WWF CALL FOR ACTION

A EUROPEAN SUSTAINABILITY PACT

FOR A SAFER, MORE COMPETITIVE AND RESPONSIBLE EU
WWF is one of the world's largest and most experienced independent conservation organisations, with over five million supporters and a global network active in more than 100 countries.

WWF’s mission is to stop the degradation of the planet’s natural environment and to build a future in which humans live in harmony with nature, by conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable and promoting the reduction of pollution and wasteful consumption.

The European Policy Office contributes to the achievement of WWF’s global mission by leading the WWF network to shape EU policies impacting on the European and global environment.

To find out more about WWF’s work around the EU elections, please visit: http://wwf.eu/what_we_do/eu_affairs/elections

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EUROPE IS AT A CROSSROADS

The results of the upcoming European Union (EU) parliamentary elections and the response to those results from national and European political representatives is likely to affect how citizens look back at this moment a decade from now, in 2030.

With this call for action, WWF – with more than 3.2 million supporters in Europe – wants to contribute to political representatives’ considerations on what future to shape for the EU and its population. **Such a political pact would consist of a set of goals and actions on climate change, nature protection and sustainable development to be taken in the next five years.** These would bring more security, improved health and more jobs to Europeans and increase Europe’s economic competitiveness, while at the same time preserving a strong and respected Europe globally, able to influence standards relating to globalisation. These actions and commitments on climate change, nature and sustainable development should be endorsed in the wake of the EU elections through declarations by the European Parliament, European Commission and European Council.

Large swathes of people in Europe are concerned about security and unemployment but citizens are also worried about the increasing impact of climate change and environmental degradation – challenges that are closely linked to the future stability and security of our societies. Delivering the benefits that will be generated by tackling climate change and halting environmental degradation is a precondition for decision-makers to create a truly stable and more secure Europe, increase its influence on the global stage and promote long-term job creation and economic competitiveness for everyone.
Europe is at a crossroads

To bring about Europe’s sustainable transition, citizens need politicians with vision and determination who are able to break away from status quo thinking and business as usual policy responses. Failing that, the EU runs the risk of losing out in terms of its relevance in an increasingly volatile, uncertain, complex and ambiguous world battling with the threats posed by climate change, environmental degradation and nature loss, which are fuelling economic and security turmoil at the moment.

The environment is a top ranking priority for Europeans

When asked in which of the above areas Europeans would like the EU to intervene less or more than it does at present, citizens indicated that they want to see more EU intervention to protect the environment, ranking it as high a priority for them as the fight against terrorism and tackling unemployment.¹ And yet political representatives do not focus anything like sufficiently on climate change and environmental degradation.

¹ Eurobarometer 89.2 (2018). Democracy on the move- European Elections – One year to go survey carried out in all 28 Member States of the European Union, from 11 until 22 April 2018, p 39.
EUROPE’S RETURN?

At first glance, Europe seems to be slowly recovering from turbulent times. Citizens’ trust in the EU has increased in 2018 and the economy is performing better again. On average, two thirds of EU citizens believe that their country has benefited from being a member of the EU, the highest level in 35 years - although there are considerable differences between countries. Economic growth is on the rise as well. Using Gross Domestic Product (GDP) as an indicator, we are witnessing growth rates of 2% for the first time since 2014 and projections are set to remain at similar levels throughout 2018 and 2019.

But these improvements are only fragile and have come at a cost. As Europe’s share in the global economy continues to decline, social disparities are growing and unemployment remains high. Trust in the EU remains critically low in many EU countries and the natural resources that underpin our economy are being depleted and destroyed much faster than the planet can replenish itself. In 2018 the global “overshoot day” (the date when we will have totally consumed what the planet can renew sustainably in a full year) came on 1 August – earlier than ever.

In response, citizens continue to remain critical of the EU’s ability to put their wellbeing first and to formulate sustainable, long term solutions. Today, less than half of the population in Greece, Cyprus and Italy believes that their country has benefited from the EU and, in the first round of the 2017 presidential elections in France, anti-European parties secured 48% of all the votes. Many ruling political parties have received pushback in national, regional and local elections across Europe, with more eurosceptic parties and positions benefitting. Increasingly, political debates are becoming polarised, anti-EU policies promoted and fundamental values such as democracy and the rule of law are more and more under attack.

European countries will only be able to overcome key societal challenges such as climate change and environmental degradation by working together. Environmental pollution and natural resources do not respect borders between countries whilst common

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2 Whereas GDP is still the default indicator, it in fact fails reflect the real state of our societies. Other indicators such as health and the state of environment are necessary in order to have a good understanding of our overall wellbeing or welfare.
environmental and social standards are required for the European Single Market to function smoothly and global challenges such as climate change and nature loss are better addressed by acting together.

**TACKLING CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION IS A PRECONDITION FOR THE CREATION OF A SECURE, COMPETITIVE AND GLOBALLY RELEVANT EUROPE**

According to the 2018 World Economic Forum’s Global Risk report, sustainability risks account for eight of the ten top risks in terms of impact. Failure to tackle climate change, environmental degradation or water crises are among the most likely and most high impact threats facing the world – including Europe.

Climate change and environmental degradation are what the US Pentagon calls “threat multipliers”, putting at risk our security, economic competitiveness, social cohesion and global political order. Their impact has the potential to exacerbate the current challenges that Europe is battling with, such as fragile multilateralism, the EU’s competitiveness, unemployment, security and a shrinking civic space. In their efforts to create a safer and more competitive and globally responsible Europe, political candidates and aspiring EU leaders can therefore not ignore the threats posed by climate change and environmental degradation or the opportunities that can be unlocked by tackling these.

Combatting climate change and environmental degradation are fundamental areas where action is needed to improve European and global safety and wellbeing. Threats to human security and health posed by climate change and environmental degradation are not exclusively reserved to distant countries and regions. The summer of 2018 has been an alarming wake up call for Europe, proving that extreme weather events such as flooding, droughts and heatwaves - increasingly caused by climate change and environmental degradation - can claim human lives and disrupt food production and water supplies and affect people’s overall wellbeing. There is also tremendous potential for governments to save costs when tackling climate change.

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3 Four out of ten risks are environment related and an additional four risks are of a societal nature.
change and environmental degradation up front. The overall documented economic losses that were generated in the period between 1980 and 2016 by extreme weather events in Europe exceeded €450 billion. Moreover, as other continents are also battling with the impacts of our changing climate and environment, more and more people will be forced to flee their homes – possibly leading to increased geopolitical instability as countries and regions are failing to find appropriate responses to increased migration. Even today, environmental disasters displace three to ten times more people than conflict and war worldwide.

In addition to our personal health and security, the competitiveness of European businesses also lies in the balance. Given that Europe’s share of the global economy is shrinking in favour of other faster growing economies, the only solution is to ensure Europe’s leadership in the sectors that will be at the heart of tomorrow's economy. **Europe’s economy could receive a significant boost through the introduction of sustainable policies, which – as this report shows – are transformed into investments, faster innovation, costs savings, new jobs and competitiveness, while improving the environment and quality of life of all Europeans.** Key sustainable economy sectors such as renewable energy, resource management and sustainable transport, tourism and agriculture, have significant untapped job and economic potential for Europe and could help activate nearly one third of the EU’s population (aged 20-64), who are currently unemployed. Sustainable economy sectors have also proven to be more resilient to the impacts of economic crises. There is however only a brief window of opportunity, as other regions and countries are already increasing their sustainable investments to reap first mover benefits and market advantages in these fast-growing sectors. Sustainable financial policies must be implemented swiftly in order to promote the re-orientation of EU public and private finances into the sustainable sectors of tomorrow’s economy.
And finally, **being a rule-setter by setting ambitious EU sustainable standards and respecting the limits of our planet could help Europe to become more resource independent and gain global influence.** The EU can have a global positive impact when it leads by exporting high environmental standards to partner countries – provided that its trade agreements do not weaken them. By being a global standard-setter, the EU’s advantage is twofold: it can influence the path of globalisation by obliging non-EU companies to comply with its standards and it enables European companies to benefit from a first mover advantage.

