

To: Environment Ministers of EU Member States

Cc: Commission President, Executive Vice-President for the Clean, Just and Competitive Transition, and Commissioners for Environment, Water Resilience and a Competitive Circular Economy, Climate, Net Zero and Clean Growth, Energy and Housing, Health and Animal Welfare and the Chair of the European Parliament Environment Committee

Re: Input to the EU Environment Council Meeting, Brussels, 27 March 2025

Brussels. 19 March 2025

Dear Minister.

On behalf of the European Environmental Bureau, I am writing you to share our views on many of the issues on the agenda of the forthcoming EU Environment Council. This Council meeting comes at a crucial moment for European environmental and climate policies with major shifts in geopolitical realities and a new world order emerging. It also comes after the presentation of two initiatives by the European Commission in its first 100 days, the Clean Industrial Deal and the Omnibus Regulation. It is a key moment to align forces to advance the objectives of the European Green Deal, to which Ursula von der Leyen's committed to in her political guidelines, and to which Heads of State and Government also committed to in their strategic agenda, and ensure long-term sustainability, social and economic resilience and human security across the region.

We strongly welcome that the EU remains committed to supporting Ukraine against Russia's illegal aggression until a comprehensive, just and lasting peace can be reached. In parallel, we need Europe to accelerate measures to tackle the climate, biodiversity and pollution crisis as well as social inequalities and the cost-of-living crisis, which threaten the very foundations of our future and our democracies but are also making us less resilient and strategically autonomous at a time of geopolitical turbulences. Security is not limited to military security - human security includes, for instance, security and resilience regarding food, water, materials, housing and energy as well as good governance and the rule of law.

We invite you to take our concerns into account during the final preparations as well as at the Council meeting itself. We have structured the letter according to the 27 March Council Agenda and added our vision of what is needed for a sustainable and resilient Union.

1. Environmental dimension of the Clean Industrial Deal

Decarbonisation, energy efficiency and sufficiency

We welcome the **affirmation to the EU's decarbonisation objectives** in the Clean Industrial Deal (CID), as well as the affirmation that economic prosperity and decarbonisation go together. This includes the priority push on upscaling electrification (from 21% to 32% by 2030) powered by nature positive renewables (+100GW/yr up to 2030) and improved (flexible) grids.



The CID links to important steps taken towards **energy efficiency** in the Affordable Energy Action Plan such as the EU guarantee scheme and the energy savings EU certification. However, we remark there is little reference to the different dimensions of energy efficiency in the CID and too little attention for buildings, which is a main interface that all Europeans have with energy and climate policies. Looking at the importance of these topics in the public opinion and the various positive environmental impacts that energy efficiency leads to - from climate and local emissions to biodiversity protection - this is a clear shortcoming of the CID.

In times of crisis, next to energy efficiency, **energy sufficiency** is an effective enabler of strategic autonomy and resilience. Less energy needed means less dependence on energy imports, and potential for lesser financial flows to Russia and their war effort.

Zero pollution

We also deeply regret that the CID disregards the **triple planetary crises** interconnectivity and the objectives of **zero-pollution** and **toxic-free environment**: 'Clean' goes beyond climate neutrality. By focusing only on decarbonisation, there is a risk of exacerbating pollution and hampering circular economy as well as just exacerbating the costs of inaction (see annex). In contrast, simultaneously addressing climate change, pollution, and the circular economy offers a far more effective triple win. It is essential to prevent, and where technically not feasible, reduce chemical pollution impacts on air, water, soil and noise in an integrated manner. This approach is crucial for ensuring industries' transition to sustainable production. It is urgent to safeguard public health, protect the ecosystems upon which all our economic activities depend, and foster innovation that serves the public interest.

Circular economy and raw materials

The CID rightly identifies **circular economy** as a core element. However, the goal of becoming a 'world leader' in circularity by 2030 remains vague. The CID continues to prioritise **recycling over sufficiency and resource use reduction.** To achieve a truly circular economy, the EU must establish clear resource efficiency targets beyond the established doubling of circular materials use rates and prioritise the development of **toxic-free material cycles**.

