


# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">2001/2004(COS)</a>	Procedure completed
Environment and economic policy: agriculture, transport and energy sectors		
Subject		
3.10 Agricultural policy and economies		
3.20 Transport policy in general		
3.60 Energy policy		
3.70 Environmental policy		
5.05 Economic growth		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ENVI</b> Environment, Public Health, Consumer Policy		21/11/2000
		EDD <a href="#">BLOKLAND Johannes</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>ECON</b> Economic and Monetary Affairs		08/01/2001
		V/ALE <a href="#">LIPIETZ Alain</a>	
Council of the European Union	<b>ITRE</b> Industry, External Trade, Research, Energy		25/04/2001
		PSE <a href="#">WESTENDORP Y</a>	
		<a href="#">CABEZA Carlos</a>	
European Commission	Commission DG	Commissioner	
	<a href="#">Economic and Financial Affairs</a>		

Key events			
20/09/2000	Non-legislative basic document published	COM(2000)0576	Summary
18/01/2001	Committee referral announced in Parliament		
14/05/2001	Vote in committee		Summary
14/05/2001	Committee report tabled for plenary	<a href="#">A5-0172/2001</a>	
30/05/2001	Debate in Parliament		
31/05/2001	Decision by Parliament	<a href="#">T5-0307/2001</a>	Summary
31/05/2001	End of procedure in Parliament		
21/02/2002	Final act published in Official Journal		

Technical information	
Procedure reference	2001/2004(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/5/13706

Documentation gateway					
Non-legislative basic document		COM(2000)0576	20/09/2000	EC	Summary
Committee report tabled for plenary, single reading		<a href="#">A5-0172/2001</a>	14/05/2001	EP	
Text adopted by Parliament, single reading		<a href="#">T5-0307/2001</a> OJ C 047 21.02.2002, p. 0022-0218 E	31/05/2001	EP	Summary

## Environment and economic policy: agriculture, transport and energy sectors

PURPOSE : to propose essential elements of a Community strategy for improving the integration of environmental issues with economic policy. CONTENT : the Helsinki European Council requested the Council to submit comprehensive strategies for environmental integration and sustainable development to the European Council in June 2001. In response to this request, this Communication suggests that the following points should form the essential elements of a Community strategy for improving the integration of environmental issues with economic policy: - the Community should adopt a transparent, gradual, credible approach to environmental integration, based on efficient target setting, derived from a comprehensive analysis of the available scientific and technical data, the environmental conditions in the various regions of the Community, and the potential costs and benefits of action or lack of action; - integration of environmental issues with economic policy must be consistent with the strategy for sustainable development which the European Council intends to adopt in June 2001; - examination of the environmental impacts of economic activity and regulation should be integrated into the process of multilateral surveillance of structural reform, as should be the way environmental policies impact on economic reform process (level of regulation, functioning of markets); - the Broad Economic Policy Guidelines should fully incorporate the objectives of environmental integration, making use of a reliable set of indicators to be developed; - reviews of the quality and sustainability of public finances should take particular account of the contribution of taxation and expenditure policies to environmental integration and should contain an assessment of the efficiency of economic instruments in achieving their environmental objectives; - improved integration of environmental issues into economic policy should make increased use of an appropriate mix of market-based instruments and regulation; this should include the removal of subsidies which are harmful to the environment and should take account of analyses by the Commission and other bodies of the environmental and economic effectiveness of market-based instruments.?

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The committee adopted the report by Hans BLOKLAND (EDD, NL) on the Commission communication. While endorsing by and large the description of proposed measures and the introduction of more market-based instruments for integrating environmental concerns into economic policy, the committee nevertheless highlighted a number of shortcomings in the Commission's paper. In particular, it felt that too little attention had been devoted to: - the one-sidedness of the generally accepted concept of growth and development underlying present-day economic policy; - the disadvantages of the operation of markets, which made them an unsuitable instrument for use in all situations; - the rapidly-growing interdependence of policy problems such as unemployment, poverty and energy and environmental problems. The committee said that it was important not to underestimate the urgency of the problem of integrating the environment and the economy and that short-term measures were needed. Many scarce environmental assets, or the impact of using goods and services, lacked a realistic price tag, with the result that policy-makers, producers and consumers did not take account of the consequences of their actions. The report challenged the Commission's assertion that market mechanisms included taxes and charges but that permits counted as 'regulatory' mechanisms. It was in favour of an EU-wide system of tradable emission permits as a speedy means of reducing harmful emissions. It also said that the Commission should adopt a far more critical stance on the negative environmental effects of subsidies, especially in the field of energy and environmental policies. Moreover, the communication failed to give a proper definition of sustainable development. The committee stressed the global nature of economic policy and pointed out that the EU should not make it harder for third world countries to make their markets more competitive or ecologically sustainable. It also called on the Commission to review the possible impact of implementation of its policy paper on developing countries, to ensure that the EU was not open to accusations of "green protectionism". Other points raised by the report included the need for investment in research into both technology and products which were more environmentally benign and the need for environmental taxes and levies to be emission-related, fiscally neutral for members of the public and levied on a uniform basis throughout the EU. Lastly, the committee pointed out that the applicant countries had an opportunity to incorporate environmental measures into their economic policies at a fairly early stage, in view of the large number of new businesses and new branches being established. ?

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The European Parliament adopted the resolution by Mr Hans BLOKLAND (EDD, NL) calling for environmental considerations to be integrated into EU economic policy, with a 'realistic price tag' indicating the true cost of using scarce environmental assets and despoiling the environment. (Please refer to the previous document).?