



PBL Netherlands Environmental
Assessment Agency

Workshop 26 June 2012, Brussels

Organised by PBL Netherlands Environmental Assessment Agency and hosted by the permanent Mission of the Netherlands in Brussels. By invitation.

Organiser's report

Moving forward on the EU's Resource Efficiency initiative – a global perspective

This workshop, held in a round-table format, brought together around two dozen senior experts. Immediately following the UN's Rio+20 conference, it sought to establish the most recent **world view** on the EU's resource-efficiency perspective. Based on this, and focusing on two concrete examples, the workshop sought to identify which near-term concrete steps would be necessary to move forward with a long-term perspective.

As important examples, the workshop used the cases of **land resources** and **phosphate**. These examples demonstrate the different forms of scarcity to be reckoned with: physical, economic and political. They highlight the position of EU-based actors in a globally connected economy over the next decades.

Using these examples, the participants were asked to reflect on two questions in particular:

1. What will be the **key public or private players in other world regions** that European actors may link up with, in order to make their actions significant? What would be the rationale, for each player?
2. What should **governments** specifically do to enable this? For example, in terms of establishing 'the dot on the horizon'. Or, in terms of removing obstacles. What, specifically, would be needed for land and phosphate issues? By which governments? And when?

As input to the round-table discussion, brief introductions were held by Carina **Vopel**, head of Unit F.1 'Chief Economist, Impact Assessment & Evaluation' at DG Environment, European Commission; Maurits **van den Berg**, PBL, lead author of EU Resource Efficiency Perspectives in a Global Context; Gerben-Jan **Gerbrandy**, Member of the European Parliament (ALDE). The PBL study was commissioned by the European Commission. It can be downloaded from:

<http://ec.europa.eu/environment/enveco/studies.htm#7>

and:

<http://www.pbl.nl/en/publications/2011/eu-resource-efficiency-perspectives-in-a-global-context>

A list of workshop participants is attached.

Below are concise notes which highlight a number of insights that followed from the discussion, as perceived by the organisers. This is not a consensus report, as this was not the nature of the discussion. Nevertheless, making these insights accessible seems useful, now that the discussion on a resource-efficient Europe is moving forward.

Organiser's notes from the discussion

(1) Emerging economies see the green economy changing from 'something imposed' to 'something owned'

- At the Rio+20 conference, one of the Argentinian delegates aptly characterized the changing times in his presentation by stating that we are witnessing the change from seeing the Green Economy as something that is being imposed to something that is being owned.
- The EU's firm stance in favour of the green economy was brushed aside by the host country Brazil, before heads of state would arrive. The green economy was sometimes mockingly called the 'greed economy'. This may have been rethoric for the occasion, but resource efficiency being seen and perhaps effectively delivered as an EU agenda has not won many allies.
- However, the Rio+20 conference confirmed the pattern that emerging economies and developing countries have a perfect understanding of the large problems in terms of the environment and resources that current development pathways will bring, but will not easily commit to international targets. Resource efficiency as an objective, in itself, is not the problem – for example, resource efficiency is a policy theme, featuring on Brazil's national agenda.
- Thus, 'coalitions of the willing' is a logical format for practical progress on resource efficiency and similar themes.

(2) Escaping from 'silo mentality' is essential to move forward

- Although resource efficiency, as an overarching policy, is designed as a bridge between various environment portfolios, this has by far not been achieved yet. However, the high-level platform that was recently established by the European Commission is broad-based, and its working groups nicely cover areas such as framework conditions for investment. Similarly, environmental NGOs are eager to break down barriers and enter into new coalitions.
- However, the EU having been brushed aside in Rio does beg the question if this would have happened if the EU had come on board not only earlier, but also with a more coherent policy stance; more visibly coordinating, for example, with its development cooperation policies.
- Meanwhile, in Brussels, the ongoing difficult discussion on targets and indicators for resource efficiency would need to be widened in order to be effective. One way of achieving this would be through an approach of true impact assessment – something for which the Commission has excellent rules and methodology. Obviously, such impact assessment should comprise drivers and impacts also outside the EU.