The CID also links to **Europe's demand for raw materials**. The Critical Raw Materials Act (CRMA) focuses on securing primary resources rather than reducing demand. The Clean Trade and Investment Partnerships (CTIPs) risk favoring corporate interests without proper oversight over human rights and environmental implications. The EU continues struggle to ensure robust human rights due diligence in **raw material supply chains** and to increase transparency in trade governance. Making our industries sustainable and resilient also means reducing our dependency on raw material imports and leading the way to truly sustainable, fair and transparent supply chains.

Investments

The proposed **long-term annual investment** of €480 billion and the outlined funding commitments of approximately €207 billion are insufficient to meet the challenges ahead. To achieve a genuine



industrial transformation to clean, circular economy and carbon neutrality, the **EU must expand its fiscal capacity** through joint borrowing and a larger budget, ensuring investments are guided by strong environmental and social conditions to serve the public interest and building on the pollution prevention hierarchy and the polluter pays principle to encourage responsible behaviour and respect for industry's licence to operate. Polluting companies should be held accountable for the costs of pollution prevention at source and compensation and contribute to independently managed funds dedicated to depollution.

Further, a reality check on what are "strategic" or 'essential' products or services, beyond climate related aspects, is necessary such as food, transport, housing, water services, healthcare or education. Industry is more than the energy intensive sectors or 'cleantech' in energy solutions.

The CID lacks tools to ensure **effective monitoring and enhance public accountability** in tracking progress on the ground of industrial transformation in action.

We call upon the Environment Council to:

- Integrate and foster energy sufficiency and efficiency policies both for industry and for consumers to drive demand for clean products and strengthen the value chain of energy efficiency techniques applied to end users, which are overwhelmingly EU-made.
- Implement a 'Toxic Free and Zero-Pollution Compatibility Check' for new or revised pieces of relevant legislation, as well as state aids and subsidies. Ensure a level playing field by a strict enforcement of EU standards, prioritising pollution prevention and safe and sustainable chemicals guided by a restoration mindset.
- Ensure that the CID contributes meaningfully to the achievement of the circular economy, existing zero-pollution and toxic-free environment objectives in an integrated way. Adopt the 'no evidence of absence of harm, no right to pollute' principles and accelerate phase out and substitution of chemicals of concern, incentivise and support responsible business and safe and sustainable chemicals, make toxic-free products the norm, and commit to fast-track of green innovation and substitution of toxic chemicals.
- Call on the European Commission to deliver a Chemicals Industry Package that drives a genuine green transition and ensures that the chemical industry undergoes a future-proof transformation that serves both people and the environment. This transformation must prioritise green innovation, safer and bio-based production, and robust regulatory action. This package must swiftly detoxify consumer products, provide updated and reliable information on hazards and the uses of chemicals across the supply chain, reform REACH to accelerate protections, phase out PFAS, and hold the industry accountable. Public incentives must be directed toward toxic-free, low-carbon technologies, with strict conditions to prevent pollution.
- Promote data openness and tools to facilitate enforcement, forward-looking criteria for standards setting, e.g., Best Available Techniques to ensure the EU becomes a front runner and innovation leader.
- Prioritise sufficiency strategies and true circularity over recycling with a shift of focus towards demand reduction, aligning with the decarbonisation and resource efficiency agenda.



- Integrate human rights and environmental due diligence in raw material policies, avoiding fast tracking under the CRMR can bypass human rights and environmental concerns.
- Demand a boost in transparency regarding CRM strategic projects and partnerships, under the provisions of the Aarhus Convention and the vision of the Global Gateway and ensure that trade agreements uphold environmental and social standards for raw materials.

2. Global environmental policies

We welcome the exchange of the Environment Council with the Executive Director of UNEP. Considering a new world order emerging, we need the **EU and Member States to champion and lead on environmental multilateralism**. Progress, for instance, at the UNFCCC COP regarding funding for loss and damage, or progress on the rollout of the CBD show that joint efforts at global level are possible, even if an increasingly difficult environment, and that leadership pays off.