As a region, Europe is rich in human capital, but critically low on natural capital, the most fundamental form of capital. Without a vital and resilient stock of natural capital there are only limited possibilities for economic development and human wellbeing. Today, Europe is heavily reliant on the natural capital sourced from third countries - a third of the EU’s fossil fuel imports originate from Russia for instance – but in doing so we are putting our global position at risk and failing to fully invest in Europe’s much needed sustainable transition. By improving our resource efficiency, reducing our environmental footprint\(^4\) and shifting to more sustainable modes of living, the EU could become more independent and influential as a global economic actor whilst at the same time reducing the strain on resources that its imports create for other parts of our world.

**In light of these facts, WWF calls on European election candidates and politicians to adopt a European sustainability pact, recognising the urgent need to combat climate change and environmental degradation and the opportunities arising from this course of action.** Only through a comprehensive approach and a united Europe can leaders and politicians create long-term stability and safety for its populations, boost competitiveness and ensure that European nations retain their global relevance.

\(^4\) If everyone were to live as an average European resident, we would need 2.6 planets to sustain our European lifestyles.
Europe is at a crossroads

Such a European sustainability pact would consist of a set of actions and commitments that can be translated into four strategic goals for the years ahead, showing that climate change and environmental policy action is compatible with and is in fact a requirement for finding long-lasting solutions to the economic, security and social challenges we face.

In the chapters ahead we give more detail on each of the below-mentioned goals and their actions, which can help overcome the main challenges and preoccupations of citizens and political representatives and help create a sustainable future for Europe. We call on leaders and EU election candidates to take these priorities into account, not only in the run-up to the 2019 EU parliamentary elections but also in the crucial months and years thereafter.

"Sustainable development must be considered as a competitive asset, improving the efficiency and innovative capacity of our European societies and a means via which to relaunch the leadership of the European economy on a global scale."

### Goals of the European Sustainability Pact

1. Improve European and global safety and wellbeing by combatting climate change and environmental degradation

2. Increase the competitiveness and job potential of European industries by boosting investments in the sustainable blue and green sectors which will be at the heart of tomorrow’s economy

3. Strengthen Europe’s international position and work towards its strategic independence by setting and implementing ambitious EU sustainable standards and taking responsibility for our footprint globally

4. Improve EU governance in the European Parliament and Commission to support the sustainable transition to a secure, competitive and responsible EU
The relevance of the 2030 Sustainable Development Goals

Adopted in 2015, the United Nations Sustainable Development Goals offer a holistic way to look at the challenges ahead and where we want our world to be in 2030. This agenda was adopted by all 193 countries of the UN.

The goals and the overall agenda are based on the understanding that the challenges we face, from poverty and environmental destruction to inequality and conflict, are all inter-connected and universal, meaning that all nations across the world will need to take measures to deliver a brighter future.

The illustration below highlights the integrated nature of all 17 goals and shows how our natural environment, the biosphere, can be seen as the foundation for global sustainability. This underlines that, without a healthy environment and climate, we cannot successfully tackle challenges such as security, global stability and economic development.

Source: Stockholm Resilience Centre (2018)
EUROPEAN SUSTAINABILITY PACT: GOALS AND ACTIONS

GOAL 1 Improve European and global safety and wellbeing by combatting climate change and environmental degradation

- Fully implement the Paris Agreement and hold global temperature rise to 1.5°C, in particular by developing and implementing a legislative framework to achieve zero net emissions within the Union by 2040 and a just transition towards a fully renewable and efficient energy system

- Fully implement the existing EU legal environment framework and adopt, in 2020, a global deal for nature and people in the context of the UN Convention for Biological Diversity in 2020 to halt and reverse the loss of the world’s nature by 2030

GOAL 2 Increase the competitiveness and job potential of European industries by boosting investments in the sustainable green and blue sectors which will be at the heart of tomorrow’s economy

- Make the EU a world-class sustainable economy by completing the sustainable reform of the finance sector launched under the Juncker Commission in order to channel investments towards the green economy, in particular by adopting legislation requiring companies and financial institutions to disclose climate change risks to financial consumers

- Adopt and implement an EU budget of which at least 50% is invested in the green and sustainable blue economies, in line with the 1.5°C target of the Paris Agreement, and of which the remainder of expenditure does not further exacerbate climate change and environmental degradation
• Adopt and implement an EU Common Agricultural Policy which supports farmers in the transition towards fully sustainable and competitive food and agricultural systems

• Deliver a sustainable blue economy by fully implementing European policies designed to manage the use of the seas and the protection of marine wildlife and habitats, as well as leading the UN in establishing a Global Ocean Treaty

**GOAL 3**  Strengthen Europe’s international position and work towards its strategic independence by setting and implementing ambitious EU sustainable standards and taking responsibility for our footprint globally

• Adopt and implement an overarching EU strategy to demonstrate global leadership in translating the UN Sustainable Development Goals to all EU policies and hence develop ambitious sustainable standards in key economic and high impact sectors

• Invest in our strategic independence by increasing our resource efficiency and develop political measures to address the EU’s impact beyond its borders, in particular through the development of an action plan on imported deforestation and forest degradation

**GOAL 4**  Improve EU governance in the European Parliament and Commission to support the sustainable transition to a safer, more competitive and responsible EU

• Appoint a European Commission Vice-President for Climate Action and Natural Resources who is responsible for Europe’s sustainable transition

• Respect EU law by guaranteeing fundamental rights and walking the talk on Rule of Law

• Evaluate and revise the European Parliament’s working methods to boost sustainable blue and green economy developments and foster sustainable development
The Earth is already 1.5°C warmer than in pre-industrial times. The heatwave witnessed across Europe in 2018 was yet another stark reminder of the future we might face. It is now well established that climate change contributes to extended droughts, rising sea levels and other extreme weather events. Climate change and environmental degradation also affect our personal health and limit access to food and clean water, potentially leading to conflicts over what is left. In several regions across the world this will increasingly lead to large scale migration and instability, which will eventually affect Europe.

Mitigating climate change and halting environmental degradation will contribute to making sure that Europe and the world offer a safer and fairer environment for current and future generations. Thriving and healthy natural systems in particular will be an instrumental ally against climate change impacts as they buffer and protect us from the impacts of more regularly recurring extreme weather events.

CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION THREATEN EUROPE

Too often, climate change and nature loss are seen as purely environmental issues. Climate change, access to natural resources, security and health concerns are, however, increasingly interlinked and demand that appropriate policy responses and frameworks be adopted. In 2003 the US Pentagon confirmed the existence of a link between national security and climate change, which it described as a “threat multiplier”. Extreme weather events can destroy a city or even an entire country, and should alert us to the need for us to change our way of thinking and acting. This problem affects all the regions of the world although some are more vulnerable than others.
The impacts of climate change and environmental degradation will not leave Europe unaffected. We are starting to witness more and more droughts, heatwaves and flooding across Europe and studies have suggested that the frequency with which they occur will only increase. Scientists expect a worsening situation with regard to heatwaves for all major cities around Europe: an increase in droughts would be felt particularly by populations in Southern Europe; The North-West of Europe would be faced more regularly with increased flooding; and record temperatures would be reached more often in Central Europe\textsuperscript{x} \textsuperscript{xi}. This is a future that is not so far away.

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\textsuperscript{x} Aerial images taken by the European Space Agency of the agricultural fields around the town of Slagelse in Zealand, Denmark. Much of the vegetation, fields and harvests have suffered because of the sustained drought in July 2018\textsuperscript{ix}.
Health and security threats posed by climate change also risk being exacerbated by worsening environmental degradation and loss of nature. Well-functioning natural and socio-ecological systems are able to cope better with sudden shocks caused by climate change and extreme weather events. **Healthy ecosystems are the best ‘insurance policy’ against unforeseen shocks. Nature plays an essential role as it ensures water availability and quality, storage, flow and filtering. It helps regulate and protect us from flood and droughts and green spaces are recognised as fundamental for the health of human populations.** And yet we are putting immense strain on our natural systems and, because of the continuing poor management and loss of natural diversity, we are losing nature’s protective functions.
Agriculture, which is at the forefront of these impacts, is the most vulnerable economic sector in this regard. Farmers are starting to be deeply affected by the ongoing disruptions to the climate: floods, storms, heatwaves, droughts and the subsequent water shortages occurring in many places in Europe are undermining agricultural production. In the future, productivity will fluctuate more heavily as weather conditions will become more unpredictable. Southern Europe will be hit particularly hard, with estimates of up to 9% value losses per 1°C temperature rise, impacting food production in Europe.

