

## Introduction

Environmental policy is one of the most important and far-reaching areas of EU legislation. The EU is the leading authority in this area, with up to 80% of UK legislation on environmental affairs estimated to come from the EU. However, critics question the efficiency of some measures, arguing that the cost of complying with these regulations leaves European business uncompetitive, especially in the face of increased competition from countries such as China and India, which don't have such strict environmental rules.

## History

Environmental policy is a relatively recent EU policy area. Environmental protection was not mentioned in the Treaty of Rome (1958), and the first of a series of European Environmental Action Plans (EAPs) were not launched until 1972. The Single European Act (1986) marked a more prominent role for environmental protection in EU policy-making, introducing the principle that it should be considered in all new Community legislation. EU environmental policy was substantially expanded by the Treaties of Maastricht (1992) and Amsterdam (1997), which made **sustainable development** one of the EU's central objectives. Sustainable development also forms a key part of the **Europe 2020 strategy**, which underpins all EU policy regarding the single market. The Lisbon Treaty (2007) reiterated the objective of sustainable development and, in 2010, the EU renewed a number of environmental Directives to ensure they comply with the Lisbon Treaty.

## What does EU Environmental Policy do?

The EU has passed legislation aimed at improving the quality of water, tackling air and noise pollution, assuring the safety of chemicals, setting standards for waste disposal and protecting the EU's wildlife and plants. The current EAP, which runs from 2002-12, identifies four environmental areas for priority action: climate change; nature and biodiversity; environment, health and quality of life, and natural resources and waste (the EU Landfill Directive requires states to reduce landfill waste by 50% from 1995 levels by 2013 and 65% by 2020). The EU has also taken a leading role in global environmental negotiations, especially the signing of the Kyoto Protocol. At the 1997 UN Conference on Climate Change in Kyoto, Japan, the EU committed its members to reducing greenhouse gas emissions by 8% by 2012, compared to levels in 1990. The 2008 EU Climate Change package established the '20:20:20 targets' for 20% of energy to come from renewable sources and to reduce greenhouse gas emissions to 20% by 2020. EU measures to meet such commitments include the **Emissions Trading System (ETS)**, created in 2002. This system limits the amount of carbon dioxide (CO<sub>2</sub>) firms can produce in 6 key industries: energy, steel, cement, glass, brick-making, and paper/cardboard production. The 2008 EU Climate Change package added aircraft emissions to the ETS from 2012. The EU also supports reducing CO<sub>2</sub> emissions through Carbon Capture and Storage (CCS) to bury emissions so they don't enter the atmosphere. Finally, in 2008 the EU reasserted a commitment to reduce the amount of CO<sub>2</sub> emitted from new cars and to fine manufacturers for each gram of CO<sub>2</sub> they produce over the target (€20 in 2012, €95 in 2015). In 2009, the European Court of Justice ruled that EU states can set their own limits on CO<sub>2</sub> emissions (the EU Commission can't enforce common quotas). However, the Commission said it will appeal against this ruling because it could compromise the ETS. Poland, Estonia, Bulgaria, Hungary, Latvia, Lithuania, and Romania all oppose imposing EU-wide CO<sub>2</sub> quotas.

The EU's political leaders have agreed that 20% of the EU's energy should come from renewable sources by 2020, for example 10% of road fuel is to be composed of biofuel by 2020. However, in the UK, the 2008 Gallaher report criticised this, suggesting that the increased use of biofuels might be contributing to rises in global food prices. The Commission launched an investigation into this link between biofuels and rising prices in April 2008. They have since proposed that biofuels from crops should be limited to 5% of this target.

Controversially, the EU's targets are legally binding and theoretically enforceable in the ECJ (in 2007 the Commission proposed that environmental 'crimes' be punished by equal penalties across the EU). The EU took part in the 2010 UN Climate Change Summit, in Cancun, which succeeded in overcoming some of the divisions arising from the previous summit, in Copenhagen. All major economies pledged to reduce emissions, although no legally binding decision was reached.

## Facts and figures

- ❖ The EU produces around 22% of global greenhouse gas emissions and creates over 2bn tonnes of rubbish a year.
- ❖ The EU endorsed energy efficient light bulbs by banning 100w incandescent light bulbs in 2009.
- ❖ The cost of compliance with EU environmental legislation for the ten new member states has been estimated at €100bn. EU funding only covers 4% of this sum.
- ❖ 13 of the 27 EU member states are likely to meet their 2020 national targets for renewable energy capacity; however in 2010, some countries, including Italy, Belgium and Bulgaria are not on course to meet their targets.

## Arguments

### For

- ❖ The threat to the environment is global and should be tackled on an international scale – the EU plays an important role in setting this agenda.
- ❖ The EU's commitment to environmental protection encourages other countries to adopt similar measures.
- ❖ Environmental policy is one area where there is a great deal of public support for action at a Europe-wide level.

### Against

- ❖ The cost of EU environmental regulation can undermine the competitiveness of EU businesses.
- ❖ The amount of greenhouse gas emissions that firms are allowed to produce under the ETS has been set too high, so firms have little incentive to cut their emissions to meet the EU's wider targets

*“Even the darkest sceptic has to admit that when it comes to environment policy it makes sense for states to cooperate and do things in common.”*

Dr Caroline Jackson MEP

*“Nobody has the foggiest idea how the renewables target will be met.”*

Ernest-Antoine Seillière, Head of Business Europe, 2007

### Technical Terms

- ❖ **Sustainable development:** development that meets the needs of the present population without compromising future generations.
- ❖ **Emissions Trading System:** caps emissions of CO<sub>2</sub> by allowing firms that exceed their emissions limits to buy extra allowance from firms whose emissions are under target levels.
- ❖ **Europe 2020 strategy:** underpins all EU policy regarding the Single Market. It particularly aims to create jobs and an inclusive society.

### Links

- ❖ <http://ec.europa.eu/environment/newprg/index.htm>