



EEB

European
Environmental
Bureau

THE EEB'S
ASSESSMENT

OF THE ENVIRONMENTAL PERFORMANCE OF
THE **FINNISH PRESIDENCY** OF THE EU



JULY - DECEMBER 2019

*Prepared in cooperation
with Seas At Risk*



EUROPE'S LARGEST NETWORK
OF ENVIRONMENTAL CITIZENS'
ORGANISATIONS



Prepared in cooperation with Seas At Risk



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Based on the EEB's **Ten Green Tests** for the Finnish Presidency released in June 2019

'Good on circular economy, chemicals and wellbeing; poor on agriculture and EU Budget'

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INTRODUCTION


This is an assessment of the Finnish 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. And policy agendas are often highly affected by new Commission priorities, as is this case with the new Political Guidelines and the Communication on the European Green Deal. But the Presidency can still have considerable impact and influence, for example through the priority and profile it gives to specific issues, to the way in which it chairs discussions, prioritises practical work, and engages with other Member States to enable progress to be made.

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 [Ten Green Tests](#) we presented in June 2019 to the Finnish Government in advance of the start of its Presidency on 1 July 2019.

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



Jeremy Wates
Secretary General



OVERVIEW

The 2019 Finnish Presidency was their second presidency of the EU, the first being two decades ago in 1999. It has been recognised for the high priority given to **climate change**, **circular economy** and **biodiversity**, leading by example on the former with its national commitment to reach carbon neutrality by 2035 and in the latter with its €100 million allocation to biodiversity. The Finnish Presidency has been effective in the organisation of a wide range of important policy files, and for adopting a neutral approach. During the Presidency, important progress has been achieved in the areas of the **European Green Deal**, **Green Finance**, and **climate change**. However, progress was less positive on the **EU budget** and the **CAP negotiations**.

The unveiling of the **European Green Deal** was the defining policy event during the Finnish Presidency. While this was developed largely outside of the Finnish Presidency mandate, the circular economy priorities closely match the Finnish position. The Presidency note framing the Council discussion on the Green Deal gave a positive orientation to the discussion, it is coherent with many of the stated policy ambitions of the Finnish presidency, and Finland also made efforts to ensure that the **8th Environment Action Programme** is maintained as a priority transformative agenda, presiding over the adoption of forward-looking Council Conclusions at the October Environment Council.

On **climate**, progress includes the European Parliament vote declaring a climate emergency, the priorities given to climate in the Green Deal, commitments to carbon neutrality in Europe made by the European Council - a major step forward demonstrating and facilitating EU leadership. There was also the vow to end funding of fossil fuels and Paris-incompatible investments by the EIB, and the agreement on the green finance taxonomy. These are all steps forward, many influenced by the Finnish Presidency.

Circular economy has been one of the top priorities for the Finnish Presidency and the Council gave a strong signal in the October Council Conclusions and the commitment to deliver a Circular Economy action plan as part of the Green New Deal communication released on 11 December 2019 mirrors many aspects of the Finnish circular economy vision.

Biodiversity was a key priority of the Finnish Presidency. It actively engaged in the preparatory work under the Convention on Biological Diversity towards COP15 in October 2020, when the countries of the world will hopefully agree on ambitious biodiversity targets to bend the curve of biodiversity loss. Finland has also led by example by increasing funding for biodiversity nationally. However, progress was less good on fisheries, as the quotas agreed for 2020 will still lead to unsustainable over-fishing.

On **water**, the Finnish Presidency made substantial efforts in getting the Council Conclusions on both the recast of the Drinking Water Directive as well as proposal for the Water Reuse Regulation.

On **chemicals**, the pressure on the Commission to prepare a non-toxic environment strategy guaranteeing non-toxic material cycles aiming at a better alignment of the chemicals, products and waste policy was maintained under the Finnish Presidency.

On **agriculture**, the performance of the Finnish Presidency has been mixed. The Presidency's efforts to push a positive narrative on agriculture's role in climate mitigation and its initiative to invite environmental stakeholders to the Informal Agriculture Council were very welcome. However, the negotiations in the Agriculture Council have continued weakening the green architecture and performance framework of the new CAP, falling far short of the radical change urgently needed – so the final result was poor.

Negotiations on the **EU budget** have been slow and complicated with the Finnish proposals arguably being weaker than they could and should have been to enable real climate progress. The end of 2019 deadline was not reached despite a non-ambitious budget proposal, with both the overall budget lines not being agreed, and the **CAP negotiations** looking likely to last until 2021 or 2022. This may be as much a reflection of the difficulty of reconciling different national positions and institutional interests as of Finnish presidency “performance”.

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



1. Recognise that there is a climate emergency and drive ambitious climate commitments to 1.5 degrees

THE TEST

- Secure endorsement of **an EU commitment to net-zero greenhouse gas by 2050 at latest and preferably by 2040, with a reduction of 65% by 2030, and ensure consensus on the EU Long-Term Climate Strategy building on the Commission's work in line with the latest available science** responding to the Climate Emergency and public demonstrations for urgent action;
- Prioritise efforts to **close the gap between the EU's 2030 energy targets and the draft national contributions** and to improve the draft national energy and climate plans (NECPs) having regard to the Commission's recommendations;
- Encourage an **industrialisation strategy that integrates circular economy measures to support the transition to a net-zero greenhouse gas economy;**
- Negotiate for **a truly Paris-compatible MFF** and ensure that robust measurement methods for carbon saving allocations from EU spending are integrated into the MFF and remaining legislative acts being negotiated (CAP).

THE VERDICT



Good on effort



Mixed on outcome

The youth street marches shone the spotlight of the discontent with policy makers' progress on tackling climate change, calling for a recognition that we live in the times of a climate emergency, a climate breakdown, and that major steps forward must be launched to address needs. Finland put climate change as a central priority of its presidency and led by example by committing to climate neutrality by 2035. On 29 November 2019, the European Parliament adopted a [resolution](#) declaring a climate and environmental emergency with 429 votes for, 225 votes against and 19 abstentions.