This adds up to environmental degradation such as biodiversity loss and soil depletion (for instance, only a few areas in Western Europe are below the threshold of 1t/ha/year of soil erosion, considered as safe for soil conservation). In combination, these effects are leading part of the agricultural sector into a headlong rush with more inputs such as nitrogen and pesticides, which, in turn, lead to more environmental degradation and aggravate health problems among farmers and rural populations. For example, in France, Parkinson's disease and some cancers have been recognised as occupational diseases for farmers due to their exposure to pesticides. The French parliament voted in favour of the creation of a compensation fund after an official report concluded that as many as 100,000 people in France could be affected.

Such a vicious circle affects food production in Europe as well as health in rural areas, whereas a transition to sustainable farming would make the sector more resilient to climate change and environmental degradation. This would be beneficial to farmers’ health and lives and would also be more economically resilient, with a positive impact on farmers’ competitiveness and income as described further in the next chapter (p. 26). As shown by recent studies, by transitioning towards agroecology, Europe could enhance its food sovereignty by relocating most of its vegetable protein imports (Europe needs 35 million ha of vegetable crops abroad), whilst securing its cereals, wine and dairy export capacity in the context of climate change. Instead of encouraging unsustainable farming practices, the reform of the Common Agricultural Policy should help farmers to transition out of this dead-end and bring more stability to agricultural production in Europe.
**SAVING HUMAN LIVES THROUGH CLIMATE AND ENVIRONMENT ACTION**

Left unattended, the impacts on human lives from climate change, environmental degradation and what drives these phenomena will be massive. **By tackling climate change and environmental degradation, European lives can be saved and the wellbeing of citizens can be improved.**

Heat-related mortality in Europe alone is expected to lead to an increase of between 60,000 and 165,000 deaths per year by 2080. One does not even need to look that far ahead in time to see the threats to Europeans’ health and security: the number of forest fires in the EU has, for example, nearly tripled in 2017, affecting an area twice the size of Luxembourg. These fires have given rise to a dramatic death toll, the most recent tragic examples being the exceptionally widespread wildfires that hit Portugal in June 2017 and Sweden and Greece in July 2018. In the case of the Portuguese forest fires, these were able to spread more easily due to the widespread eucalyptus plantations – a non-native plant to Europe – which have replaced a diverse and fire-resilient mosaic of native forests, pastures and crops.

It is not only climate change but also poor environmental protection that affects our health. There are more than 430,000 premature deaths each year in Europe due to air pollution and chemical products. Analyses have shown that the emissions of all EU coal-fired plants alone were responsible for over 22,900 premature deaths and tens of thousands of cases of ill health from heart diseases to bronchitis in 2013. These are concerns not only limited to individual countries, as it is a proven fact that harmful dust caused by coal plants travels across borders and does damage to populations in neighbouring countries.

**TACKLING THE ROOT CAUSES OF MIGRATION AND GLOBAL INSECURITY THROUGH CLIMATE AND ENVIRONMENT ACTION**

Even more than in Europe, people’s livelihoods across the globe will be put at risk. Be it a natural disaster or a multi-year drought, when a weather event destroys living spaces or the means of subsistence, people have no other choice than to migrate in the hope of surviving elsewhere. Today, 26 million people worldwide are displaced per year due to natural disasters - 60% more than just
Goal 1: Improve safety and wellbeing by combatting climate change and environmental degradation

200 MILLION CLIMATE MIGRANTS ARE EXPECTED GLOBALLY BY 2050

Pollution from EU coal power plants in 2013 (average), spreading across much of Europe and affecting neighbouring countries.

40 years ago\textsuperscript{xxi}. Worse weather caused by climate change and the poor protection of nature, certainly make it much more probable that people will be forced to flee their homes.

Globally, one person is being forced to flee every second due to natural disasters\textsuperscript{xxiii}. Although difficult to estimate, average forecasts project 200 million climate change migrants globally by 2050\textsuperscript{xxiii}. Such a figure equals the current estimate of international migrants worldwide. These population flows will lead to local tensions to rise and are likely to spark internal conflicts which could quickly take on a global dimension. The consequences of climate change for the Syrian conflict and in relation to the recent spike in refugees coming to Europe can, for instance, not be ignored (see next page).
EU aid money is now increasingly being diverted to European and national border control but this is not tackling the root causes of these increasing migration flows and conflicts. In a scenario where more climate action is taken, the number of climate change migrants within the most vulnerable regions can be reduced by halfxxiv.

The recent European Consensus on Development, the EU’s vision and framework for action for development cooperation, is a step forward - it recognises that issues like water, energy, climate change and security are interlinked. The EU has also said that conservation and ecosystem management must be part of its work on resilience. This is to be welcomed. However we need to do more to support climate change mitigation and adaptation outside the EU: less than 10% of the biggest overseas EU development aid programme targets climate change.

The links between the Syrian crisis and climate change

Syria has, in the last few years, been the scene of ever-increasing violence and if multiple factors explain the conflicts going on today, climate change is a non-negligible part of that equationxxv. According to an American study (PNAS, 2015) published by the National Academy of Sciences, drought in Syria from 2007 to 2010 contributed to the conflict. Faced with a catastrophe of seldom seen proportions, partly caused, according to the NOAA (NOAA, 2011), by human activity, farmers lost their harvests and were obliged to migrate along with their animals to towns that were already in the grip of unemployment and poverty. Francesco Femia and Cailin Werell, who head the Center for Climate & Security, highlighted the Syrian government’s incompetent management of the crisis (Werell, 2012); after years of subsidising water-intensive crops, it was woefully unable to face the food crisis. Faced with the build-up of problems and the absence of adaptation strategies and efficient crisis management units, Bashar al-Assad’s regime soon faced an uprising in the broader context of the Arab Spring”. Pacifist at first, the demonstrations rapidly degenerated, and combined with other upheavals (economic, political, and religious) the country was experiencing, the situation created a major conflict that continues to cause casualties to this day.
SAVING COSTS BY TACKLING CLIMATE CHANGE AND ENVIRONMENTAL DEGRADATION

Besides saving lives, there is also tremendous potential for governments to save costs when tackling climate change and environmental degradation up front. Studies have shown that the costs of tackling climate change and environmental degradation far outweigh the initial investments that need to be made and that these investments are in fact even beneficial for economies. These economic gains are further detailed in the next chapter.

Failing to limit global warming to the 1.5°C target set in the Paris Agreement would cost the global economy roughly $30 trillion in damages and thus slow economic growth. Already, the overall documented economic losses that were generated by extreme weather events in the 33 European countries in the period from 1980 to 2016 exceeded €450 billion. These numbers are only expected to rise.

Health costs and other externalities generated by weak or non-existent environmental policies should also be factored in. In the case of air pollution caused by polluting coal, the health costs in Europe are estimated to amount to up to €62.3 billion per year (based on 2013 figures).
POLITICAL OPPORTUNITIES AHEAD

To improve European and global security and wellbeing, EU leaders and political representatives must act more decisively in the fight against climate change and environmental degradation. To do so, WWF calls on future EU politicians to:

- Implement the Paris Agreement and hold global temperature rise to 1.5°C, in particular by developing and implementing a legislative framework to achieve zero net emissions within the Union by 2040 and a just transition towards a fully renewable and efficient energy system.

Reaching zero net emissions globally as soon as possible is essential if we are to meet the Paris Agreement objective of keeping temperature rise to 1.5°C and thus avoid catastrophic climate change impacts on our human security and economies. The EU should aim to achieve this goal by 2040, enabled by strong EU legislation that provides legal certainty for investors. Several EU countries and regions are leading the way already. For instance, Scotland has already reduced emissions by 49% since 1990 and the Swedish government has pledged to achieve net zero emissions by 2045 at the latest.

As an immediate step, the EU should increase its ambition on renewables and energy efficiency towards 2030 and strengthen these targets by 2020 at the latest in order to bring them into line with the Paris Agreement goals. This is a common sense approach which is currently supported by major businesses, associations, groups of investors, local and regional authorities and civil society organisations.

A central pillar of emissions’ reduction must also be the transition away from coal, oil and gas to an energy-efficient, renewables-based and circular economy. This transition will deliver many benefits in addition to that of fighting climate change, including sustainable jobs, economic development, reduced dependency on non-EU countries and better health due to cleaner air. But it must be managed fairly and sustainably, ensuring that the workers and communities dependent on...
industries where change is greatest are helped to exploit opportunities in the new low carbon economy.

