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Subject: Greening the European Semester and the EU Environmental
Implementation Review (EIR)

- Exchange of views
- = Contributions from delegations

Delegations will find in the Annex the contributions received from BE/EL/PT and SK to the above-mentioned exchange of views that will take place at the meeting of the Council (Environment) on 28 February 2017.

BELGIUM

1. *In view of the above, what are the key sustainable development and environmental elements missing in the 2017 Annual Growth Survey?*
- a) We welcome the analysis of the Commission on the macro-economic relevance of the transition towards a low-carbon and circular economy. Indeed, investments enhancing resource and energy efficiency have already shown their added value in boosting economy-wide productivity, job creation and the competitiveness of our companies. But, similar effects could be expected from investments in green infrastructure, energy supply, water and waste services. As shown by the OECD, sustainable actions aiming at air quality on the long term may have substantial macro-economic side effects, given the harmful effect of pollution on human health and related social costs. However, we note that the 2017 AGS does not fully recognize the potential benefits of these environmental issues. We advise the Commission to incorporate the results from the recently published EIR reports within the AGS, indicating the macro-economic importance of the full implementation of the EU's Environmental acquis.
 - b) Related to this, it is important that the EU and the MS – as mentioned in the 2017 AGS - enhance efforts in creating a stable investment climate. Within the environment pillar, we are contributing to this goal e.g. by working out the integrated climate and energy plans for 2030, providing direction for potential investors. In that regard, we would also like to stress the importance of the 2030 Agenda on Sustainable Development which offers pathways to a resilient and sustainable economy¹. The AGS should play a role in integrating such pathways from the Agenda in macro-economic policy of the European Union. As a first step, the Commission could assess the sustainability of the AGS priorities, using the Agenda 2030 as an evaluation framework.
 - c) Given the transversal challenges we face, the AGS should press Member States to improve policy coherence between environment policies and other interconnected policies, not only for the sake of the environment but also to boost the economy and to reduce external costs. Amongst others, the AGS could go further in promoting the development of new fiscal measures, such as the environmental taxation and the phasing out of environmental harmful subsidies both at EU and Member State level, in order to achieve a sustainable economic growth and at the same time the transition towards a low carbon and circular economy. In that regard, the Commission should examine to which extent structural reforms in the economy and the development of a responsible fiscal policy contribute to the realisation of environmental targets, and by extension the Sustainable Development Goals.

¹ E.g. sustainable production and consumption patterns (goal 12), sustainable industrialization (goal 9), sustainable economic growth (goal 8).

2. *How could we ensure that the Environmental Implementation Review contributes to achieving the goals of greening the European Semester? What role can the Environmental Implementation Review have in the greening process?*
- a) The EIR highlights implementation gaps that have economic consequences and often hinder a level playing field in the EU. The EIR and its follow-up (Country dialogues, “Issue papers”, etc.) should be a reliable source of information on environmental issues to be addressed in the EU Semester.
 - b) More specifically, the EIR process should provide evidence on the macro-economic impact of environmental policy; positive as well as negative impacts; direct as well as indirect effects.
 - c) Belgium is interested in the Peer-to-peer tool and expert exchanges between Member States related to good practices, among which in greening the economy. Topics of interest for Belgium: making better use of EU funding opportunities, possibilities to increase environmental taxation revenues. Belgium is also willing to share good practices experiences on its territory (a.o. on circular economy, waste, etc).
3. *How could we best use the Environmental Implementation Review as a tool for effective implementation of the EU environmental policy and legislation, in particular the 7th EAP, as well as of the 2030 Agenda for Sustainable Development?*
- a) The EIR should trigger political and technical discussions at EU, national, regional and local level on how to improve the integration of environment in other policy areas, in particular in the three policy sectors identified by the Commission: Air-Mobility, Water-Nature-Food Production and Nature-Rural Land Use-Urbanisation.
 - b) To do so and focus efforts, BE proposes that one “integration topic” be selected per year and addressed across the entire EU, be it at EU or Member State level. BE would like the Commission to support the organization of discussions with concerned authorities and stakeholders on that specific topic and to monitor all initiatives taken. Sharing good practices and facilitating exchanges between peers will be at the core of such discussions. Further to the debate, the Commission will then be in a position to draw conclusions and produce “Issue papers” to be discussed in all concerned Council configurations.
 - c) The EIR is a horizontal exercise that should be used both as a contribution for the evaluation of the 7th EAP and prepare the 8th EAP and for undertaking the necessary gap analysis in the context of the SDGs.
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GREECE

