COUNCIL OF THE EUROPEAN UNION

Brussels, 26 June 2006

10917/06

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NOTE

from :	General Secretariat
to :	Delegations
Subject :	Review of the EU Sustainable Development Strategy (EU SDS) – Renewed Strategy

Delegations will find annexed the Renewed EU Sustainable Development Strategy as adopted by the European Council on 15/16 June 2006.

RENEWED EU SUSTAINABLE DEVELOPMENT STRATEGY

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

1. Sustainable development means that the needs of the present generation should be met without compromising the ability of future generations to meet their own needs. It is an overarching objective of the European Union set out in the Treaty, governing all the Union's policies and activities. It is about safeguarding the earth's capacity to support life in all its diversity and is based on the principles of democracy, gender equality, solidarity, the rule of law and respect for fundamental rights, including freedom and equal opportunities for all. It aims at the continuous improvement of the quality of life and well-being on Earth for present and future generations. To that end it promotes a dynamic economy with full employment and a high level of education, health protection, social and territorial cohesion and environmental protection in a peaceful and secure world, respecting cultural diversity.

2. The European Council in Göteborg (2001) adopted the first EU Sustainable Development Strategy (SDS). This was complemented by an external dimension in 2002 by the European Council in Barcelona in view of the World Summit on Sustainable Development in Johannesburg (2002). However, unsustainable trends in relation to climate change and energy use, threats to public health, poverty and social exclusion, demographic pressure and ageing, management of natural resources, biodiversity loss, land use and transport still persist and new challenges are arising. Since these negative trends bring about a sense of urgency, short-term action is required, whilst maintaining a longer term perspective. The main challenge is to gradually change our current unsustainable consumption and production patterns and the non-integrated approach to policy-making.

3. Against this background, in conclusion of the review of the EU SDS launched by the Commission in 2004 and on the basis of the Commission Communication "On the review of the Sustainable Development Strategy – A platform for action" from December 2005 as well as contributions from the Council, the European Parliament, the European Economic and Social Committee and others, the European Council has adopted an ambitious and comprehensive renewed SDS for an enlarged EU, building on the one adopted in 2001.

4. This document sets out a single, coherent strategy on how the EU will more effectively live up to its long-standing commitment to meet the challenges of sustainable development. It reaffirms the need for global solidarity and recognises the importance of strengthening our work with partners outside the EU, including those rapidly developing countries which will have a significant impact on global sustainable development.

5. The overall aim of the renewed EU SDS is to identify and develop actions to enable the EU to achieve continuous improvement of quality of life both for current and for future generations, through the creation of sustainable communities able to manage and use resources efficiently and to tap the ecological and social innovation potential of the economy, ensuring prosperity, environmental protection and social cohesion.

6. To serve as a basis for this renewed strategy, the European Council in June 2005 approved a declaration with the following objectives and principles:

KEY OBJECTIVES

ENVIRONMENTAL PROTECTION

Safeguard the earth's capacity to support life in all its diversity, respect the limits of the planet's natural resources and ensure a high level of protection and improvement of the quality of the environment. Prevent and reduce environmental pollution and promote sustainable consumption and production to break the link between economic growth and environmental degradation.

SOCIAL EQUITY AND COHESION

Promote a democratic, socially inclusive, cohesive, healthy, safe and just society with respect for fundamental rights and cultural diversity that creates equal opportunities and combats discrimination in all its forms.

ECONOMIC PROSPERITY

Promote a prosperous, innovative, knowledge-rich, competitive and eco-efficient economy which provides high living standards and full and high-quality employment throughout the European Union.

MEETING OUR INTERNATIONAL RESPONSIBILITIES

Encourage the establishment and defend the stability of democratic institutions across the world, based on peace, security and freedom. Actively promote sustainable development worldwide and ensure that the European Union's internal and external policies are consistent with global sustainable development and its international commitments.

POLICY GUIDING PRINCIPLES

PROMOTION AND PROTECTION OF FUNDAMENTAL RIGHTS

Place human beings at the centre of the European Union's policies, by promoting fundamental rights, by combating all forms of discrimination and contributing to the reduction of poverty and the elimination of social exclusion worldwide.

SOLIDARITY WITHIN AND BETWEEN GENERATIONS

Address the needs of current generations without compromising the ability of future generations to meet their needs in the European Union and elsewhere.

OPEN AND DEMOCRATIC SOCIETY

Guarantee citizens' rights of access to information and ensure access to justice. Develop adequate consultation and participatory channels for all interested parties and associations.

INVOLVEMENT OF CITIZENS

Enhance the participation of citizens in decision-making. Promote education and public awareness of sustainable development. Inform citizens about their impact on the environment and their options for making more sustainable choices.

INVOLVEMENT OF BUSINESSES AND SOCIAL PARTNERS

Enhance the social dialogue, corporate social responsibility and private-public partnerships to foster cooperation and common responsibilities to achieve sustainable consumption and production.