EU Long-Term Climate Commitments

A major result under the Finnish Presidency was the 12-13 December European Council conclusion ([12 December Council Conclusions](#)) committing the EU to achieving climate neutrality as a whole by 2050. It also concluded that "[All relevant EU legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate neutrality objective while](#)

[respecting a level playing field.](#)" The timing allowed the European Commission to present the commitment to the UNFCCC COP25 in Madrid, with the hope of leading by example and encouraging global ambition. While the COP25 final resolution on Sunday 15 December, two days after the planned announcement, maintained the Paris commitment, there was arguably very little progress, with minor, but symbolically important, progress on the role of oceans. The EU was regarded as part of the more ambitious set of countries.

The European Green Deal communication announced on the 11 December 2019, promises to deliver the first Climate Law by March 2020 enshrining the objective of climate neutrality by 2050. It also promised a revision of the 2030 greenhouse gas (GHG) emission reduction target from 40% to 50-55%. While positive, this will be too low to meet the 1.5°C global warming target that the EU signed up to at the Paris COP. To meet this, a reduction of at least 65% by 2030 is needed, and climate neutrality by 2040, as well as global action.

Closing the gap between EU's 2030 energy targets and Member States pledges

On [18 June](#), the [European Commission](#) warned that the national energy and climate plans ([NECPs](#)) will not meet the 2030 climate and energy targets (at least 40% cuts in greenhouse gas emissions (from 1990 levels), 32% share for renewable energy and 32.5% improvement in energy efficiency). The governance regulation requires member states to have submitted drafts by 31 December 2018, and final versions by 31 December 2019. It is understood that a number are not yet forthcoming and the current commitments together suggest that the existing 2030 targets will be missed and that efforts will be needed to update and upgrade the NECPs in the first half of 2020, under the Croatian presidency.

Industrialisation strategy that integrates circular economy measures

During the Presidency the masterplan for energy intensive industries was presented. We welcome the final commitment of the European heavy industries for carbon neutrality in 2050, but not all Member States took part in the discussions and not all worked towards this ambition. The masterplan is a document promoted by DG GROW so not directly an output from the Finnish presidency. The challenge will be for the European Commission and its launch of the Industrialisation strategy during the Croatian Presidency period.

A truly Paris-compatible MFF

The negotiations on the EU Budget continued throughout the Finnish presidency, with the presidency playing an active role in trying to broker a climate positive MFF. [Finland](#) presented its MFF "[Negotiating Box](#)" on 5 December, that formed the basis of subsequent discussions at COREPER on 4 December 2019 as well as at the General Affairs Council on 10 December 2019, ahead of the December 12-13 European Council. It presented an overall budget of 1 087 billion euros for the period 2021-2027, representing 1.07% of EU GNI and, as regards climate change, noted:

Reflecting the importance of tackling climate change

*in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, programmes and instruments should contribute to mainstream climate actions and to the achievement of an overall target of **at least 25%** [our emphasis] of the Union budget expenditures supporting climate objectives. **As a general principle, all EU expenditure should be consistent with Paris Agreement objectives.** An effective methodology for monitoring climate-spending, including reporting and relevant measures in case of insufficient progress, should ensure that the next MFF as a whole contributes to the implementation of the Paris Agreement. The Commission shall report annually on climate expenditure.*

The Finnish Presidency worked hard to ensure a climate flavour in the MFF proposals, as seen by proposal for "at least 25%" climate spending, and that all EU expenditure should be consistent with Paris Agreement objectives. However, the 25% share is low compared to needs, and it feels a missed opportunity to not have tabled a 40% climate share to promote a shift in the level of effort.

The European Council on the 12-13 December underlined that the next MFF will significantly contribute to climate action, and that - "[All relevant EU legislation and policies need to be consistent with, and contribute to, the fulfilment of the climate neutrality objective while respecting a level playing field.](#)" but did not get agreement on the overall budget and allocations across priority areas. There were statements that a special session on the MFF would take place February, but it may also drift to June given the different interests, as well as complications around Brexit's impact on the MFF.

See also Green Test 4: *Make the EU Budget work for people and planet.*



2. Halt biodiversity loss: Protect our land and oceans

THE TEST

- Show leadership in driving **a far-reaching global agreement on a New Deal for Nature and People** to be adopted under the UN Convention on Biological Diversity in 2020 as well shape **an ambitious EU biodiversity policy framework** post 2020;
- **Protect vital ecosystems through improved implementation of the EU's nature, water and marine legislation;**
- Mobilise political support to get **a commitment from all EU Member States to take the necessary measures to achieve the goals of the Marine Directive in 2020** or as soon as possible after 2020, in particular by phasing out plastic, chemical, agricultural and underwater noise pollution and by protecting vulnerable marine ecosystems in networks of well-managed Marine Protected Areas;
- **Full implementation of the Common Fisheries Policy**, in particular by ensuring that **total allowable catches and quotas for 2020** are set at or below scientifically defined sustainable limits (Fmsy) for all fish stocks at the Fisheries Councils in Autumn-Winter 2019.

THE VERDICT



Good on effort



Mixed on outcome

New Deal for Nature and People and EU biodiversity policy framework post 2020

The Finnish Presidency has actively engaged in the preparatory work under the Convention of the Biological Diversity towards the COP15 in October 2020, when the countries of the world will hopefully agree on ambitious biodiversity targets to bend the curve of the biodiversity loss. The Presidency culminated with the adoption of the [Council Conclusions](#) on tackling biodiversity loss at the meeting on 19 December. The Conclusions emphasise the need for urgent measures to protect and restore biodiversity and to promote nature-based solutions. They also underline the importance of ensuring adequate funding to achieve the objectives.

