

THE EEB'S **ASSESSMENT** OF THE ENVIRONMENTAL PERFORMANCE OF THE AUSTRIAN PRESIDENCY OF THE EU



JULY - DECEMBER 2018 *Prepared in cooperation with Seas At Risk*

EUROPE'S LARGEST NETWORK OF ENVIRONMENTAL CITIZENS' ORGANISATIONS



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July - December 2018

Based on the EEB's Ten Green Tests for the Austrian Presidency released in June 2018

'Good on 8EAP, climate and single use plastics; poor on agriculture, water and fisheries'

	Summary of the EEB's verdict on the ten green tests		
		Effort	Outcome
	1 - Drive ambitious climate commitments to 1.5 degrees	\sim	\sim
4	2 - Halt biodiversity loss: Protect our land and oceans	_	
	3 - Transform food & farming systems through the Common Agricultural Policy	_	~
	4 - Make the EU Budget work for people and planet	_	~
<u> </u>	5 - Reduce air pollution to protect human health and the environment		
000	6 - Ensure clean and sufficient water for Europeans	~	~
X	7 - Protect the public from hazardous chemicals	_	
X	8 - Transition to an innovative, resource efficient, circular economy	\sim	
	9 - Strengthen democratic governance , the rule of law , and environmental justice	_	
Ø	10 - Make Sustainable Development Goals drive the Future of Europe	\sim	\sim

INTRODUCTION

This is an assessment of the Austrian Presidency of the European Union by the European Environmental Bureau (EEB), the largest federation of environmental citizens' organisations in Europe, prepared in cooperation with Seas At Risk. Our mandate encompasses all environment-related issues, a broad agenda comprising 'traditional' environmental issues as well as sectoral and horizontal policies with a direct or potential environmental impact, sustainable development and participatory democracy.

We view the six-month EU Presidencies as convenient periods over which progress on the EU's environment-related policies and legislation can be measured. We appreciate that a Presidency cannot make decisions on its own; it needs the cooperation of the European Commission, European Parliament and other Member States. But the Presidency can still have considerable impact and influence, for example through the way in which it chairs discussions, prioritises practical work and gives a profile to specific issues.

The assessment is not an overall political assessment of the Presidency's performance. We are not assessing its role on foreign affairs issues, internal security matters or migration policies, for example, except insofar as such issues have a bearing on the environment. On the other hand, nor is the assessment limited to the activities and outcomes of the Environment Council; it covers all Council configurations to the extent that they deal with topics that affect the environment. Our assessment is based on the <u>Ten Green Tests</u> we presented in June 2018 to the Austrian Government in advance of the start of its Presidency on 1 July 2018.

At the outset, we would like to acknowledge and express our appreciation for the very open and cooperative approach adopted by the Austrian Presidency.

OVERVIEW

The Austrian Presidency had a very successful last few weeks of its six-month term, managing to complete negotiations on a range of important legislative files including on **CO**₂ emission standards for passenger vehicles, the Single Use Plastics Directive, and alignment of environmental reporting standards, as well as playing important roles in the Climate COP in Katowice and Biodiversity COP in Sharm El-Sheikh.

The Presidency also managed a rich agenda at the Environmental Council meeting on 20 December 2018, which led to agreement on a general approach to set **CO₂ emission standards for heavy-duty vehicles**, as well as the partial general approach on the **LIFE Regulation**. This will enable the Council to start negotiations with the Parliament on these files under the Romanian presidency.

The Council Position on the **LIFE funding instrument for nature and climate action**, brokered by the Presidency, introduced requirements for co-financing which should facilitate project applications from public bodies and NGOs, especially from Member States with lower GDP. The adoption of the Council position paves the way for a swift agreement with the European Parliament, which in December called for an increase of allocation of funding to this successful EU Programme in the EU budget.

The Austrian Presidency had also achieved positive progress on securing a commitment to an **8**th **Environmental Action Programme** – having achieved unanimous agreement among Ministers of the Environment at the Graz Informal Council on the importance of having an 8EAP.

On **biodiversity**, the Austrian Presidency played a positive role in preparing the ground for a Global Deal for Nature to be agreed under the Convention on Biological Diversity in 2020. The Presidency is also to be congratulated on facilitating the adoption of the pan-European Action Plan on sturgeons under the Bern Convention, which now needs to be properly implemented, otherwise we will witness the extinction of these iconic fish species in our lifetime. Unfortunately, the Austrian Presidency missed an opportunity to strengthen the EU action to address the rapid decline in pollinators.

On **chemicals**, the Austrian Presidency organised conferences on that aimed to make our society fit for sustainable living with chemicals in a less toxic world and "International Chemical Policy from a European Perspective" that tackled the issues of REACH Review and substitution among others. Nevertheless, the Presidency did not adopt expected Council conclusions on the REACH Review.

On **air pollution**, we welcome the Graz Declaration that encourages a transformation to clean mobility. While this is more focused on CO_2 , there are benefits for air quality. However, overall the Austrian Presidency did not make air quality a priority, despite the increasing evidence of health impacts.

On **water**, the Austrian Presidency failed to get agreement on the recast of the Drinking Water Directive and proposal for Water Reuse Regulation, making the timeline for their adoption before the European Parliament elections very tight.

