2) to define standards for the design and operation of existing and new landfills, 3) to encourage pre-treatment of waste before it is landfilled, and 4) to prevent potentially harmful waste mixing by suggesting that certain types of waste can only be disposed of in certain sites.

Directive 96/82/EC of 9 December 1996 (the 'Seveso II' Directive) concerns the control of major accident hazards involving dangerous substances and includes the integration of industrial risk considerations into land-use planning decisions. Member States are required to ensure that their land use and/or other relevant policies take account of the need, in the long term, to maintain appropriate distances between hazardous establishments and residential areas, areas of public use and areas of particular natural sensitivity or interest.

### **Cross-sectoral issue**

**The seventh session of the CSD requested collection of information on all aspects of the impact of the El Niño Southern Oscillation (ENSO), through national reports on the implementation of Agenda 21. It also decided to consider the impacts of ENSO as part of the examination of the integrated planning and management of land resources at its eighth session.**

- 18. Please describe any known or anticipated impacts of ENSO on the land resources in your country. Please also indicate the manner in which these concerns are reflected in your integrated land management planning.**

Not applicable

### **Other major issues**

- 19. Please identify if there are any other major issues not described above that are important to your country related to integrated land management and sustainable use of land resources.**

Relevant issues have already been described above.

## **PART IV: GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO AGRICULTURE (AGENDA 21, CHAPTER 14)**

### **Objectives**

- **To review the progress made by the member countries on the implementation of twelve interlinked programme areas of sustainable agriculture and rural development (SARD), and provide a basis for the 10 year comprehensive review of Agenda 21 in 2002.**
- **Identify gaps, challenges and opportunities for further national level initiatives and international coordination for ensuring food security as re-emphasised by the national governments at the World Food Summit held in November 1996.**

*In addition to updating the attached information on agriculture that you have submitted to the earlier sessions of the CSD, please consider the following guidelines in your report:*

### **General introduction**

1. **Please describe briefly, not exceeding a half a page, the current situation of agriculture and rural development in your country. Please include in your description the major ways of changing the sector towards sustainability. In your response, you may also wish to address gaps and challenges to the development or enhancement of sustainable agriculture and rural development in your country.**

The new Common Agricultural Policy (CAP) Reform is contributing to the achievement of necessary structural adjustments in principal market regimes and a strong rural development policy, becoming a second pillar of the CAP. Environmental considerations aiming to assure farming practices, necessary to safeguard the environment and preserve the countryside form an important element of the Reform which provides Member States and regions with the instruments necessary to assure that minimum environmental standards are observed. They respond to society's increasing demand for environmental services while promoting the conservation and improvement of Europe's unique environmental heritage.

The general orientation is that farmers should observe a minimum level of environmental practice as part of the support regimes, but that any additional environmental service, beyond the basic level of good agricultural practice and respecting the environmental law, should be paid for by society through the agri-environment programmes.

In the context of the Common Market organisations, the Reform includes a move away from product support and an increase in direct payments, as well as the option to link direct payments to the respect of environmental requirements. As a general rule, it would oblige the Member States to apply environmental measures they consider appropriate in view of the land used and the production concerned.

- **Agriculture policy review, planning and integration programmes in the light of multifunctional aspects of agriculture (PROGRAMME AREA A)**
2. **Please indicate if your Government has established, or recently revised a national strategy or policy on sustainable agriculture and rural development (SARD). If yes, please describe briefly the contents of the policy by indicating the following:**
- **Year of the revision/establishment;**  
  
CAP Reform under Agenda 2000 (Berlin, March 1999). Period 2000-2006
  - **Objectives of the policy;**  
  
The EU agricultural reform aims to develop a more modern and sustainable agricultural sector in the years ahead. The ultimate objective is to ensure that agriculture can be maintained over the long term at the heart of a living countryside. The policy is targeted not just at agricultural producers but also at the wider rural population, consumers and society as a whole. More precisely, the objectives of the policy are:
    - To ensure the competitiveness of the European Union agricultural sector, both on the European Community market and on growing export markets;
    - To promote ways of farming that contribute to the maintenance and enhancement of rural environment and landscapes;
    - To contribute to sustaining the livelihood of farmers while promoting the economic development of the wider rural economy.
  - **Measures in relation to foreign trade and GATT/WTO, agriculture commodities prices, agriculture subsidies and taxes, and regional economic integration;**  
  
With the restrictions on subsidised exports, the European Union continued to reduce internal institutional prices to further align them with those on the world market. In preparation for the Millennium Round of trade talks, the EU has made clear that it is committed to preserving the European Model of Agriculture. This model can be characterised by its multifunctionality, i.e. in addition to the primary economic role of providing food for markets, farmers are also engaged in the wider regeneration of rural economies, and environmental and landscape protection, where high quality food is produced by thriving rural communities in a diverse and sustainable environment.
  - **Funding of the revision (e.g. external support from UN or other agencies, banks, regional agencies, national budget or other);**  
  
European Community budget; co-financing in addition to national budgets.
  - **Major activities to implement the SARD policy.**  
  
European Community legislation.

3. **Following the World Food Summit held in 1996, has your Government carried out a national policy review related to food security? If yes, please indicate when the review was undertaken and, briefly, any actions taken as a result of the review.**

Food security and quality measures are constantly being adapted and improved. For instance, new common standards for organic livestock production, which ban the use of genetically modified feed and provide the introduction of further rules on feed, have been agreed. In addition to the safety of the end product consumer preoccupations about how food is produced have increasingly come to the forefront, such as with regard to the use of biotechnology traceability and animal welfare. Such concerns can in part be met through improving consumer information through labelling schemes.

4. **Please describe steps taken to strengthen capacity building to reinforce local food systems, including in urban areas.**

The Reform package includes support for investment that will facilitate the improvement and rationalisation of processing and marketing of agricultural products and thereby will contribute to increasing the competitiveness and added value of such products inside the EU. Investments must contribute to improving the situation of the basic agricultural production sector in question. They must guarantee the producers of such basic products an adequate share in the resulting economic benefits.

The total amount of support, expressed as a percentage of the volume of eligible investment, is limited to a maximum of 50% in Objective 1 regions (the least developed regions) and 40% in the other regions. Investment at the retail level and in the processing or marketing of products from third countries is excluded from support.

5. **The Rome Declaration on World Food Security and the World Food Summit Plan of Action (Rome, 1996) called for a minimum target of halving the number of undernourished people in the world by the year 2015. Please indicate any steps taken or planned towards this objective.**

Not applicable

6. **Please describe briefly the manner in which your country addresses sustainable agriculture concerns such as integrated pest management, land degradation and rehabilitation, integrated plant nutrition management and plant and animal genetic diversity. Are they reflected in a National Environmental Action Plan or other policy or plan?**

The philosophy underpinning the environmental aspects of CAP reform is that farmers should be expected to observe basic environmental standards without compensation. However, wherever society desires that farmers deliver an environmental service beyond this base-line level, this service should be specifically purchased through the agri-environment measures.

The EU's strengthened approach to environmental integration into agriculture within CAP reform contains a number of core elements that together lay the foundation for

European agriculture, which both respects the environment and contributes to its protection and enhancement. The reorientation of the CAP under Agenda 2000 should also be considered as a significant part of the future framework for a biodiversity action plan and agriculture's contribution to combating Climate change.

The core elements addressing sustainable agriculture are:

- Horizontal regulation: The horizontal regulation establishing common rules for direct support schemes under the CAP would apply to payments granted directly to farmers, except those provided for under rural development. With a view to better integrating the environment into the common market organisations, Member States will define appropriate environmental measures in view of the situation of the agricultural land used or the production concerned, to be applied by farmers.

These measures may include:

- Support in return for agri-environmental commitments;
- General mandatory environmental requirements;
- Specific environmental requirements constituting a condition for direct payments.

They may also decide on appropriate and proportionate penalties for environmental infringements involving, where appropriate, the reduction or even the cancellation of direct payments.

- Common Market organisations: In addition to the powers available under the horizontal regulation, several specific environmental measures have been suggested to be included in the market regimes under examination (arable, beef & veal and milk & milk products). The relevant measures concern the conditions under which direct payments are delivered.
- Rural development measures, including agri-environmental measures: in essence, regions will be invited to develop integrated programmes for the sustainable development of rural areas. In a coherent and integrated approach, a number of measures from the rural development regulation (e.g. investment, training, agri-environmental measures, processing and marketing) can be targeted to promote organic farming, bio-diversity and combating climate change. In line with the general philosophy, rural development measures would be applied subject to the condition that minimum environmental standards should be observed or attained as a result of the action. For activities going beyond the application of base line standards, agri-environment measures would normally be foreseen. The targeted agri-environment measures which represent the core of the EU's environmental strategy within the CAP form a compulsory part of all rural development programmes to apply throughout the territories of the Member States. The agri-environment programmes offer payments to farmers who, on a voluntary and contractual basis, provide environmental services to protect the environment and maintain the countryside. The agri-environment measures cover ways of using agricultural land, which are compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic resources. This includes organic farming and other low-input farming techniques, agricultural practices needed



to support the nature protection value of NATURA 2000, set-aside for environmental purposes, and the environmental maintenance of abandoned farmland.

- Compensatory allowances in less-favoured areas: in designated areas subject to obstacles to farming, the payment of compensatory allowances is directed mainly to assure continued farming, to contribute to the maintenance of a viable rural community, to preserve the landscape and to promote the continuation of sustainable farming in areas where it is necessary for the protection of the countryside.