Unfortunately, despite acknowledging the urgency, and in contrast with the recent Environment Committee

position in the European Parliament, the Ministers' conclusions are still too general and do not include commitment to set specific, measurable and legally-binding targets to address the drivers of biodiversity loss and protect and restore nature. The EU has had ambitious biodiversity targets in place for several decades, but has consistently failed to meet them, due to a lack of accountability and policy coherence. The 2030 EU Biodiversity Strategy that European Commission is currently preparing needs to include legally binding targets, otherwise it risks having little impact. Such targets should also include targets to restore nature to tackle the intertwined climate and biodiversity crises. By agreeing on concrete domestic action and supporting an ambitious global biodiversity framework, the EU and its Member States would be in a position to provide true global leadership and drive an international coalition for finally stopping and reversing biodiversity loss and degradation of ecosystems that are crucial for our own survival.

Improved implementation of the Nature Directives

The Presidency, despite making progress at home, failed to get EU governments to fast-track measures across the EU to trigger a step change in the quality of implementation of the Nature Directives, ranging from swift completion of the Natura 2000 designation, in particular at sea, to making sure that all sites have specific conservation objectives and management plans in place including secured financing for the required measures.

Achieving the objectives of the Marine Strategy Directive

The Finnish presidency has successfully pushed ocean issues on the EU agenda in different ways in the past 6 months. First of all, working with the European Commission, they set a discussion on the past and future implementation of the Marine Strategy Framework Directive on the agenda of the Marine Directors' meeting in November 2019. It is regrettable that this discussion did not happen in a stakeholder-open context, and that we had to wait until the end of 2019 to discuss the failure of achieving the Directive's objective in 2020. The public conclusions of the discussion were also non-committal and broad. Finland, however, should be commended for their efforts in pushing for the discussion to start.

In addition, Finland has been working with the Commission to organise a high-level event on the MSFD in March 2020 in coordination with the Croatian presidency. Such an event, mirroring the HOPE conference of 2014, gives resonance and legitimacy to the MSFD. In the year of its deadline, 2020, it is critically needed.

Finally, the Finnish presidency, recognising the importance and gravity of the conclusions of the UN IPPC report on Oceans and the Cryosphere published in September 2019, pushed for the adoption of ambitious conclusions by the General Affairs Council on 19 November 2019. In the conclusions, Ministers for European Affairs stress that climate change is a direct and existential threat to life in oceans and seas globally. Member States unanimously agreed the need for immediate action against increasing threats to our ocean, seas and coastal areas and invited the Commission to put forward policy options.

Implementation of CFP and Quotas for sustainable fisheries

When it comes to protecting marine ecosystems against the impacts from overfishing and industrial fishing, some detrimental fisheries decisions were made during the Finnish Presidency, despite their commitment to improve fishing sustainability.

At the EU AGRIFISH councils of October and December 2019, EU fisheries ministers failed to comply with EU law and meet the deadline of the CFP to end overfishing by 2020. While efforts were made to substantially reduce the fishing efforts for some stocks, fishing limits for several important Baltic Sea and the North East Atlantic stocks remain beyond the sustainable limits recommended by scientists (e.g. for cod in the west of Scotland, Celtic sea sole and pollack in the Bay of Biscay and Atlantic Iberian waters, Eastern Baltic cod and western Baltic herring). As overfishing will continue in EU waters in 2020, EU countries will not only be failing their own laws but also international target 14.4 of the Sustainable Development Goals and Aichi target 6 of the Convention on Biological Diversity.

Finally, the Finnish Presidency did not take 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 or of Joint Recommendations under the new Technical Measures regulation to limit the impacts of fishing on the marine environment, in particular with regard to bycatch, nor did they start these processes in their own waters.



3. Transform food & farming systems through the Common Agricultural Policy

THE TEST

- Ensure that there is a **comprehensive discussion of the CAP in both the Environment and Agriculture Council formations** that takes account of the need to **strengthen the provisions for environment and climate** measures in the resulting CAP;
- Drive CAP negotiations to **strengthen Member States' accountability and hence confidence that the CAP will deliver on the environment and the climate**;
- Mobilise political support for ensuring that **no subsidies harmful to environment and climate are part of the CAP post 2020**.

THE VERDICT

- **Mixed on effort**
- **Poor on outcome**

Ensure a comprehensive discussion of the CAP in the Environment and Agriculture Council

Although the Environment Council did not discuss the CAP during the Finnish Presidency, efforts to shift the narrative within agricultural policy-makers' circles on agriculture's positive role in climate mitigation are welcome. Soil carbon sequestration – a key practice for climate mitigation and adaptation – was the theme of the Informal Agriculture Council, where, for the first time, environmental stakeholders were invited.

Strengthen the provisions for environment and climate in the CAP

Two of the four Agriculture Council meetings focused on 'the environmental and climate ambition of the CAP'. While the questions were framed positively, they failed to shift the discussions towards the radical change that is needed. A new proposal by the Presidency to replace the environmental ringfencing in pillar 2 with a single ringfencing for the whole CAP envelope to 'give Member States flexibility in how to achieve higher environmental and climate ambition' was met with great caution from environmental stakeholders, as this could threaten the budget for crucial pillar 2 agri-environment-climate measures. Furthermore, the Finnish drafting suggestions do not show any improvements on the previous weakening of conditionality and eco-schemes.

CAP negotiations to strengthen Member States' accountability

The European Court of Auditors and the scientific community strongly criticised the performance framework of the new CAP as proposed by the Commission. Instead of addressing the issues of concern to ensure that the CAP delivers on environmental and climate action across the EU, the Finnish Presidency has continued on the path started by previous Presidencies which leaves more freedom to Member States to design their national CAP plan without proper safeguards and checks.