Comments on specific, technical aspects of the country report

In view of the need to focus the discussion during the Council meeting on issues of a more general / strategic nature, and given the request addressed to delegations, we list below certain comments on specific, technical aspects of the special report concerning Greece. These may be suggestions for factual corrections, updates based on more recent data or simply additions to the material contained in the report. We are aware of the statement made by the Commission at a recent WP Environment meeting that an updated publication is not foreseen and we agree with the underlying approach that this should not be neither a “name and shame” exercise nor a “beauty contest”. However, we hope to be able to contribute to a better result in the 2nd iteration of the EIR, in 2018-19, and mostly to continue having a close collaboration with Commission services on issues of major importance. Besides the specific comments listed below, efforts are also made to achieve progress in critical policy areas such as nature protection and waste management (including reuse, preparation for reuse and recycling). A recent development that might have been worth mentioning, is the establishment of a Green Points network, to facilitate recycling efforts. ¹

On Marine protection --> Suggested addition (new text): Greece has issued a Ministerial Decision on its monitoring programmes (MD 126635/2016, Gov. Gaz. B' 3799) and a Joint Ministerial Decision on the competent authorities and for the implementation of the monitoring programmes and their obligations (JMD 126856/2017, Gov. Gaz. B' 11). The European Commission has been notified for the aforementioned legislative actions.

On Water quality and management --> Suggested addition (new text): The 1st update of the River Basin Management Plans (2nd cycle of RBMPs), in accordance with WFD requirements, is on progress, in close collaboration by all involved national, regional and local authorities. The update of the RBMPs is based, inter alia, on the results of the National Water Monitoring Network and the actions proposed by EC after the evaluation of the adopted RBMPs. For this scope, detailed methodologies, in the form of guidance documents, have been developed by the Special Secretariat for Water for different and crucial aspects of the WFD (analysis of pressures and their impacts, criteria for assessment of hydromorphological alterations, identification of the exemptions of the environmental objectives, evaluation of water status based on most of the Biological Quality Elements). These methodologies are providing a coherent and harmonised approach for the update of RBMPs.

¹ <http://www.ypeka.gr/LinkClick.aspx?fileticket=bxsDZxq9wPk%3D&tabid=898&language=el-GR>.

On noise

The implementation of the Environmental Noise Directive in Greece is delayed. The report states that "Due to the implementation method adopted, an in-depth analysis is not possible at the moment"; however, Greece has successfully completed a large number of strategic noise mapping for the following cities: Attiki region (split in separate agglomerations noise maps including the cities of Athens & Piraeus), Thessaloniki, Kalamaria, Ioannina, Kavala, Volos, Larissa, Heraklion & Hania, Corfu, Agrinio and Serres. The majority of these noise mapping results were presented in relevant scientific fora ².

These noise maps/action plans and other data were uploaded to the Ministry of Environment & Energy website ³.

Suggested action:

- Instead of "Complete noise mapping and action plans for noise management" as currently stated, we suggest: "Publish and disseminate asap the completed noise maps/action plans data of all Greek cities previously stated."

² The 23rd International Congress on Sound and Vibration (Athens, 10-14 July 2016); numerous articles.

³ <http://www.ypeka.gr/Default.aspx?tabid=936&language=el-GR>,
<http://www.ypeka.gr/Default.aspx?tabid=936&language=en-US>.

PORTUGAL

Portugal congratulates the Presidency for addressing the Annual Growth Survey in the Environment Council. We regret that once again, in 2017, the AGS gives a marginal role to sustainability and environmental issues in an integrated perspective.

This concern is particularly relevant in a context where the recommendations produced within the framework of the European Semester may play a role in the definition of the next Multiannual Financial Framework.

Portugal looked forward for the Commission's proposal for a mid-term review of the Europe 2020 Strategy in the light of the 2030 Sustainable Development Agenda. We regret that this did not happen for the opportunity it would provide for the European Semester to become a true regular assessment of the Union's sustainable development.

Regarding the EU environmental implementation review, Portugal reiterates the recognition of its added value, as a collaborative strategic approach to the implementation of EU environmental legislation and policy.

It is important that the Commission and the Member States have at their disposal the appropriate tools to respond to the identified gaps. We therefore look forward to future Commission proposals in this regard.

Portugal considers of fundamental importance that the conclusions of the EU environmental implementation review are taken into account when preparing the next Multiannual Financial Framework. This is particularly justified considering that some of the root causes of poor implementation identified in a transversal manner in this review are related to the lack of integration and policy coherence as well to insufficient funding.