POLICY COHERENCE AND GOVERNANCE

Promote coherence between all European Union policies and coherence between local, regional, national and global actions in order to enhance their contribution to sustainable development.

POLICY INTEGRATION

Promote integration of economic, social and environmental considerations so that they are coherent and mutually reinforce each other by making full use of instruments for better regulation, such as balanced impact assessment and stakeholder consultations.

USE BEST AVAILABLE KNOWLEDGE

Ensure that policies are developed, assessed and implemented on the basis of the best available knowledge and that they are economically sound and cost-effective.

PRECAUTIONARY PRINCIPLE

Where there is scientific uncertainty, implement evaluation procedures and take appropriate preventive action in order to avoid damage to human health or to the environment.

MAKE POLLUTERS PAY

Ensure that prices reflect the real costs to society of consumption and production activities and that polluters pay for the damage they cause to human health and the environment.

MAKING USE OF SYNERGIES BETWEEN THE EU SDS AND THE LISBON STRATEGY FOR GROWTH AND JOBS

7. The EU SDS and the Lisbon Strategy for growth and jobs complement each other. The SDS is primarily concerned with quality of life, intra- and inter-generational equity and coherence between all policy areas, including external aspects. It recognises the role of economic development in facilitating the transition to a more sustainable society. The Lisbon Strategy makes an essential contribution to the overarching objective of sustainable development focusing primarily on actions and measures aimed at increasing competitiveness and economic growth and enhancing job creation.

8. The EU SDS forms the overall framework within which the Lisbon Strategy, with its renewed focus on growth and jobs, provides the motor of a more dynamic economy. These two strategies recognise that economic, social and environmental objectives can reinforce each other and they should therefore advance together. Both strategies aim at supporting the necessary structural changes which enable the Member States´ economies to cope with the challenges of globalisation by creating a level playing field in which dynamism, innovation and creative entrepreneurship can flourish whilst ensuring social equity and a healthy environment.

9. In this context the EU SDS recognises that investments in human, social and environmental capital as well as technological innovation are the prerequisites for long-term competitiveness and economic prosperity, social cohesion, quality employment and better environmental protection.

BETTER POLICY-MAKING

10. The EU SDS sets out an approach to better policy-making based on better regulation and on the principle that sustainable development is to be integrated into policy-making at all levels. This requires all levels of government to support, and to cooperate with, each other, taking into account the different institutional settings, cultures and specific circumstances in Member States.

11. In this respect all EU institutions should ensure that major policy decisions are based on proposals that have undergone high quality Impact Assessment (IA), assessing in a balanced way the social, environmental and economic dimensions of sustainable development and taking into account the external dimension of sustainable development and the costs of inaction. Other tools for better policy-making include ex-post-assessment of policy impacts and public and stakeholders participation. Member States should make wider use of these tools, in particular IA, when allocating public funds and developing strategies, programmes and projects.

12. All EU institutions should ensure that proposals for targets, objectives and measures are feasible and, where needed, accompanied by the necessary instruments at EU level.

KEY CHALLENGES

13. Bearing in mind worsening environmental trends, the EU's economic and social challenges coupled with new competitive pressures and new international commitments, the EU SDS identifies 7 key challenges and corresponding targets, operational objectives and actions. Their future design and implementation will be guided by the principles mentioned above. Reference to any particular action is without prejudice to the division of competencies between the EU and the Member States.

Climate Change and clean energy

Overall Objective:	To limit climate change and its costs and negative effects to society and the environment

Operational objectives and targets

- Kyoto Protocol commitments of the EU-15 and most EU-25 to targets for reducing greenhouse gas emissions by 2008 – 2012, whereby the EU-15 target is for an 8% reduction in emissions compared to 1990 levels. Aiming for a global surface average temperature not to rise by more than 2ºC compared to the pre-industrial level.

- Energy policy should be consistent with the objectives of security of supply, competitiveness and environmental sustainability, in the spirit of the Energy Policy for Europe launched in March 2006 by the European Council. Energy policy is crucial when tackling the challenge of climate change.
- Adaptation to, and mitigation of, climate change should be integrated in all relevant European policies.
- By 2010 12% of energy consumption, on average, and 21% of electricity consumption, as a common but differentiated target, should be met by renewable sources, considering raising their share to 15% by 2015.
- By 2010 5,75% of transport fuel should consist of biofuels, as an indicative target, (Directive 2003/30/EC), considering raising their proportion to 8% by 2015.
- Reaching an overall saving of 9% of final energy consumption over 9 years until 2017 as indicated by the Energy End-use Efficiency and Energy Services Directive.

Actions should include

- Following up the Montreal Climate Action Plan under the UN Framework Convention on Climate Change, the EU is to prepare options for a post-2012 arrangement consistent with meeting the 2°C objective without delay through constructive engagement in a broad dialogue on long-term cooperative action and at the same time through a process under the Kyoto Protocol**,** in line with the principle of common but differentiated responsibilities and respective capabilities.
- Without prejudging new approaches for differentiation between Parties in a future fair and flexible framework, the EU looks forward to exploring with other parties strategies for achieving necessary emission reductions. The EU believes that in this context reduction pathways by the group of developed countries in the order of 15-30% by 2020 compared to the baseline envisaged in the Kyoto Protocol, and beyond in the spirit of the conclusions of the Environment Council, should be considered.

