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**OPEN LETTER TO HEADS OF STATES AND GOVERNMENT IN EUROPE, THE  
PRESIDENT OF THE EUROPEAN COUNCIL AND THE PRESIDENT OF THE  
EUROPEAN COMMISSION**

**Urgent call for a ‘green’ way out of the economic crisis**

The European Heads of State and Government are meeting for an informal European Council meeting this week on 23 May. The economic crisis that is unfolding in Europe is rapidly transforming itself into a twin social and environmental crisis. WWF calls on the European Heads of State and Government, the President of the European Council and the President of the European Commission, to commit to economic reform policies and measures that support a sustainable development pathway to lead European economies out of the current malaise.

The crisis must be viewed as more than merely fiscal. It reflects a deficient economic model grounded in an over-leveraged banking system and mismanaged national finances and natural resources. It is a system built on a paradigm of unconstrained growth and resource over-exploitation and overconsumption and which has resulted in an increasing ecological deficit. The policies currently implemented exacerbate this ecological deficit, hastening the likelihood of longer-term environmental remediation costs. This puts in question Europe’s commitment to an agenda of resource efficiency, eco-innovation and sustainability.

The structural adjustment policies that form the austerity package imposed on Greece are having negative environmental consequences. But the economic crisis is no longer restricted to Greece. The rollback of environmental policies and sustainable development is now affecting other EU countries, such as Portugal, Spain, Italy and Ireland.

National legal frameworks of environmental assessment and regulatory permitting are particularly at risk. This environmental rollback would allow large construction investments to be located within protected areas with no respect for basic conservation legislation. It would put at risk environmental assessment and nature conservation laws that have been in place at European level for three decades.

As the tide of public opinion in Europe turns steadily against austerity, the prospect of a knee jerk return back again to the unsustainable growth models as before must be avoided. A return to the current economic model will merely fuel the root causes of the next economic collapse, such as the bidding up of commodity prices and externalizing the costs of climate change and ecosystem loss. It would therefore be a historical mistake for European leaders to deal with the economic crisis in a manner that undermines the very future of Europe. Several analyses indicate that a low carbon economy favouring investments in natural capital and careful resource use creates larger numbers of jobs compared to resource intensive economies.

WWF calls on the European leaders to commit to:

1. Green economy principles, such as the internalisation of externally imposed environmental costs, and the development of environmental and social wellbeing indicators, as the basis of policy formation and decision-making;
2. Investment and development policies that also support Europe's biodiversity;
3. Sustainable development targets and indicators included in the economic adjustment programmes agreed with economically troubled states such as Greece and Portugal;
4. An end to environmentally harmful subsidies and redirecting these funds towards sustainable development and investments that have high sustainability ratings;
5. Cutting public spending on high carbon infrastructure;
6. Reaffirming the importance of the environmental assessment procedures and legislation, which are vital in ensuring the sustainability of development projects;
7. Strengthening the EU ETS System by tightening the EU Emission reduction target from 20 percent to 30% until 2020 compared to 1990 emission levels and an Energy Efficiency Directive that ensures 20 percent savings of energy usage; and
8. Reorienting the EU Budget away from unsustainable policies and carbon intensive infrastructure, towards green policies, such as sustainable rural development measures, decarbonisation of transport and the LIFE+ financial instrument.

WWF urges European leaders to adopt a leading role by taking the right decisions for economic reforms and stimulus packages which place much greater emphasis on the environmental underpinnings of long-term prosperity for all. WWF calls on Europe to respond to the economic crisis as an opportunity for a major shift towards sustainable development pathways.

Yours faithfully,

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