Ensuring that no subsidies harmful to environment and climate in the CAP

The Finnish Presidency has maintained the higher budget allocated to coupled support by the previous Presidency – subsidies known to be harmful for the environment and the climate. Regarding investment support for irrigation infrastructure – subsidies which require strict safeguard to prevent environmental harm – earlier weakening of the safeguards has been undone, but certain exemptions are still under discussion.



4. Make the EU Budget work for people and planet

THE TEST

- **Drive MFF negotiations to promote an EU budget for sustainability that brings EU added-value, implements our Paris, SDGs and biodiversity commitments, and catalyses change towards a one-planet economy:** aim for minimum 1% budget for LIFE, ring-fence €15bn for nature protection and restoration, 40% for climate mainstreaming;
- Ensure that **all spending on the CAP is conditional on respect for environmental legislation;**
- **Encourage green finance and environmental fiscal reform, including carbon pricing,** ensure **transparency on subsidies** in the EU and **ensure the rapid phase-out of harmful subsidies,** including in the MFF;
- **Ensure that the EU budget avoids fossil fuel lock-ins** in key instruments like the Connecting Europe Facility and give **policy guidance to the European Investment Bank to ensure Paris-compatible** spending.

THE VERDICT

- **Neutral on effort**
- **Poor on outcome**

MFF negotiations to promote an EU budget for sustainability

The negotiations on the MFF have been an important responsibility of the Finnish Presidency agenda. The new Commission president Ursula von der Leyen underlined her wish that the budget be agreed at the end of 2019. This proved not possible.

Finland inherited some partial general agreements made during the Austrian and Romanian Presidencies, and, as noted under EEB Green Test 1, Finland, played an active role in trying to broker a climate friendly MFF, presenting its MFF "[Negotiating Box](#)" on 5 December, that fed into the December 12-13 European Council.

In Finland's attempt to broker a deal, the level of climate and environmental ambition in its MFF proposals was arguably significantly lower than its own domestic commitments and far less than needed for climate change, biodiversity and the SDGs. It included wording such as "at least 25%" for climate spending. It was 20% under the last MFF and the European Commission proposal was to increase this to 25%. Adding "at least" is progress, but with a smaller overall budget would lead to a reduction in actual climate funding, and far less

than the needs if the 1.5 degree target is going to be achieved, which would require 40% climate budget and no climate-incompatible spending.

The Finnish negotiation box came under heavy criticism by the [European Parliament](#) which concluded that *'the next Long Term budget of the EU would "condemn the European Union to failure"'*. It underlined, inter alia, that not enough was said as regards own-resources, that the EMFF (fisheries fund) and LIFE funding (important for biodiversity) was very significantly lower than the EP asks. On a more positive note, Pillar 2 of the CAP was reinstated (lost in an earlier proposal).

There were elements of progress – for example the Council conclusions recognised not only the Paris Agreement, but also the SDGs:

*Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, programmes and instruments should contribute to mainstream climate actions and to the achievement of an overall target of **at least 25%** of the Union budget expenditures supporting climate objectives.*

CAP and the MFF

The negotiations on the CAP budget have proven to be controversial and progress has been far from encouraging. The Finnish Presidency made the first attempt to introduce specific numbers into the debate in the Agriculture Council. The proposal to reduce the cuts to Pillar 2 (EAFRD) which supports the more environmentally friendly aspects of the CAP is welcome. However, cuts to Pillar 2 are still higher than to Pillar 1 (EAGF). Importantly, there has also been no initiative to improve the quality of spending within the CAP and elsewhere. The current accounting methodology for 'climate mainstreaming' in the CAP is maintained, despite being strongly criticised by the [European Court of Auditors](#). Finally, there is no budget or spending target for biodiversity within the CAP or beyond, except for the very small LIFE budget.

Encourage green finance and environmental fiscal reform

The European Green Deal fully embraced the need for green finance and also underlined the need for environmental fiscal reform. It committed to submit a proposal for a revision of the Energy Taxation Directive – expected to be tabled by June 2021, together with a proposal to move towards Qualified Majority Voting (QMV), and proposals for closing exemptions, such as on excise taxes for aviation and maritime fuels. A proposal for a carbon border adjustment mechanism for selected sectors has also been promised for 2021, and a review of the EU Emissions Trading System Directive has been included for June 2021 in the provisional timetable noted in the annex the communication. The Communication also notes that:

At national level, the European Green Deal will create the context for broad-based tax reforms, removing subsidies for fossil fuels, shifting the tax burden from labour to pollution, and taking into account social considerations.

Ensure that the EU budget avoids fossil fuel lock-ins and Paris-compatible EIB

There is growing widespread understanding that investments and funding that lock-in fossil fuel use run counter to the Paris Agreement and will compromise progress towards a 1.5 degrees warming target. The above-mentioned European Council commitment that *programmes and instruments should contribute to mainstream climate actions* creates a signal against Paris-incompatible funding. This is echoed by the Commitments in the European Green Deal as well as wider progress - with the EIB vowing to [end funding of fossil-fuel energy projects from the end of 2021](#). It is also supported by progress on the Taxonomy – the [European Parliament and the Council agreed on 15 December](#) which solid fossil fuels, such as coal or lignite, should be black-listed and called for more work on subsidy reform:

The compromise also includes a clear mandate for the Commission to start working on defining environmentally harmful activities at a later stage. Phasing out those activities and investments is indeed as important to achieve climate-neutrality.

See the EEB and partners' [latest report on greening the EU budget](#).