Similarly, on **agriculture and fisheries**, the Austrian Presidency has been weaker. In the former case, the CAP proposals were met with strong criticism for the likely environmental and governance impacts, and the negotiations have not improved the situation. It was, however, welcome that agriculture was included as an agenda item on the December Environmental Council meeting, sending a signal that the CAP needs to feature in discussions among Environment Ministers given the clear negative role of the current CAP on biodiversity loss.

Finally, and ending on a positive note within a not positive situation - the EU Member States have continued to provide a united front in the context of the **Brexit** negotiations, providing a basis for the Chief EU Negotiator Michel Barnier to take a firm stance against allowing Brexit to lead to a regulatory roll-back on environmental regulation. The Austrian Presidency team played a strong role in supporting this.



TEST BY TEST

On the Austrian Presidency's performance against the Ten Green Tests, item-by-item, we reached the following conclusions:

1. DRIVE AMBITIOUS CLIMATE COMMITMENTS TO LIMITING WARMING TO 1.5°C

The test

- Drive ambitious climate diplomacy at the Katowice Climate Change Conference (UNFCCC COP 24)
- Contribute to an update of the 2050 long-term strategy in line with the latest available science

The verdict

The Austrian Presidency promised to make climate action a priority of its Presidency. The tasks on the table were numerous, both in the international as well as domestic fora, and some progress was made across the board even if the scale of meeting the challenges of climate change require considerably more progress.

The Katowice Climate Change Conference (COP24) in December 2018 had the key responsibility of making the Paris Agreement operational, which meant the adoption of the Paris agreement rulebook three years after the success of Paris. The preparations throughout the year confirmed the high level of complication and left a lot of work for the COP. The strict concentration on the rulebook, clearly maintained by the Polish COP presidency, created a political gap on the highly necessary issue of ambition in the run up to the COP. Similarly, the topic of climate financing saw little progress which meant a key enabling factor was not developed further. At the COP the collaboration of the whole EU delegation led by the Austrian Presidency, with intensive cooperation with the European Commission and the Polish COP presidency, remained strong but continued to face massive delays in the first week, also because of the limited offer on the enabling factors of finance and ambition. In the end, the successful adoption of the Paris agreement rulebook with common rules for all parties and the joint action of the High Ambition Coalition committing to step up their ambition by 2020, proved that international multilateral negotiations can succeed.

As regards the development of a **2050 long-term climate strategy**, the European preparation of a long-term low greenhouse gas emission development strategies in accordance with Article 4, paragraph 19, of the Paris Agreement made a big step forward with the publication of the Commission Communication 'A Clean Planet for All' on 28 November 2018. The Austrian Presidency enabled a positive political setting already in the October Environment Council, having the latest scientific finding of the IPCC special report on 1.5 degree Bring the requirements for passenger and heavy goods vehicles and the Electricity Market legislation and Gas Directive in line with the Paris Agreement

Positive on effort **Positive** on outcome

and the clear understanding of the utmost urgency and necessity to look into net-zero pathways reflected in the Council conclusions. It was a logical, but important, step to enable a constructive exchange of views of the Member States on the Commission's preferred option of a net-zero economy at the Energy and Environment Councils in December, which showed clear and widespread support among Member States with the interest to develop this forward in a timely manner for the September 2019 Global Summit.

Electricity Market Design and the issue of coal subsidies had proven to be a looming danger over the climate performance of the Austrian Presidency. The discussions faced massive delays and required additional rounds of negotiations. In the end, the decision to phase out coal subsidies by 2025 gave an important signal, spoiled only by a loophole for existing and new contracts that could be concluded within the next 12 months of 2019. The political focus on this important topic came only very late in the negotiations, and a better outcome was missed due to a last-minute manoeuvre of the conservative groups also in the European Parliament's negotiation team.

CO, for cars and vans saw significant progress as the Austrian Presidency managed to achieve both the general approach and the political agreement with the European Parliament within its six months. The strategy to build a strong majority for the general approach came to the detriment of a more ambitious first positioning, but the final political agreement with the EP came to a respectable outcome, despite leaving room for improvement to really align the mobility sector with the requirements of the Paris Agreement.

On the issue of **CO₂ standards for heavy duty vehicles** it was a first important step to achieve a general approach towards the end of the Austrian Presidency, which opens the possibility for the Romanian Presidency to finalise this critically important building block for addressing CO_2 emissions from transport.



2. HALT BIODIVERSITY LOSS: PROTECT OUR LAND AND OCEANS

The test

- Ensure an ambitious EU contribution to the discussions at the Convention on Biological Diversity (CBD) COP 14, Sharm El-Sheikh Conference, in particular on the post 2020 biodiversity framework
- Negotiate for sufficient, efficient and effective financing for biodiversity in the post 2020 EU budget
- Scale up implementation of the EU's Nature Directives and follow-up on the Pollinators Initiative
- Drive commitments to Healthy Seas and Oceans and ensure sustainable fisheries

The verdict

Advancing global action on biodiversity

The Austrian Presidency has fulfilled its priority task on biodiversity listed in the presidency programme and secured an EU agreement on the future global biodiversity policy after 2020, including the mandate for the negotiations at the 14th Conference of the Parties to the Convention on Biological Diversity (CBD COP14). One of the major outcomes of the CBD meeting was the establishment of the preparatory process for developing the post-2020 global biodiversity framework resulting in a Global Deal for Nature to be agreed at the next meeting in 2020 and creating a Paris-style moment for biodiversity. The EEB acknowledges the positive role the Presidency and EU delegation have played in reaching this agreement including the EU's commitment to submit voluntary biodiversity contributions before 2020 as part of this preparatory process.

