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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

on the evaluation of the 7th Environment Action Programme

{SWD(2019) 181 final}

The 7th Environment Action Programme¹ in a nutshell

The EU agrees Environment Action Programmes (EAPs) to provide strategic guidance and to ensure predictable and coordinated action for Europe's environment and climate policy. The 7th Environment Action Programme ('7th EAP') entered into force in 2014 and runs until the end of 2020. It sets out a vision for 2050² together with a clear narrative on an integrated environment policy that contributes to sustainable economic growth, health and human wellbeing. It is fully in line with the spirit of the UN Sustainable Development Goals.

The programme set out nine priority objectives for action:

- Three thematic priorities: to protect, conserve and enhance the Union's natural capital; to turn the Union into a resource-efficient, green, and competitive low-carbon economy; to safeguard the Union's citizens from environment-related pressures and risks to health and wellbeing.
- Four so-called "enablers": better implementation of legislation; better information by improving the knowledge base; wiser investment; integration of environmental considerations into other policies.
- Two horizontal priority objectives: to make the Union's cities more sustainable and to help the Union address international environmental and climate challenges.

Under these nine priority objectives, the 7th EAP lists 36 sub-objectives and 60 concrete actions to be delivered by the EU and its Member States, as well as by businesses, employers' and workers' groups, and individuals.

Environment Action Programmes are agreed in line with Article 192(3) of the Treaty on the Functioning of the European Union (TFEU), and delivery is a shared responsibility of the EU and the Member States. This evaluation takes account of the European Environment Agency's report on the state of the environment and on a consultation with interested stakeholders.

I. The 7th EAP - a modern governance tool for today's environmental challenges

The Commission's evaluation of the 7th EAP shows that the programme provides a strategic framework that has successfully established the narrative of environment policy as a driver for green growth, a healthy planet and improved wellbeing for individuals. All stakeholders came together to set priorities and this allows the EU, Member States, local and regional players including businesses to work effectively and efficiently in the area of environmental policy-making. Having a reference document at EU level that everyone has bought into has contributed to greater coherence and commitment of EU and Member States' environment

¹ Decision <u>No 1386/2013/EU</u> of the European Parliament and of the Council of 20 November 2013 on a General Union Environment Action Programme to 2020 'Living well, within the limits of our planet' Text with EEA relevance.

² "In 2050, we live well, within the planet's ecological limits. Our prosperity and healthy environment stem from an innovative, circular economy where nothing is wasted and where natural resources are managed sustainably, and biodiversity is protected, valued and restored in ways that enhance our society's resilience. Our low-carbon growth has long been decoupled from resource use, setting the pace for a safe and sustainable global society."

policies and action aimed at improving the state of the environment and individuals' wellbeing.

Under the 7th EAP, general awareness of the fact that environmental protection goes hand in hand with a sustainable economic model that creates jobs and prosperity has increased. EU environment policy has evolved from targeted regulatory interventions to a stronger focus on integrating the environmental dimension into other sectoral policies with a broader sustainability perspective, such as the circular economy package³, the 2030 climate and energy framework⁴, the bioeconomy strategy⁵ and the sustainable finance action plan⁶. The consensus built around the 7th EAP has helped Europe speak with one voice in the global context of multilateral cooperation, for example, the Agenda 2030 for Sustainable Development and the Paris Agreement to combat climate change.

Regular reporting on the state of the environment in Europe points to some improvements⁷. The EU is likely to meet its greenhouse gas and renewable energy targets for 2020 and has defined ambitious targets for 2030⁸. Further efforts are needed to meet energy efficiency targets⁹. The Commission has also presented its vision for an updated EU bioeconomy strategy and an EU climate-neutral economy by 2050 in line with the Paris Agreement¹⁰. Business is benefiting from the circular economy, public and private sector funding for the climate and environment is increasing, forest management in Europe is more sustainable, and bathing water quality is improving.