On the world stage, the EU must regain its image as a leader in terms of taking action to deal with climate change in order to motivate others to take action and to seize the opportunities presented by the future low carbon economy – and to reduce global insecurity as a result. It must do so by increasing its financial support to its fair share of the $100 billion that developed countries have committed to providing and by working to unite countries around the Paris Agreement’s goals.

- Fully implement the existing EU legal environmental framework and adopt, in 2020, a global deal for nature and people in the context of the UN Convention for Biological Diversity to halt and reverse the loss of the world’s nature by 2030

Following a series of international meetings hosted in the EU, world governments will convene in Beijing in 2020 to adopt new global goals for nature under the UN Convention on Biological Diversity (CBD). These will replace the current Aichi Biodiversity Targets. While the CBD has for a long time played second fiddle to its sibling convention on climate change, it is the only international legal instrument that seeks explicitly to protect the natural wealth of the planet. In an increasingly volatile world, a healthy planet underpins not just our socio-economic foundation but also peace and security. Our planet’s natural capital is providing our societies and economies with ecosystem services which provide a safety net that is worth trillions of euros. Pollinators alone, for example, contribute more than €153 billion per year to the global food economy.

A strong post-2020 global framework for the protection and restoration of our nature is needed, with accountability, implementation and ratcheting-up mechanisms. As the Paris Agreement has succeeded for climate, this ‘Beijing Agreement’ should be part of a wider Global Deal for Nature and People garnering commitments from all actors from businesses to sub-national authorities, private finance sector and development banks to halt and reverse the loss of nature by 2030.
The EU must show considerable political will for this agreement to be successful, to give it momentum and to put an end to the business as usual attitude that is undermining our future. In order to be a world leader in the run-up to 2020, the EU must show credibility and be serious about halting and restoring biodiversity in the EU. Leaders have fallen short of the ambitions that they had set out for 2010 and more than likely will again not be able to keep their promises for 2020. As the EU will also be developing its post-2020 framework, EU politicians must truly tackle the main drivers of the loss of nature in Europe: the poor integration of environmental considerations in sectoral policies such as agriculture, fisheries, energy and transport and the chronic underinvestment in the management of Europe’s natural and environmental heritage. They must do so by ensuring that all existing EU environmental legislation is fully implemented and respected and that special attention is given to the laws that protect our nature, freshwater and forests.
‘We are aware today of the risks that lie in store for us tomorrow and we can prevent them. It is a question of political will and of action. We must and we can hand over to future generations a world that is more stable, a healthier planet, fairer societies and more prosperous economies. This is not a dream. This is a reality and it is within our reach. But we need to step up the pace, because the hands of the clock are turning faster and faster.’

European Commission President Jean-Claude Juncker, November 2015, COP21 meeting in Paris
GOAL 2
Increase the competitiveness and job potential of European industries by boosting investments in sustainable blue and green sectors which will be at the heart of tomorrow’s economy

Ambitious climate change and environmental policies are not only good for long-term security, as explained in the previous chapter, but also deliver substantial economic and societal benefits. They are transformed into investments, faster innovation, cost savings, new jobs and competitiveness whilst improving the environment and quality of life of all Europeans. This is a win-win for Europe and its citizens. Investments in the development of the sustainable economy are, however, slowing down due to low levels of policy ambition.

As Europe’s share of the global economy shrinks to the benefit of other faster growing economies, the only way to keep its status is to ensure its leadership in the sectors that will be at the heart of tomorrow’s economy. The next generation of EU leaders and political representatives should continue to seek improved environmental standards and increase investments in sustainable sectors to drive tomorrow’s economy. Otherwise, Europe will quickly lose its global economic status in key green and blue sectors such as renewable energy and sustainable transport, tourism and resource management.

SPARKED BY AMBITIOUS POLICIES, THE SUSTAINABLE BLUE AND GREEN ECONOMY CREATES NEW JOB OPPORTUNITIES, INVESTMENTS AND MARKETS

Sustainable economies are resilient economies that provide a better quality of life for all within the ecological limits of the planet. They cover not only sectors that are seen as traditionally associated with environmental goods and services, but encompass entire economic systems.
Goal 2: Increase the competitiveness of European industries by boosting investments in sustainable sectors

In recent years, green and sustainable blue economy sectors have grown significantly in Europe. Between 2000 and 2015, the growth rate of green jobs has been seven times higher than those in the rest of the economy\textsuperscript{xxxi}. These sectors have proven to be much less vulnerable to economic shocks – providing stable jobs to citizens. Today, for example, more than nine million Europeans are working in the clean energy sector\textsuperscript{xxxii} – a major branch of the green economy. This number is even expected to double by 2030. Similarly, the blue economy represents around 5.4 million jobs in sustainable fisheries, aquaculture and tourism\textsuperscript{xxxiii}.

The early successes of these sectors is, however, dependent on ambitious EU climate and environmental standards. \textbf{Strong targets and regulations help support the early development of more sustainable production activities and new environmental technologies.} EU climate and energy targets for 2020 along with government support have, for instance, sparked the growth of the renewable energy sector in Europe, leading to new jobs and innovation. 40% of the world’s patents for renewable technologies are now held by European companies\textsuperscript{xxxiv}.

\begin{figure}
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\includegraphics[width=\textwidth]{growth_competitiveness_rates_of_environmental_economy.png}
\caption{Growth competitiveness rates of the environmental economy}
\end{figure}

The environmental economy has grown faster than the overall economy and has been far more resilient vis-à-vis the impact of the economic and financial crisis of 2008\textsuperscript{xxxv}. However, for it to succeed, it will require ambitious policies which drive eco-innovation and job creation.
Further jobs and growth potential is to be found in the sustainable blue and green economies provided that the EU sets ambitious policies and targets. According to the International Labour Organisation (ILO), two million additional jobs in Europe could be created, based on measures taken in the production and use of energy, if the EU were to fully implement the Paris Agreement on climate change\textsuperscript{xxxvi}. Similarly, a WWF study calculated that further developing a sustainable blue economy in the Baltic Sea region alone can create up to 550,000 new jobs and €32 billion in annual value added.

A circular economy could generate overall benefits of €1.8 trillion by 2030 (twice the benefits expected compared to the business as usual scenario) and help reduce resource use such as plastics for example. The adoption of circular economy principles (preserve and enhance natural capital, invest in eco-design, revealing negative externalities) could also enable Europe to increase average disposable income for EU households by €3,000, i.e. to levels that are 11% higher than for the business as usual scenario. This would further translate into an 11% GDP increase by 2030 versus today, compared with 4% in the current scenario\textsuperscript{xxxvii}.

Being a first mover in these crucial sectors delivers clear strategic advantages for the EU. Early action by the EU related to clean energy technologies can lead to the EU achieving competitive advantages over other world regions pursuing climate action later\textsuperscript{xxxviii}.

Europe’s agricultural sector in particular would stand to benefit from being integrated into the sustainable economy. Job opportunities have been declining markedly in the agricultural sector since 2007 as 2.5 million people have left the sector - today only nine million people are left\textsuperscript{xxix}. Farmers are increasingly vulnerable to climate change\textsuperscript{x}. In the future, productivity will fluctuate more heavily as weather conditions will become more unpredictable (see previous chapter). The south of Europe in particular will be hit hard, with estimates of up to 9% value losses per 1°C temperature rise\textsuperscript{xii}.
Goal 2: Increase the competitiveness of European industries by boosting investments in sustainable sectors

At the moment, far too little is being done to support the sector in its transition to more sustainable and climate-resilient models. This choice is an economic waste as it has for example been shown that organic tree growing agriculture creates a net benefit of 300€/ha/year in comparison to conventional agriculture thanks to the protection of pollination and other ecosystem services\textsuperscript{xlii}.

The EU’s Common Agricultural Policy is well known for its negative effects and for its continued encouragement of unsustainable farming practices. This is the case despite evidence from the International Labour Organisation (ILO) that a transition to sustainable farming would improve employment and worker conditions (e.g. conditions relating to poor health, low wages, job security and work-life balance). Data in France shows that an organic farm holding on average has 2.4 work units whereas an intensive farm holding employs only 1.5 units\textsuperscript{xlvi}. More sustainable farming methods are also good for the economy and provide new booming markets. In Europe, retail sales of organic products have witnessed a growth rate of 11% in 2016 and have doubled in the past decade\textsuperscript{xlvi}. By contrast, providing more and more state aid to farmers to compensate them for harvest losses following unpredictable droughts and other extreme weather events cannot be sustained. Germany is, for instance, in the process of spending more than €340 million to support farmers following the summer drought of 2018\textsuperscript{xlvi}.