On the other hand, EU environment policy ensures that especially valuable habitats are identified and designated under the Habitats and Wild Birds Directives. These key pieces of legislation relating to biodiversity and landscapes require Member States to assure the necessary conservation measures, which often require the continuation of farming. The ensuing network of sites is known as NATURA 2000, an EU-wide ecological network that brings together habitats that have been identified as being of EU importance. Each site has the common objective of preserving biodiversity, but also takes account of the variations in scientific, economic, social, cultural and regional requirements. The overall impact is thus to create sites where nature and economic activities can coexist, making them an economic asset to local communities rather than nature sanctuaries where all human activities are excluded.

The implementation of the EU Biodiversity strategy and, in particular, the current development and future implementation of its Action Plans for the conservation of natural resources are key elements of overall EU efforts towards achieving the integration of environmental concerns within the other areas of EU responsibility (e.g. agriculture).

**7. Please note if your Government has developed guidelines to integrate environmental concerns into agriculture development projects, for example in relation to management of rangelands, forests, water quality, wildlife, conservation of genetic resources or other.**

The agri-environmental measures represent a decisive step towards the recognition of the role of agriculture in preserving and improving Europe's natural heritage. The agri-environmental aid scheme, already introduced in the 1992 CAP reform, encourages farmers to introduce, or continue to use, farming practices compatible with the protection of the environment, the conservation of natural resources, the enhancement of biodiversity and the maintenance of the landscape.

Under Agenda 2000, environmental measures will be given a prominent role within the context of integrated rural development programmes implemented from the year 2000. Some measures will be targeted directly on protecting and improving the natural environment, whilst others will create new opportunities in rural areas to help preserve the rural landscape. Agri-environment programmes are the key strategy for integrating the environment into agricultural policy taking into account the diversity of natural conditions and agricultural structures.

The Regulation (EC) No 1467/94 on the conservation, characterisation, collection and utilisation of genetic resources in agriculture aims to coordinate and to promote at EU level work undertaken in the Member States, with a view to the achievement of the objectives of the CAP and, in accordance with the principle of subsidiarity, to support

and supplement the efforts made in the Member States where current work appeared inadequate.

- 8. Please indicate if your national legislation restricts the transfer of productive arable land to other uses? If yes, please specify if these restrictions apply to transfer of productive arable land to e.g. human settlements, recreation, infrastructures, industries, hydropower generation or other.**

Land use planning – including the decision whether land should be used for agriculture or some alternative use such as building - is a national, rather than EU-level, responsibility.

However, EU agricultural policies have some impact on the use of productive arable land for alternative agricultural uses: under the EU Set aside scheme, from the 2000/2001 marketing year up to the 2006/2007 marketing year, the basic rate of compulsory set-aside is fixed at 10%. The percentage of land to be set aside by producers is calculated as a proportion of their area under arable crops. Land set aside may be used to produce materials for the manufacture of products not intended for human or animal consumption. National aid may be paid for multiannual crops intended for biomass production. Producers are required to apply environmental measures appropriate to the specific situation of the land set aside.

► **Ensuring peoples' participation and promoting human resource development for sustainable agriculture (PROGRAMME AREA B)**

- 9. The key Major Groups in this sector include local communities, small-scale farmers, indigenous people, women and youth. Please indicate how and to what extent these and other Major Groups are involved in national decision-making related to sustainable agriculture.**

Under national responsibility

- 10. Please describe the kinds of policies or measures (such as training and extension, pricing, input distribution or credit facilities) that your Government has developed to increase equitable access to the production-support services by the rural poor.**

Under Agenda 2000, training measures have also been integrated into the package of measures with the emphasis on training linked to the promotion of quality and to environmentally beneficial production. The measure has been extended to all involved in agricultural activities and their restructuring.

- 11. Please indicate what kind of activities your Government has initiated or implemented to increase public awareness and participation for promoting sustainable agriculture practices.**

Under Agenda 2000, the pursuit of environmental objectives is more systematic, linking all direct aid payments to respect for environmental criteria. The enforcement of such cross-compliance reflects the EU's commitment to promoting less intensive farming

systems. The specific conditions would be set by Member States, so that varying national circumstances can be taken into account.

► **Land conservation and rehabilitation (PROGRAMME AREA E)**

**12. Please describe major achievements your country has made towards conservation and rehabilitation of degraded lands since UNCED. In your response please indicate the following:**

- **Policies and programmes or other instruments developed and implemented;**

Certain farming systems, such as managed grazing, the presence of hedges and trees, and traditional rotation patterns, may be essential to maintain soil quality. Several agri-environment programmes have the conservation of soil resources as an aim. These concern programmes for assuring certain crop rotations and in particular the promotion of organic farming. Programmes also exist to guard against erosion and fire risk, particularly in relation to abandoned land. Afforestation programmes can also make an important contribution to reduce soil erosion. Despite positive results achieved in areas covered by agri-environmental or afforestation measures, soil erosion is increasing. About 115 million hectares in Europe are suffering from water erosion and 42 million hectares from wind erosion. Particular problems exist in the Mediterranean region.

- **Major problems faced in implementing these instruments;**

Not applicable

- **Total investments made on rehabilitation of degraded lands and areas rehabilitated since UNCED;**

Not applicable

- **Area rehabilitated as a percentage of total areas affected by severe soil erosion.**

Not applicable

► **Integrated pest management<sup>5</sup> and control in agriculture (PROGRAMME AREA I)**

**13. Please indicate the kinds of reforms that your Government has made in national policies and programmes in order to ensure safe and appropriate use of pesticides**

The EU's Fifth Environmental Action Programme (5EAP) sets out a series of targets for the year 2000, including the significant reduction in pesticide use per unit of land under production, and conversion to methods of integrated pest control, at least in areas of importance for nature conservation. Actions identified as necessary to reach the target are registration of sales and use of pesticides, and control of sales and use of pesticides. Both of these have been addressed by Directive 91/414/EEC, which concerns the authorisation, placing on the market and use of pesticides in the EU.

The agri-environmental measures accompanying the CAP reform of 1992 contribute to integration of environmental concerns with those of the farming industry through substantial reductions in the use of pesticides, and encourages organic farming.

With a view to the protection of the consumer health, the EU has now established residue limits for 73 pesticides in cereals, fruit and vegetable and products of animal origin. Specific measures designed to provide better control of the sources of agricultural contaminants together with codes of good practice will be established to reduce the contaminant level of certain vegetables.

As regards the criteria and the required characteristics for the authorisation of plant protection products, EU 1991 Directive concerning the placing of plant products on the market is now being brought into operation. It provides for the review of existing active substances in accordance with strict criteria concerning human and animal health and the environment. During 1997 and 1998, such review has been ongoing in the Member States acting as rapporteur for the health. Uniform principles to be applied by Member States when granting authorisations were adopted by the EU in 1997.

**14. Please describe briefly major achievements that your country has made in the implementation of integrated pest management (IPM) programmes. In your response, please indicate the following:**

- **Policies adopted and integrated into national development policies for promoting integrated pest management practices since UNCED;**

The EU agri-environment programmes (which ask farmers to undertake environmental activities and pay any income losses and costs) have implemented input reduction measures which include formal integrated production methods, controlled by an authorised body. Results from programmes show substantial reductions in overall use where programmes are applied widely. Effects on production are varied; effects on

---

<sup>5</sup> Integrated pest management control combines biological control, host plant resistance and appropriate farming practices and minimises the use of pesticides. (Para 14.74 of Agenda 21).

income show a need for better targeting of payment levels according to different regions, sector, etc.

Specific systems for input reduction exist in many programmes to encourage up take of integrated production (IP) systems or organic farming. IP results in a reduction in the use of pesticides, although the degree of the reduction is highly variable between differing systems. There is no uniform EU or global standard for IP, although a few systems have wide acceptance. Organic farming leads to the cessation in use of synthetic pesticides through the use of natural pest control.

- **Achievements at the field level;**

Not applicable

- **If available, you may also include information on:**
  - **Numbers of farmers in trained in IPM training since 1992;**
  - **Area (in ha) covered with IPM programmes by crop types; and**
  - **Costs (e.g. farmers training and staffing, expert consultation etc.) and benefits of IPM programmes.**

Not applicable

- 15. Please indicate if your Government has used the Global Integrated Pest Management (IPM) Facility created to facilitate the development of IPM programmes.**

Not applicable

- **Sustainable plant nutrition <sup>6</sup> to increase food production (PROGRAMME AREA J)**

- 16. Has your country developed and implemented an integrated plant nutrition approach in order to optimise effective and efficient use of various sources while protecting the environment? If so, briefly describe the results achieved.**

The 1992 reform marked a point from which farmers changed the way they operated and more rational farming increased. There was less use of fertilisers and pesticides, and techniques changed.

The importance of technological change cannot be ignored. It has an influence on the volumes of inputs used, their composition, their methods of application and their environmental impact. Thus an increase in production potential can lead to a rise in the volume of inputs used per hectare but a fall per unit of product obtained and, given the cost of labour, mechanisation can, all things being equal, bring an increase in the amounts applied.

---

<sup>6</sup> Integrated plant nutrition approach aims at ensuring a sustainable supply of plant nutrients to increase future yields without harming the environment and soil productivity. (Para 14.83 of Agenda 21).

The decline in recent years in the use of chemical fertilisers and pesticides is attributable to the 1992 CAP reform but also to other factors; this is an environmentally positive development, but it does not change the fact that overall usage today is several times higher than several decades ago. In addition, most recent figures show a reversal of the downward trend for both pesticides and fertilisers.