5. Reduce air pollution to protect human health and the environment

THE TEST

- **Ensure an ambitious outcome of the Ambient Air Quality Directive fitness check;**
- **Ensure that the Commission undertakes a comprehensive review of the Industrial Emissions Directive**, delivering improved pollution prevention at source and a re-defined scope to promote the ecological transition of industrial activities;
- Ensure a comprehensive review of the **Gothenburg Protocol** that leads to it also including **methane and black carbon**;
- Encourage an **ambitious position on agricultural air pollutants in the CAP dialogue** which effectively contributes to achieve WHO air quality standards.

THE VERDICT

- **Neutral on effort**
- **Neutral on outcome**

Ambient Air Quality Directives Fitness Check

The Ambient Air Quality Directives (AAQD) Fitness Check results were published on 28 November. The Commission's Staff Working Document highlights that the Directives are fit for purpose; what is hampering the achievement of the air quality objectives is the lack of implementation by Member States.

The Commission presented the Fitness Check conclusions at the Environment Council meeting on 19 December. An assessment of the Finnish Presidency's contribution to this process cannot be made at this stage, given that there is not yet an official proposal from the Commission about the next steps.

Fitness check of the Industrial Emissions Directive (IED)

This is ongoing, so there was no real window of opportunity for Finnish Presidency influence.

Gothenburg Protocol

In December, at the Executive Body meeting of the Convention on Long-Range Transboundary Air Pollution, the European Union supported commencing the review process of the 2012 Gothenburg Protocol, as mandated in Article 10 of the Protocol. The Executive Body decision restates the call for 'an evaluation of mitigation measures for black carbon emissions and ammonia control measures' and invites submissions on 'additional elements to be considered in the upcoming review'.

Agricultural air pollutants in the CAP proposal

The current text of the CAP does not include any binding requirement on the reduction of agricultural air pollutant emissions. In the EU, agriculture is responsible for 92% of ammonia emissions, which results in secondary PM_{2.5}, and for 54% of methane emissions, which is both a GHG and a precursor of ground-level ozone. The Finnish Presidency did not act to make the CAP coherent with existing air quality objectives (under the Ambient Air Quality Directives and the National Emission Ceilings Directive). Agriculture emissions cannot be left to the 'good will' of Member States through their CAP Strategic Plans.



6. Ensure clean and sufficient water for Europeans

THE TEST

- Work with the European Commission to **complete a fitness check evaluation of the Water Framework Directive** and related legislation that leads to its improved implementation;
- Finalise inter-institutional negotiations so that **the revised Drinking Water Directive safeguards high standards** of drinking water and ensures access to water for all;
- Lead negotiations on the adoption of the **Water Reuse Regulation** so that it contributes to the achievement of the environmental objectives of the Water Framework Directive.

THE VERDICT



Good on effort



Neutral on outcome

The Water Framework Directive fitness change

The Finnish Presidency decided to wait for the results of the European Commission's fitness check evaluation of the Water Framework Directive (WFD) and related legislation and did not organise any further debates on the future of the EU water policy during the 6 months of its Presidency. The meeting of the Water Directors under the Finnish Presidency focused on how to better implement and enforce the WFD. In December 2019, the European Commission concluded that the WFD is fit for purpose and the delay in reaching the WFD's objectives is "largely due to insufficient funding, slow implementation and insufficient integration of environmental objectives in sectoral policies, and not due to a deficiency in the legislation". It has also highlighted that the next cycle of river basin management planning will play a key role in ensuring the necessary progress towards achieving the environmental objectives by the 2027 deadline.

Drinking Water Directive and Water Reuse Regulation

The Finnish Presidency is to be congratulated on the efforts made in finalising the inter-institutional negotiations on both the Drinking Water Directive (DWD) and Water Reuse Regulation - negotiations which were concluded in December.

The new Drinking Water Directive better reflects the WHO recommendations on the quality parameters and makes the risk-based approach compulsory, while establishing a link between the protection of water ecosystems under the WFD and protection of public health under the DWD. Unfortunately, the recast DWD fails to properly respond to the citizen initiative Right2Water and to properly embed the recommendations from the initiative into the EU legislation.

The finalised Water Reuse Regulation contains requirements for the quality of reclaimed water and its monitoring to ensure that human and animal health as well as the environment are protected. However, the safeguards to ensure that the increased use of reclaimed water does not prevent the achievement of the WFD objectives, including requirements for establishing ecological flows, could have been stronger.



7. Protect the public from hazardous chemicals

THE TEST

- Press the Commission to make a legislative proposal on an **overarching chemicals regulatory framework** and to put in place a **non-toxic environment strategy** by 2020;
- Support measures to promote a **clean circular economy** and a **public information system** about substances present in materials, articles, products and wastes;
- Ensure that **democratic and environmental principles are fully applied in EU chemicals policy** (e.g. transparency in decision making, 'no data, no market', precautionary principle, substitution principle);
- Maintain leadership on the **Minamata Convention on Mercury** and ensure its full implementation in the EU.

THE VERDICT



Good on effort



Good on outcome

Overarching chemicals regulatory framework and non-toxic environment strategy

The Finnish Presidency started shortly after the adoption of the 26 June Council conclusions - [Towards a Sustainable Chemicals Policy Strategy of the Union](#) - that signalled Member States' disappointment with the lack of work by the European Commission on the non-toxic environment strategy that was committed to under the 7th Environment Action Programme (7EAP).

The Finnish Presidency secured the adoption of strong [October 2019](#) Council conclusions on the 8th Environment Action Programme recalling the June conclusions and underlining the urgent need to act as several planetary boundaries such as pollution have been crossed and are jeopardising current and future generations' wellbeing and prospects. The conclusions insisted that not acting now is causing high costs to the environment, human health, wellbeing and the economy and recalled that the Union is committed to

a high level of protection of the environment and of human health, and to the improvement of the quality of the environment.

We welcome the conclusions under the Finnish Presidency that once again urged the Commission to present without any further delay a Union strategy for a non-toxic environment, in close collaboration with the Member States and the Union institutions, in line with the 7th EAP and the Council conclusions entitled 'Towards a Sustainable Chemicals Policy Strategy of the Union', that will fully address endocrine disruptors, combination effects of chemicals and nanomaterials issues.