**HALTING EUROPE’S GLOBAL ECONOMIC DECLINE**

In recent years European investments in key sustainable economy sectors have been declining, leading to slowed down job creation and weakened competitiveness. This is due to low investment following the financial crisis; but is also due to weak or inconsistent public policies which no longer boost environmental innovation and technology or scare away investors; and continued support and subsidies for companies polluting the environment and producing dirty energy. A dozen European countries and the EU alone are, for instance, still handing out more than €112 billion in annual subsidies favouring fossil fuel industries\textsuperscript{6 xlvi}.

\textsuperscript{6} These take the form of direct funding and tax exemptions, and favourable access to loans, land and resources.
In such circumstances, others are quick to take over the European market share and jobs. Where Europe was once the global leader in solar panel technology, it has now been overtaken by China, which has more capacity and production and dominates the global market. Similarly, European carmakers nowadays invest seven times more in electric vehicle production in China than at home. In these examples, the EU did not act decisively on ambitious climate, energy and emission targets and removed market incentives in a disorderly way. As a result, new technologies are now being developed elsewhere.

Clean energy investments in the EU and China compared

EU investments in renewables have dropped by more than half since 2011, whereas China was quick to overtake the EU’s position. This was due to a combination of low energy targets and muddled policy messages on fossil fuels, creating uncertainty for investors.
Goal 2: Increase the competitiveness of European industries by boosting investments in sustainable sectors

The reduced investments and lower levels of development of sustainable economies is even more worrisome as Europe’s overall share of the global economy is in decline. As the green and sustainable blue economy represents the sectors of tomorrow’s economy, Europe cannot lag behind or else its global economic status will be threatened. By becoming a world leader in these sectors, Europe could maintain its global relevance on economic markets.

![EU’s falling share of the world’s economy](chart)

* More of the world’s economy is accounted for in later years. The IMF publishes estimates for 190 countries in 2017, but only for 146 countries in 1980

** The EU’s economic output includes countries which were members of the EU in each particular year, rather than EU 28 countries

Europe’s share in the world’s economy is falling. Whereas our economy is still growing, other regions are witnessing faster growth rates.⁶⁹
POLITICAL OPPORTUNITIES AHEAD

WWF calls on the next generation of EU politicians to recognise that boosting our sustainable economies is a necessity that requires increased sustainable investments supported by an EU sustainable finance framework, along with more ambitious climate and environmental standards and policies which drive innovation and job creation and enable Europe’s green and sustainable blue industries to gain from the first mover benefits. More concretely, our proposals are to:

- **Make the EU a world-class sustainable economy by completing the sustainable reform of the finance sector launched under the Juncker Commission in order to channel investments towards the green economy, in particular by adopting legislation requiring companies and financial institutions to disclose climate risks to financial consumers.**

The financing of sustainable economies should be increased to upgrade Europe’s infrastructure (e.g. sustainable energy and transport), which is increasingly unfit to provide the foundations for sustainable EU competitiveness. The European Commission estimates that, in order to achieve the EU’s targets for energy and climate policy alone, additional annual investments of €170 billion per year are required. This amount is within our reach if we bear in mind that the International Energy Agency (IEA) estimates that policies consistent with limiting climate warming to 2°C could cut the EU fossil fuel import bill by 46%, or €275 billion a year, by 2035. By 2050, the saving would be €320 billion per year, according to the Commission. With the right investments in the EU Investment Plan and the EU budget, we can ignite this dynamic; with the appropriate incentives in terms of norm settings towards the private sector and the right subsidies to redirect financial flows towards sustainability, we can achieve our ambition.

In 2018, the European Commission High-Level Expert Group on Sustainable Finance (HLEG) produced a report which sets out strategic recommendations for a more sustainable financial system. Many of these recommendations found their way into the European Commission proposed EU Sustainable Finance Action Plan, the first of its kind globally, which is now to be fully implemented. The EU should keep the momentum on sustainable finance.
“[…]Europe’s financial sector must lead the green transition and make our Union the global destination for sustainable investment. There is no greater return on investment than a healthy planet and economy.”

Jean-Claude Juncker, President of the European Commission, 22 March 2018

finance in the years to come on the basis of the HLEG and Commission’s Action Plan. In particular, the EU should take rapid legislative steps to ensure that companies and financial institutions disclose climate- and nature-loss related risks and wider sustainability impacts. Such disclosure is crucial towards ensuring that financial consumers obtain a true picture for of the possible consequences of an investment. Making investors and banks take sustainability into account means that related risks will have to be assessed and reduced while green opportunities will be better harnessed. The EU must also swiftly develop European standards for green bonds and labels, building on an EU sustainability taxonomy - a classification system of sustainable sectors.

To ensure that the EU remains on the right track and is able to maintain a first mover advantage in redirecting financial flows towards the sustainable blue and green economies (e.g. renewable energy, energy efficiency and low-carbon technology, but also conservation and sustainable ecosystem management), the EU should, in 2021, review the outcomes and impacts of its Sustainable Finance Action Plan and take complementary actions where relevant.
• Adopt and implement an EU budget of which at least 50% is invested in the green and sustainable blue economies, in line with the 1.5°C target of the Paris Agreement, and of which the remainder of expenditure does not further exacerbate climate change and environmental degradation

Public investments must also contribute towards boosting the development and competitiveness of Europe’s sustainable blue and green economy sectors. More of the EU’s 1 trillion euro multiannual budget should be dedicated to spending on the climate and nature. Only 20% of the EU’s current 2014-2020 spending is intended to be climate-compatible and the remainder runs the risk of being spent on polluting energies and unsustainable infrastructure – posing long-term threats to our security by worsening global warming and environmental degradation.

For the upcoming EU budget to be in line with the EU’s international commitments on climate, biodiversity and sustainable development, a mandatory spending target of 50% for climate, environment and nature should be introduced and all subsidies or support of actions that further exacerbate climate change and environmental degradation should be phased out.

• Adopt and implement an EU Common Agricultural Policy which supports farmers in the transition towards fully sustainable and competitive food and agricultural systems

The effects of climate change and environmental degradation on employment and competitiveness are particularly acute for the most vulnerable jobs, including those in rural areas³⁹. To support farmers in becoming more resilient vis-à-vis the impacts of environmental degradation and climate change and to increase their competitiveness, at least half of the resources from the EU’s Common Agricultural Policy must be shifted towards supporting farmers in the transition towards more fully sustainable food and farming systems.

The future CAP must better reward those farmers who are more actively contributing to the achievement of environmental and climate objectives, effectively delivering the market products and
environmental services that Europeans are demanding. Europe must transition away from farming practices with undesirable impacts such as water pollution, loss of nature, depletion of farm soils or high greenhouse gas emissions, which should no longer receive any public support. By encouraging the transition to sustainable farming, producers will not only respond to market demand for healthy and sustainable food but farmers will also become more resilient to the impacts of climate change and market fluctuations. We should invest in an agriculture that we are proud of, driving more revenues for farmers, protecting them from erratic market changes and transforming their practices into sustainable models.

- Deliver a sustainable blue economy by fully implementing European policies designed to manage the use of the seas and the protection of marine wildlife and habitats, as well as leading the UN in establishing a Global Ocean Treaty

If we do not protect the world’s ocean, humanitarian disaster awaits. Billions of people rely on fish for protein and fishing is the main source of livelihood for millions of people around the world. The value of coastal, marine and oceanic ecosystems and environments is valued at US$2.5 trillion annually, with the global ocean asset valued at 10 times more. If the global ocean were a country, it would be the 7th largest economy in the world.

Despite significant progress in the governance of Europe’s seas, our global oceans remain in crisis. Competing and escalating demands for marine resources are compounded by the tragedy of the commons, data deficiency and a single sector approach to ocean management. Decades of overfishing as well as unsustainable fishing practices have pushed this resource to the point of collapse. The 2015 ‘State of European Seas’ report by the European Environment Agency concludes that the EU is not achieving sustainable use of its seas but has the policy framework, knowledge and expertise to do so.