In the context of the next upcoming negotiations for the **plastics treaty at INC 5.2**, we call on you to keep the ambition high. We need a global agreement to reduce global plastics production, to promote reuse systems, to identify and eliminate chemicals and polymers that are hazardous or of concern and to establish a dedicated financial mechanism to facilitate the flow of financial resources from the Global North to the Global South to curb plastic pollution.

We call upon the Environment Council to:

- Champion multilateral environmental diplomacy and negotiations, collaborate with partners and governments, in the Global South, to find joint pathways to advance the global environmental agenda, for instance, looking ahead at the 7th UN Environment Assembly.
- Collaborate closely with and support the UN Environment Programme and ensure that stakeholder engagement is not the first victim of funding cuts.
- Keep the ambition in the plastics treaty process, work towards building even stronger support for a treaty that includes production reduction measures, phases out chemicals and polymers of concern, restricts problematic products and prevents microplastics emissions to be adopted at INC5-2. While the treaty process is ongoing, we encourage the EU to adopt EU measures on production and chemicals of concern.
- Ensure that the EU's mandate for the 8th Meeting of the Parties of the Aarhus Convention
 in November 2025 includes an endorsement of all the findings of the Convention's
 Compliance Committee.

3. Resumed session of the UN Biodiversity Conference (COP 16.2)

The EEB welcomes the decisions taken at the resumed session of the UN Biodiversity Conference (CBD COP 16.2) in Rome in February 2025, specifically on the monitoring framework, the mechanism for planning, monitoring, reporting and review, the resource mobilisation strategy, and the financial mechanism – all of which are critical for the operationalisation of the Kunming Montreal Global Biodiversity Framework (GBF). Additionally, we welcome the decisions regarding how progress on the GBF implementation will be reviewed at COP17 as part of the planned global stocktake. We would like to acknowledge the positive role the EU has played in securing the successful outcome of



the resumed session of the CBD COP 16.2 in Rome, reviving hope on multilateral decision-making to address the greatest challenges of our time.

We call upon the Environment Council to:

- Accelerate the implementation of the Global Biodiversity Framework (GBF) through the
 provision of adequate and timely available resources, and strengthen national systems to
 align monitoring, reporting, and review of progress. Provide adequate opportunities for civil
 society contributions to the review process.
- Consider National Biodiversity Strategies and Action Plans (NBSAPs) and National
 Targets as the 'floor' of what needs to be implemented to match the ambition of the GBF,
 and not the 'ceiling;' and identify areas where ambition needs to be and can be increased.
- Apply a Whole-of-Government and Whole-of-Society approach in both the revision and subsequent implementation of the NBSAPs and National Targets, as enshrined in the GBF.
- Lead on the mobilisation of funding from all sources public, private, domestic and philanthropic to ensure the CBD target of 200 billion USD a year is reached.

4. Ministerial lunch on "Environmental dimension of the Vision for agriculture and food."

The Vision for Agriculture and Food published last month was expected to build on the historic consensus achieved in the Strategic Dialogue for the Future of Agriculture in summer 2024. However, the European Commission missed this excellent opportunity to forge a path ahead for the EU's food and farming sector which reconciles environmental and socio-economic objectives, with most recommendations from the Strategic Dialogue missing from the Vision. Instead, the Vision remains on a business-as-usual course. When it comes to the environment, the Vision fails to propose any concrete environmental measures and targets, or increased budget for environmental payments to farms, despite the prominent recognition of the need for agriculture to respect planetary boundaries and contribute to climate action.