- In the framework of the second phase of the European Climate Change Programme, the Commission and Member States will prioritise new actions to systematically exploit cost-effective emission reduction options for cars and aviation. In this context carbon sequestration and storage will be explored as mitigation options.
- The Commission will complete a review of the EU Emission trading scheme (EU ETS) in a timely manner, thereby providing medium and long term certainty to investors, and will consider its extension to other greenhouse gases and sectors, specifically aviation as previously called for by the Council.
- The Commission and Member States will strengthen the EU leadership by adopting and implementing an ambitious and realistic Action Plan on Energy Efficiency bearing in mind the EU energy saving potential of 20% by 2020, as estimated by the Commission, and taking into account measures already implemented by Member States.
- The Commission will produce an analysis of how to achieve the existing targets (2010) for renewables and how further to promote renewable energies in a cost-efficient manner over the long term and in the same way further the use of biofuels in the transport sector accompanied by a constructive dialogue with the oil industry and all stakeholders and giving maximum support to research on and development of 2nd generation biofuels. The setting of new targets shall be justified on the basis of thorough analysis of the potential and cost-effectiveness of further measures. Throughout these processes, account should be taken of Member States' specific characteristics and need for flexibility in developing their energy mix as well as of the problems of islands or regions largely isolated from the EU energy market.
- The Commission and the Member States are to promote the use of biomass with a view to diversifying the EU's fuel supply sources, reducing greenhouse gas emissions and offering new income and employment opportunities in rural areas by taking forward proposals in the Biomass Action Plan in all of its three sectors: heating and cooling, electricity and transport. This should be developed in the framework of a long-term strategy for bio-energy beyond 2010.
- Member States should enhance the efficiency of power stations in particular by further promoting the use of combined heat and power.

Sustainable Transport

Overall Objective:	To ensure that our transport systems meet society's economic, social and environmental needs whilst minimising their undesirable impacts on the economy, society and the environment

Operational objectives and targets

- Decoupling economic growth and the demand for transport with the aim of reducing environmental impacts.
- Achieving sustainable levels of transport energy use and reducing transport greenhouse gas emissions.
- Reducing pollutant emissions from transport to levels that minimise effects on human health and/or the environment.
- Achieving a balanced shift towards environment friendly transport modes to bring about a sustainable transport and mobility system.
- Reducing transport noise both at source and through mitigation measures to ensure overall exposure levels minimise impacts on health.
- Modernising the EU framework for public passenger transport services to encourage better efficiency and performance by 2010.
- In line with the EU strategy on CO_2 emissions from light duty vehicles, the average new car fleet should achieve CO_2 emissions of 140g/km (2008/09) and 120g/km (2012).
- Halving road transport deaths by 2010 compared to 2000.

Actions should include

- The EU and Member States will take measures to improve the economic and environmental performance of all modes of transport and, where appropriate, measures to effect a shift from road to rail, water and public passenger transport including lower transport intensity through production and logistic process reengineering and behavioural change combined with a better connection of the different transport modes.
- The EU and Member States should improve energy efficiency in the transport sector by making use of cost-effective instruments.

- The EU and Member States should focus on possible alternatives to road transport for freight and passengers including the appropriate development of the Trans-European Network and inter-modal links for freight logistics, *inter alia* by implementing measures envisaged in the Commission action programme for inland waterway transport "NAIADES" and the "Marco Polo II" Programme.
- The Commission will continue to examine the use of infrastructure charging for all modes of transport drawing on new opportunities arising with new satellite, information and communication technologies. In the framework of the Eurovignette-Directive the Commission will present, no later than 2008, a generally applicable, transparent and comprehensible model for the assessment of all external costs to serve as the basis for future calculations of infrastructure charging.
- The Commission and Member States should strive to make progress towards effective global solutions for the reduction of harmful impacts of international maritime and air traffic.
- With a view to halving road transport deaths as well as reducing the number of injured in road traffic, increasing road safety by improving road infrastructure, by making vehicles safer, by promoting common European-wide awareness campaigns with a view to changing road user behaviour as well as by establishing cross-border enforcement.
- In line with the thematic strategy on the urban environment, local authorities should develop and implement urban transport plans and systems taking into account technical guidance provided by the Commission in 2006 and considering closer co-operation between cities and surrounding regions.
- The Commission and Member States will develop a long term and coherent EU fuel-strategy.

Sustainable consumption and production

Overall Objective**:** To promote sustainable consumption and production patterns

Operational objectives and targets

- Promoting sustainable consumption and production by addressing social and economic development within the carrying capacity of ecosystems and decoupling economic growth from environmental degradation.
- Improving the environmental and social performance for products and processes and encouraging their uptake by business and consumers.
- Aiming to achieve by 2010 an EU average level of Green Public Procurement (GPP) equal to that currently achieved by the best performing Member States.
- The EU should seek to increase its global market share in the field of environmental technologies and eco-innovations.