At a European level, politicians must champion the sustainable blue economy via the full implementation of existing governance and management frameworks and the continued elimination of harmful fishing subsidies. The EU has already made

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7 The area of EU land dedicated to organic farming has increased by 30% between 2010 and 2016 and now represents 6.7% of all agricultural land in Europe.
commitments for 2020 in relation to the sustainable management of fish stocks and in relation to achieving a good environmental status for EU seas. To maintain its global credibility, the EU must meet its commitments. The EU should also work to reduce marine pollution, especially by tackling the issue of plastics in the marine environment. Through proposals that prohibit and reduce the use of single-use plastic products, European companies could have a competitive first mover advantage in the global market for sustainable products. Replacing the most common single-use plastic items with innovative alternatives (e.g. bamboo straws and plant-based plastic cups) could create around 30,000 local jobs.

At a global level, the EU needs to work with all stakeholders to reform fisheries management, focusing on sustainable practices that conserve ecosystems but also sustain livelihoods and ensure food security. The EU should provide leadership to develop an internationally legally binding instrument, which is currently being discussed, to ensure conservation and sustainable use of biodiversity in ocean areas beyond national jurisdiction – covering almost half of the planet.

"The EU’s Member States have the world’s largest exclusive economic zone and a maritime economy worth €500 billion, providing nearly 5 million jobs. So, together with our environmental responsibility, we have a strong business case to protect the growth base of our blue economy: our oceans."

European Commissioner Karmenu Vella, Our Oceans Conference, Valparaiso, Chile, 2016

The truth on regulatory and administrative burdens

While some industry lobbies have claimed that environmental regulations add regulatory burdens, this does not hold any truth, according to OECD research. Economic disadvantages suffered by countries with strict environmental legislation are nearly always cancelled out by gains from eco-innovation. The OECD finds that countries where manufacturers already pollute less gain global market share as tougher domestic laws are put in place. Industries and firms that become cleaner will prosper under more stringent policies, while those that fail to adapt will see their export performance erode. The European Commission’s own expert group on administrative burden has come to similar conclusions, as they found out that only a negligible 0.6% of the administrative burden from EU laws comes from environmental law.
Goal 3: Strengthen Europe’s international position by setting and implementing ambitious EU sustainable standards and taking responsibility for our footprint globally

The EU is a major global actor. On the one hand it is a standard setter; it has been able to enforce and promote European standards and laws outside its borders, building a level playing field and earning global respect. Whenever EU standards are followed internationally, this benefits Europe’s own industries and services, boosts innovation and job creation and opens new markets in Europe and globally. On the other hand, the EU’s consumption patterns and footprint have also led it to become extremely reliant on non-EU countries, making us vulnerable to volatility and uncertainty; as well as increasing the degradation of our environment and fuelling climate change further.

The EU should continue to push a global agenda based on robust environmental policies and hold a first mover advantage over non-EU countries and regions, which implies advocating ambitious standards. On the one hand, it can influence the path of globalisation by setting up qualified access to its internal market and obliging non-EU companies to comply with its norms. On the other hand, it increases its global influence by enabling its companies to benefit from a first mover advantage in new global markets where they will already be familiar with the new norms. Allowing domestic ambition to slow down would mean that Europe is left to follow from a more disadvantaged ‘catch up’ position and will no longer be regarded as the motor of global innovation, eventually putting the EU’s global influence at risk.

If Europe leads by example, it would gain credibility on the global stage and would be able to exert more influence. Complementary to this strategy, the EU should also work to reduce its environmental footprint and improve resource efficiency to ensure that it can maintain its strategic independence in an increasingly uncertain and volatile global context.
EUROPE’S HISTORY OF BEING A FIRST MOVER AND GLOBAL STANDARD SETTER

The EU has already shown that it is our economic position as a bloc that allows us to be listened to and to develop robust legal frameworks that further sustainable economic development and improve citizens’ wellbeing. Throughout the last few decades, Europe has shown itself to be able to change the norms, standards and prescriptions of world politics. Through the adoption of more ambitious EU standards, Europe succeeds in creating new economic opportunities and boosting innovation. Within these new sectors, European companies are then able to benefit from a first mover advantage due to the higher standards and the strong human capital available in the EU. For instance, ten out of the 20 companies with the highest market capitalisation in the New Energy Global Innovation Index are European (this index brings together companies worldwide that are active in renewable energy development and related sectors)\textsuperscript{lvii}.

Europe’s global norm setting power is particularly prevalent through its environmental standards. The EU’s chemical legislation framework has, for instance, proven that non-EU countries are willing to adapt supply chains and even their own national protection standards in order to trade with Europe. Similarly, the EU’s laws to avoid illegally caught fish and harvested timber from entering the EU market have forced non-EU countries to respect the rules if they wish to trade with the EU, provided that EU Member States implement the rules and close loopholes. These and many other examples show that the EU is able to enforce common standards which other countries respect.

Europe does not only enforce standards globally through its economic position but leads by example as well. There are numerous examples of non-EU countries following EU legislation as the “gold standard”. The EU’s framework for the sustainable management of freshwater has, for instance, been an exemplary law to the world. In 2017, the EU signed a memorandum with China to support the country to resolve widespread water pollution and to implement its own legal framework, based on the EU’s extensive experience with developing legislative instruments, management and technological solutions to address water challenges\textsuperscript{lviii}. And EU sustainable finance regulations are currently being developed to ensure EU global leadership, by setting, for example, EU green bond standards.
More should, however, be done to play to Europe’s strengths in the global arena. **If others such as China (see separate box) set the global norms, Europe will be left to follow from a more disadvantaged ‘catch up’ position and will no longer be considered as a driver of innovation.**

As a principle, the EU must ensure that its trade relationships prioritise the public interest instead of purely pursuing short-term economic gains. Much contested special arbitration provisions for foreign investors should be excluded from all current and future trade deals. The Paris Agreement on climate change, environmental non-regression and ‘do not harm’ clauses should be included in all European free trade agreements, with legally binding and enforceable sustainable development chapters. In recent years the EU has also been losing its influence as a best practice example in green norm setting due to Member State disagreements and due to the fact that lower political priority has been given to environmental standards within the EU. Increased ambition with regard to sustainable policies will ensure that other regions and countries follow our lead.
Is China overtaking EU’s global leadership?

In 2018, The Diplomat magazine reported that “Chinese environmental policymaking in the Xi era is increasingly ambitious. Addressing the 19th Party Congress in October 2017, Xi referenced the environment more times than the economy (89 mentions to 70) and laid out a vision for cleaner air and water, more efficient energy use and global leadership on climate change. At the 5 March release of the 2018 Government Work Plan, Chinese Premier Li Keqiang called for the closure of inefficient coal and steel plants, for an increase in China’s electric car fleet, for a ban on waste imports and for a hardening of pollution standards and enforcement.”

It is this decisive leadership which is placing China on track to becoming the next global leader in the area of climate change and the environment. China’s profile will, moreover, benefit from the 2020 Convention on Biological Diversity, which is being hosted in Beijing and which will lead to the adoption of a global deal on nature. If China performs well, this could become a source of momentum as the Paris Agreement has been for the EU.

Whereas China’s leadership could be applauded, Europe must take care that it does not get left behind. No longer being a first mover in crucial sustainable green and blue economy sectors would hurt competitiveness in Europe and lead to slower economic development.

OUR EXPANSIVE ENVIRONMENTAL FOOTPRINT MAKES US VULNERABLE TO INSTABILITY AND VOLATILITY

If everyone in the world were to adopt the lifestyles of an average EU resident, the world would need 2.6 planets to sustain this way of living. The EU is heavily dependent on the natural capital and resources of other countries, effectively outsourcing large parts of its environmental footprint and exposing itself to the impacts of instability and volatility in the regions that it sources its materials and commodities from.

Millions of hectares of forest, savannah and grasslands around the world have been lost in recent decades, mainly due to agriculture expansion. The EU was the leading importer of products linked to deforestation between 1990 and 2008, causing an area of deforestation at least the size of Portugal and is still the highest global importer of deforestation embedded in agricultural commoditiesix. This has destroyed pristine nature, depleted ecosystem services and led to vast amounts of carbon dioxide being emitted. This has in turn increased instability and insecurity in affected regions as we are destroying the safety net provided by healthy nature in these regions.