We call upon the Environment Council to:

- Work closely with the Agriculture Council to develop Council Conclusions on the Vision for Agriculture which calls for urgent and bold policy measures to support a sustainability transition in the agri-food sector to increase the resilience of our food system, ensure the long-term competitiveness of farmers, and deliver on EU and national climate and environmental commitments.
- Ensure that efforts to 'simplify' agricultural policies do not lead to any further weakening of
 environmental ambitions by ensuring that remaining conditionalities in the Common
 Agricultural Policy (CAP) are not further diluted, instead pushing for effective measures to
 achieve the CAP's environmental objectives and for proper implementation and enforcement
 of climate and environmental legislation as recommended by the Strategic Dialogue.
- Engage with the Commission on the design of the post-2027 CAP, to ensure that the policy
 moves towards a genuine performance approach, that harmful subsidies are rapidly phased



- out, and that funding for environmental measures increases substantially and is co-managed by environmental authorities, as recommended by the Strategic Dialogue.
- Ensure that the environmental policies mentioned in the Vision for Agriculture and Food, notably the Water Resilience Strategy and Climate Adaptation Action Plan, include an honest diagnosis of agriculture's contribution to environmental pressures and concrete, ambitious measures to achieve the objectives of these policies in the agriculture sector.

5. AOB: EC proposal to change the protection status of the wolf in the Habitats Directive

On 7 March, the European Commission proposed a direct **amendment of the wolf protection status** under the Habitats Directive. This proposal follows the decision to downlist the wolf under the Bern Convention, which entered into force on 6 March 2025, drawing wide criticism from conservation experts and environmental organisations. For the last 18 months, the EU has been pushing to downgrade the international protection of the wolf despite lack of sound scientific evidence.

Thanks to strict protection, wolf populations have been recovering in many parts of the EU, constituting a major conservation success. Nevertheless, their conservation status continues to be far from favourable, and recovery is still fragile. In pushing for the politically motivated decision to downgrade the international protections status of the wolves, the EU has damaged its credibility as a champion of environmental protection globally. With the proposed direct amendment of the wolf protection status under the Habitats Directive, the EC has, unfortunately, sent a signal that it no longer prioritises achieving co-existence with large carnivores within the existing legal framework. Over three decades, the flagship Habitats Directive has protected hundreds of European species and habitats, bringing back from the brink of extinction iconic species. The current legal framework allows for co-existence between large carnivores and local communities.

We call upon the Environment Council to:

- Restore the EU's credibility by rejecting the EC proposal to downgrade the protection status
 of the wolves under the Habitats Directive.
- Step up efforts to achieve co-existence with large carnivores within the existing legal
 framework. Ensure uptake of coexistence measures between wolves and local communities
 since many of those opportunities, including available financial measures, are currently underutilised
- Protect the integrity of the Habitats Directive and oppose all proposals to reduce its scope or weaken it.

We hope that the above insights and recommendations help you in your Environment Council deliberation and decisions and wider responsibilities. We also remind you of the <u>The European Pact</u> for the <u>Future</u>, signed by 320 organisations and 1085 individuals, our vision a sustainable and resilient <u>Europe</u> and its <u>Action Plan</u>. We also invite you to have a look at our <u>Industrial Blueprint</u> (recalling also points on the Clean Industrial Deal made in the letter to you on <u>3 October 2024</u> and <u>6 November</u>



open letter by CSOs and business). Finally, we are also sharing our position paper for the Circular Economy Act, a Future-Proof Chemicals Policy and on Clarifying PFAS..

We remain available to discuss with you these practical visions and look forward to working together to create an agenda of hope and progress.

Yours sincerely,

Patrick ten Brink

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Secretary General, European Environmental Bureau (EEB)



Annex 1:

The Cost of Inaction: Why Environmental Standards Are Key to EU Competitiveness

There are immense costs of inaction in addressing the climate, pollution, and biodiversity crises—costs that our economy and society cannot bear much longer. These challenges must be at the heart of any discussion on the EU's future competitiveness.

The Cost of Inaction

Climate:

The <u>World Economic Forum</u> estimates that for every \$1 invested in climate adaptation today, we can avoid \$2–\$10 in future costs.

Biodiversity, Water, Air, and Soil:

The European Environment Agency (EEA) reports that the loss of ecosystem services could cost the EU hundreds of billions of euros annually. Soil degradation alone costs Europe at least €97 billion per year, with the costs of inaction outweighing action by a factor of six. These costs primarily burden farmers and society at large.