Actions should include

- The Commission and Member States will explore specific actions to bring about more sustainable consumption and production patterns at EU and global level, in particular through the UN Marrakech Process and the Commission for Sustainable Development. In this context the Commission will propose an EU Sustainable Consumption and production Action plan by 2007, which should help to identify and overcome barriers for SCP and to ensure better coherence between the different related policy areas and to raise awareness among citizens and change unsustainable consumption habits.
- The Commission and the Member States should engage in a dialogue with business and relevant stakeholders aiming at setting environmental and social performance targets for products and processes.
- The Commission and Member States will develop a structured process to share best practice and expertise on GPP taking into account the potential to promote GPP at local and regional levels. The Commission will facilitate regular EU-wide benchmarking of GPP performance, according to an assessment methodology based on agreed and objective parameters, and examine with Member States how best to promote GPP for other major product groups by 2007.

- The Commission and Member States will step up efforts to promote and disseminate social and eco-innovations and environmental technologies, *inter alia* through effective implementation of the Environmental Technologies Action Plan (ETAP) by all actors concerned in order to create new economic opportunities and new markets.
- The Commission will propose extending performance labelling schemes from electrical appliances and cars to other groups of environmentally harmful products including products with high environmental impacts.
- Member States should support information campaigns with retailers and other organisations to promote sustainable products *inter alia* products that stem from organic farming and fair trade as well as environmentally sound products.

Conservation and management of natural resources

Overall Objective:	To improve management and avoid overexploitation of natural resources, recognising the value of ecosystem services

Operational objectives and targets

- Improving resource efficiency to reduce the overall use of non renewable natural resources and the related environmental impacts of raw materials use, thereby using renewable natural resources at a rate that does not exceed their regeneration capacity.
- Gaining and maintaining a competitive advantage by improving resource efficiency, *inter alia* through the promotion of eco-efficient innovations.
- Improving management and avoiding overexploitation of renewable natural resources such as fisheries, biodiversity, water, air, soil and atmosphere, restoring degraded marine ecosystems by 2015 in line with the Johannesburg Plan (2002) including achievement of the Maximum Yield in Fisheries by 2015.
- Halting the loss of biodiversity and contributing to a significant reduction in the worldwide rate of biodiversity loss by 2010.
- Contributing effectively to achieving the four United Nations global objectives on forests by 2015.
- Avoiding the generation of waste and enhancing efficient use of natural resources by applying the concept of life-cycle thinking and promoting reuse and recycling.

Actions should include

- In the field of agriculture and fisheries Member States and the Commission will make further efforts through the new programmes for rural development, the reformed Common Fisheries Policy, the new legislative frameworks for organic farming and animal welfare as well as the biomass action plan.
- The Commission and Member States should build on the EU strategy on the sustainable use of natural resources which should be complemented by a number of targets and measures at EU-level. The European Environment Agency should give support regarding the measurement of resource efficiency.
- Sustainable Forest Management will be strengthened through the adoption of an EU Forest Action Plan in 2006 and the Communities engagement in the Ministerial Conference on the Protection of Forests in Europe including the implementation of its resolutions.
- Member States should complete the Natura 2000 network, including designation of marine areas. Particular attention should be paid to the need for improved implementation of both Natura 2000 and of species protection and management policies.
- Member States should implement the EU Biodiversity Strategy in both its EU and its global dimensions (Convention on Biological Diversity) and, in cooperation with the Commission, take measures to identify and implement priority actions to achieve the objective of halting the loss of biodiversity by 2010 and beyond.
- The Commission and Member States should work towards improving integrated water resources management, the marine environment and promoting integrated coastal zone management.
- On the basis of the Commission Green Paper on maritime affairs, ocean and sea related policies will be developed in a more sustainable and integrated fashion from 2008 onwards.

Public Health

Overall objective:	To promote good public health on equal conditions and improve protection against health threats

Operational objectives and targets:

- Improving protection against health threats by developing capacity to respond to them in a co-ordinated manner.
- Further improving food and feed legislation, including review of food labelling.
- Continuing to promote high animal health and welfare standards in the EU and internationally.
- Curbing the increase in lifestyle-related and chronic diseases, particularly among socio-economically disadvantaged groups and areas.
- Reducing health inequalities within and between Member States by addressing the wider determinants of health and appropriate health promotion and disease prevention strategies. Actions should take into account international cooperation in fora like WHO, the Council of Europe, OECD and UNESCO.
- Ensuring that by 2020 chemicals, including pesticides, are produced, handled and used in ways that do not pose significant threats to human health and the environment. In this context, the rapid adoption of the Regulation for the registration, evaluation, authorisation and restriction of chemicals (REACH) will be a milestone, the aim being to eventually replace substances of very high concern by suitable alternative substances or technologies.
- Improving information on environmental pollution and adverse health impacts.
- Improving mental health and tackling suicide risks.