2.6 PLANETS ARE NEEDED TO SUSTAIN OUR WAY OF LIVING
Similarly, more than 30% of the EU’s oil and gas imports are currently imported from Russia. Such a reliance affects Europe, as shown by the gas crises between Ukraine and Russia a number of years ago. Countries like Russia can easily misuse Europe’s dependence on their resources as leverage for geopolitical purposes and undermine a common European front. In this context, it makes sense to gain more independence by becoming more resource efficient and less “import reliant”.

Going forward with this course of action would enhance our geopolitical clout as much as it would foster our economic resilience. Imports do not only reveal our Achilles heels to competitors, they also have a financial cost which is a burden. Not only does the aggravation of our commercial deficit weaken our position and leverage power towards financial markets, but the money dedicated to imports is money that is not spent to reduce our debt or to invest in critical infrastructure and innovations. Looking at the situation from this perspective, tackling climate change becomes a strategic opportunity: the International Energy Agency estimates that policies consistent with limiting global warming to 2°C could cut the EU fossil fuel import bill by 46%, or €275 billion a year, by 2035

What is true at the policy level is equally relevant to the private sector. In order to remain competitive, industries realise that investing in resource efficiency, energy efficiency, waste and water management actually saves money by making them less reliant on primary materials and imports. Every time that Europe’s resource use falls by 1%, it is worth around EUR 23 billion to business and could lead to more than 100,000 new jobs. EU policies in these areas are thus able to lead to tremendous potential savings for EU industries. Major corporate actors have already pledged to eliminate deforestation from their supply chains, such as the Consumer Goods Forum’s zero net deforestation by 2020 initiative.
POLITICAL OPPORTUNITIES AHEAD

It is only by more actively promoting and leading in the development of safeguards and standards that Europe can be a global rule setter, ensuring a global level playing field and allowing the EU to maintain and expand its influence. Concretely, this means that Europe should uphold its global commitments and show that it is serious about the challenges that it has identified and rallied behind:

• **Adopt and implement an overarching EU strategy to ensure that the UN Sustainable Development Goals (SDGs) are translated into all EU policies**

At a time when the “future of Europe” is being discussed in such a heated manner, the EU is indeed lacking a common vision beyond 2020. The 2030 Agenda for Sustainable Development is the best framework available and is based on significant citizens’ involvement and government support within Europe and globally.

The EU can become a world leader by fully implementing the 2030 Agenda for Sustainable Development and adopting a high level implementation strategy. We are perhaps the only continent which is able to lead the way and to show how to fully integrate and contribute to the Sustainable Development Goals.

Europe’s societies and economies will benefit from the 2030 Agenda. Europe was championing these during their adoption in 2015, but implementation is currently falling short despite evidence that achieving these global goals could create at least $12 trillion USD in additional global business savings and revenues by 2030\textsuperscript{lxiii}. As we do so, we will show that the SDGs can become a common set of goals and measures able to track progress and provide real baselines and comparisons of what matters most\textsuperscript{lxiv}.

In the Netherlands for instance, 18 financial institutions, managing around €2,900 billion in assets, are already collaborating to invest in the SDGs and issuing recommendations to the Dutch government and central bank on how to collaborate in financing the SDGs\textsuperscript{lxv lxvi}.

WWF is calling on the EU for an overarching and high-profile strategy with a 2030 timeline for implementation of the SDGs.
This strategy should set a roadmap for implementation, monitoring and reporting in the EU. The strategy should be underpinned by an analysis of how far the EU and its Member States are from achieving the SDGs. While some targets should be handled at the national level, others refer to shared competences and should be addressed at the EU level. The efforts of all EU Member States will be needed for them to have an effective impact. The European Commission could support EU Member States’ implementation efforts through issuing recommendations, sharing best practices and promoting peer review. The strategy should be the primary vehicle for setting Europe on the path towards sustainable development by 2030 and should encompass the big picture of all integrated efforts.

- **Invest in our strategic independence by increasing our resource efficiency and develop political measures to address the EU’s impact beyond its borders, in particular through the development of an action plan on deforestation and forest degradation**

The EU must become more resource efficient to reduce its environmental footprint and reliance on third countries. Many of the recommendations contained in this document will exactly help to do that.

Reducing our commercial deficit is a priority for the EU to secure its resilience and independence. The EU today is far too exposed to external pressure from its geopolitical competitors and its economy is too exposed to the fluctuations of the energy sector because of its imports. Switching to an energy model that is less energy-consuming (to reduce our vulnerability) and more local based (through renewables) is crucial to regaining economic control and financial autonomy. Moving away from fossil fuels towards clean energy should therefore become the blueprint leading us to our future strategic independence.

Another crucial component to this is to ensure that the products that the EU sources do not lead to deforestation or further forest degradation. If it fails to do this, the EU runs the risk of exacerbating the root causes of global insecurity and conflicts. 300 million people worldwide live in forests and 1.6 billion depend on them for their livelihoods. Moreover, forests provide a habitat for 80% of the world’s terrestrial biodiversity$^{lxxvii}$. 

Halting deforestation and allowing forests to regrow would account for at least 30% of all mitigation action needed to limit global warming to 1.5°C\textsuperscript{lxviii}.

On the one hand, the EU must use policy, regulatory, fiscal and financial instruments to halt deforestation and forest degradation by encouraging better consumption practices. Much of the loss of forests globally is driven by the demand for soy and palm oil. European Commission-funded research shows that EU consumption led to the loss of nine million hectares of forest globally during the period from 1990 to 2008 – an area the size of Portugal\textsuperscript{lxix}. On the other hand, EU resource efficiency must be improved for production and processing along the supply chains.

To this end, the EU must introduce an EU Action Plan against global deforestation and forest degradation which looks to improve both EU consumption and production practices.
Far too often, EU decision-making processes have shown themselves to be unfavourable towards climate and environmental considerations. Policy issues tend to be regarded from within silos and not enough leadership is shown in the process of delivering real ambition and results for citizens’ wellbeing and safety. To achieve the policy recommendations outlined above and to make sure that the EU is able to tackle current and future challenges, improvements in governance within the European Commission and European Parliament must be made.

APPOINT A EUROPEAN COMMISSION VICE-PRESIDENT FOR CLIMATE ACTION AND NATURAL RESOURCES

Avoiding life-threatening climate change and the decline of our natural resources and nature requires decisive action and leadership at the highest political levels, including within the European Commission. WWF believes that the recent introduction of a Commission Vice-President responsible for project teams and the delivery of high level priorities makes sense. However, these priorities need to align with citizens’ expectations and the challenges that we are facing. In this regard, it is disappointing that, for the first time in twenty years, the EU no longer has a dedicated Environment Commissioner and none of the Vice-Presidents in Juncker’s Commission are specifically tasked with paying attention to climate change and natural resource loss.

The next Commission President should appoint a dedicated Vice-President for Climate Action and Natural Resources, who has the responsibility to ensure that EU action helps avert climate change and environmental degradation – whilst contributing to the EU’s objectives on security, competitiveness and the global agenda. With the introduction of this mandate, the Commission would align itself to the main headers of the EU budget from 2021 to 2027.

8 One of the seven headers of the proposed EU budget for 2021-2027 is entitled “Natural Resources & Environment”.

GOAL 4
Improve EU governance in the European Parliament and Commission to support the sustainable transition to a safer, more competitive and responsible EU
The Vice-President for Climate Action and Natural Resources must manage a project team of relevant Commissioners, whose portfolios have an impact on the climate and Europe’s management of natural resources. This person should:

- Work with the entire College to ensure that any draft EU law or initiative released by the Commission contributes to the EU’s ambition to stay within a 1.5°C climate scenario and halts and reverses environmental degradation by 2030 – consistent with the broader framework of the 2030 Agenda for Sustainable Development and the UN Convention on Biological Diversity.

- Work with the Climate & Energy Commissioner to put the world on track to stay below 1.5°C; introduce an EU net zero emissions target by 2040 and lead the EU to increase its Paris Agreement commitments.

- Work with the Environment Commissioner to ensure that the environmental acquis is fully implemented and complied with; adopting a framework to halt and reverse the loss of nature by 2030, which will be closely monitored and implemented in collaboration with the European Parliament and EU Member States; and leading in the establishment of a global deal for nature in 2020.

- Work with the Agriculture & Rural Development Commissioner to ensure that the reform of the EU’s Agricultural Policy guarantees a transition towards fully sustainable farming and food systems in Europe, which ensures farmers’ competitiveness and resilience vis à vis market fluctuations.