Moreover, the conclusions underlined the importance of protecting citizens' health, with a particular focus on improving air quality and water quality and preventing or minimising exposure to all substances of concern, especially to substances of very high concern (SVHC), that are put on the market or are released into the environment across Europe.

Clean circular economy and a public information system

The above-mentioned October Council conclusions highlighted the need to accelerate the transition towards a non-toxic, safe and climate-neutral economy with safe and sustainable production and consumption patterns. The conclusions also underline the importance of moving towards non-toxic circular material cycles by improving product eco-design and maximising the use of sustainable, renewable and secondary raw materials that are safe for human health and the environment; and called upon the Commission to come up with a new Circular Economy Action Plan and a long-term strategic framework, including a common vision, for a circular economy.

Moreover, the Council conclusions highlighted the potential of digitalisation and new technologies, such as satellite data, remote sensing and artificial intelligence, and encouraged the Commission and the Member States to improve access to and use of environmental data and information systems and to promote best practices.

Finally, [the Council conclusions on “More circularity - Transition to a sustainable society”](#) under the Finnish Presidency also call on the Commission to present a Union strategy for a non-toxic environment guaranteeing non-toxic material cycles aiming at a better alignment of the chemicals, products and waste policy, and acknowledge in this context the important role of traceability, transparency and information exchange throughout all phases of the value chain.

Fully apply democratic and environmental principles in EU chemicals policy

Moreover, the Council conclusions underline that the 8th EAP must address environmental governance, including issues such as transparency, information, public participation and access to justice. The conclusions also stress the need to improve implementation, enforcement of Union legislation, information, communication with and awareness raising of the public.

Minamata Convention on Mercury

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 2019, no additional Member states ratified the Minamata Convention, therefore the total stays at 22. In preparation for the third Conference of the Parties of 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 3.



8. Transition to an innovative, resource-efficient, circular economy

THE TEST

- Make sure that a **Textile Strategy** is initiated, pursuing and complementing the **Plastic Strategy** that should continue to be implemented;
- Push for the development of policies for the **design and waste management of batteries**;
- Unleash further the circular and decarbonization potential of buildings, notably by promoting the LEVELS framework as a more binding and systematic framework;
- Actively support the **EU level work on product policy**: notably working towards a future swift implementation of an EU information system to track substances of concern and material contents of products and of the repair scoring system, and targeting new sectors beyond energy-related products to apply similar push and pull mechanisms as Ecodesign and Energy Labelling schemes;
- Push the EU to design a **new GPP and Ecolabel strategy**: set GPP as the default approach for public authorities and corporate social responsibility, and ensure a more effective roll-out of Ecolabel across products and services, with an effective communication plan.

THE VERDICT



Good on effort



Good on outcome

Circular economy has been one of the top priorities for the Finnish Presidency and the Council gave a strong supportive signal in 4 October [Council conclusions: More circularity – transition to a sustainable society](#). It certainly influences the commitment to deliver a Circular Economy action plan as part of the Green New Deal communication released on 11 December 2019.

Textiles strategy to complement EU Plastics Strategy

A comprehensive strategy and targeted actions towards textiles are called for in the Council conclusions of October 2019 and such a strategy is now considered by the Commission. The Presidency also pushed for pursuit of the Plastics strategy, notably to address microplastics, to promote the uptake of recycled plastics and to intensify the Plastics strategy by extending actions towards new sectors such as building, automotive, electronics and textiles.

Development of policies for the design and waste management of batteries

The Council Conclusions make a clear call for revising the Batteries Directive towards improved collection, replacement of single use batteries and their reuse and using ecodesign criteria to address batteries placed on the market from an early stage of the supply chain.

Circular and decarbonization potential of buildings

The Council Conclusions dedicate a whole paragraph to circular economy in buildings, recognising their material and climate impact, urging for action to make construction products more circular and supporting the use of tools such as LEVELS.

Product policy

The Council Conclusions refer several times to product policy and notably call for a coherent product policy. They also recognise and promote the use of an ecodesign approach and economic instruments, even beyond the energy-related products.

A new GPP and Ecolabel strategy

While the Council conclusions mention Green Public Procurement and Ecolabel, notably in connection with the Product Environmental Footprint initiative and considering a GPP monitoring system, this point is clearly a weaker outcome of the Presidency: for years GPP have been identified as a key leverage for the uptake of more circular, low carbon and sustainable products, including ecolabelled products, and it would have been just logical to see a stronger push towards making GPP the default approach and using Ecolabel products as a clear reference for GPP.



9. Strengthen democratic governance, the rule of law, and environmental justice

THE TEST

- Ensure that the incoming Commission makes it a top and early priority to come forward with a **legislative proposal to amend the Aarhus Regulation** that fully addresses the **EU's non-compliance with the Aarhus Convention**;
- **Support better implementation**: debate the Environmental Implementation Review (EIR) and ways to ensure that Member States take urgent action on the priority areas identified by the Commission;
- Engage with the Commission and the European Parliament on the reflection process for **strengthening the Rule of Law in the European Union** and on the focus of the **better regulation agenda** so that it is re-oriented towards ensuring that **EU law protects citizens' health, rights and the environment**;
- **Promote corporate accountability**, complementing a push for binding regulation of corporate responsibility at the UN and OECD levels, with a push for the EU to do the same, and pushing for the EU to re-engage with the UN Treaty on transnational corporations and human rights.