Tackling biodiversity loss and rapid decline in pollinators

One other action where the Austrian Presidency has achieved a positive result is in securing the EU's commitment to save sturgeons, Europe's most endangered fish species. The Action Plan adopted under the Bern Convention aims to conserve the last surviving populations, restore habitats, end poaching and now needs to be properly implemented, otherwise we will witness the extinction of these iconic species in our lifetime.

Unfortunately, the Austrian Presidency missed an opportunity to organise the Council's action to strengthen the EU Initiative on Pollinators. The proposal from the European Commission failed to introduce effective measures to address the most important drivers of decline in pollinators such as intensive agriculture, pesticide use and land use

Mixed on effort Mixed on outcome

change. The Council asked for such measures to be introduced in the post-2020 EU policy framework, failing to recognise the urgency of tackling the rapid decline in pollinators including through major reform of the Common Agricultural Policy.

EU commitment to healthy seas and oceans

While the Austrian Presidency has clearly aimed at tackling one of the important threats to marine ecosystems, single use plastic, we regret that not much else has been done in terms of handling other important pressures arising from human activities on marine biodiversity. With only one year left before the 2020 deadline of the Marine Strategy Framework Directive, this lack of assertive action towards healthy oceans has not helped get EU countries back on the road to achieving Good Environmental Status of EU seas. The health of the ocean requires a commitment to tackle the many pressures that impact marine ecosystems, including chemical and nutrient pollution, underwater noise pollution, energy infrastructure development (offshore wind, grid connections and interconnectors, oil and gas), seabed destruction and spatial obstruction.

Ensuring sustainable fisheries

The main goal of the Common Fisheries Policy is to sustainably manage all EU fish stocks and to minimize the fishing impacts on the marine environment. We regret that some very detrimental decisions were made for several EU fisheries during the Austrian Presidency. We are disappointed to see that EU Fisheries Ministers disregarded scientific advice and their legal obligation to end overfishing by 2015 and 2020 at the latest, as shown in the decisions on fishing limits for deep-sea fish and the Baltic Sea. That said, the picture is mixed, with some progress

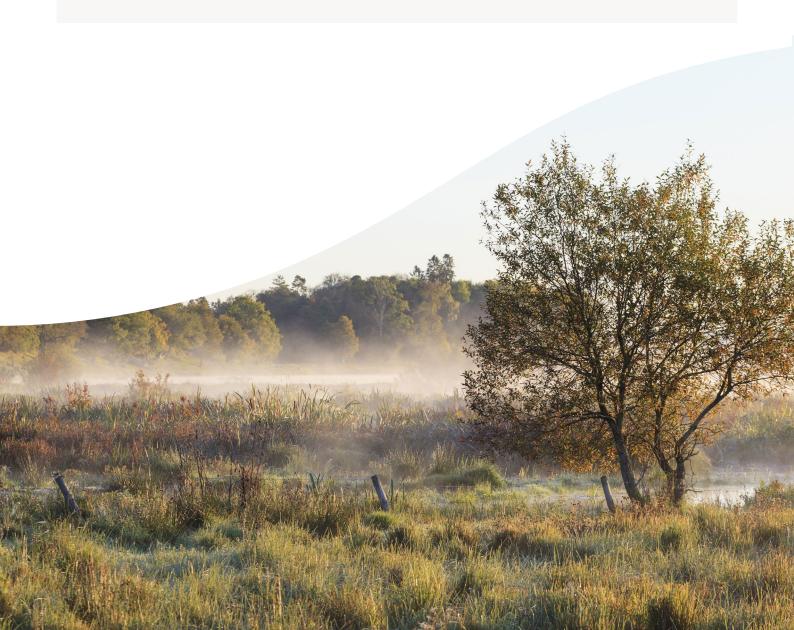
made for certain stocks, particularly those where MSY-based scientific advice is available, whereas advice for other stocks (that are less economically important or primarily taken as bycatch, and/or for which MSYbased advice is not available and advice is instead based on precautionary considerations) was ignored again. We regret the increase in the total allowable catches for some deep-sea stocks, such as the red seabream. Worse even, fishing limits were removed for certain deep-sea stocks, meaning that they are unmanaged from now on, and thus unlikely to recover to sustainable levels by 2020. While it is positive that fewer stocks in the Baltic are overfished than in the past years, much of the work still needs to be done. In particular, it is disappointing to see that ministers have increased dramatically the quotas for the eastern Baltic cod. This stock is so heavily overfished that it has already clear signs of fisheries induced evolution, clear trends in the reduction of size and decreased age to maturity.