It should be borne in mind as well that the recent decline in pesticide use may be partly attributable to the fact that more specific or concentrated active substances have been developed. This means that, although further work needs to be done on the eco-toxicity of individual pesticide active ingredients, it is already clear that such a reduction in volume of use is not necessarily accompanied by a reduction in the biological effectiveness and hence the pollutant effect of pesticides. The increase in inputs and yields has been accompanied by greater specialisation, with a huge reduction in mixed farming and in particular a loss of traditional rotations (including organic rotations). This mixed farming and traditional rotations brought environmental benefits greater than those of the systems that have replaced them.

**17. Please indicate the major policy instruments and activities to promote sustainable plant nutrition management in your country.**

- Agri-environmental measures (already mentioned above).
- Nitrates Directive: Adopted in 1991, the Nitrates Directive is a key component of European Union legislation on water quality. It represents an important step towards the integration of environmental and agricultural policy and reflects both the “polluter pays” and “prevention at source” principles.

The directive sets out a guide level value for nitrate concentrations in groundwater and a maximum admissible concentration in order to safeguard drinking water quality and prevent eutrophication. More indirectly, compliance with the directive could also contribute to solving certain structural problems, such as excessive concentrations of pig and poultry units in some areas.

► **Water for sustainable food production and sustainable rural development (PROGRAMME AREA F)**

**18. In the context of your country’s comprehensive planning for water use, has your Government prepared a water resource policy for food and agriculture.**

EU water legislation is being brought under the umbrella of a new instrument called the Water Framework Directive, which will simplify and refocus the present legislation. However, this will not change the role of the nitrates and pesticides legislation.

The Nitrates Directive represents an important step towards the integration of environment into agriculture, with the Directive adhering to both the “polluter pays” and the “prevention at source” principles. The implementation record of this Directive, however, has been poor to date. Full compliance with the Nitrates Directive would contribute significantly to solving certain structural problems such as the excessive concentration of pig and poultry production in some regions of the Union. The

application of the directive is being kept under constant evaluation in order to stimulate enforcement.

A further source of environmental pollution is the use of pesticides in a manner, which allows residues to enter water supplies, surface and ground waters. EU rules exist to control maximum levels of pesticides in farm produce. Measures to limit pesticide residues in water, for instance by applying sophisticated integrated pest management or organic farming, exist under agri-environment programmes, which may help improve the situation. Nevertheless, further measures will be needed to better control the use of pesticides in order to decrease water contamination.

**19. Please describe steps that you have taken to:**

- **Increase water availability in agriculture (e.g., through promotion of moisture conservation, water harvesting, small-scale irrigation, groundwater development or large irrigation schemes etc.);**
- **Increase water use efficiency in agriculture (e.g., through improved irrigation technologies, economic incentives, regulations etc.);**
- **prevent and remedy water logging and salinization of agricultural land;**
- **Prevent adverse effects of agriculture on water quality.**

Both the quantitative and qualitative aspects of the above-mentioned issues constitute a significant challenge for agriculture and the agricultural world. Numerous actions have already been implemented to reduce the impact of agriculture on water resources. For example, 20% of arable land is engaged in voluntary agri-environmental actions and over 2 million hectares are devoted to organic farming. These actions need to be expanded and strengthened if there is to be a sound water resource management ensuring better protection of water resources.

There are many possible actions and some have already been initiated or are in the discussion and negotiation phase. These include:

- Actions taken at regional, national and European levels with a view to improving the implementation of the Directive on nitrates;
- Participation of the agricultural profession in the implementing of water-management plans for catchment basins. These plans define objectives for water management and environmental protection, as well as a series of actions involving the various users of the resource in the pursuit of the declared objectives.
- The use of economic tools (taxes, subsidies) to modify the conduct of economic players as regards use of pollutants and water. A tax on pesticides and fertilisers already exists in some northern European countries. The introduction of water prices reflecting the true cost of irrigation is a further component of the Framework Directive on Water debated at European level.

However, these actions clearly need to be adapted at local levels to allow for the physical and hydrological specificities of the natural environment and the social and economic characteristics of the agricultural world.

- 20. If available, please provide the following information on additional area brought under irrigation and on land rehabilitated in your country since UNCED.**

**Additional agriculture area brought under irrigation since 1992**

**Area in Ha: \_\_\_\_\_ Percentage of total cultivated land: \_\_\_\_\_**

**Rehabilitation of degraded lands (e.g., water-logged and saline areas)**

**Area in Ha: \_\_\_\_\_ Percentage of total degraded land: \_\_\_\_\_**

Not applicable.

**► Rural energy transition to enhance productivity (PROGRAMME AREA K)**

- 21. Please list major steps taken since UNCED in developing and implementing programmes, institutional mechanisms and policies in your country for promoting environmentally sound energy transition in rural communities.**

The CAP reform does not implement a “non-food policy” as such. But by closing the gap between internal prices and world prices, it aims to put at the disposal of food/non-food industries more competitive raw materials.

Producing renewable resources in the context of the CAP is a subject with many ins and outs: firstly there are the market organisations, covering cotton, flax and hemp, then there are various support schemes such as starch and sugar for the chemical industry, and then there is the whole area of set-aside introduced into the CAP by the 1992 reform, the aim of which was to reduce surpluses to regulate the market.

The result is that, over the last few years, a fairly substantial production of agricultural raw materials for a series of different non-food industries has developed. A useful distinction can be made between renewable resources for energy generation and agricultural production for other industrial uses.

- 22. Please list a few examples of specific rural energy projects that have been initiated in your country since UNCED.**

Not applicable.



23. Please indicate trends in availability of energy for household use in the rural areas since UNCED. Please specify the percentage increment, if available.

Mark boxes	% increase since UNCED (number)
------------	---------------------------------

<input type="checkbox"/> Electrical (national grids)	_____
<input type="checkbox"/> Solar dryers	_____
<input type="checkbox"/> Biomass systems	_____
<input type="checkbox"/> Wind systems	_____
<input type="checkbox"/> Others (specify)	_____

Not applicable

24. Please indicate trends in availability of energy for rural-based agro-industries in the past eight years. Please also specify the percentage increment, if available.

Mark boxes	% increase since UNCED (number)
------------	---------------------------------

<input type="checkbox"/> Electrical (national grids)	_____
<input type="checkbox"/> Solar dryers	_____
<input type="checkbox"/> Biomass systems	_____
<input type="checkbox"/> Wind systems	_____
<input type="checkbox"/> Others (specify)	_____

Not applicable

25. Please highlight any actions taken towards mobilising the potential of agriculture as a major producer of biomass energy. What percentage of the total energy requirement of your country is met from energy produced by agriculture?

As far as energy is concerned, the major climate conferences – in particular the conclusions of the Kyoto conference – and the European Commission's White Paper on renewable energy adopted at the end of 1997 have brought the increased use of biomass as a means of protecting the environment to the focus of attention.

The White Paper sets an indicative target of doubling from 6% to 12% the share of renewable energy resources in the total energy consumption of the EU by 2010, but the main contribution should come from the biomass, tripling the current level of this source.

Of the 90 Mtoe<sup>7</sup> additional energy expected to be obtained from biomass, the contribution for bioenergy from crops is estimated at 45 Mtoe. Of this, 18 Mtoe could be

---

<sup>7</sup> Mtoe: Million tonnes of oil equivalent.

in the form of liquid biofuels (including however liquid biofuels from non-energy crops such as wood residues, used vegetable oils, or biogas used as motor fuel) and 27 Mtoe as biomass for heat and/or power, under one particular scenario. Moreover, it is estimated that 30 Mtoe can be obtained from wood and agricultural residues and 15 Mtoe from biogas.

- 26. Have you implemented energy-substitution strategies to reduce CO<sub>2</sub> emissions? If so, has biomass been a part of the strategy? Please explain.**

(Please see point 25 above.)

- 27. Please indicate if your Government has plans or programmes on sequestration of CO<sub>2</sub> into soils (humus) through improved crop and soil management practices. (Practices may include, e.g., conservation tillage, crop residue and other biomass management, growing cover crops, judicious use of farm inputs, integrated nutrition management, improved cropping systems and varieties, water conservation and management, improved pastures, rotational grazing or others.)**

Not applicable

- **Evaluation of the effects of ultraviolet radiation on plants and animals caused by the depletion of the stratospheric ozone layer (PROGRAMME AREA L)**

- 28. Please identify any research or remedial measures undertaken on the effect of ultraviolet radiation on plants and animal life as well as on agricultural activities**

Not applicable

- **Improving farm production and farming systems through diversification of farm and non-farm employment and infrastructure development (PROGRAMME AREA C)**

- 29. Please describe the major activities initiated by your Government in order to implement integrated farm management technologies and practices, such as crop rotations; optimal use of organic and in-organic plant nutrients; prevention of pre and post-harvest losses, efficient utilisation of external inputs (pesticides, water etc.) or others.**

Implementation of the EU agri-environmental programme (already mentioned) was decided under the 1992 reform. This programme has been reinforced under the Agenda 2000 decisions.

- 30. Please list measures that your Government has adopted for promoting crop diversification at the farm level (such as agriculture land use zoning according to the agro-ecological conditions, removal of agriculture subsidies, differential land tax systems for promoting crop diversification, differential water pricing according to the crop types and seasons or income support).**

Various measures implementing the CAP Reform under the new Rural Development Regulation could contribute to promote crop diversification at the farm level, e.g.: investments in agricultural holdings, establishment of young farmers, training, agri-environment (establishment of low-input crops, nitrogen-fixing crops, ...), forestry (short rotation forestry), promoting the adaptation and development of rural areas, ...

