

## **ROADMAP TO A RESOURCE EFFICIENT EUROPE : AN INDISPENSABLE BUT NOT UNIQUE PILLAR OF THE EU RESOURCE EFFICIENCY AGENDA**

PRESS RELEASE 26/09/2011

Summary. On the basis of the *Roadmap to a Resource Efficient Europe*, Tom Vereijken, on behalf of the Resource Efficiency Alliance said : “the Roadmap is interesting as it underlines the ‘transformation agenda’ of Europe but has key delivering gaps to address “*the scale and urgency of transformations*” that are needed while ‘*the world is on the edge*’. While 7 major revolutions part of the Resource Efficiency shift are engaged, the EU will need at least two other pillars to address resource efficiency : the Good Life for All Revolution and a Financial Revolution.

The Resource Efficiency Alliance (REA)<sup>1</sup> welcomes the Roadmap to a Resource Efficient Europe<sup>2</sup> as one of the key pillars of Europe 2020 Strategy, inspiring a ‘*positive vision of the world we and our children would like to live in 2050*’ and leading to ‘*fundamental transformation*’. The Resource Efficiency Roadmap is rightly structured around 4 main themes: Transforming the Economy; Key resources (water, air, ecosystem, land, marine); Key sectors (food, buildings, mobility); Governance and Monitoring but the fact that the roadmap doesn’t cover energy resources is important to keep in mind. In each part, there is an interesting progress in thinking as turning waste into a resource, phasing out environmentally harmful subsidies, getting the prices right, innovation partnership on water on one hand, on agricultural productivity i.a. at securing soil functionality on the other hand, blue growth strategy, resource efficiency focus on food, buildings, and mobility, headline indicator and dashboard.

### **Roadmap to a Resource Efficient Europe Governance and Monitoring.**

However, the Roadmap proposes tools which are still giving the impression that it is not only a part of business or consumers that have not yet realized “*the scale and urgency of transformations they will need to make*”, as the Communication states, but it is also the case of the Commission ! The Roadmap is a positive step but needs to be flanked with other tools to accelerate change while ‘*the world is on the edge*’<sup>3</sup>:

The REA suggested that once a year, the leaders of the EU Institutions (Council, Parliament, Commission) should meet with the champions and front runners of the green economy. It is not part of the Roadmap but a first meeting will take place on December 21<sup>st</sup>, 2011 hosted by the European Economic and Social Committee at the initiative of the REA and with the support of major institutions and networks. It should become an annual joint review of progress.

---

<sup>1</sup> The Resource Efficiency Alliance is a joint initiative, launched by 2005, of European Partners for the Environment, the European Water Partnership and EUCETSA.

<sup>2</sup> This Roadmap to a Resource Efficient Europe in one of several roadmaps developed by the Commission as “A roadmap for a competitive low carbon economy”, roadmaps 2050 for energy and transport etc under the process so called ‘Europe 2020’.

<sup>3</sup> Lester Brown.

The REA suggested an “*EU Systemic Resource Efficiency Board*”<sup>4</sup> to tackle the interconnectedness of issues such as water, food, energy, raw materials, biodiversity and job creation. The REA is pleased to note that the Roadmap announces an ‘*EU Resource Efficiency Transition Platform*’ by 2012. Its mandate need in particular to be enlarged to ‘Europe in the world and within global value chains’ (see below)

The REA welcomes the launching, also proposed by the REA, of a *Resource Efficiency Finance Roundtable*. But there is a need for a ‘*European Financial Conference/Convention*’ (see below)

### **Making Europe. Resource Efficient**

*Designing the Roadmap.*

To address the nexus food-raw material-water-energy efficiently an EU resource efficient vision and strategy 2050 needs to include on the one hand the whole European Continent and on the other hand the Mediterranean Region.

*Supporting resource efficiency internationally.*

The Resource Efficiency Alliance proposes that the announced ‘*EU Resource Efficiency Transition Platform*’ receives a special mandate or should be flanked with a “*special task force*” to address the role of the EU in the world and resource efficiency in global value chains, including indirect external EU footprint. The ‘*use of Europe’s consumer power and trade agreements to influence global consumption and production patterns in line with our norms and standards internationally*’, as proposed by the Roadmap, should be debated within this framework with all the interested parties and aim to ‘share natural, financial and knowledge-base resources’.

The proposals related to resource efficiency partnerships at Continental level with Asia (Zero-Waste), Latin America (Bio-Economy), Africa (Nutrients) as proposed by the ETAP Forum should be part of the Commission mandate<sup>5</sup>.

### **The Good Life for All Revolution.**

A new wave of social innovation will be required. Progress and success need to be redefined. With the evolution of the socio-economic-financial context, the Sustainable Consumption section of the Roadmap restricted to Life cycle assessment and information regarding the true costs of products and services is a demonstration of the need, in addition to the Resource Efficiency Roadmap, of other pillars of the Commission and EU action to address ‘*the interdependencies between the economy, well-being and natural capital*’. The Roadmap is reflecting the political tabou related to consumption and the mantra ‘*increased consumption, condition for growth*’.