However, major challenges remain, and new ones are emerging¹¹. We face a global ecological crisis as we get close to, or in some areas are already crossing planetary boundaries. The Commission's reflection paper *Towards a Sustainable Europe by 2030* recognises our ecological debt as Europe's main sustainability deficit¹². This environmental crisis has a direct impact on individuals' health. Many cities in Europe do not meet commonly agreed and legally binding air quality standards¹³. The EU is not on track to meet the objective of halting biodiversity loss by 2020 and restoring the potential of ecosystems to deliver services. The ecological impacts of the mobility sector and the food system remain too high.

³ COM/2015/0614 final

⁴ COM/2014/015 final

 $^{^5}$ A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment. COM/2018/673 final

⁶ COM/2018/097 final

⁷ Reduction of air, soil and water pollution, comprehensive protection against toxic chemicals, acid rain and a shrinking ozone layer, nature conservation areas, reduction of greenhouse gas emissions are all on track – for more details, see the 2015 state and outlook of the environment report (SOER 2015) by the European Environment Agency (EEA): https://www.eea.europa.eu/soer-2015/synthesis/report/0c-executivesummary.

⁸ <u>https://ec.europa.eu/clima/policies/strategies/progress_en</u>

⁹ See e.g. COM(2018) 773 final

¹⁰ COM/2018/773 final

¹¹ EEA (2018): Environmental Indicator Report 2018 (https://www.eea.europa.eu/publications/environmental-indicator-report-2018).

¹² Commission reflection paper on implementation of the UN Sustainable Development Goals (30 January 2019): "*The most* serious sustainability deficit and **our greatest challenge is the ecological debt**, which we are running up, by overusing and depleting our natural capital and threating our ability to meet the needs of future generations within the **limits of our planet**. Worldwide the strains on key resources, from fresh water to fertile land, put human existence in peril."

¹³ EEA (2018): Environmental Indicator Report 2018

Halting these negative trends requires above all a continued effort to implement existing legislation¹⁴. Although action comes at a cost and requires strong collective efforts, the cost of inaction and the associated social fallout would be much higher.

Within this context, the 7th EAP has played an important role in providing a governance tool for environment-policymaking in Europe. This evaluation highlights the programme's main achievements and shortcomings. Based on this analysis, it identifies the main lessons learned. Overall, not all actions have been delivered at this stage of implementation. While there has been progress across the board — in some areas more than was envisaged in the 7th EAP — there is a clear need for further commitment.

II. Lessons learned

This evaluation of the 7th EAP has identified a number of valuable lessons for any future environment action programme.

- Having a strategy for EU environmental policy-making provides added value. The 7th EAP is seen as a solid strategy with strong links to national environment strategies. Many Member States have taken the 7th EAP as a blueprint for their own environment policy strategies or specific measures. As a result, the 7th EAP has helped provide more predictable, faster and better-coordinated actions in environment policy. Predictability has helped deliver actions.
- The 7th EAP is broadly in line with good governance practice. The programme has a solid analytical foundation and political commitment, it has adequate resources, a clear vision, objectives and targets; it also provides monitoring, continuous learning and improvements. However, the 7th EAP could have benefited from more strategic actions, that were as concrete as possible to allow for stocktaking, and from better prioritisation by having a limited set of actions as opposed to covering a large breadth of EU environment rules. The 7th EAP would also have benefited from a monitoring mechanism to ensure ownership and delivery of commitments as well as clear and agreed indicators to measure progress in delivery of the actions.
- Wide stakeholder participation is crucial, both before an EAP is launched and throughout its life span. It increases buy-in to the programme and the follow-up measures. The 7th EAP was formulated as part of a broad consultation process and adopted by ordinary legislative procedure (co-decision). This resulted in greater buy-in from different stakeholders and decision-makers. However, this level of active participation before the programme was launched could have been maintained throughout the lifespan of the 7th EAP.
- The 7th EAP is largely coherent with the political agenda both in Europe and globally. However, more could have been done to integrate environmental concerns into other EU policy areas. Stakeholders agree that EAPs should be fully coherent

¹⁴ See e.g. the Environmental Implementation Review 2019

with the political priorities of the EU institutions, guaranteeing their political ownership. This could have been better achieved by linking the EAP lifespan to the EU parliamentary election cycle as well as to other key long-term strategic frameworks such as the Paris Agreement and the 2030 Agenda for Sustainable Development.