Under the EU Set aside scheme, from the 2000/2001 marketing year, land set aside may be used to produce materials for the manufacture of products not intended for human or animal consumption. National aid may be paid for multiannual crops intended for biomass production.

- 31. Please indicate measures that your Government has adopted for sustainable intensification of productive lands.**

Please see relevant statements under the points 6, 7 and 11 above.

- 32. Please list major activities that your Government has initiated to increase non-farm employment opportunities in the rural areas.**

Under the new regulation on Rural Development, Member States and regions are invited to develop integrated programmes for the sustainable development of rural areas, which can promote non-farm employment opportunities in these areas.

► **Conservation and sustainable utilisation of plant and animal genetic resources for food and sustainable agriculture (PROGRAMME AREAS G AND H)**

- 33. Please describe the major steps and initiatives taken in order to conserve and promote sustainable use of plant genetic resources (PGR) (e.g., strengthening of institutional capacity, promoting research activities in the public domain, preparation of plans and programmes of priority actions etc.) since UNCED. Please note that these activities may also have been carried out in the context of implementing the Global Plan of Action on PGR, which was recommended by Agenda 21 and adopted at Leipzig by governments in 1996.**

The implementation of the EU Biodiversity strategy and, in particular, the current development and future implementation of its Action Plans for the conservation of natural resources is a key element of the overall EU efforts to achieving the integration of environmental concerns within the other areas of EU responsibility (e.g., agriculture).

The Regulation (EC) No 1467/94 on the conservation, characterisation, collection and utilisation of genetic resources in agriculture aims to coordinate and promote at EU level work undertaken in the Member States, with a view to the achievement of the objectives of the CAP and, in accordance with the principle of subsidiarity, to support and supplement the efforts made in the Member States where current work appeared inadequate.

- 34. Please describe the major steps and initiatives taken in order to conserve and make sustainable use of animal genetic resources since UNCED.**

Please see Point 33 above.

### **Information**

- 35. Please identify the type of national information on sustainable agriculture that is available for decision-makers, advisory organisations and farmers. Can it be accessed via the Internet? Please provide the addresses of the national World Wide Web Sites that contain the requisite data. What are the information gaps?**

CAP and Rural Development information available on line on DG Agriculture Web site <http://europa.eu.int/comm/dg06/index.htm>

- 36. One of the major concerns addressed in Chapter 14 is the need to analyse and collect information on various production systems and technologies. Please mark the appropriate box(es) if your Government has initiated the following activities.**

**[ ] Development of on-farm and off-farm programmes to collect and record indigenous knowledge**

**[ ] Regular survey on farmers' perceptions on effectiveness of available technologies and access to these technologies**

**[ ] Analysis of the overall effects of technological innovations and incentives on farm household income**

**[X] Others (specify)**

Regular statistical surveys at EU level (EUROSTAT) are performed in order to improve and update existing data collections including information at the environment/agriculture interface.

37. **Please describe your Government's support to early warning systems for monitoring food supply and those factors affecting household demand for food both in urban and rural areas. In your response, please indicate, for example, if your Government has established national and regional institutions for early warning, satellite-based climate monitoring systems and regional or local meteorological stations. Please indicate also if your Government cooperates with neighbouring countries or regional organisations in this matter.**

Not applicable.

38. **Please specify which indicators (economic, social and environmental) have been developed and used in your country for monitoring and evaluating sustainable agriculture practices and rural development.**

The European Commission started to develop environmental indicators, including the development of agri-environmental indicators. This development is largely based on current activities in the OECD and in Member States.

#### **Overriding Issues**

**According to the multi-year programme of work of the CSD, the overriding issues in each of the CSD sessions are poverty and consumption and production patterns.**

39. **Please provide your national targets and policies, if any, for reducing poverty through agriculture and food security.**

Not applicable.

40. **Please provide statistical information, over the last five years, on the consumption of primary inputs such as purchased seeds, fertiliser, and pesticides in your country.**

**Seeds:** Not applicable

**Fertilisers:** Not applicable

**Pesticides:** A sharply falling trend in the total volume of sales of agricultural pesticides in the EU between 1991 and 1995 was reversed in 1996. From 1991 to 1995 EU sales of pesticides, measured by weight of active ingredients (ai), fell by 13%. They then rose by 6% between 1995 and 1996 to 299,826 tonnes ai. This still put them nearly 8% below the 1991 figure. The use of lower-dose pesticides has been a key contributor to the fall in weight of active ingredients sold in recent years. Fungicides are the biggest pesticide group used in the EU. They accounted for 41% of total weight of active ingredients in 1996, followed by herbicides (39%) and insecticides (12%). (See also reply to question 16 above).

**Other issues**

- 41. Please identify if there are any other major issues related to sustainable agriculture and not mentioned above, that are important to your country.**

Not applicable.

## **PART V: GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO FORESTS**

**A large amount of national information already exists on forests and national progress towards sustainable forest management within the United Nations system and other intergovernmental organisations. Therefore, these guidelines do not address topics on which information has been collected recently on a global scale. Reference is made, in particular, to the following sources:**

- **FAO's Survey on the status and progress in the implementation of national forest programmes, 1998;**
- **FAO/ State of the World's Forests, 1999;**
- **FAO/Forest Resources Assessment for the year 2000 (FRA 2000).**

*In addition to updating the attached information on forests that you have submitted to the CSD earlier, please consider the following guidelines in your report. If your country has recently provided information to an intergovernmental body or Secretariat on any of the items listed below, please make reference to the source.*

### **General introduction**

- 1. Please describe briefly, not exceeding a half a page, the current situation of sustainable forest management in your country. Please include in your description the major post-UNCED achievements related to sustainable forest management in your country. These may relate to, for example, legal and institutional frameworks, forest conservation, low-impact forest harvesting, non-wood products and services, etc). In your response, you may also wish to address gaps and challenges to the development or enhancement of sustainable forest management in your country.**

The Treaties on the European Union make no provision for a comprehensive common Forest policy. The management, conservation and sustainable development of forests and their related economy are nevertheless vital concerns of existing common EU policies. Moreover, the EU annually devotes considerable funds to the conservation and sustainable development of forests, both in the EU and in third countries.

The EU has a total forest area of 130 million ha, accounting for about 36% of its total territory. The forest area is currently stable or even increasing and is characterised by a huge variety of climatic, geographic, ecological as well as socio-economic conditions. Some 87 million ha are considered exploitable forests (managed for wood production and non-wood goods and services). Forest land in the EU is 65% privately owned. The forestry sector is an enormously important one for the EU in economic terms. The EU forest-based and related industries' production value represents 10% of the total for all manufacturing. According to official statistics these industries directly employ some 2.2 million people.

Following the accession of Austria, Finland and Sweden, the EU has become the world's second largest paper and sawnwood producer, its foremost importer of forest products

and third largest exporter of forest products. The EU is thus the biggest trader and second biggest consumer of forest products in the world, with a positive trade balance overall.

On 18 November 1998, the European Commission proposed a Communication on a Forestry Strategy for the European Union. On the basis of this Communication, the Council of the European Union adopted a Resolution on a Forestry Strategy for the European Union. The Resolution emphasises the importance of the multifunctional role of forests and sustainable forest management for the development of society and, in particular, rural areas. Moreover, the Council agreed that the Community should participate pro-actively in international discussion and negotiations on forestry-related issues, in particular in the United Nations Intergovernmental Forum on Forests.

### Biodiversity

On 4 February 1998, the European Commission adopted a Communication on a European Community Biodiversity Strategy. This Strategy subsequently was endorsed by the Council, the forestry-related objectives of this strategy include:

- further developing and implementing the EU forestry strategy;
- ensuring that sustainable forest management takes full account of biodiversity;
- ensuring biodiversity benefits from aid schemes for forestry;
- ensuring that afforestation schemes do not damage ecologically valuable sites and ecosystems;
- promoting international research on the implications of climate change for forest ecosystems.

On 4 November 1999, the European Commission presented a Communication to the Council and Parliament on Forestry Development Cooperation. The overall goal of the Community forest development cooperation is to promote sustainable forest management in developing countries as a contribution to sustainable development globally. Every year, the Community commits about EUR 120 million to forest conservation and management projects in developing countries. During 1992-1999, it is allocating about EUR 50 million annually to promote tropical forests.

The Communication on the State of the Competitiveness of the EU Forest-based and Related Industries (FB-IND) endorsed by the Council in its conclusions of 9th November 1999 will be followed up by an Action Programme.



## **IPF process**

2. **At its third session in 1995, the Commission on Sustainable Development (CSD) decided to establish the Intergovernmental Panel on Forests (IPF), to continue the intergovernmental forest policy deliberations since UNCED in 1992. The IPF worked over a two year period (1995 – 97) to pursue a consensus and formulate options for further actions in order to: promote the management, conservation and sustainable development of all types of forests; combat deforestation and forest degradation; promote international cooperation; and to facilitate international trade in forest products. The two years of intensive work of the IPF resulted, in 1997, in over one hundred negotiated proposals for action on a number of issues related to sustainable forest management directed to countries, international organisations, and major groups including the private sector.**

**The proposals for action of the Intergovernmental Panel on Forests (IPF) are related to, *inter alia*, national forest programmes, forest assessment, criteria and indicators, traditional forest related knowledge and underlying causes of deforestation.**

- (a) Please indicate the extent to which your country has participated in the IPF process.**

The European Union actively participated in all the meetings of the IPF and the IFF and contributed substantially to achieving consensus at the IPF and IFF deliberations.