(3) The EU needs to effectively reduce its resource use in order to establish global credibility

- Without proof that the EU is effectively reducing its own use of resources, or its per capita resource use, its pleas for mere efficiency in resource use will lack credibility with other global players. Behavioural change will be needed to give the EU a right to speak about this with some authority. Being generally efficient is not enough.

- Dietary change is a case in point. Obviously, this topic is politically difficult, in many respects. By the same token, it is an issue waiting to be addressed courageously and with a long-term view.
- Mirroring this element, population increase, both globally and in specific regions, remains the elephant in the room. Resource-efficiency initiatives should not cause us to forget to keep this on the agenda, while remaining grateful, for example, to the Chinese Government for their population control policy.

(4) Assigning value requires a long-term view

- Private-sector workshop participants, in particular, emphasised the importance of including the chances of continuing the business in the future when assigning value (to enterprises). In the same spirit of favouring the long-term view, China and Korea are spending a sizeable share of their GDP growth on the greening of their economies.
- In Europe, a moderately long-term view would focus on a proper alignment for the end of the economic crisis – whatever the format of that ending – in terms of resource use, including biodiversity and climate change.
- Regarding the question how to measure progress, it is important to build on the ‘beyond GDP’ work, begun five years ago.

(5) Discussions on reform of the EU Common Agricultural Policy have been unconnected to issues of global land resources

- Current work in international organisations outside Brussels suggests that, often, there is ‘something missing’ in discussions on resource efficiency. Typically, any relation to reform of the CAP has been lacking. Or notions of resilience and risk remain out of sight – understandably, as these are difficult to apply without societal process as the basis for a normative discussion.
- Numbers quoted in discussions are often totals; for example, in the context of global land resources and agriculture, and these totals easily paint a too rosy picture.
- Recognising that parties in such discussions often apply different issue frames when praising the beauty of improved resource efficiency could help to sort out conceptual difficulties. For example, important issue frames being competitiveness, finite global availability, and access to raw materials.
- The role of farmers in boosting land-use efficiency was emphasised by many participants, highlighting changes on the ground to match top-level insights. Important elements are training, technology, management and price incentives.

(6) Phosphorus constitutes an interesting case for integrated resource efficiency policy at EU level

- For at least one large phosphorus producer in Europe without its own mines, the strategic goal of taking only recycled materials as input is concretely in place and timed. Regulation, such as already has been enacted in Switzerland to keep phosphorus-rich waste streams separate and recyclable, is argued for.
- Worldwide efficient use of phosphate fertiliser, over and above the potential on the production/recycling side, could greatly benefit from targeted education or training for farmers in specific regions – if combined with proper incentives.

- Meanwhile, as shown in the PBL report the overall pattern is that phosphorus use in developing countries is already fairly efficient, and between now and 2050, an increase in global phosphorus use is inevitable. In contrast, specialised agriculture, such as in the EU, does offer some possibilities for more efficient phosphorus use.
- At the global level, a surprisingly strong link appears to exist between future phosphate use and large-scale production of bio-energy from biomass. Economic logic tells us that large-scale production of bio-energy will lead to a significant expansion of agricultural production on phosphate-poor soils in Latin America. The PBL report suggests that half of the potential efficiency improvements to global phosphorus use would be 'eaten up' by policies on climate change mitigation which involve a realistic amount of bio-energy production which is fairly small compared to many other projections.
- The European Commission is working on a green paper on phosphorus policy. Industry participants to the workshop pointed to the 2010–2015 'Global TraPs' project by ETH Zürich, designed to link up the various views and interests. Interestingly, the business proposition for recycling replacing mining links an old issue frame (preventing too much phosphate from entering Europe's surface waters) with a new issue frame (ensuring continued access to phosphorus for European producers).