Actions should include

- The Commission in collaboration with Member States, the European Centre for Disease Prevention and Control (ECDC) and WHO will further develop and strengthen capacities at EU and Member-State level to respond to health threats in a co-ordinated manner *inter alia* by upgrading existing action plans on handling health threats.

- The Commission and Member States will promote better health and disease prevention by addressing health determinants across all relevant policies and activities. Particular attention will be given to the preparation and implementation of strategies and measures targeting life-style related health determinants, such as drugs, tobacco use, harmful drinking, poor diet and physical inactivity, and chronic diseases.
- Member States´ health policies should aim at creating and implementing strategies to help women and men in achieving and maintaining positive emotional states thus improving their well-being, their subjective perception of quality of life and their physical and mental health.
- The Commission will propose further improvements in the food and feed legislation according to the principles of Articles 14 and 15 of Regulation (EC) 178/2002 on the safety of food and feeding stuffs. There is a particular need for improvements to the operation of the system on the production and use of genetically modified food and feed, in order to reassure Member States, stakeholders and the general public that decisions are based on risk assessment and risk management which also take into account possible long term effects on human life and health, animal health and welfare, environment and consumer interests.
- The Commission together with Member States will implement an EU Strategy to combat HIV/AIDS within the EU and in neighbouring countries. Member States should intensify efforts to implement the existing EU Programme for Action to confront HIV/AIDS, Tuberculosis and Malaria in third Countries. Concrete links should be established with other Community measures such as the Strategy for Africa.
- The Commission together with Member States will increase information on environmental pollution and adverse health impacts and will coordinate research into the links between environmental pollutants, exposure and health impacts to improve our understanding of which environmental factors cause health problems and how best to prevent them.
- The Commission should propose a strategy for improving indoor air quality, with particular attention to VOC emissions.

- Special attention will be given by the Commission and Member States to vulnerable groups, in particular children through the EU's contribution to the Children Environment and Health Action Plan for Europe (CEHAPE).
- Further implementation of the Transport Health and Environment Pan European Programme (THE PEP) by the Commission and Member States *inter alia* through the integration of environmental and health aspects into transport policy decision-making, monitoring and impact assessment.

Social inclusion, demography and migration

Overall Objective:	To create a socially inclusive society by taking into account solidarity between and within generations and to secure and increase the quality of life of citizens as a precondition for lasting individual well-being

Operational objectives and targets

- Pursuing the EU objective that steps have to be taken to make a decisive impact on the reduction of the number of people at risk of poverty and social exclusion by 2010 with a special focus on the need to reduce child poverty.
- Ensuring a high level of social and territorial cohesion at EU level and in the Members States as well as respect for cultural diversity.
- Supporting the Member States in their efforts to modernise social protection in view of demographic changes.
- Significantly increasing the labour market participation of women and older workers according to set targets, as well as increasing employment of migrants by 2010.
- Continuing developing an EU migration policy, accompanied by policies to strengthen the integration of migrants and their families, taking into account also the economic dimension of migration.
- Reducing the negative effects of globalisation on workers and their families.

- Promoting increased employment of young people. Intensifying efforts to reduce early school leaving to 10% and to ensure that at least 85% of 22 year olds should have completed upper secondary education. By the end of 2007 every young person who has left school and is unemployed should be offered a job, apprenticeship, additional training or other employability measure within six months, and within no more than 4 months by 2010.
- Increasing the labour market participation of disabled persons.

Actions should include

- On the basis of the new objectives and working methods for social protection and social inclusion endorsed by the European Council in March 2006, Member States and the Commission will continue their cooperation using the open method of coordination (OMC). In this context the EU and Member States will also take the necessary measures to rapidly and significantly reduce child poverty and will work towards giving all children equal opportunities, regardless of their social background, gender or disabilities.
- On the basis of the Communication on "Social Services of General Interest" the Commission and the Member States will continue efforts to ensure that social services contribute actively to social inclusion and cohesion, and support the objectives of growth and employment. The Commission and the Member States will also continue the work on a further clarification of the impact of Community law on social services of general interest.
- The Member States will continue implementation of the European Pact for Youth. In the structured dialogue with young people during each Presidency organisations active in the field of European youth policy, among them the European Youth Forum, should be invited to feed in sustainable development issues of interest for young people by preparing these dialogues between youth and governments.
- Member States and the EU will implement the European Pact for Gender Equality agreed at the European Council in March 2006.