On September 22, at a Workshop hosted by the Swedish Permanent Representation, with the support of the French Ministry of Ecology, the Resource Efficiency Alliance proposed a ‘**Good Life for All Roadmap**’, presented as another pillar of a Resource efficient and Low Carbon Society in a *Social and Inclusive Europe*”<sup>6</sup> replacing the ‘*sustainable consumption action plan*’ and the ‘*CSR policy*’, both to be reviewed next year. Such ‘Good life for all’ Roadmap should include a regulation on *Rights and Responsibilities of Market Actors* designing a systemic and dynamic framework related to Targets, Reporting, Rewarding and Peer Review Mechanisms by Public and Private Market Actors.

Such Roadmap should as well deal with emerging new models identified i.a. by J. Rifkin as a ‘*distributed capitalism*’<sup>7</sup>; ‘distributed information technologies, distributed communication and energy infrastructures, new management models, new cooperative models with more attention to ‘immaterial values’, the move from exchange models to network models, a better quality of life and an ‘inclusion right’.

---

<sup>4</sup> In the same way as there will be a EU Systemic Board for the banking sector.

<sup>5</sup> The Birmingham Declaration of the ETAP Forum

<sup>6</sup> State of the Union. J.M. Barroso. September 2010

<sup>7</sup> J. Rifkin. Civilization of Empathy.

## **A Financial Revolution.**

The REA supports the Commission to intend to make use of the European Semester, as of 2012, to prepare plans and timetables to phase out environmental harmful subsidies (EHS) as part of Member States National Reform Programmes as well as monitor and guide national development towards environmental fiscal reform and shift taxation away from labour to environmental impacts. However, after twenty years of EU failure to address the tax system reform and a EU Carbon Tax, this is not enough and there is a need now for a 'Financial Revolution'.

In the present financial turmoil, the Europe 2020 strategy (and in particular EU policies related to low carbon economy, resource efficiency, environmental protection, sustainable consumption and production) should lead to a set of coherent, strong and coordinated measures decided by a **EU Financial Conference/Convention, preceded by a 'backcasting exercise' on public and private investments 2050 planning.**

This Financial Conference/Convention, with participation of the ECOFIN/EuroGroup, the EU and the Member States Parliaments, the EU Public Banks and representatives of the business sector, trade unions and civil society should adopt a package of EU measures for reform towards '*smart, sustainable and inclusive growth*' of the financial sector, the taxes and subsidies systems, the EU Budget.

It might include, i.a. (i) an "EU Regulation on Sustainable Responsible practices in private and public financial Institutions" addressing sustainability reporting and monitoring, lending, investment and insurance practices as well as board responsibility for environmental long-term sustainability and sustainability-based remuneration practices, linking bonus schemes to ESG performance objectives and indicators (ii) design of a "Europe 2020 Private Financial Institutions Covenant" to meet the objectives as defined in the Europe 2020 Strategy and of securing an energy efficient, sustainable and inclusive economy (Covenant open to all banks operating in Europe, including private banks, cooperative banks, savings banks, investment banks, retail banks, asset managers, and pension funds) (iii) euro-bonds for European green economy infrastructure (iv) increase of BTW on goods (following the Danish model) and decrease of taxes on labor, (v) phasing out of environmentally harmful subsidies (iv) creation of a EU/Euro-group carbon tax.

## Annex. 7 REVOLUTIONS for PROSPERITY and HEALTH on the agenda of the Resource Efficiency Alliance :

7 revolutions will dramatically change “technology/performance/service/business/lifestyle” as well as our ‘societal vision’ with new participatory democracy and empowerment models, new citizens ‘rights’ as right of access to basic services (electricity, water) and right of access to information (smart metering, smart grids). Each revolution should have resources, infrastructure and governance components and promote environmentally sound and socially acceptable technologies.

1. The Energy and Low Carbon Society Revolution: renewable energy with several components including oceans, solar, hydrogen, buildings, energy efficiency, smart grids, smart metering, monitoring and privacy, right of access to electricity.
2. The Cradle to Cradle Revolution (or Chinese Circular Economy) will address resource efficiency, sustainable resource management (replacing raw materials and waste policies)
3. The Bioeconomy Revolution will address resource efficiency, agriculture, forests, fisheries and oceans
4. The Blue Economy Revolution will address resource efficiency, conservation and sustainable use of marine biodiversity and other resources, including in areas beyond national jurisdiction.
5. The Good Life for All Revolution will address health and environment, sustainable consumption, lifestyles, equity, social innovation and bottom up participatory process in a new information sharing and trust building era.
6. The Business Models Revolution will address performance: environment, economy, services, social and gratuity.
7. The Finance Revolution where the Finance Industry is reoriented to serve the common good.



### **The Resource Efficiency Alliance (REA)**

c/o European Partner for the Environment

Av. de la Toison d'Or, 67 | B-1060 Brussels, Belgium

T: +32 (2) 771 15 34 | F: +32 (2) 539 48 15

info@epe.be | www.epe.be/rea

The REA is a group of public and private economic actors developing synergies and leveraging their market forces to harness resource efficiency for sustainable growth and development in the EU.