Finally, the Austrian Presidency has not taken any specific action to promote the adoption by Member States of Joint Recommendations under Article 11

of the Common Fisheries Policy to manage fishing activities in marine Natura 2000 sites.

Financing and mainstreaming biodiversity

The Austrian Presidency has succeeded in reaching agreement in the Council on the LIFE Programme Regulation, the only EU funding instrument dedicated to environment and climate action. The Council introduced requirements for co-financing which should facilitate nature project applications from public bodies and NGOs, especially from Member States with lower GDP. Unfortunately, the decision to increase funding allocation to LIFE Programme has been deferred to the Heads of Government discussions on the MFF. The progress on mainstreaming biodiversity into other EU policies such as Common Agricultural Policy has been very disappointing with the Austrian Presidency failing even on simple tasks such as organising a proper debate among the Environmental Ministers on the environmental aspects of the proposed Common Agricultural Policy.



3. TRANSFORM FOOD & FARMING SYSTEMS THROUGH THE COMMON AGRICULTURAL POLICY (CAP)

The test

- Drive CAP negotiations to strengthen the provisions for environment and climate measures and ensure Member States' accountability
- Ensure that no subsidies harmful to the environment and climate are part of the CAP post 2020
- Provide platforms for an inclusive debate on the future of the CAP by involving environmental authorities and NGOs

The verdict

The Austrian Presidency carried on the examination of the legislative proposal for the future CAP and completed the first round of examination in working parties. However, most of the discussion aimed at simplifying the "new delivery model" to the maximum extent possible and assessing whether environmental ambitions were proportionate instead of looking at the means to achieve higher environmental ambition. As a result of the discussion, the progress report published by the Austrian Presidency in October 2018 suggest weakening the proposed 'enhanced conditionality' and per se weakening the last remaining common measure left in the proposed new CAP (see also Test 4 on the MFF). Additionally, the progress report suggests simplifying the new "Performance Framework" by weakening reporting obligations of Member States instead of enhancing accountability.

We welcome the fact that the vitality of rural areas was the focus of the Informal Meeting of Agriculture Ministers. However, the format of the meeting did not allow the inclusion of new stakeholders in the debate such as environmental NGOs and so failed to take into account the views of citizens expressed during the public consultation. Also, requests by the EEB and BirdLife Europe to present the preliminary findings

Neutral on effort

Poor on outcome

of a report looking at different case studies on the implementation of the Rural Development Programme and address the Council Presidency in advance of the Informal Meeting of Agriculture Ministers, an opportunity given to the farming lobby COPA COGECA, were rejected, implying a bias towards hearing from economic interests over non-economic ones.

The Conference on the Development of Plant Proteins in the European Union on 22-23 November 2018 in Vienna, co-hosted by the Austrian Minister for Sustainability and Tourism, Ms Elisabeth Köstinger, saw the launch of the publication of an EU Protein Plan. Unfortunately, the focus was put on increasing protein production especially for feed, instead of reducing our overall demand in protein for feeding animals.

Finally, we welcome the fact that Council debates on the CAP were publicly streamed and the fact that agriculture was included in the Environment Council meeting on the 20 December 2018, if only as an 'any other business' point. This latter development still gives a signal to future Presidency Environment Council meetings that agriculture, given its impacts on biodiversity, water, air quality and climate, merits regular scrutiny by Environment Ministers.





4. MAKE THE EU BUDGET WORK FOR PEOPLE AND PLANET

The test

- Promote an EU budget for sustainability, EU addedvalue and catalysing change: ring-fence at least 50% of the CAP budget for climate, environment and nature conservation, ensure at least 1% of the budget on LIFE+ and EUR 15bn per year for biodiversity
- Improve the design of the proposed financial measure for non-recycled plastic packaging waste
- Encourage green finance, environmental fiscal reform and carbon pricing

The verdict

The negotiation of the MFF has been one of the priority areas during the Austrian Presidency, though given the importance of the MFF and complexity of the negotiations, agreement is not expected before October 2019, during the Finnish Presidency.

Both in the proposals and in the negotiations, there is a clear move towards giving more flexibility to Member States and embracing greater simplification, supported by the Austrian Presidency. This is leading to major risks of poor value for money, as the monitoring, review and accountability mechanisms proposed were weak and seem to be weakening further during the negotiations.

Negotiations are taking place on the MFF overall, which requires unanimity, and in parallel with the fund- and sector-specific negotiations on LIFE, CAP, Cohesion fund, H2020, CEF/TEN, and InvestEU. The partial general agreements in these areas face qualified majority voting (QMV) rules and are progressing at different speeds.

There is a mixed performance as regards negotiations on the sector-specific funding, and the partial general agreements on sector legislation, with the exception of the LIFE Regulation which was agreed at the Environment Council on 20 December, are expected to fall under the Romanian Presidency.

The partial agreement in the Council reached on the **LIFE Regulation** is a positive result in some respects. The text includes strengthening the modalities and introducing co-financing requirements into this successful funding instrument dedicated to the environment and climate action. Unfortunately, the Council failed to agree an increase in the budget allocated to LIFE to 1% of the EU budget, this issue having been deferred to Heads of Government as mentioned above, and thus differs in its position compared to the European Parliament which proposed an increase to 0.6% of the EU budget. The failure of the Presidency to put the issue of the

Mixed on effort Poor on outcome

amount of the future LIFE budget on the agenda and consequently of the Council to take a clear position in support of a substantial increase in the LIFE budget, despite several Member States having signalled their support for it, was missed opportunity.