III. Methodology for the evaluation

This evaluation explores to what extent the structure, form and strategic role of the agreed framework for action has helped ensure a better environment and climate policy in Europe. In doing so, we examined what constitutes a good strategy and to what extent the 7th EAP meets these success criteria. The overall conclusions are based on this analysis coupled with an assessment of the objectives achieved and actions implemented, while taking into account the Commission's Better Regulation principles¹⁵.

To the extent possible, the evaluation considers progress made on the ground in the form of cleaner air and water, better waste management, less exposure to toxic chemicals etc. – particularly through reporting by the European Environment Agency. However, given that environmental progress generally takes longer than five years to materialise, and the difficulty in attributing headway to a particular EAP, the aim of this evaluation is to examine the added value in having a strategic framework and commonly agreed priorities to guide EU environmental policy-making.

Moreover, the 7th EAP is one of a number of environment policy drivers; it is not easy to ascertain how much each one has contributed. The approach to this evaluation has been to ask a series of evaluation questions using a baseline of no EAP. The 7th EAP evaluation covers achievements from 2014-2018 and is based on a number of studies, consultations and reviews that have considered the programme's progress to date.

These include:

- a stakeholder consultation (an online public consultation, public workshops and targeted consultation);
- the Commission's Environmental Implementation Review¹⁶;
- the annual environmental indicator reports by the European Environment Agency (2016-2018)¹⁷;

 $^{^{15} \, \}underline{https://ec.europa.eu/info/law/law-making-process/planning-and-proposing-law/better-regulation-why-and-how_en}$

¹⁶ <u>http://ec.europa.eu/environment/eir/index_en.htm</u>

¹⁷ <u>EEA Report No 30/2016</u>: Environmental indicator report 2016 – In support to the monitoring of the 7th Environment Action Programme 2016; <u>EEA Report No 21/2017</u>: Environmental indicator report 2017 – In support to the monitoring of the 7th Environment Action Programme; <u>EEA Report No 19/2018</u>: Environmental indicator report 2017 – In support to the monitoring of the 7th Environment Action Programme; <u>DEA Report No 19/2018</u>: Environmental indicator report 2017 – In support to the monitoring of the 7th Environment Action Programme 2018

 European Parliament and Committee of the Regions reports; including the European Parliament's implementation assessment of the 7th EAP (November 2017)¹⁸.

IV. Summary of the analysis

Following an in-depth analysis, we can draw the following conclusions on how the 7th EAP has performed against the Better Regulation criteria¹⁹ for good governance.

1. Effectiveness: We have made some progress towards achieving the 7th EAP goals. The 7th EAP has helped provide more predictable, faster and better co-ordinated action in environment policy. Predictability has helped with delivery.

In an implementation analysis of the 60 actions listed in the 7th EAP, the Commission concludes that *some progress* has been made towards achieving the goals (scoring 3 on a scale from $1-5^{20}$). We see the most progress on actions linked to the second priority objective, *towards a resource efficient low carbon economy*. By contrast, the least progress so far is on actions related to nature protection, environment and health, and integration. The European Environment Agency's independent assessments ²¹ give a similar picture: while significant progress in part, but still lagging behind in many areas. It appears unlikely that goals linked to protecting nature will be met (indicators on e.g. nutrients, biodiversity, fresh or marine water), and it is uncertain whether we will meet all the goals related to environment and health. The EU is well on track to achieve its 2020 target for reductions in greenhouse gas emissions (20 % by 2020 compared to 1990 levels) and its renewable energy target. However, trends in energy consumption need to be reversed to meet the energy efficiency target for 2020.