- Taking into account the ageing of populations in all European countries, the sustainability and adequacy of pensions will remain an important issue for the coming decades. The EU will continue to support the efforts of Member States to modernise social protection systems and ensure their sustainability. Member States should reduce public debt at a satisfactory pace, raising employment rates and productivity, as well as reforming health care and long-term care systems.
- In 2006 the Commission will adopt a Communication on the demographic future of Europe examining how the EU can help Member States respond to the demographic challenges they face, notably by promoting active and healthy ageing strategies, the reconciliation of work and family life, better conditions for families, also taking into account the contribution of immigration.
- Member States should analyse the possible implications of demographic change for land use and resource and energy consumption as well as mobility, and take them into account in planning and investment at all levels.
- The EU and the Member States will continue to develop an EU migration policy, accompanied by policies to strengthen the integration of migrants and their families, notably through the policy plan on migration, including admissions procedures. They will intensify cooperation with third countries and work towards joint responses to control migration flows. In 2006 the Commission will present a Communication on future priorities in the fight against illegal immigration.

Global poverty and sustainable development challenges

Overall objective**:**	To actively promote sustainable development worldwide and ensure that the European Union's internal and external policies are consistent with global sustainable development and its international commitments

Operational objectives and targets:

- Make significant progress towards meeting the commitments of the EU with regard to internationally agreed goals and targets, in particular those contained in the Millennium Declaration and those deriving from The World Summit on Sustainable Development held in Johannesburg in 2002 and related processes such as the Monterrey Consensus on Financing for Development, the Doha Development Agenda and the Paris Declaration on Aid Harmonisation.
- Contribute to improving international environmental governance (IEG), in particular in the context of the follow-up to the 2005 World Summit outcome, and to strengthening multilateral environmental agreements (MEAs).
- Raise the volume of aid to 0,7% of Gross National Income (GNI) by 2015 with an intermediate target of 0,56% in 2010,
  - i) Member States which have not yet reached a level of 0,51% ODA/GNI undertake to reach, within their respective budget allocation processes, that level by 2010, while those that are already above that level undertake to sustain their efforts;
  - ii) Member States which have joined the EU after 2002 and that have not reached a level of 0,17% ODA/GNI will strive to increase their ODA to reach, within their respective budget allocation processes, that level by 2010, while those that are already above that level undertake to sustain their efforts;
  - iii) Member States undertake to achieve the 0,7% ODA/GNI target by 2015 whilst those which have achieved that target commit themselves to remain above that target; Member States which joined the EU after 2002 will strive to increase by 2015 their ODA/GNI to 0,33%.
- Promote sustainable development in the context of the WTO negotiations, in accordance with the preamble to the Marrakech Agreement establishing the World Trade Organisation which sets sustainable development as one of its main objectives.

- Increase the effectiveness, coherence and quality of EU and Member States aid policies in the period 2005–2010.
- Include sustainable development concerns in all EU external policies, including the Common Foreign and Security Policy, *inter alia* by making it an objective of multilateral and bilateral development cooperation.

Actions should include

- Implementation of the EU "Water for Life" Initiative, the EU Energy Initiative for poverty eradication and sustainable development as well as the Johannesburg Renewable Energy Coalition and the Strategic Approach to International Chemicals Management (SAICM).
- Development of a Common EU Programming framework, using more joint actions and co- financing of projects, and increasing the coherence between development and other policies. The quality and effectiveness of aid could be increased through *inter alia* effective budget support, debt reduction and untying of aid.
- Member States and the Commission should implement the EU strategies on Africa, Latin America and the Pacific.
- The Commission and Member States will increase efforts to make globalisation work for sustainable development by stepping up efforts to see that international trade and investment are used as a tool to achieve genuine global sustainable development. In this context, the EU should be working together with its trading partners to improve environmental and social standards and should use the full potential of trade or cooperation agreements at regional or bilateral level to this end.
- Investments through the European Investment Bank and the EU-Africa Partnership for Infrastructure should support sustainable development objectives. The European Investment Bank should assess its lending against the contribution to achieving the Millennium Development Goals and sustainable development.
- Member States and the Commission should cooperate to promote the EU position on transforming the UN Environment Programme (UNEP) into a UN specialised agency or UNEO, based in Nairobi with a strengthened mandate and stable, adequate and predictable financing.

CROSS CUTTING POLICIES CONTRIBUTING TO THE KNOWLEDGE SOCIETY

- **Education and training**

14. Education is a prerequisite for promoting the behavioural changes and providing all citizens with the key competences needed to achieve sustainable development. Success in reversing unsustainable trends will to a large extent depend on high-quality education for sustainable development at all levels of education including education on issues such as the sustainable use of energies and transport systems, sustainable consumption and production patterns, health, media competence and responsible global citizenship.

15. Education can contribute to greater social cohesion and well-being through investments in social capital and by ensuring equal opportunities, citizens´ participation especially of disadvantaged groups to achieve a higher degree of awareness and understanding of the complexity and many interdependencies in today's world. Education that provides women and men with competences that increase their employability and lead to high quality employment is also key in strengthening the competitiveness of the EU.

16. On the basis of the Communication "i2010 - A European Information Society for Growth and Employment", the Commission and Member States should address issues such as equal opportunities, ICT skills and regional divides.