- (b) Please indicate if you have assessed the relevance of the IPF proposals for action for your country.**

The European Commission's Communication on a Forestry Strategy underlined that the European Union's forestry strategy should contribute to the implementation of international commitments entered into by the Member States and the Union. In particular, it should contribute to the implementation of the IPF proposals for action.

- (c) Please describe briefly the major points and concrete steps in implementing the IPF proposals for action in your country.**

In line with the EU forestry strategy and the principle of subsidiarity, the Member States are responsible for planning and implementing national forest programmes. These programmes are the most essential instruments for the implementation of the IPF proposals for action. The following activities of the EU are intended however to contribute to the international commitments entered into by the Member States and the Union, and, in particular to the implementation of IPF proposals for action.

### Forestry measures within the EU Rural Development Regulation

The main objective of the Rural Development Regulation<sup>8</sup> is to allow Member States to develop integrated programmes at an appropriate regional level to meet the diverse needs of European rural areas.

The forestry chapter of the Rural Development regulation provides support for a whole range of actions to promote sustainable management of forests and to contribute to specific problems, such as biodiversity, climate change or wood as a source of energy.

### The Community Scheme for the Protection of Forests against Atmospheric Pollution<sup>9</sup>

Using an observation network of more than 5,000 monitoring plots this measure establishes a uniform periodic inventory of damage caused to forests. The inventory provides information on the extent and development of forest condition deterioration in the various regions of the European Union. Furthermore, an intensive monitoring system in the form of a European network of more than 800 permanent observation plots for monitoring forest ecosystems aims to contribute to a clearer understanding of the impact of air pollution and other factors on forest ecosystems.

### Forest Fires<sup>10</sup>

Forest fires constitute a major factor endangering sustainable development in nearly half of the EU's forests. The Union is currently part-financing forest-fire prevention measures within the framework of the rural development policy and through the specific European Community action to protect forests against fires. This action underpins the efforts of the Member States to prevent forest fires.

### Establishing a European Forestry Information and Communication System (Efics)<sup>11</sup>

This measure concentrates on achieving the following objectives:

- improving the quality of, and encouraging the changes required in, national forest inventories with a view to reporting on sustainable forest management,
- setting up an EU database containing all relevant information about European Community measures and Member States' national or sub-national forest policies and programmes;
- analysis of the future development of the forestry sector with respect to trade, industry, employment and environmental issues.

---

<sup>8</sup> Council Regulation (EC) N° 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations, Official Journal L 160 of 26.06.1999.

<sup>9</sup> Council Regulation (EEC) N° 3528/86 (Official Journal L326, 21.11.1986, p.2).

<sup>10</sup> Council Regulation (EEC) N° 2158/92 (Official Journal L217, 31.07.1992, p.3).

<sup>11</sup> Council Regulation (EEC) N° 1615/89 (Official Journal L 165, 15.06.1989, P.12).

In June 1999 the European Commission adopted a work programme to establish the system in the period 1999-2002.

#### The EU Forest-based Economy in both the EU's Internal Market and International Trade

The EU Forestry sector has two main components having distinct economic characteristics. The first component is forestry, including the forest resource and its management, one of whose prime aims is the supply of roundwood originating from forests under sustainable management to the EU market. National and EU assistance is granted towards the high costs of establishing and maintaining the forest resource under SFM. EC support for forestry is in general based on financial contributions within the framework of aid systems established by the Member States under their forestry policies and programmes; such support must respect market-based discipline and ensure the effective functioning of competition policy.

The second component of the EU forestry sector consists of the forest-based and related processing industries and other commercial activities. These are guided primarily by market forces, operating in a free and open economic situation.

A few legal instruments established at EU level influence commercial activities relating to the forestry sector. In particular these are:

- Common rules on the quality and marketing of forest reproductive material, which help to ensure high quality in forest reproductive material in the Community; the Commission has recently put a proposal for a new directive to the Council.
- Plant health controls: the Community is playing an increasingly active role in the protection of the health and vitality of forest ecosystems through its responsibility for preventing plant health risks deriving from imports of timber.
- Technical and environmental standards for the classification of rough timber and voluntary eco-labels for certain types of paper.

The Community has ratified the International Tropical Timber Agreement and participates actively with the EU Member States in their respective areas of competence in the organisation.

#### Community Support for Forestry Research

Under the Fifth Framework Programme for Research Technological Development (1998-2002), forestry research is incorporated mainly within the Key Action: "Sustainable agriculture, fisheries and forestry including integrated development of rural areas" under the Specific Programme "Quality of life and management of living resources". The research priorities will concentrate on: the multifunctional management of forests; the sustainable and multipurpose utilisation of forest resources; the forestry-wood chain and consumer requirements.

Forest research also remains a key issue in the Key Action "Climate, Global Change and Biodiversity" of the Specific Programme "Preserving the Ecosystem".

Further actions are carried out under the Co-operation with Third Countries and International Organisations (INCO) programme, COST (Cooperation on Science and

Technology) actions, Training and Mobility of Researchers and Technology Stimulation Measures for SMEs.

Some examples of current research projects include:

- The TREES II project continued the development of a prototype information system for monitoring tropical forests at a pan-tropical scale.
- The COST E3 project of “forestry in the context of rural development” assesses socio-political and technical/silvicultural aspects of farm forestry in the context of rural developments and especially mountainous areas.
- The Cost Action E19 will provide detailed research on National Forest Programmes in the European context.
- The project “Indicators for monitoring and evaluation of forest biodiversity in Europe” - Bear will formulate a proposal for an integrated system of indicators of forest biodiversity that are applicable over a wide range of European bio-geographic regions, and at regional landscapes and stand levels.

### Coordination and Participation

The commitments entered into in the framework of the pan-European and other international processes to establish national or sub-national forest programmes emphasise the benefits of effective coordination between the various policy sectors that have an influence on forestry within the Member States. At European Community level, coordination and consultation on Community measures relating to forestry principally involve two main cooperation platforms:

- the Standing Forestry Committee, which brings together representatives of the Member States with the Commission in the chair and
- the Consultative Committees, advises the Commission, providing opinions and promoting exchange of information on forests and forestry-based and related industries.

### Development Cooperation

The overall goal of the European Community’s forest development cooperation is to promote sustainable forest management in developing countries as a contribution to sustainable development globally. This goal will be pursued in accordance with the legal and political commitments arising from various international forums and agreements. The activities seeking to achieve this goal will have to recognise the role of forests in economic and social development, the conservation of biological diversity, action to combat desertification, carbon sequestration that mitigates climate change, and the safeguarding of natural habitats and their ecological functions. This entails the proper upgrading of natural resources and the recognition of the role of the various stakeholders in the forestry sector.

The European Community has emphasised sustainable forest management in its agreements with developing countries and, in particular, added a protocol on Sustainable Management of Forest Resources when the Lomé IV Convention was revised in 1995. The EC will concentrate its assistance to developing countries in the forestry sector on

those areas where it will have maximum positive impact, whilst taking into account the socio-economic environmental and cultural importance of developing countries' forest resources and their progress towards sustainable development.

For example over EUR 60 million has been committed to the Pilot Programme to Conserve the Brazilian Rainforest, to assist Brazil in the conservation and sustainable management of its tropical forests in the Amazon and Mata Atlantica.

#### Pre-accession measures

Council Regulation (EC) No 1268/99 of 21 June 1999 on Community support for pre-accession measures for Agriculture and Rural Development in the applicant countries of central and eastern Europe in the pre-accession period aims at:

- (a) resolving priority and specific problems for the sustainable adaptation of the agricultural sector and rural areas in the applicant countries;
- (b) contributing to the implementation by them of the *acquis communautaire* as regards the common agricultural policy and related policies.

Support for agricultural and rural development may in particular cover forestry, including afforestation, investments in forest holdings owned by private forest owners and the processing and marketing of forestry products.

#### Conservation of Forest Biodiversity

As a signatory party to the resolutions adopted at the Lisbon Ministerial Conference on the Protection of Forests in Europe, the European Community actively participates in the implementation of the pan-European Work programme on the conservation and enhancement of biological and landscape diversity in forest ecosystems 1997-2000.

This work programme is structured around four major objectives:

- Conservation and appropriate enhancement of biodiversity in sustainable forest management;
- Adequate conservation of all types of forests in Europe;
- Clarification of the role of forest ecosystems in enhancing landscape diversity;
- Clarification of impacts of activities from other sectors on forest biological diversity.

Under each of these objectives a number of specific actions have been engaged.

Following the EU Biodiversity strategy, actions for in situ conservation consider two main aspects:

- Conservation and enhancement of biodiversity in sustainable management systems for all forests to ensure that forest species are able to survive under natural conditions and are able to maintain or recover vigorous populations over their distribution area.
- The establishment of specially managed protected zones. The EU is contributing to the establishment of protected areas through the ecological network “NATURA 2000” consisting of “Special Protection Areas” (SPAs) under the Birds Directive (Directive

79/409/EEC) and “Special Conservation Areas” (SCAs) under the Habitats Directive (Directive 92/43/EEC).

### Climate Change

The European Commission Communication “Climate Change - Towards an EU post-Kyoto strategy” points to the important role played by forests in the global carbon cycle. The potential of forests and forest soils as a carbon sink within the European Union can be best utilised through the sustainable development and protection of its forests. Reporting and verification are some of the major issues which foresters will have to face in the future. There is a specific need for a transnational system of accounting, based on updated methodologies to fulfil the requirements of transparency and verification of the implementation of the Kyoto Protocol.