The 7th EAP has increased the political ownership of environment policy by systematically engaging stakeholders in the design process, followed by its subsequent agreement with Council and the European Parliament. Stakeholders agree that the programme provides more environmental and climate policy predictability and facilitates Member States' policy coordination. However, the fact that the adoption of the 7th EAP and its implementation period do not match the Union's institutional cycle may have posed challenges in this regard.

Predictability and extensive political discussions as part of the legislative adoption process have helped deliver some actions, such as the Environmental Implementation Review, designation of small drinking water suppliers, tackling invasive alien species, and following up on the Rio+20 agenda²², which eventually led to agreement on the UN Sustainable Development Goals.

¹⁸ See: <u>http://www.europarl.europa.eu/RegData/etudes/STUD/2017/610998/EPRS_STU(2017)610998_EN.pdf</u>

¹⁹ effectiveness, efficiency, relevance, coherence and added-value

 $^{^{20}}$ 1=no progress towards fulfilling the actions, 2=limited progress, 3=some progress, 4=substantial progress, 5=full implementation

²¹ <u>https://www.eea.europa.eu/airs</u>

²² https://sustainabledevelopment.un.org/rio20/futurewewant

As in most broad strategies, some envisaged actions have not been realised, such as the nontoxic strategy by 2018 and a headline target for reducing marine litter. At the same time, some additional actions have been implemented, such as the EU plastics strategy and extending the resource efficiency concept to the circular economy agenda. Overall, the 7th EAP scores favourably against the criteria for good governance and design of such strategies²³.

2. Efficiency: The 7th EAP's structure and in particular the enabling framework has helped create synergies. The programme's focus on better integration and implementation supports policy actions aimed at delivering cost savings and improved efficiency.

Failing to implement environmental legislation costs the EU economy around EUR 55 billion each year in health costs and direct costs to the environment²⁴. The evaluation findings point to several examples of cost savings in environment policy throughout the lifespan of the 7th EAP. Despite increasingly ambitious environmental targets in many policy domains, spending on environmental protection has remained relatively constant in Europe over many years (around 2 % of GDP²⁵).

Since the 7th EAP entered into force in 2014, progress has been made both horizontally (between policy areas) and vertically (between levels of government) in increasing the integration of environmental concerns; this supports measures aimed at delivering cost savings and improved efficiency.

The Commission and Member States have made efforts to improve how they collect and shares environmental information²⁶, thus empowering individuals to find out about industrial emissions or environmental noise, which reduces the burden on businesses to provide information, and ensures that administrations at national and EU level work together more effectively. Member States could have been more transparent in sharing information they gather through evaluations and Better Regulation activities to allow for further synergies across the EU.

3. Relevance: The 7th EAP covers the right areas, and its 2050 vision continues to be valid. However, adjustments will need to be made as new challenges arise.

There is widespread agreement that the 7th EAP covers the right three thematic priority objectives, whilst some enabling factors could have been addressed more explicitly, such as digitalisation and environmental governance as means to improve the efficiency of policy. The 7th EAP 2050 vision has been helpful and continues to be valid.

The overall structure of a limited number of thematic objectives, supported by more operational and specific sub-objectives and actions, has helped achieve the delivery of the

²³ Annex 3 of the Evaluation Report summarises the findings from Trinomics study supporting the 7th EAP Evaluation

²⁴ COM/2012/095 final on Improving the delivery of benefits from EU environment measures: building confidence through better knowledge and responsiveness – and ongoing study on the costs of non-implementation of environmental legislation.