Portugal recall's in this matter the European Court of Auditors' Report which showed that despite the progress made, the EU could fall short of the target of allocating 20% of its budget to climate action between 2014 and 2020.

Portugal believes that the EIR could provide a contribution to strengthening the greening of the European Semester if this exercise is successful in attracting the attention of policy makers, economic operators, national, regional and local authorities, by demonstrating that the environmental dimension is not restricted to ad-hoc perspectives or exclusive to certain groups or interests, but rather plays a decisive role in the economic, political and social development of Europe.

The EIR exercise, for the values and intentions it advocates, can contribute – by its work and instruments at its disposal, such as national reports, bilateral dialogues, the Peer to Peer tool and synergies with other networks, by sharing good practices – to consolidate a platform of knowledge that allows compliance with the provisions of the 7th Environment Action Programme as well to a more effective implementation of 2030 Sustainable Development Agenda in countries that, albeit different, are faced with common problems.

Nevertheless, the scope of 2030 Sustainable Development Agenda will require a response through cross-cutting instruments, without duplication of structures and obligations for monitoring and reporting.

SLOVAKIA

1. *In view of the above, what are the key sustainable development and environmental elements missing in the 2017 Annual Growth Survey?*

The Ministry of Environment of the Slovak Republic welcomes the Annual Growth Survey 2017 and appreciates that the Annual Growth Survey 2017 is dealing with climate investment and circular economy, including green public procurement.

However, we think environmental economic incentives are one of the key elements for environmental management and sustainable development. Economic instruments like elimination of environmentally harmful subsidies and environmental taxation can contribute to fiscal consolidation and gaining revenues to budgets. One of the main advantage of the mentioned instruments is that they both contribute to fulfilling environmental policy objective and targets and economic recovery.

2. *How could we ensure that the Environmental Implementation Review contributes to achieving the goals of greening the European Semester? What role can the Environmental Implementation Review have in the greening process?*

In order to be effective, the process of greening the European Semester and National Reform Programmes should comprise measures aimed at effective implementation of the environmental policy. Environmental policy must be an inevitable essential part of macroeconomic policy of the country.

Early specification of possible problems arising from incorrect, or incomplete implementation can prevent further negative consequences, not only environmental, but also social and economic ones.

Also in relation to priorities in the Annual Growth Survey for 2017, such as full implementation of the Circular Economy Action Plan, full and correct implementation of the environmental legislation must be assured, not only at national and EU levels, but also at a global level in the context of sustainable development goals (SDGs).

We would welcome if the results of the Environment Implementation Review process are presented also to other key Council formations, i.e. Finance and Economy Councils. We are of the opinion that this is a way how to assure more coordinated action at national levels and prepare better national reform programmes comprising stronger alignment between environment and economy of the country.

3. *How could we best use the Environmental Implementation Review as a tool for effective implementation of the EU environmental policy and legislation, in particular the 7th EAP, as well as of the 2030 Agenda for Sustainable Development?*

On the basis of the mentioned examination we will be able to analyze, on the EU level, in the framework of 2030 Agenda, which objectives of sustainable development are covered and to what extent. To implement certain objectives will therefore be possible by using existing strategies, including the 7th EAP. At the same time we will be able to prepare and set up a new legislative framework within the EU. The question is how we will handle this: if a simple update of existing policies by 2030 is sufficient, or we adopt a new legislative framework by 2030, or we also attempt to prepare such a legislative framework which takes into account all the prognosis and would go beyond the framework of 2030.

In this context, we welcome the new initiative by the European Commission, which gives to the Member States a tool to improve the implementation of policies and environment legislation and contribute to enhancing the greening of the European Semester, but the Slovak Republic would appreciate a stronger connection between the priorities of the Annual Growth Survey for 2017 and 2030 Agenda, since the 2030 Agenda is a cross-cutting agenda and represents a holistic and balanced way between economic, environmental and social dimensions of sustainable development.

From our point of view, in recent years in the field of sustainable development there have been a wide variety of legislation which are in complex forms to ensure sustainable development at both the European and the global level. In order to ensure the integration of sustainable development and aspects of environmental policy into cross-sectoral policies we deemed necessary for the Member States to find the political will to improve the implementation - to maximize the benefits of legislation in the field of environment, sustainable development and based on the following measures when designing the national macroeconomic policy in the current period.