17. In the context of the UN Decade of Education for Sustainable Development (2005-2014), Member States could further develop their national action plans, making in particular use of the “Education and training 2010” work programme, whose objectives are focused on quality and relevance, on access for all and on the openness of systems and institutions to society and the wider world. Member States could develop education for sustainable development and targeted training for professions in key sectors such as construction, energy and transport. Special attention should be devoted to teacher training. They should also implement the UNECE Strategy for Education for Sustainable Development adopted in Vilnius in 2005. Education for sustainable development should also be promoted at EU level. The European Parliament and the Council will adopt an integrated action programme in the field of lifelong learning for 2007-2013 in 2006.

- **Research and development**

18. Research into sustainable development must include short-term decision support projects and long-term visionary concepts and has to tackle problems of a global and regional nature. It has to promote inter- and transdisciplinary approaches involving social and natural sciences and bridge the gap between science, policy-making and implementation. The positive role of technology for smart growth has to be further developed. There is still a strong need for further research in the interplay between social, economic and ecological systems, and in methodologies and instruments for risk analysis, back- and forecasting and prevention systems.

19. It is key in that regard to ensure effective implementation of the 7th Framework Programme of the European Community for research, technological development and demonstration activities, involving academia, industry and policy-makers and to advance the implementation of the Environmental Technology Action Plan.

20. For better understanding of interlinkages between the three dimensions of SD, the core system of national income accounting could be extended by *inter alia* integrating stock and flow concepts and non-market work and be further elaborated by satellite accounts e.g. environmental expenditures, material flows and taking into consideration international best practices.

21. Universities, research institutes and private enterprises all have an essential role to play in promoting research that supports efforts to ensure that economic growth and environmental protection reinforce each other. Universities and other higher education institutions have a key role in providing education and training that equip the qualified workforce with the necessary competences to fully develop and exploit sustainable technologies. They should also contribute to low environmental impact management through interdisciplinary approaches and by building on existing networks. Creation of partnerships and cooperation between European and third country universities and higher education institutions, encouraging networking and peer learning, should be promoted.

FINANCING AND ECONOMIC INSTRUMENTS

22. The EU will seek to use the full range of policy instruments in the implementation of its policies. The most appropriate economic instruments should be used to promote market transparency and prices that reflect the real economic, social and environmental costs of products and services (getting prices right). Their potential to reconcile environmental protection and smart economic growth and exploit win-win opportunities should be recognised. Additionally, their suitability should be judged against a set of criteria, including their impact on competitiveness and productivity.

23. Member States should consider further steps to shift taxation from labour to resource and energy consumption and/or pollution, to contribute to the EU goals of increasing employment and reducing negative environmental impacts in a cost-effective way. In this context, the Commission should gather relevant information by 2007.

24. By 2008, the Commission should put forward a roadmap for the reform, sector by sector, of subsidies that have considerable negative effects on the environment and are incompatible with sustainable development, with a view to gradually eliminating them.

25. In order to ensure that EU funding is used and channelled in an optimum way to promote sustainable development, Member States and the Commission should co-ordinate to enhance complementarities and synergies between various strands of Community and other co-financing mechanisms such as cohesion policy, rural development, Life+, Research and Technological Development (RTD), the Competitiveness and Innovation Program (CIP) and the European Fisheries Fund (EFF).

COMMUNICATION, MOBILISING ACTORS AND MULTIPLYING SUCCESS

26. The Commission will mainstream sustainable development in its information, awareness-raising and communication activities and continue, together with other Community institutions, to organise events and stakeholder meetings on the various strands of the strategy, to disseminate new ideas and exchange best practices. In this context the Commission should produce a layman's guide to this strategy, including good practice and good policies in Member States, to help increase public awareness of sustainable development. Use should be made of valuable communication tools to measure the impacts of human activities on the earth's capacity to support life in its diversity.

27. The Commission should elaborate a concrete and realistic vision of the EU on its way to sustainable development over the next 50 years. Such a vision should be prepared in a participatory manner and should identify the main long term objectives and describe intermediate stages and steps towards their achievement.

28. Member States have the key role in targeting communication to the most appropriate level.

29. With regard to the important role of local and regional levels in delivering sustainable development and building up social capital, it is the overall aim to build sustainable communities in urban and rural areas where citizens live and work and jointly create a high quality of life. Approaches like Local Agenda 21 and other processes with broad public participation must be further strengthened and promoted. Municipalities, cities and towns should be invited to sign and implement the Aalborg Commitments. Networks at different levels should support these activities.

30. In this connection the Commission is invited to elaborate possible options of how to promote the “European Sustainable Cities & Towns Campaign” which provides an exchange of good practice including the elaboration of quality criteria, indicators and instruments like impact assessment. The best sustainable development initiatives taken by regional and local authorities will be awarded prizes on an annual basis. The Commission will invite proposals from other EU institutions and organisations on how best to organise this.