THE VERDICT

- ✓ **Good on effort**
- ✓ **Good on outcome**

Legislative proposal to amend the Aarhus Regulation

The Commission published its report and supporting study on Access to Justice in October 2019. This did not give enough time for the Finnish Presidency and Council to prepare formal Council Conclusions reacting to the report and study and recommending the way forward for the EU to comply with its international obligations under the Aarhus Convention, which is by proposing an amendment to the so-called Aarhus Regulation. However, the Presidency did keep the issue under the spotlight by putting it on the agenda of the Council Working Party on International Environmental Issues in late October, and on that occasion inviting environmental NGOs to express their views to Member States and the Commission. It also included the issue as an information point on the agenda of the 19 December Environment Council meeting, thus maintaining the pressure on the Commission to comply with the timetable specified in the Council Decision of June 2018 calling on the Commission to bring the EU into compliance with the Aarhus Convention by improving access to justice at EU level for NGOs. It will now fall on the Croatian Presidency to keep up that pressure on the Commission to stick to that timeline by tabling an amendment to the Regulation by September 2020.

Better implementation and the rule of law

While the Environmental Implementation Review (EIR) is largely in the hands of the European Commission and

the Member States themselves, and less for the Council Presidency, the new Commission's European Green Deal, which has been supported by the Council, has outlined the need to focus on implementation and enforcement to reach the objectives that it sets out.

With regards to work to strengthen the rule of law in the EU, the Finnish Presidency has taken the issue seriously by respecting the Parliament's vote triggering the procedure of Article 7 TFEU against Hungary. While no decision was eventually taken by the Council, the Finnish Presidency scheduled two hearings during its term to discuss the alleged breaches of the rule of law in the Member State.

Promote Corporate Accountability

It is much appreciated that Finland is one of the front-runners regarding new policies to strengthen corporate accountability. Already in June 2019, the Finnish Government announced that it would develop a national human rights due diligence (HRDD) law and promote due diligence at the European level. At the occasion of a conference in Brussels on 2 December 2019, the Finnish Presidency put forward the document "[Business and Human Rights – Towards a Common Agenda for Action](#)" including proposals on public funding, legislation and judicial remedies. The agenda also acknowledged the fragmentation of existing rules and regulation on corporate accountability and stresses the need for EU-wide regulation on mandatory human rights due diligence. It calls on the EC, the EEAS and the Council to put in place a Joint Action Plan on Business and Human Rights in order to facilitate more strategic, comprehensive and effective EU action. Regarding access to justice, it asks the EC to identify and address gaps in the EU's legal framework and to enhance access to justice for victims of corporate human rights abuses.



10. Implement the Sustainable Development Goals and commit to a transformative 8EAP

THE TEST

- Request the new Commission to immediately start working on a **Sustainable Europe 2030 Strategy**, to serve as the overarching strategy guiding all EU policies and programmes, with clearly defined EU-wide targets, responsibilities and timelines for the ambitious implementation of the SDGs in and by the EU;
- Support the Commission in developing a robust, transparent and participatory **monitoring and reporting framework for the SDGs** including a full SDG monitoring report similar to a Voluntary National Review (VNR) in collaboration with all Member States, that is, a report covering all policies, internal and external, as well as spill over effects of European domestic policies;
- Request the incoming Commission to prepare without delay a **transformative 8th Environment Action Programme** that can form a **Green New Deal** that catalyses a just transition to a one-planet economy;
- **Transform the EU's trade policy agenda** to one with sustainable development and an emergency level response commensurate with the biodiversity and climate crises at its heart, and in the short term insist on significant changes to the proposed EU-Mercosur Trade agreement to reflect these priorities prior to any finalisation or ratification of the deal;
- Encourage policy and governance reform so that **wellbeing and sustainability take a more prominent role relative to GDP growth**, e.g. in 'better regulation' processes and tools, through a new Sustainability and Wellbeing Pact which obliges Member States to present wellbeing budgets and through having a Commissioner for Wellbeing and Future Generations.

THE VERDICT



Good on effort



Mixed on outcome

Sustainable Europe 2030 Strategy & Development Goals (SDGs)

The Finnish Presidency came after the publication of the Commission's Reflection Paper "[Towards a sustainable Europe by 2030](#)" on 30 January 2019 which takes stock of the progress made in Europe and identifies the necessary priorities when moving forward. It also came after repeated calls from different EU institutions for the Commission to present an implementation strategy and plan for the SDGs (Council Conclusions in June 2017 and October 2018, EP in June 2017, opinions by the EESC and contribution of the Multi-Stakeholder Platform). The Finnish Presidency, backed up by this strong push for the Commission to become much more ambitious in the implementation of the SDGs, was in a strong position to

ensure the new Commission would take a stronger role in making the 2030 Agenda a reality.

The Finnish Presidency had a weak start on the 2030 Agenda with the side event hosted jointly with the European Union during the UN High-Level Political Forum (HLPF) in New York on 18 July 2019. The event was meant to be the main moment to present the EU's assessment of progress made in implementing the Agenda 2030's SDGs within Europe and through the EU's international cooperation; however, the review process was flawed. First, the Commission (and the Finnish Presidency as co-organisers) did not include civil society in the preparation of the event. The Commission's own expert group, the Multi-Stakeholder Platform, was only informed at the last minute but never consulted on how the Commission would present its assessment and

what would be presented (for comparison: progressive governments include civil society in their delegations to the HLPF with strong roles throughout the review and presentation). Moreover, the event focused one-sidedly on the external dimension, in particular the Joint Synthesis report on the implementation of the European Consensus for Development, while failing to honestly address the severe sustainability challenges we face within the Union. The event did not deliver the much-requested full SDG report including an in-depth assessment of domestic policies as well as negative spill-over effects of European policies that undermine the sustainable development of other countries. Only one civil society representative was invited to speak at the event, again only on the external dimension, and it seemed that the organisers sought to avoid critical messages from civil society.