²⁵ <u>https://ec.europa.eu/eurostat/statistics-explained/index.php/Environmental_protection_expenditure_accounts</u>

²⁶ <u>https://ec.europa.eu/info/news/environmental-data-commission-welcomes-agreement-new-rules-reduce-red-tape-and-increase-transparency-citizens-2018-dec-20-0 en</u>

priority objectives. The principle of a multi-level EAP²⁷ is supported and reflects good practice, but there are question marks over the degree of complexity or depth, which also makes some actions hard to monitor.

4. Coherence: The 7th EAP is largely coherent with the environment and climate policy-making agenda, both in Europe and in global terms.

As a strategy, the 7th EAP is internally consistent. It set the agenda and forms the backbone of the Commission's day-to-day work on the environment. This applies to the strategic management plan and regular annual activity reporting as well as to new initiatives such as the Environmental Implementation Review. While the enabling framework has made a positive contribution to the thematic objectives, the links to the horizontal priority objectives on local, regional and global challenges are less evident.

On coherence with other policy areas and political priorities, there are some clear (and welcome) links between the 7th EAP and the 10 Commission priorities, such as the shared objective of tackling climate action and strengthening the EU's role as an international player. In general, they support each other, namely the 7th EAP strives to set out how environmental policies can contribute to sustainable growth and jobs. There are several examples of coherence between the 7th EAP and other policy areas, for instance the mention of environmental issues (in particular carbon emissions and air pollution) in the European Semester's Country Report and work related to sustainable cities and the urban agenda.) However, more work needs to be done to achieve integrated policy-making.

For instance, there could have been more consideration of social issues in the 7th EAP, building on existing links between environment and social policy as regards e.g. the impact on vulnerable groups, jobs, social inclusion, and inequality.

The 7th EAP is largely coherent with international commitments. Although it was adopted nearly two years before the UN 2030 Agenda, it anticipated (and influenced) the UN Sustainable Development Goals approach by insisting that economic and social well-being depends on a healthy natural resource base. The 7th EAP can be seen as one mechanism for delivering on the SDGs, although the latter's call for a 'just transition' could have been stressed more in the 7th EAP.

5. Added value: the 7th EAP has made environment policy more effective and efficient. Stakeholders welcome it and see it as a solid strategy with strong links to national environment strategies.

The 7th EAP has been a "guiding light" for different stakeholders – at EU, national, and local levels – involved in addressing environmental challenges in the EU. Environment policy often establishes a framework but then spreads responsibility for its implementation across different levels of government, in line with the principle of subsidiarity. This interlinked

²⁷ three thematic priorities (nature, economy, health) combined with an enabling framework to tackle the main obstacles to achieving the main goals in environment policymaking, combined with two horizontal priorities (urban & international angle)

nature of environment policy and de-centralised decision-making partially explains the opinion of stakeholders that the 7th EAP has been valuable.

The 7th EAP meets good practice criteria for developing a strategy and is well linked to national environment strategies in Europe. Although there has been broad buy-in from stakeholders on the structure and content of the 7th EAP, implementation could have been strengthened by a stronger regular stocktaking and monitoring mechanism.

V. Conclusions

The Commission finds that the 7th EAP evaluation shows that the programme has facilitated an important shift in policymaking — it is now more widely recognised that environmental protection, social benefits and sustainable economic growth go hand in hand. The programme has supported important new agendas such as the circular economy and the Sustainable Development Goals. Having a long-term vision for the first time in an EAP has been a useful policymaking tool — both as a complement to more short-term policy goals and as a feature that all stakeholders could use as guidance for their activities. The enabling framework has directed — in a unique way — attention and resources to the main challenges we face in EU environment policy: lack of implementation, information, investment and integration. The findings of this evaluation will inform future decisions about a successor environment action programme in line with Article 192(3) of the Treaty on the Functioning of the European Union²⁸.

²⁸ Article 4.3 of Decision 1386/2013/EU: 'In the light of that evaluation and other relevant policy developments, the Commission shall, if appropriate, present a proposal for an 8^{th} EAP in a timely manner, with a view to avoiding a gap between the 7^{th} EAP and the 8^{th} EAP.'