CAP negotiations are largely negative from an environmental perspective, with monitoring, review and accountability mechanisms weakened, leading to a concern that there will be a "race-to-the-bottom" among Member States to the detriment of biodiversity and climate, creating a major missed opportunity for a sustainability budget that can catalyse a transition to a one planet economy.

On climate change, the negotiation box under the Austrian Presidency proposed a "greater than 25%" climate contribution, which is progress on the initial proposal. A mix of climate proofing tools, ringfencing of funding, exclusion of harmful subsidies, and measurement protocols across the areas is being negotiated across the sector funds, with risks of lack of coherence and areas of weakness. There is particular concern that the 40% climate contribution by CAP funding will be too easy to allocate and hence facilitate climate greenwashing, reducing the realworld climate contribution of the MFF. Similarly, the positive gains for biodiversity under the LIFE funding, are expected to be more than offset by negative impacts on biodiversity expected from the current formulation of the CAP legislative proposal. The overall outcome is, of course, not all in the hands of the Austrian Presidency and negotiations are ongoing between the Commission, European Parliament and Member States.

Finally, the Austrian Presidency's relatively positive approach to sustainable finance and the taxonomy, disclosure and benchmarking dossiers, did not, in our view, outweigh the missed opportunities in the MFF negotiations.

5. REDUCE AIR POLLUTION TO PROTECT HUMAN HEALTH AND THE ENVIRONMENT

The test

- Ensure an ambitious contribution to the Ambient Air Quality Directive fitness check
- Address shortcomings in implementation of the Industrial Emissions Directive and set criteria on the determination of best available techniques (BAT) benchmarks with improved links to compliance promotion

The verdict

Air quality was not considered as a priority for the Austrian Presidency in spite of increased evidence of the manifold health impacts – e.g. early mortality, early onset dementia, cognitive development issues and lung capacity. However, the work done on the cars and vans CO₂ emissions reduction and more generally to highlight the environmental aspects of transport (especially the **<u>Graz Declaration</u>** - Starting a new era: clean, safe and affordable mobility for Europe» - and the successful agreement on cars and CO₂) as well as work on CO₂ emissions from heavy goods vehicles (HGVs) can potentially benefit EU air quality objectives as well. Furthermore, the Graz Declaration underlines the health benefits of the proposed clean mobility transformation, including also reference to cycling, acknowledging that "active human-powered mobility (cycling, walking, etc.) as an equal mode of transport and as an integral part of an intermodal mobility chain". On the other hand, the Graz Declaration only looked at 2030 targets (not shorter-term ones) and at the wider strategic vision and did not mention clear objectives for reducing shipping and aviation CO₂ emissions (which could benefit air quality as well).

On the Austrian Presidency's contribution to the **Ambient Air Quality Directives (AAQD) Fitness Check**, it is known that officials from the Presidency and other Member States met with the European Commission to discuss the partial results of the Fitness Check evaluation, but no statements were delivered about the meeting's results.

Neutral on effort Neutral on outcome

As regards the Industrial Emissions Directive (IED), the Austrian Presidency did not have an active role in addressing shortcomings within the IED framework at EU level (e.g. Article 15.4 derogation procedure, Chapter III derogations). However, the Austrian delegation played an overall positive role in interventions within the BREF review process as such and has a progressive approach in implementing the BREFs, except for the intensive rearing of pigs and poultry. A positive aspect of the Austrian position is its critical view of the Key Environmental Issues approach taken by the European Commission, aimed at reducing the scope of pollutants addressed and a reversal of the burden of proof on stakeholders to provide evidence prior to the data collection process on whether a certain issue is to be tackled. The Austrian government did not provide any input to the ongoing IED Evaluation process, so an assessment on the positions taken is not possible.

Finally, on coal subsidies, there has been mixed progress. On the positive side, agreed legislative reforms of the EU's electricity market mean that power plants emitting more than 550g of CO₂ per kWh will not be able to receive capacity mechanism support (subsidies) from 2025. However, there is a so-called "grandfathering clause" for capacity contracts that were concluded before 31 December 2019, which means the rules for the existing power plants do not apply to capacity contracted before mid-2020, a significant loophole for incumbents.

6. ENSURE CLEAN AND SUFFICIENT WATER FOR EUROPEANS

The test

- Ensure that the EC undertakes a balanced fitness check of the Water Framework Directive
- Negotiate for sufficient, efficient and effective financing for sustainable water management
- Prepare an ambitious Council position on the Drinking Water Directive and Water Reuse Regulation

The verdict

The Austrian Presidency has not prioritised getting agreement on the pending legislative proposals to review and complete the EU's water policy framework, namely on the recast of the **Drinking Water Directive** and proposal for **Water Reuse Regulation**, during its six months at the helm of the EU Council. This makes the timeline for their adoption before the European Parliament elections as urged by the Commission's President in the Letter of Intent very challenging. The incoming Romanian Presidency will need to conclude the negotiations on these important files in record time.