31. Business leaders and other key stakeholders including workers' organisations and non-governmental organisations should engage in urgent reflection with political leaders on the medium- and long-term policies needed for sustainable development and propose ambitious business responses which go beyond existing minimum legal requirements. A proposal to foster this process will be made by the Commission in 2007. In accordance with the European Alliance for Corporate Social Responsibility (CSR), awareness and knowledge of corporate social and environmental responsibility and accountability should be increased.

32. The EU welcomes civil society initiatives which aim at creating more ownership for sustainable development and will therefore intensify dialogue with relevant organisations and platforms that can offer valuable advice by drawing attention to the likely impact of current policies on future generations. In this context, the EU will also continue to promote full implementation of the Aarhus Convention Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters.

IMPLEMENTATION, MONITORING AND FOLLOW-UP

33. The Commission will submit every two years (starting in September 2007) a progress report on implementation of the SDS in the EU and the Member States also including future priorities, orientations and actions. As for the monitoring at EU level, the Commission will, in analysing the state of play with regard to the challenges described above, draw on a comprehensive set of sustainable development indicators (SDIs), taking into account the EUROSTAT SD Monitoring Report, to be updated every two years, as well as on the latest scientific evidence and on developments in relation to key EU activities (strategies, action plans, legislation).

34. To ensure both a comprehensive and in-depth coverage of the complexity of sustainable development, the indicators are to be developed at the appropriate level of detail to ensure proper assessment of the situation with regard to each particular challenge.

35. The Commission, in cooperation with Member States through the working group on SDIs, will further develop and review indicators to increase their quality and comparability as well as their relevance to the renewed EU SDS, also taking into account other indicator initiatives and focusing on those indicators marked as most needed.

36. In 2007 at the latest, and at regular intervals after that, the Council will examine progress with regard to sustainable development indicators and will consider endorsement of a limited set of indicators for monitoring the SDS at EU level and for communication purposes.

37. With regard to the national level, the Commission progress report will build on Member States´ actions to implement the EU SDS and the results gained from completed Peer Reviews. Each Member State will appoint a representative acting as SDS focal point enabled to provide, at the latest by June 2007 (and then at two-year intervals), the necessary input on progress at national level in accordance with National Sustainable Development Strategies (NSDSs) and if appropriate taking into account developments at sub-national level. Best use will also be made of relevant information from other reports by the Member States.

38. On the basis of the Commission progress report and the contributions of the Council, the December European Council should review progress and priorities every two years (starting in 2007) and provide general orientations on policies, strategies and instruments for sustainable development, taking account of priorities under the Lisbon strategy for growth and jobs. In that way, results from the EU SDS can contribute to work in the Lisbon context, including on the integrated guidelines, allowing for coherent treatment of cross-cutting issues such as climate change, energy efficiency, ageing and social cohesion.

39. The European Parliament will be invited to contribute views in the context of future progress reviews and engage in close cooperation with the Council and the Commission to ensure that the EU SDS enjoys the broadest possible support. The European Parliament could also liaise with national Parliaments. The European Economic and Social Committee (EESC) should play an active role in creating ownership *inter alia* through acting as a catalyst to stimulate debate at EU level, and is invited to prepare input to the biennial progress report of the Commission including a collection of best practices of its members. The Committee of the Regions could liaise with the sub-national and local levels.

40. Member States elaborating their first national NSDSs should complete these by June 2007. Future reviews of NSDSs should be undertaken in the light of the revised EU SDS, to ensure consistency, coherence and mutual supportiveness, bearing in mind specific circumstances in the Members States.

41. Voluntary peer reviews of NSDSs should start in 2006 with a first group of Member States. These should involve officials and stakeholders from other Member States, including national councils for sustainable development and, where appropriate, international observers. Peer reviews could focus either on the strategies as a whole or on specific themes. They should also serve to identify examples of good policies and practices. A subsequent round of peer reviews could start in 2007 with the next group of Member States. Peer reviews could be supported by scientific evidence through external evaluation.

42. Member States could make use of the existing European Sustainable Development Network with the aim of facilitating the exchange of good practices and experiences. It could gather views on specific priority themes and issues to be discussed by Member States in order to exemplify and document good policies and practices. This network could also be used to enhance the mainstreaming of sustainable development issues, vertical integration and coherence between the EU, national and sub-national levels of policy-making.

43. Member States should consider strengthening or, where these do not yet exist, setting up multi-stakeholder national advisory councils on sustainable development to stimulate informed debate, assist in the preparation of NSDSs and/or contribute to national and EU progress reviews. National sustainable development councils are meant to increase the involvement of civil society in sustainable development matters and contribute to better linking different policies and policy levels, also by using their network of European Environmental and Sustainable Development Advisory Councils (EEAC).

44. The EU institutions should improve internal policy coordination between different sectors. While the Council (General Affairs) should ensure the horizontal coordination of the EU SDS, other Council formations should verify implementation in their respective areas of responsibility. When reviewing progress, the Council should consider different options on how its work could be further strengthened to ensure proper implementation of the EU SDS.

45. At the latest by 2011, the European Council will decide when a comprehensive review of the EU SDS needs to be launched.