- Work with the Oceans Commissioner to promote a sustainable blue economy by fully implementing European policies designed to manage the use of the seas and the protection of marine wildlife and habitats, as well as leading the UN in establishing a Global Ocean Treaty.

- Work with the Trade Commissioner to ensure that trade relationships prioritise the public interest, do not negatively impact the environment or bring regression in environmental standards and are compatible with the Paris Agreement on climate change - instead of purely pursuing short-term economic gains.
• Work with the Health Commissioner to ensure that environment-related health issues such as air pollution or exposure to pesticides, endocrinal disruptors or other chemical substances are well addressed.

• Work with the Budget Commissioner to ensure that the share of the EU budget allocated to boosting sustainable green and blue economies and tackling climate and environmental concerns is spent swiftly and responsibly.

RESPECT EU LAW BY GUARANTEING FUNDAMENTAL RIGHTS AND WALKING THE TALK ON RULE OF LAW

EU laws and standards cannot be ignored. This is part of the principles which constitute the “rule of law”. This holds true for environmental law too. **It is only by applying the rule of law consistently and respecting the full EU acquis that the European Commission and EU Member States are able to show their full commitment to the EU and global rules-based system, the independence of justice and respect for all freedoms** – the backbone of a healthy democracy.

In the last few years, the European Commission has taken a more lenient approach to the application of EU environmental law. EU Member States are given more time to implement longstanding environmental legislation and fewer infringements are initiated in case of non-compliance. This comes despite evidence that the enforcement activities of the European Commission play a key role in the protection of the rule of law across the EU and economic evidence that the costs of non-implementation are estimated to run to €50 billion per year.

**When environmental law is not respected, infringement procedures clarify what is and is not acceptable, harmonising standards across the EU. They ensure legal certainty and create a level playing field for all businesses and citizens across Europe.** This is particularly helpful considering that pollution and the impacts of climate change affect citizens across Europe and effectively know no borders.

9 The cost elements include, amongst others, environmental and health costs, unrealised benefits in the green industries, market distortions and administrative costs for industry.
between countries. If one country does not respect the rules on air pollution, this easily affects its neighbours. Similarly, it helps avoid economic distortions or free-rider behaviour from more reluctant governments.

Infringements can also improve how environmental law is interpreted and implemented in EU Member States, triggering changes in national legislation to make it more effective. Moreover, infringement actions have led to greater inclusion of citizens in the environmental protection process. These actions often stem from individual complaints and they encourage authorities to take greater account of concerns raised by the public.

**To achieve a step change in the enforcement of EU environmental law and contribute towards the full respect of the rule of law principle in the EU, the next European Commission should:**

- Be much more resolute in taking prompt and effective enforcement action when infringements occur;
- Fully resource with staff, expertise and funding the departments responsible for enforcement, in particular ensuring the implementation and correct application in the EU Member States and supporting the directorate and environmental enforcement unit;
- Seek interim measures more frequently so that the European Court of Justice can intervene to prevent damage even before a final decision is reached;
- Ensure effective deterrent penalties are applied when crimes are committed so that environmental crime never pays.
Swift EU legal action saved the Białowieża forest in Poland

The Białowieża forest in Poland is protected by EU nature laws and has been classified both as a UNESCO World Heritage and EU Natura 2000 site because of its ongoing natural processes, richness of dead wood and astonishing biodiversity. This last major primaeval European forest harbours the largest European bison population and is home to lynx, wolves and ancient trees. In 2016 the Polish Minister of Environment decided to allow industrial-scale logging and tripled the amount of permitted logging in the Białowieża forest district. In response, the European Commission decided to launch an infringement case against the Polish government. In April 2018, the European Court of Justice issued a final judgement in which it confirms that it was illegal to increase logging in the Białowieża Forest in Poland. In response, the Polish government confirmed that it would comply with the judgement.

WWF recognises that the challenge is not limited to the non-compliance of EU environmental law alone. We are concerned as well by the shrinking of civic space across Europe and the attacks that are being made on the rule of law. Across the continent, and even more so across the globe, a clampdown is taking place on civil society whereby governments are introducing restrictive laws or are applying tactics limiting the operations of civil society organisations. The reasons behind this closing space are complex and diverse.

Civil society organisations act in the public interest and are a valuable partner in providing subject matter expertise to policy-makers based on first hand experience. Politicians, including those at EU level, should recognise the value of CSOs. Immediate action should be taken at the EU level by adopting a strategy on the promotion of civic space and the appointment of an EU coordinator on civic space and democracy who would monitors and act as a contact point to whom NGOs would report incidents related to restrictions or to any harassment or restrictions to their work.
EVALUATE AND REVISE THE EUROPEAN PARLIAMENT’S WORKING METHODS TO BOOST SUSTAINABLE BLUE AND GREEN ECONOMY DEVELOPMENTS AND FOSTER SUSTAINABLE DEVELOPMENT

In recent years it has become clear that the European Parliament’s working methods do not allow members to adequately take account of the interconnected challenges Europe faces as well as the new realities posed by the adoption of the 2030 Sustainable Development Goals and Paris Climate Agreement. The Parliament’s Rules of Procedure, and more specifically the powers and responsibilities of its standing committees, have seen little change in the past 15 years.

Whereas EU laws have increasingly shown the integration of economic, environmental and social considerations, the European Parliament tends to deliberate on draft laws within the silos of its twenty committees. This compartmentalisation of policy-making has led to the Parliament at times adopting positions that do not reflect the interests (i.e. the development of a competitive and norm-setting sustainable economy which guarantees the wellbeing of citizens) of broader society. These limitations become painfully clear when reviewing the Parliament’s policy-making on sectoral policies such as the EU’s farming or fisheries policies. Lead committees on such files are inclined to assess draft laws through the narrow lens of sectoral interests and fail to fully involve other committees. As a result, too frequently these committee deliberations are not representative of the entire Parliament’s view and opposing members are left to battle things out in the Plenary where rigid procedures no longer allow for a fair and fact-based political debate.

The European Parliament does not give a clear mandate to any parliamentary body or structure for the coordination and oversight of the implementation of the 2030 Agenda for Sustainable Development either. Sustainable Development is currently part of the formal mandate of the Environment Committee, yet it has very few powers to engage with other committees and bodies to assess and promote the implementation of the SDGs. Moreover, there is little evaluation by MEPs of what progress the EU and the Parliament is making towards the delivery of this international agenda and EU commitments.
WWF calls on the European Parliament to evaluate its working procedures in a transparent manner. The results of such an assessment should be made public and lead to an open exchange with civil society. According to WWF, the Rules of Procedure should be amended to take account of the following recommendations:

- **All Parliament reports should include an explanatory memorandum identifying how the proposals will support the implementation of the Paris Agreement and of the upcoming international agreement on nature in the context of the UN Convention on Biological Diversity and further the implementation of 2030 Agenda for Sustainable Development and its specific goals and targets.**

- **The Parliament should produce an annual SDG implementation report under the political guidance of the Political Group of Chairs and Presidents, assessing progress made by all EU institutions towards the goals and targets. On the basis of the report, both Presidents of the European Commission and European Council should be invited to the Plenary for a debate.**

- **The Budgetary Committee should assess the contribution of the annual budgets to the Sustainable Development Goals and Paris Agreement and upcoming international agreement on nature in the context of the UN Convention on Biological Diversity.**

- **Formal opportunity should be provided to stakeholders and civil society to provide input to Parliament decision-making through a central online platform where anyone interested can provide direct input to Members of the European Parliament (MEPs). Members should indicate which stakeholders they have consulted as part of the drafting process and make public the document that stakeholders have handed to them by introducing a legislative footprint.**

- **The Parliament Conference of Committee Chairs should receive civil society organisations annually, as part of a structured, open and transparent dialogue around democracy, values and governance.**
Ellen Macarthur Foundation (2015). Circular economy would increase European competitiveness and deliver better societal outcomes, new study reveals.


Notes


**WWF IN EUROPE**

**27 countries**  
WWF is present in 27 countries

**80%**  
Up to 80% of national environmental legislation is decided by the EU

**+6M**  
WWF has over 6 million followers on social media

**3.2+ Million**  
WWF has over 3.2 million supporters

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**Why we are here**  
To stop the degradation of the planet’s natural environment and to build a future in which humans live in harmony with nature.

wwf.eu