The Austrian Presidency collaborated with the European Commission on the fitness check evaluation of the flagship **Water Framework Directive (WFD)**. The European Water Conference that the Austrian Presidency and European Commission held in Vienna in September 2018 provided additional input into the evaluation of the WFD and highlighted implementation challenges as well as commitment from stakeholders to address them within the existing legal framework that is fit for purpose. In addition, the Austrian

Poor on effort Poor on outcome

Presidency organised a debate on the evaluation of the WFD at the Water Directors' meeting held under its Presidency. However, the paper that was prepared for the debate was based on a flawed interpretation of the WFD provisions and was not developed in the transparent and collaborative manner that has become a trademark of the Common Implementation Strategy for the Water Framework Directive. We hope a proper transparent debate can be organised by the incoming Romanian Presidency.

The progress on integrating WFD objectives into other EU policies such as the Common Agricultural Policy or mobilising resources for sustainable water management in the post 2020 EU budget has also been very disappointing, with the Austrian Presidency failing even on simple tasks such as organising a debate among the Environment Ministers on the environmental aspects of the proposed Common Agricultural Policy. One exception was the position of the Council on the LIFE Programme in advance of the negotiations with other EU institutions (see section 4 on MFF).





7. PROTECT THE PUBLIC FROM HAZARDOUS CHEMICALS

The test

- REACH review: Agree Council conclusions on concrete actions for improvement and timelines.
- Maintain leadership on the Minamata Convention on Mercury and ensure implementation in the EU
- Call on the EC to prepare an ambitious Non-Toxic Environmental Strategy and promote chemicals substitution
- Classification Labelling and Packaging (CLP) Regulation: Call on the EC to follow ECHA's opinion on titanium dioxide as a suspected carcinogen.

The verdict

We understand that the Austrian Presidency did not consider that Council conclusions on the REACH Review were needed, mainly because the Bulgarian Presidency issued a non-paper on the REACH Review towards the end of its Presidency. Although we welcome this initiative, the EEB believes a non-paper is clearly insufficient to ensure that the European Commission, Member States and ECHA address the obstacles in the implementation of the REACH regulation raised in the staff working document.

The Presidency scheduled a lunchtime discussion on the future priorities for REACH and the greening of the EU's chemicals policy during the December Environment Council meeting. This in itself may be seen as positive, though we are not aware of any publicly available information on the content or outcome of the discussion.

The Austrian Presidency organised a very successful Green Chemistry Conference as a final event of the programme "Smart and Sustainable Europe", prepared by the EU Trio Presidency (EE-BG-AT) as their contribution to the achievement of the Global Sustainable Development Goals within Europe. This conference provided an opportunity for the participants to consider and discuss options for aligning two approaches: chemicals control and sustainable chemical evolution (Green Chemistry), in order to make our society fit for sustainable living with chemicals in a less toxic world.

Another important conference organised by the Austrian Presidency was the "International Chemical Policy from a European Perspective" that tackled the issues of REACH Review and substitution among others.

These conferences indirectly tackled the **Non-Toxic Environment Strategy** that the European Commission was required to issue under the 7EAP but failed to deliver by the 2018 deadline. However, we

Mixed on effort Mixed on outcome

would have expected a stronger call by the Council to the Commission to deliver on the strategy. Moreover, the EEB regrets the Council's position on the recast Regulation on Persistent Organic Pollutants (POPs), the UN-agreed list of highly toxic substances, that was agreed under the Austrian Presidency. The Council's position hampers the non-toxic environment and non-toxic material cycles goals of the 7th EAP since it allows, for all recycled materials, a higher concentration of certain POPs. The Council has also agreed several derogations for the manufacturing, placing on the market and use of certain POPs, disregarding the opinion by the POPs scientific committee opposing such derogations.

Promoting recycling just for the sake of recycling, without considering substances of high concern, undermines not only the circular economy but also the goal of a non-toxic environment (and non-toxic material cycles) and sustainable development goals. Moreover, it will perpetuate the pollution problem and consequently hamper health and environmental protection.

The Austrian Presidency did not work on the **Classification Labelling and Packaging (CLP) Regulation**, in particular the classification of titanium dioxide. However, we acknowledge that this process is being delayed and there is no vote on the matter yet.

On **mercury**, the revised EU regulation on mercury entered into force in January 2018 and the partial ban on dental amalgam on 1 July 2018. In 2018, four more Member states ratified the Minamata Convention bringing the total to 22. In preparation for the Second Conference of the Parties to the Minamata Convention, the Presidency showed itself very open and supportive to dialogue with the EEB and the Zero Mercury Working Group. The EEB/ZMWG welcomed the interventions of the EU at the meeting where it put forward and defended positions which were in line with our positions and that led them to be adopted by COP 2.