#### **(d) Please indicate areas where new actions could be taken:**

New action will be taken following the recent European Commission Communications on the EU forestry strategy and on tropical forests, as well as on the global and sustainable competitiveness of the EU forest-based and related industries. The European Commission will keep the situation of biodiversity in forests under review and may in future present proposals for action on the conservation and sustainable use of forest biodiversity, in accordance with the commitments laid down in the Communication on a European Community Biodiversity Strategy, and taking into account the efforts done at global and pan-European level in this context. The European Community schemes on the protection of forests against atmospheric pollution and fires will be renewed, probably in 2001. This could imply an enlargement of the range of monitoring activities carried out under the existing scheme.

### **Policy and other instruments, and legal framework**

#### **3. If you have a national forest programme (NFP), is it a part of your national sustainable development strategy? Was your NFP developed or updated in accordance with the guidelines established by the IPF.**

According to the IPF, National Forest Programmes (NFP) are understood as “the process used by a country to deal with forest issues, including the planning and implementation of forest and forest-related activities.” The EU does not have a mandate for a common forest policy; hence, there is no formal “EU Forest Programme.”

However, numerous EU instruments deal with forests, such as regulations within the Common Agricultural Policy, within the Regional and Cohesion Policy, within a framework of forest protection measures and within other environmental instruments, such as the Habitats Directive (92/43/EEC). The recently adopted “Forest Strategy for the European Union” and the “Communication on the Global and Sustainable Competitiveness of the EU Forest-based and Related Industries” can perhaps be compared to a NFP. The guidelines established by IPF were not the major framework for developing these strategies. However, many of the IPF principles were taken into account, especially for such policy items as eco-certification.

4. **Please specify the linkages, if any, between your national forest programme and integrated land management strategy or policy.**

Not applicable

5. **Please indicate if effective mechanisms exist to harmonise cross-sectoral policies related to forests (e.g. environment, agriculture, land-use, industry, air, water, economy or other relevant sectors) and how this is reflected in your national forest programme and/or your national sustainable development strategy.**

Different EU programmes are ensuring harmonisation of cross-sectoral policies.

#### Agenda 2000 and the Rural Development Regulation

With the adoption of about twenty legislative measures, the Union completed its "Agenda 2000" project in 1999. The original European Commission Communication on which the project was based, "Agenda 2000: For a stronger and wider Union" comprises a single complete framework offering a clear and coherent vision of the Union's future on the threshold of the 21st century. Its primary aim was to prepare the Union for its greatest challenges: the reinforcement of its policies and the accession of new members, within a strict financial framework.

Taking into account the basic principles of Agenda 2000, e.g. stimulating employment and improving the quality of our natural environment and the quality of life, the main objective of the Rural Development Regulation (Council Regulation (EC) N° 1257/1999) is to allow Member States to develop integrated programmes at an appropriate regional level to meet the diverse needs of European rural areas. Sustainable forestry management measures dovetailing with other rural development initiatives form a crucial part of the overall strategy.

Through their regional and national programmes, the Member States will work out their needs at the appropriate level and define their priorities in order to obtain a contribution from the Union to implement the forestry strategy and respond to the need for action stemming from international Conventions, such as those on Biological Diversity, Climate Change and Desertification and the implementation of IPF proposals.

#### The Environmental Action Programme and the EC Biodiversity Strategy

The Commission adopted the European Community programme of policy and action in relation to the environment and sustainable development "Towards Sustainability".

The basic strategy of this Programme of Policy and Action in relation to the environment and sustainable development is to achieve full integration of environmental and other relevant policies.

The European Commission's Communication on a European Biodiversity Strategy aims to anticipate, prevent and attack the causes of significant reduction or loss of biodiversity at the source and proposes integration into other policy areas through the establishment of specific sectoral Biodiversity Action Programmes.

**6. Please indicate if compensation is provided for forest owners who provide non-market environmental benefits to society by managing their forests sustainably.**

Within the Rural Development Regulation, support may be granted to private forest owners or municipalities for the sustainable management and development of forestry, the preservation of resources and the extension of woodland areas, with a view to maintaining the economic, ecological and social functions of forestry in rural areas. Such aid may contribute to:

- improving non-farm land: measures include afforestation, investments to enhance the value of forests and improve the harvesting, processing and marketing of forestry products, open up new outlets for forestry products, promote joint action by forest holders and assist the recovery of forestry production damaged by natural disasters or fire;
- afforestation of farm land: aid may be granted to cover the costs of planting and maintenance and to compensate farmers for income forgone.
- preserving woodlands, where the protective and ecological role of the forests are in the general interest and where the cost of preventive measures exceeds the income from silviculture, and maintaining fire breaks.

**7. Please describe, if relevant, recent (post-UNCED) progress in recognising and respecting customary and traditional rights, including the right to land and land tenure of indigenous people, local communities, forest dwellers and forest owners.**

Not applicable, Member State responsibility.

**8. Please describe briefly any private or public initiatives on forest certification in your country. If information is available, please evaluate if forest certification has facilitated the access of wood products to national and international markets. Please also indicate if certification has promoted sustainable forest management.**

Besides several national initiatives, there are two international forest certification schemes that are operational or in development in the European Union, the Forest Stewardship Council (FSC) and the Pan-European Forest Certification Scheme (PEFC). However, neither of these schemes is administratively, geographically or politically linked to the EU.

PEFC: Representatives of private Organisations of thirteen Member States officially constituted national PEFC governing bodies signed the Statutes of the PEFC Council or are expected to sign in the near future. Certification of forests and related labelling with the PEFC logo was expected to start late 1999.



FSC: The Forest Stewardship Council has national Initiatives in 9 EU Member States from which 4 have finalised national certification standards. Around 9 million hectares of forests have been FSC certified in the EU by September 1999.

The EC has not yet done an assessment about market access or SFM improvement resulting from these specific certification schemes. However, the Commission's services have carried out various studies on the cost and consumer aspects of certification and labelling. Several of these studies suggest that there is little willingness to pay a price premium for certified products, but some market demand exists within several EU Member States through so-called "Buyers Groups". Buyers Groups are mainly driven by some NGOs and large retailers. Buyers Group Members commit themselves to phase out over a certain period of time the purchasing of all wood products that are not certified as coming from well managed forests according to credible certification systems.

According to the EU Forestry Strategy, European forest-certification schemes and related labelling should be based on criteria and performance indicators comparable and compatible with internationally agreed principles. In addition, they should respect the following general principles: voluntary nature, credibility, transparency; cost effectiveness, participation of all related interested parties, open access and non discrimination with respect of forest types and owners (i.e. largely based on the IPF principles). One essential element providing credibility is the independent audit of forest management and chain of custody.

## **Information**

**9. Several regional initiatives are underway on criteria and indicators for sustainable forest management such as the Pan-European Process, Montreal process, the Dry Zone Africa, North Africa and Near East, and Central America initiatives, the Tarapoto Proposal, the initiatives of the International Tropical Timber Organisation (ITTO) and African Timber Organisation. Many countries have also developed their own national set of criteria and indicators.**

**(a) Please specify in which of the international initiatives on criteria and indicators for sustainable forest management your country participates.**

The EC is signatory to the Ministerial Conferences on the Protection of Forests in Europe- Helsinki and Lisbon Resolutions (Pan-European Process), and therefore is participating in the further development and implementation of the Pan-European Criteria and Indicators for the sustainable Management of Forests.

**(b) Please describe briefly the use of criteria and indicators for sustainable forest management in your country as a tool for (i) reporting, (ii) policy development or (iii) policy monitoring.**

Not applicable, Member State responsibility.

- (c) Please identify which of the criteria and indicators used in your country could be useful to assess progress towards sustainable forest management at the international level.**

Not applicable, Member State responsibility.

- 10. In addition to the above, please indicate how information on sustainable forest management is made available to potential users? Can it be accessed via the Internet? Please provide the addresses of the national World Wide Web Sites that contain the requisite data.**

Information on sustainable forest management is available on the European Commission's web site, and may be consulted at the following addresses:

<http://www.europa.eu.int/comm/dgs/agriculture/fore>

<http://www.europa.eu.int/comm/dgs/development>

<http://www.europa.eu.int/comm/dgs/environment>

#### **Overriding issues**

**According to the multi-year programme of work of the CSD, the overriding issues in each CSD session are poverty and consumption and production patterns.**

- 11. Please describe the relationship between forestry and poverty in your country and the impact of each on the other.**

Since the EU is largely a post-industrial society, it is difficult to draw a direct relationship between poverty and the extent and state of its forests. EU forests were greatly reduced during the last several millennia, largely through grazing pressures from animals, and this process accelerated from the late Middle Ages onwards with advances and increases in ship-building (exploration and wars) and was compounded by industrialisation. Notable exceptions to the general trend were established as early forms of sustainable management in France, Germany and Austria. Since the use of coal and then oil as the main energy sources, pressure on forest for fuel has been lightened and sustainable management has become much more widespread. Thus, for at least the last fifty years both the area and growing stock of EU forests have been increasing.

Wealth, and hence poverty, as measured by GDP growth, are however, closely traceable in terms of the levels of consumption of forest products (wood, paper etc.) associated with them. Generally, more affluent societies consume more forest products. With the exception of packaging, whose volume and weight have been reduced through legislation and environmental policies, the EU continues to see a slow rate of increase in its consumption of wood products (+1.5 % p.a.) and paper (+ 2.5 % p.a.). However, the figures are very variable between sub-sectors. For instance, wood-based panels such as MDF grow at 15 % p.a., sawnwood + 3 %, whilst particle board and plywood are stagnant and some fibreboards declining. Similarly, newsprint, magazine and uncoated

copy papers still grow rapidly in the face of decline for carbonless, transparent and many other speciality papers. GDP changes tend to elevate or depress these general trends.