The remediation of contaminated soil with PFAS is even more costly, potentially exceeding €2 trillion across Europe. Water purification alone is estimated at €238 billion within the EU. Overall, removing PFAS from the environment at current emission rates could surpass 10% of global GDP—excluding damages to animals or property values.

Air Pollution:

Between 2012 and 2021, industrial air pollution from the EU's largest industries cost an estimated €2.7–4.3 trillion. Researchers highlight that the only viable mitigation measures include stringent pollution controls, phasing out carbon-intensive fuels, and electrification.

Health:

The Nordic Council of Ministers estimates that direct healthcare costs from PFAS exposure in Europe are €52–84 billion annually. It would cost around €100 billion every year to remove short-chain and ultrashort-chain PFAS, even partially, from the environment and to destroy them. That is more than two trillion over 20 years. The societal costs of PFAS have been estimated at \$17.5 trillion (about \$54,000 per person in the US) annually, while manufacturers make only \$4 billion (about \$12 per person in the US) in profits. In other words, while the average market price of PFAS is about €19 for each kilogram, the price spikes to about €18,734 for each kilogram when societal costs are factored in. The European Commission has estimated that the health benefits of banning the most harmful chemicals in everyday products outweigh industry costs by a factor of ten.

These figures reveal an unsustainable and unaffordable industrial model. While the EU chemical industry remains strong—with production growing from €537 billion in 2011 to €785 billion in 2023, and a trade surplus of €198 billion—the far greater costs of pollution are externalised to society. If producers were held accountable for their pollution, many would face bankruptcy.

Acting now is the only wise investment for the future.



Shortcomings of Draghi's Report

On <u>Mario Draghi's report</u> on the future of European competitiveness. We must highlight several concerns:

• Lack of Diverse Input:

• The report is based on biased consultation processes that excluded organisations like ours.

• Inaccuracies and Omissions:

The report's failure to address societal and environmental costs—particularly in the chemicals sector, the most energy-intensive industry—undermines its credibility. While acknowledging this sector's economic importance, the report inaccurately portrays EU regulations, like REACH, as barriers to industry rather than essential safeguards that prevent market failures, ensure safe manufacturing, and drive innovation.

• Misrepresentation of PFAS Regulation:

The report frames PFAS regulation as a burden, overlooking <u>market-driven trends</u> to phase out PFAS due to health, environmental, and <u>litigation costs</u>. The ongoing PFAS restriction proposal balances innovation with exemptions for essential uses, encouraging innovation and providing market certainty. Companies across industries have already invested in safer <u>PFAS-free alternatives</u>, aligning economic and environmental goals.

A truly competitive chemicals sector must embrace comprehensive accounting for its environmental and societal impacts.

A Predictable Path to Sustainable Prosperity

A strong regulatory framework is not a constraint; it is the foundation of long-term competitiveness. The European Green Deal provides industry with a predictable path to sustainable prosperity. Backtracking would penalise industry frontrunners and force innovation out of the EU. As highlighted by a recent joint industry-CSO letter, "EU standards on nature, biodiversity, and climate are not the problem but a vital part of the solution." [1]

As our joint industry-CSO demands for a "Clean' Industrial Deal" that works for the planet and its people, states: we must harness climate positive sustainable frontrunner solutions and raise the regulatory bar for industry. Our joint demands emphasise that the EU can lead globally in detoxification, de-pollution, decarbonisation, and restoration while maintaining a thriving industrial base. Competitiveness must serve as a tool to protect both the planet and its people, not to come at the expense of health or the environment.

We urge you to consider the voices of progressive businesses and civil society when agreeing to your conclusions. Rewarding laggards at the expense of front runners would harm both our economy and our planet.



- [1] A business perspective: Strong Environmental Standards foster long term competitiveness
- [2] Joint CSO and business demand A "Clean" Industrial Deal that works for the planet and its people
- [3] European Pact for the Future + Action Plan + Industrial Blueprint
- [4] Briefing note on smart implementation
- [5] Joint CSOs (+180) statement urging the incoming European Commission to prioritise effective implementation of climate and environmental laws