8. TRANSITION TO AN INNOVATIVE, RESOURCE-EFFICIENT, CIRCULAR ECONOMY

The test

- Progress EU Plastics Strategy measures to reduce plastic pollution and achieve a Plastics Free Ocean
- Ensure the adoption of an ambitious Ecodesign and Energy Labelling Package of measures

Promote a more coherent EU Product Policy Framework

The verdict

The Austrian Presidency worked hard to reach a compromise within the Council on the **Single Use Plastics** (SUP) file, managing to finalise the discussion with the Parliament before the end of the year and maintaining some essential provisions regarding cost coverage, bans and separate collection. Having the Single Use Plastics Directive agreed is a strong signal of the commitment to address marine litter and take a step towards plastic free oceans.

We welcome the agreed position on **extended producer responsibility** (EPR), requiring producers to be made responsible for the environmental impact of their products at end of life and cover clean-up, waste management and awareness raising costs in the near future, including fishing gear. We regret however the flexibility given to Member States to choose to achieve reduction in consumption and certain EPR measures through voluntary agreements between industry and authorities, which might become a legal loophole in some countries, abused by lenient interpretation. We regret also that the proposal to include mandatory **labelling** to highlight the presence of hazardous chemicals has been deleted. We also consider that **quantitative** reduction targets should have been set at the EU level (e.g. consumption reduction target for food containers and cups, or separate collection targets for fishing gear). The Presidency also

did not manage

to keep the

Positive on effort Mixed on outcome

ambitious **timelines for implementation**. The introduction of EPR rules is delayed as compared to the Commission and EP proposals, as are the obligations on separate collection and recycled content.

As regards the adoption of an ambitious **Ecodesign** and Energy Labelling package, we have not noted any prominent references to it by the Austrian Presidency despite its importance to progress the Circular and Low Carbon Economy, and Austria was not particularly vocal as a Member State to defend the most ambitious formulations with regard to energy and resource conservation in the proposed measures. The votes by Member States on iconic measures such as on domestic fridge-freezers, lighting and displays helped to secure energy savings and make some steps towards material efficiency, including the setting of sound precedents for repair, however the role of Austria and the Austrian Presidency is not understood to have been particularly instrumental in reaching those results.

We recognise that the implementation of Ecodesign and Energy labelling measures as the promotion of an ambitious product policy framework is beyond Austrian Presidency priorities, and can accept that it was justified to give higher priority (and therefore greater weight in this evaluation) to striving for a successful outcome on the SUP directive negotiations. However, we still regret that no further support was given to product policy and the ongoing work by the European Commission to unleash the potential of product policy, a unique added value of action at EU level, to progress our climate and circular economy policies.



9. STRENGTHEN DEMOCRATIC GOVERNANCE AND THE RULE OF LAW TO SUPPORT ENVIRONMENTAL JUSTICE

The test

- Maintain pressure on the Commission to take steps to end EU non-compliance with Aarhus - promote access to justice, access to information and public participation
- Support better implementation and build confidence in the rule of law
- Ensure that trade agreements and Brexit do not jeopardize existing or future EU environmental standards
- Encourage measures supporting equity and environmental justice, and corporate accountability

The verdict

After the Council in June 2018 invoked Article 241 TFEU requesting the Commission to undertake further studies on the options to make the EU compliant with the **Aarhus Convention**, which delayed the possibility to propose an amendment to the Aarhus Regulation, there was no critical moment for the Austrian Presidency to lead on the issue of the EU's compliance with the Convention. With regards to pushing for a **Directive on Access to Justice**, there has unfortunately not been any engagement or development on that front.

The Austrian Presidency played a negative role in blocking progress on improving the effectiveness of the right to know for citizens under the UNECE **Kiev Protocol on Pollutant Release and Transfer Registers (PRTRs)**. At the 6th meeting of the Working Group of the Parties to the Protocol, the Presidency failed to ensure the EU's support for a text developed by the Bureau of the Protocol which aimed at assessing improvements to access to information and ways of making the registers more fit for purpose for tracking the implementation of SDG goals, including through possible amendments to the Protocol. Instead the EU, represented by the European Commission, blocked that text for the reason of a "lack of negotiation mandate", this being under the responsibility of the Austrian Presidency.

On better implementation and building confidence in the rule of law: while this is largely in the hands of the European Commission and the Member States themselves, and less for the Council Presidency, the Austrian Presidency expressed its support for better implementation in the context of the 7EAP/8EAP discussions in forums such as the Informal Meeting of Environment Ministers (Graz, October) and a workshop organised by Umweltdachverband (December, Vienna).

Mixed on effort Mixed on outcome

During the Austrian Presidency, no particular measures have been taken to promote environmental justice or to strengthen corporate accountability. However, the emphasis in the Austrian Presidency Programme on the need to ensure that 'the EU consistently avoids overregulation' in order to 'sustainably ensure its prosperity and competitiveness', as well its push for 'more subsidiarity', has lent support to a narrative which is not particularly helpful in building policy frameworks that hold corporations to account.

On **trade agreements** and **Brexit** and ensuring that EU environmental standards are not jeopardised, the verdict is mixed – with a positive role for Brexit and a less positive role in the context of trade and the trade agreement with Japan

As regards **Brexit**, the Austrian Presidency in its capacity of chairing the General Affairs Council presided over the discussions among the EU-27 on the preparations for the UK withdrawal from the EU. In this task, the Presidency set as its main objective to maintain the unity of the EU27. While Member States were for the most part at arm's length from the Brexit negotiations which took place in a so-called 'tunnel', the level of unity among the 27 was more or less unprecedented and provided a strong basis for the Commission chief negotiator Michel Barnier to take a tough line, including on the issue of linking future UK access to the EU market with alignment with EU environmental (and other) standards through insistence on level playing field provisions. The outcome of the negotiations, in the form of the Withdrawal Agreement, Political Declaration and accompanying Council statement, was as positive as could realistically be expected in relation to minimising any threat to environmental standards arising from the UK's departure.