**12 Do you currently recycle forest products? If so, what types and in what quantities (as a percentage of total used)?**

Yes, increasingly so. For most grades of paper, which has been recycled for many decades on a voluntary basis, the collection and utilisation rates are probably close to their commercial maximum in many of the EU Member States. Further increases could only be justified by improving the sort of the collected material, logistical efficiencies or through legislation. One particular problem is that the Nordic area is a big paper producer and exporter, but is unable to achieve a high recycled content without importing from central Europe or even further afield. Conversely, the UK is a big consumer and has to trade its different grades of secondary paper fibre to achieve a balance of demand and supply.

Wood recovery and re-use such as in the pallet and construction industries is also long established, but with historically high replacement rates. Wood recycling is relatively new, but is expanding fast, particularly for wood-based panels as fibre becomes more expensive or harder to get. One major problem is the separation of other materials, particularly chemicals used to bond the wood particles – such as glues, or provide surface treatments such as paints and varnishes.

**13. Please identify discussion, policies or initiatives in your country to promote the use of forest products in place of products made of non-renewable materials.**

The first step has been the publication of the European Commission's Communication on the Global and Sustainable Competitiveness of the EU's Forest-based and Related Industries. This outlined the need to identify the environmental and ergonomic properties of wood – when originating from sustainable managed forests as being a natural and renewable material whose use is highly compatible with many environmental challenges. Further steps at promoting its use will be identified in an action programme that will be the responsibility of the EU industry to implement.

**Other issues**

**14. Please identify if there are any other major issues not described above related to sustainable forest management that are important to your country.**

All relevant issues are described above.

## **PART VI: GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO FINANCIAL RESOURCES**

**In addition to updating the attached information on finance that you have submitted to the earlier sessions of the CSD, please consider the following guidelines in your report:**

- 1. Please identify any reports that you currently provide to other intergovernmental bodies or Secretariats on issues related to Financing Sustainable Development. Please note: (i) to whom these reports are made; (ii) the issues covered; and (iii) the Internet address, if applicable, on which the reports may be found.**

### ***Please note:***

*Despite growing pressures on public budgets, the European Union and its Member States remain at the centre of global efforts to promote aid and development in the “South” or “Third World”. They are committing more than \$4 billion a year for this purpose and account for between 45 and 50% of all public aid for development.*

*With Official Development Assistance (ODA) disbursements of \$5,261 million in 1997, the European Commission was the fifth largest donor among the 22 OECD DAC Members.*

The European Commission Development DG reports to the OECD Development Assistance Committee (DAC), which is one of the key forums in which the major bilateral donors work together to increase the effectiveness of their common effort to support sustainable development. The Creditor Reporting System (CRS) focuses on project information on individual aid activities regarding the amount committed, the purpose, the terms and the tying status. Data is published electronically on **<http://www.oecd.org/dac/html/crs.htm>**

The Environment DG periodically submits ‘National Communications’ to the UN Framework Convention on Climate Change Secretariat, which contain information on financial assistance and technology transfer. So far, two national communications have been made; these can be found on the web site

**<http://www.unfccc.de/resource/natcom/index.html>**

The European Commission submitted a comprehensive analysis and assessment of programmes on biodiversity conservation to the CBD Secretariat in 1998. ‘The First Report on the implementation of the Convention on Biological Diversity by the European Community’ includes initiatives within the EU as well as EU sponsored activities for conservation and sustainable use of biodiversity in third countries. The European Environment Agency is developing a Clearing House Mechanism (as requested by the CBD). It is expected to be launched in spring 2000. Please see **<http://www.eea.eu.int>**.

The European Union’s role in combating desertification and promoting sustainable development of dry land regions is reflected in the report “The European Community’s Policies, Financial Instruments and Projects relating to Combating Desertification in Developing Countries and in EU Member States”. The report was brought out in May

1997 and presented at the COP1 to CCD in Rome. An updated version of the report will be available by the end of 1999.

The European Commission's Development DG funded a project on "Assistance to Developing Countries in Implementing the Basel Convention and in Preparing National Hazardous Waste Management Plans". The final report was published in 1998 by the Secretariat of the Basel Convention as "SBC NO. 98/004 Final Report". Copies of the Report may be obtained from the Secretariat <http://www.unep.ch/basel/>

### **Decision making**

**2. Please indicate if you have introduced new environmental taxes, levies or charges.**

In the EU, all taxes are levied by the Member States. However, within the energy field there are minimum rates for mineral oils which Member States have to respect. There is a Commission proposal to increase the taxes on oil products and to extend the energy taxes to coal, natural gas and electricity, but no agreement has yet been reached by the EU Council of Ministers on these issues.

**3. Please note if you have been able to identify environmentally unsustainable subsidies. If yes, how are you considering measures to phase them out? Please explain your experience.**

The interest in identifying environmentally unsustainable subsidies is increasing. All subsidies given by the European Community for regional aid are subject to an environmental assessment. Discussion has started on whether not all state aid given by the Member States should also be subject to environmental assessment, in line with the increased requests for environmental integration.

**4. Please indicate if you have implemented policies in order to make foreign direct investment (FDI) more environmentally friendly (through, for example, environmental or FDI laws).**

The Environmental Impact Assessment Directive (97/11/EC) requires an environmental impact assessment to be carried out before development consent is given for projects which are likely to have significant effects on the environment. The EIA procedure ensures that environmental consequences of projects are identified and assessed before authorisation is given. The Directive outlines the project categories that are subject to an EIA, the procedure to be followed and the content of the assessment.

The European Community supports the establishment of a multilateral framework of rules governing international investment in the WTO which is conducive to sustainable development and has proposed that this be discussed in the new WTO Round. To this end, inter alia, such a framework should preserve the ability of host countries to regulate the activity of investors (whether foreign or domestic) on their respective territory for the achievement of legitimate policy (including sustainable development) objectives.

## Information

- 5. Please indicate how information related to financing sustainable development is made available to potential users. Can it be accessed via the Internet? Please provide the addresses of the national World Wide Web Sites that contain the requisite data.**

Information related to the financing of sustainable development can be accessed via the Commission's Web Site Europa. Please see in particular Development DG and Environment DG at the addresses indicated below:

For Development DG see

**[http://www.europa.eu.int/comm/dgs/development/index\\_en.htm](http://www.europa.eu.int/comm/dgs/development/index_en.htm)**

Please note that the address and site will be updated in order to take into consideration the recent organisational restructuring (new Development Directorate General).

For Environment DG see

**[http://www.europa.eu.int/comm/dgs/environment/index\\_en.htm](http://www.europa.eu.int/comm/dgs/environment/index_en.htm)**

A guide to 'Funding from the European Union' has been published by the European Commission Representation in the United Kingdom. The guide presents an overview of all possible sources and provides practical advice on the different EU funding schemes. The publication may be downloaded from the following web site

**<http://www.cec.org.uk/pubs/funding/index.htm>**

In addition, EC publications on a variety of sustainable development activities can be requested from the EC's Publications Office. For further information see

**<http://www.eur-op.eu.int/indexen.htm>**

## Overriding issues

**According to the multi-year programme of work of the CSD, one of the overriding issues in each of the CSD sessions is poverty.**

- 6. Please describe briefly the kinds of financial mechanisms used or needed in your country to combat poverty.**

Action to fight poverty and social inclusion is mainly the responsibility of Member States. The European Community has however regularly contributed to Member State initiatives via internal and external Community programmes.

## Internal

Particular attention has been given to the importance of improving operational coordination between fighting poverty and other social exclusion factors through, in particular, initiatives under the Structural Funds. The European Union has at its disposal four Structural Funds through which it channels financial assistance to address structural

economic and social problems in order to reduce inequalities between different regions and social groups. The European Regional Development Fund and the European Social Fund are particularly effective. The European Regional Development Fund finances structural aid through regional development programmes targeted at the most disadvantaged regions, with a view to helping reduce socio-economic imbalances between the regions of the Union. The European Social Fund is the main instrument of Community social policy and provides financial assistance for training and job-creation schemes targeted particularly at unemployed youth, the long-term unemployed, socially disadvantaged groups and women.

### External

Article 177 of the Treaty establishing the European Community sets the campaign against poverty as one of the three main objectives of the Community's development co-operation. As a result, poverty is now an overarching goal of EC development cooperation and an integral principle of both geographical and sectoral programmes. Within the post-Lomé negotiation process, an Action Plan on Capacity Building for Poverty Reduction is currently being prepared by the European Commission.

The European Commission has endorsed the OECD Development Assistance Committee (DAC) target of reducing by at least one-half the proportion of people living in extreme poverty by 2015. The Commission is also an active member of the DAC Poverty Network.

### **Other issues**

- 7. Please identify if there are any other major issues related to financing sustainable development and implementation of Agenda 21 that are important to your country.**

It is important that young people are made aware of sustainable development issues and concerns. One of the best means of reaching young people is through education. Promoting awareness in education of the need for official development assistance will be an effective vehicle for generating the necessary political will to push this issue forward.