In October, the new Commission President, in all her mission letters to the Commissioners, tasked them with the responsibility to ensure the implementation of the SDGs in their respective fields, thereby mainstreaming the SDGs into all policy areas. Moreover, Ursula von der Leyen announced the reform of the European Semester to fully integrate the SDGs.

We strongly welcome the Council Conclusions of 10 December on the 2030 Agenda which reflect many civil society demands by:

- Asking the Commission to present an SDG monitoring report at the 2021 HLPF based on an open, transparent and multi-level participatory process;
- Stressing the critical role of civil society in implementing and achieving the SDGs, and the importance of meaningful involvement of civil society in EU strategies;
- Asking for a new mandate for the Multi-Stakeholder Platform on the Implementation of the SDGs;
- Stressing the need for time-bound targets for all SDGs;
- Arguing the need for new indicators, qualitative and disaggregated data (also from sources other than Member State governments), covering environment footprint and negative spill-over effects;
- Recalling the need for Policy Coherence for Sustainable Development and emphasising that next to the whole-of-Commission approach the overall responsibility for the implementation of the

2030 Agenda should be attributed to a member of the College, preferably at the highest level;

- Asking the Commission to elaborate without further delay a comprehensive implementation strategy outlining timelines, objectives and concrete measures to reflect the 2030 Agenda and mainstream the SDGs in all relevant EU internal and external policies, based on what more needs to be done by 2030, in terms of EU policy, legislation, governance structures for horizontal coherence and means of implementation; and
- Calling on the Commission to ensure that all of its six political priorities are implemented in a manner that contributes actively to the Commission's commitment to implement the SDGs.

8th Environmental Action Programme (8EAP) and Green New Deal

The 4 October [Council Conclusions on the 8th EAP](#) - *The 8th Environment Action Programme - Turning the Trends Together* - are arguably very positive for the 8EAP, calling upon the Commission to present at the latest by early 2020 an ambitious and focused proposal for the 8th EAP for the period 2021-2030. This is an important conclusion as with the political attention focused on the European Green Deal, there had been a risk that the EAP could have been sidelined.

In the EEB's 10 Green Tests we had recommended that the 8EAP be developed as a Green New Deal for a Just Transition for a one-planet economy. The 8EAP, which will form a legal agenda for the period to 2030 to be agreed between the Commission, Council and Parliament, has now been complemented by a European Green Deal promised by the new European Commission, that defines many aspects of its work programme for 2020 and 2021 and beyond. The European Green Deal is potentially the most important transformative moment for European environmental policy if it lives up to its promises and is implemented. It is unclear to what extent Finland influenced the European Green Deal, so this assessment focuses more on the fact that the 8EAP is supported.

Transform EU's Trade Policy

Finland's presidency followed the political agreement on the EU-Mercosur Free Trade Agreement in June 2019. The primary aim of Mercosur countries is to boost the export of agricultural products, while the EU

is mainly interested in exporting manufactured goods, in particular cars. The deal is criticised by European farmers, who fear their prices will be undercut by increased beef imports from the Mercosur area, and environmentalists in the EU and indigenous groups in Latin America calling out the increase in deforestation in Brazil with cattle farming being its main driver as well as environmental conflict around increased mining activities. Environmental groups have highlighted that the EU undermines its own net zero target if its trade deals help to destroy the planet's largest carbon sink in the Amazon. In this context it was much welcomed that the Finnish Government, during its Presidency, suggested a potential temporary ban on imports of Brazilian beef and excluding these from the agreement to disincentivise farmers from lighting fires in the place.

However, such temporary measures are not enough. President Bolsonaro's current plans will lead to a rise of total global carbon emissions of 1.3 gigatonnes - around 3% of the global total. The increase in agricultural goods produced for export is also likely to increase the use of pesticides which are banned in the EU. For instance, in Argentina, among the 150 pesticides used in soybean farming, 35 are banned in the EU. The losers of this deal would be both the environment and small-scale farmers in the EU and the Mercosur region. Therefore, 340+ organisations, including many EEB members, have signed a [letter](#) to stop this trade deal.

The Council Conclusions of 21 November do mention the effective implementation of trade agreements for the benefit of EU companies and citizens; however, there is no mention of the need to put in place enforceable sustainability chapters and legally binding commitments to the Paris Agreement in each FTA. Under the Finnish Presidency, the Council did therefore not advance in the necessary transformation of the EU's trade policy at a level adequate to respond to the climate and biodiversity crises.

Policy and governance reform so that wellbeing and sustainability take a more prominent role relative to GDP growth

The Finnish Presidency has made a range of important contributions – [the Council Conclusions on the Economy of Wellbeing](#) of 17 October under the Social Council, acknowledged that: *The Economy of Wellbeing is a policy orientation and governance approach which aims to put people and their wellbeing at the centre of policy and decision-making.* The Finnish Presidency event: [Beyond growth – Indicators and Politics for People and Planet](#) on 28-29 October 2019 brought together decision makers, statisticians, academia and civil society to develop [Policy Recommendations for the EU: Wellbeing and sustainability at the centre of policy and decision-making](#).

The [10 December Council Conclusions](#) call on the Commission and EU Agencies to consider these recommendations. It also said that “existing indicators used in Eurostat’s report do not sufficiently address certain key phenomena, such as the change in consumption and production patterns, including the transition towards a circular economy, or perceived well-being, which are at the centre of the 2030 Agenda”. However, wellbeing is still not fully integrated as the key objective, nor are there any concrete steps on how to transition to a wellbeing economy. In any case a treaty change would be required to change the Stability and Growth Pact, and this was far beyond the timescale of the Finnish Presidency. A step in the right direction came when the new Commission President committed, in the Political Guidelines, to integrate the SDGs into the European Semester, broadening the dashboard of indicators.



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The EEB and its members welcome continued engagement and cooperation with the Presidencies of the Council of the European Union.

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 Finnish Presidency can be read [here](#).

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