10. MAKE SUSTAINABLE DEVELOPMENT GOALS DRIVE THE FUTURE OF EUROPE

The test

- Have Sustainable Development Goals (SDGs) drive EU policies for the future of Europe
- Launch the debate on the need for an ambitious 8th Environment Action Programme

The verdict

Overall effort and performance were different for the two tests. The Austrian Presidency made a very significant and successful effort on the 8EAP but drove the SDG agenda less strongly. Overall, we feel the 8EAP progress was such that an overall positive outcome for this Test is merited.

Sustainable Development Goals (SDGs)

The Council in its conclusions of June 2017 as well as the European Parliament urged the Commission to elaborate, by mid-2018, an implementation strategy for the 2030 Agenda with a timeline, objectives and concrete measures in all relevant internal and external policies and to identify existing gaps by mid-2018 to assess what more needs to be done on policy, legislation, governance structures for horizontal coherence and means of implementation. However, at the outset of the Austrian Presidency and almost three years after the adoption of the 2030 Agenda, the EU still lacked both instruments, a clear reflection of the low priority given to sustainability issues. The environmental pressures created by the EU's current economic model both inside Europe and on other parts of the world were not identified as key challenges to be addressed in the coming years.

Despite Austria having historically been very supportive of a renewed sustainable development strategy for the EU, the Austrian Presidency has not made sustainable development, or the Sustainable Development Goals (SDGs), one of its top priorities. In its Programme for the Presidency, Austria briefly

Positive on effortPositive on outcome

mentioned the SDGs as "an important reference framework for the demand for research and innovation" and that the "enshrinement of the Agenda 2030 goals in the relevant strategy and institutions, as well as their implementation by EU institutions and Member States will be discussed". It also emphasises the need for sustainability in various contexts, for example committing to pay special attention to sustainability in the context of the European Year of Cultural Heritage 2018. However, for the most part, the Presidency's approach did not reflect the holistic nature of the 2030 Agenda and the Sustainable Development Goals (SDGs) or the urgent need to ensure Policy Coherence for Sustainable Development and did not set out the ambition to make the SDGs the compass of all European policies.

A positive step forward during the Austrian Presidency was the adoption of Council Conclusions on 18 October 2018, in which the Member States stressed their full commitment to the 2030 Agenda for Sustainable Development and its implementation. The Council underlined that the Reflection Paper now expected in January 2019 should pave the way for a comprehensive implementation strategy to be presented later in 2019 (a repetition of the Council's demands from June 2017). Earlier in October, the Multi-Stakeholder Platform on the Implementation of the SDGs had also called on the Commission to present an overarching Sustainable Europe 2030 strategy. However, the Commission has so far not pledged to provide a new Sustainable Development Strategy including an implementation plan for the 2030 Agenda.

While it remains to be seen what the reflection paper will consist of, it appears that the Austrian Presidency has not been able to add much momentum to the high-level political debate around the 2030 Agenda or to reach any new milestone regarding the implementation of the SDGs in and by the EU.

It was appreciated that the Austrian Presidency invited selected representatives of the Multi-Stakeholder Platform (MSP) for the Implementation of the SDGs, amongst which the EEB, to a meeting of the 2030 Agenda Council Working Party in order to exchange with Member States on the MSP's contribution to the Reflection Paper. The Austrian Presidency applauded the work of the MSP and supported its call on the Commission to present an implementation strategy.

We welcome the organisation of the fourth international conference organised by the initiative "Growth in Transition". The event, entitled 'Europe's Transformation: Where People Matter' and held on 14 – 15 November in Vienna, was officially part of the Presidency's programme and strived to create a dialogue about the transformation processes towards sustainability.

8th Environmental Action Programme (8EAP)

The Austrian Presidency proved a strong driver for both reflections on the performance of the 7EAP and for commitments to an ambitious 8EAP. It supported a debate on the former, following up on an international workshop in Vienna in June 2018 in preparation for its Presidency by engaging in a range of 7EAP evaluation events in both Austria and Brussels during its Presidency.

Austrian support for an 8EAP has been clear throughout its Presidency and the preparations. Already in June 2018, the Austrian government had communicated its support for an eventual 8EAP. The 8EAP was one of the two main items on the agenda of the informal council in Graz in October 2018, where Ministers of the Environment from across all 28 Member States gave their unanimous support for having an ambitious 8EAP. This is particularly welcome given the potential transformative role an ambitious 8EAP can potentially play with due buy-in by all Member States and EU institutions.







European Environmental Bureau

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We also develop a paper before each Trio Presidency. The 2019-2020 paper, addressed to the Romanian, Finnish and Croatian Presidencies, can be read here and a more detailed memorandum to the Romanian Presidency can be read here.

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