## **PART VII: GUIDELINES FOR NATIONAL REPORTING TO CSD VIII RELATED TO TRADE AND INVESTMENT/ECONOMIC GROWTH**

**In addition to updating the attached information on international cooperation and trade that you have submitted to the earlier sessions of the CSD, please consider the following guidelines in your report:**

- 1. Please identify any reports that you currently provide to other intergovernmental bodies or Secretariats on issues related to Trade, Investment and Economic Growth. Please note: (i) to whom these reports are made; (ii) the issues covered; and (iii) the Internet address, if applicable, on which the reports may be found.**

### **Decision-making**

The European Commission reports regularly to the OECD and the WTO.

- 2. Please indicate if export-induced increases in production have increased local or national environmental problems (“hot-spots”) in your country.**

It is clearly difficult to distinguish between export-induced increases in production and domestically oriented production. However, it is nonetheless quite clear that any increase in production, including export-induced increase that represents a significant part of the whole EU production, does per se have environmental implications. This results notably in greater use of natural resources, increased transport or increased generation of waste, adding pressure on air quality, water or soils for instance. There is consequently a clear link between increase in production, whether export or domestic oriented, and pressure on the environment. This covers both environmental problems of local/domestic dimension and of transboundary/global dimension.

- 3. Please indicate if there is an institutional mechanism to identify such “hot spots” in the integration of trade and environment issues.**

Please see reply to Question 4.

- 4. Please indicate if your national legislation or other regulatory regimes have been changed in response to the possible negative impacts of trade on environment.**

The European Community is of the view that strong environmental policies should be in place to tackle negative environmental effects arising from trade liberalisation, both at national and international levels, so as to make sure that trade and environment are mutually supportive for the sake of sustainable development. Since the 1970s, the Community has progressively developed a solid set of environmental measures that are regularly extended and up-graded to meet new environmental needs and problems, in accordance with the Treaty obligation to ensure a high level of environmental protection.



Such an approach was taken on board when putting in place the so-called “Internal Market” within the European Community with a view to balance trade and environment objectives, being both equally necessary and legitimate, so as to ensure their mutual support. As a result, the economic growth engendered by the Single Market has been paralleled by significant achievements in the environmental fields. Such an approach was recently reaffirmed in the European Commission Communication on “The Single Market and the Environment”, stressing in particular that the principle of integration of environmental requirements into other policies is key to promoting sustainable development.

This was reinforced in the revised Treaty on European Union (Amsterdam Treaty which came into force in May 1999), and gives Member States additional possibility to adopt environmental measures even if the field is already harmonised at Community level. More importantly, the Treaty also introduces sustainable development as an overarching objective and the integration of the environment into other Community policies as an essential tool to achieve such an objective.

In assessing the state of the environment and in monitoring progress, the European Commission is supported by the work of the European Environment Agency, which produces regular reports on the state of the environment. In addition, and in order to properly integrate environmental considerations into other Community policies, the European Commission is reporting to the European Council on environmental and integration indicators that should help monitor environmental integration strategies in different sectors. Coherent indicator reporting systems should help support decision-making by providing an overview of relevant facts and trends on a regular basis. Special priority will therefore be given to the development of such indicators.

As far as international trade policy is concerned, the European Commission has taken the initiative to carry out a Sustainability Impact Assessment of the WTO round, which should help identify trade and environment inter-linkages and design policy package accordingly. Such an assessment constitutes a practical tool for integrating environment into international trade policy.

**5. Please indicate if your country has agreed to the derogation of any specific environmental legislation or regulation as an inducement to foreign direct investment.**

No.

## Information

6. **Please indicate how information related to trade, investment and economic growth is made available to potential users. Can it be accessed via the Internet? Please provide the addresses of the national World Wide Web Sites that contain the requisite data.**

Please see in particular the following European Commission websites:

### Trade DG

[http://europa.eu.int/comm/dgs/trade/index\\_en.htm](http://europa.eu.int/comm/dgs/trade/index_en.htm)

### Development DG

[http://europa.eu.int/comm/dgs/development/index\\_en.htm](http://europa.eu.int/comm/dgs/development/index_en.htm)

### Economic and Financial Affairs DG

[http://europa.eu.int/comm/dgs/economy\\_finance/index\\_en.htm](http://europa.eu.int/comm/dgs/economy_finance/index_en.htm)

## Overriding issues

**According to the multi-year programme of work of the CSD, the overriding issues in each of the CSD sessions are poverty and consumption and production patterns.**

7. **Please indicate linkages that have been identified in your country between poverty and trade and investment at both national and international levels.**

The European Commission generally shares the view that trade and investment liberalisation, in supporting economic growth, has a great role to play in alleviating poverty. Such liberalisation offers developing countries considerable potential to increase economic efficiency and benefit from new market-access opportunities. The Multilateral Trading System has successfully enhanced the integration of a number of developing countries into the world economy. It is worth noting, however, that benefits arising from trade and investment liberalisation have not been equally shared among developing countries; thus poverty remains a challenge for a great number of them, in particular those whose economies are not sufficiently export led and foreign direct investment (FDI) intensive.

With respect to investment in particular, the European Commission is of the opinion that the liberalisation of investment, by generating inflows of funds, transfer of technologies and job creation, has a positive effect on the host country economy, both in a short- and long-term period. An increase of FDI over recent past years should therefore have positive implications on economic performance of host developing countries.

Nevertheless, the European Commission emphasises that, in order to ensure sustainable development in the long run and ensure in particular the proper and efficient management of natural resources, environmental policies should be put in place at national level so as

gradually to tackle emerging environmental problems in developing countries. Trade-induced growth can actually add pressure on the environment and lead to the use of unsustainable production patterns.

As regards FDI, multinational enterprises (MNEs) have clearly an increasing role and responsibility to play in ensuring that their activities positively contribute to sustainable development in the host countries. They should therefore be further encouraged to sign on to voluntary commitments and to carry out Environmental Impact Assessments (EIAs) and use best practices.

**8. Please describe briefly major changes in production and consumption patterns in your country due to increases or decreases in trade, investment and economic growth, and the environmental impacts of those changes.**

As far as consumption patterns are concerned, there has been a significant move over the past years for environmentally friendly products and for appropriate consumer information in this respect. The public has become increasingly sensitive to environmental issues and is increasingly supporting the right to make an “informed choice” on the basis notably of the environmental characteristics of the product. This also has some implications on production patterns insofar as public expectations for environmentally friendly products also cover production (and not only product characteristics). In order to benefit from new market opportunities for such products, notably through the granting of eco-labels, producers obviously need to improve their production patterns as well. At the Community level, some voluntary tools (Eco-labelling scheme and the European Community’s Eco-Management and Audit Scheme - EMAS) are increasingly used by industry to improve production patterns.

**Other issues**

**9. Please identify any other major issues related to trade, investments and economic growth that are important to your country.**

The European Community attaches great importance to the need for trade, development and the environment to be mutually reinforcing for the benefit of sustainable development. It is indeed important to integrate the environment, in accordance with the respective level of development, into trade and development to ensure their long-term sustainability. The European Commission is active in various international institutions and bodies, including UN organisations like UNEP, UNCTAD, ITC, UNDP and FAO; the Secretariats of the MEAs; the WTO; the Bretton Woods Institutions; as well as other organisations like the OECD, to address effectively and positively the trade/environment/development continuum. With this in mind, the European Commission also initiated a Sustainability Impact Assessment of the new round so as to start identifying trade, environment and development interlinkages and to help design policy responses. The European Commission decided to ask those with expertise in the field of sustainability impact assessment to examine the potential impact of Commission proposals for the negotiations on sustainable development, taking into account the three components – economic, environmental and social.

The EC position for the WTO ministerial conference in Seattle was to make sustainable development a central benchmark in the new round and to better address developing countries' needs. This was reflected in the European Commission's Communication of 8 July 1999 - "The EC Approach to the WTO Millennium Round" (see [http://www.europa.eu.int/comm/trade/2000\\_round/position.htm](http://www.europa.eu.int/comm/trade/2000_round/position.htm)).

Given what happened in Seattle, it is clear that it is necessary to work on the trade/environment/development continuum in a more constructive way so as to overcome the current impasse. To this end, the European Commission looks forward to the forthcoming international processes that will take place throughout the period 2000/2003 and which should be devoted to the trade/environment/development continuum. UNCTAD X will take place in February 2000 in Bangkok and will decide on its work programme for the next years. CSD8 will provide a timely opportunity to exchange views on the outcome of Seattle and on how to enhance understanding and to best address the trade/environment/development continuum in a confidence-building exercise. The European Commission hopes that these conferences and their follow up will contribute in a complementary way to improved confidence-, consensus- and alliance-building and improved dialogue with all partners involved and help support any efforts to identify practical means in this regard.

Furthermore, the European Commission attaches great importance to the need for coherence in international law and cooperation between the relevant international institutions and to promote cooperation between the relevant international organisations and institutions, stressing their comparative advantages.

Another major issue is the potential of investment, especially Foreign Direct Investment (FDI), to assist countries in promoting sustainable development via economic growth, improved market access, the use of environmentally sound management systems and the dissemination of environmentally sound technologies (EST). The potential of FDI to contribute significantly to economic growth and hence sustainable development in both home and host countries is being increasingly recognised. This is not necessarily the case, however, of any investment under any circumstances. In order to make sure that FDI supports sustainable development, it is necessary to examine the impact of FDI on the environment and try to define better the respective roles of government, industry, NGOs and other stakeholders for creating favourable framework conditions to promote international investment conducive to sustainable development. The European Commission remains of the view that there is a need to set up a multilateral framework governing international investment.

\*\*\*\*\*