(7) Governments have specific tasks to harness the energy within society which is needed for moving towards a resource-efficient Europe

In the course of the discussion, participants were quizzed on things that governments should do and could do in order to enable actions toward a more resource-efficient Europe, in light of the Rio+20 conference and using land resources and phosphorus resources as examples. The following things were suggested, at various moments during the workshop.

- Education and training (specifically outside the EU, in relation to the use of land resources and phosphate fertiliser in agriculture)
- Awareness raising
- Building on already existing consensus
- Filling knowledge gaps (gathering new data, in particular in relation to global land resources – net total numbers painting a too rosy picture); organising adequate monitoring
- Organising normative discussions related to risks and resilience
- Creating an enabling environment for business action
- De-siloing policy development
- Regulation, for example, to keeping phosphorus-rich waste streams separate
- Target setting, in particular to 'stop the laggards'
- Enforcing existing regulation, for example, in relation to the CAP
- Going beyond GDP in measuring progress
- Incentivising behavioural changes and, more generally, of course, putting a price on externalities

Arguably, none of these apply solely to government. However, regulation (as in the phosphorus case), target setting (as in the CAP case, conceivably) and implementation of existing regulation (as in fisheries policy) were mentioned with some emphasis.

(8) 'Keep on it'

- Throughout the workshop, business participants noted their role as carriers of the long-term perspective – not being restricted by elections, having global presence and a constant focus on consumer activity, which is key in, for example, the agro-food sector.
 - Consistent with this, and reinforced at the Rio+20 conference, is the insight that coalitions of the willing and domestic policies without formal global obligations will be important formats.
 - one of providing moral support, setting targets and indicators, and The government role in this should, at the least, be generally creating an enabling environment for the right investments. Opportunities to celebrate the positive effect of resource-efficiency policies on business outcome would, of course, be good for maintaining long-term confidence.
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Annex

Participants to the workshop

BUSINESS		
Unilever	Dick TOET	Vice-president European External Affairs
Thermphos	Rob DE RUITER	Director
	Dirk DEN OTTELANDER	Corporate HSEQ manager
IFA International Fertilizer Industry Association	Luc MAENE	Director General
SNB (sludge processing company)	L. SIJSTERMANS	Manager Process and Environment
KPMG	Don GERRITSEN	Advisor Climate Change & Sustainable Service
NGOs and INTERFACE ORGANISATIONS		
WWF	Tony LONG	Director European Policy Office
	Erik GERRITSEN	Sustainable Consumption Policy Officer
Friends of the Earth	Magda Stoczkiewicz	Director Friends of the Earth Europe
OECD	Dimitris DIAKOSAVVAS	Principal author on OECD's work on green growth and agriculture
European Environment Agency	Thomas HENRICHS	Lead author, EEA 2012 indicator report on Resource Efficiency
PBL Netherlands Environmental Assessment Agency	Tom KRAM	Programme manager Integrated Assessment Modelling; project leader of EU Resource Efficiency Perspectives in a Global Context
	Maurits VAN DEN BERG	Senior Policy Researcher; corresponding author of EU Resource Efficiency Perspectives in a Global Context
	Jan BAKKES	Senior project leader, Global and European outlooks. Organiser of the workshop
	Ton MANDERS	Climate, Air and Energy sector, Deputy head.
GOVERNMENT		
European Commission	Carina VOPEL	Directorate-General of Environment, head of Unit F.1 'Chief Economist, Impact Assessment & Evaluation'
Dutch Government	Hermien BUSSCHBACH	Ministry of Infrastructure and the Environment, Coordinator for resource efficiency
	Arthur EIJS	
	Nienke SMEETS	Permanent Mission of the Netherlands in Brussels, first Embassy Secretary and Environment Attaché
	Paul HOFHUIS	Permanent Mission of the Netherlands in Brussels, Strategic Advisor