

**6<sup>th</sup> Environmental Action Programme (6 EAP)  
European Industry's views on the Commission's proposal  
A contribution to the European Parliament's First Reading**

1.) GENERAL REMARKS – NEED TO FOCUS SOUND ACTION ON KEY PRIORITIES:

- ?? The 6 EAP is an important opportunity to fundamentally reconsider and improve how EU environmental priorities are identified and policy is proposed.

UNICE believes that the 6 EAP should provide a holistic framework for policy-making. It should stress the need to focus on priorities that have to be identified by a coherent process based on sound scientific data of environmental trends and proper risk assessment, on the establishment of realistic objectives and on effective implementation of policy measures.

- ?? The Commission's proposal tends to see environmental policy in isolation from any constraints of social considerations and economic aspects and it does not sufficiently recognise the need for mutual integration of policies.

UNICE believes that the 6 EAP has to be embedded into a wider framework of Sustainable Development, especially in view of the forthcoming EU Sustainable Development strategy. Therefore, we call for a truly integrated approach that includes systematic economic impact assessment and transparent cost-benefit analysis of future environmental policy initiatives.

- ?? The Commission proposes to consult widely concerned stakeholders at all stages of policy-making.

UNICE welcomes the intention of the Commission to establish more early and systematic dialogue with stakeholders. The aim should be to ensure a comprehensive and transparent consultation of all parties, in order to understand, evaluate and if necessary modify environmental policy objectives.

- ?? The proposed 6 EAP correctly identifies effective implementation as a priority of EU environmental policy.

UNICE agrees that the implementation of existing legislation should take precedence over the creation of new regulation. This goes especially in the current situation, where the EU is preparing itself for a major enlargement process. Likewise, it is of crucial importance that future policy initiatives are designed under a framework that allows effective implementation.

## 2.) PRIORITY AREAS:

- ?? **Climate change:** The Commission's proposal refers to implementation of the Kyoto Protocol and promotes the use of fiscal instruments, notably the adoption of a framework for energy taxation.

UNICE believes that climate change policy falls into the trap of seeing market signals purely in terms of the cost of energy and the opportunity to apply energy taxes without regard for its lack of effectiveness and competitive impact while what is needed is a broader debate on how best to use the market to encourage consumer choice and motivate business and industry. A supportive business-friendly context must be established that will encourage the companies that are already acting in a responsible way, and involve those companies that are not. Market-based instruments must be carefully evaluated for their cost-effectiveness and efficiency, flexibility, and transparency to the customer. UNICE believes that voluntary approaches and negotiated agreements should be a crucial element of the Community's strategy to tackle climate change, since they have the advantage of stimulating cost-effective initiatives by business and industry.

- ?? **Environment and health:** The proposal aims at achieving an environment where levels of man-made contaminants do not give rise to significant impacts on, or unacceptable risks to, human health and outlines priority actions in several areas, notably in the field of chemicals policy.

UNICE believes that health protection is given a proper priority, but policy targets should not mislead by seeking to offer a risk-free environment. We believe that policy makers must face up to their responsibility of applying sound principles in seeking improvements. Risk assessment based on sound science has to be the basis of the new policy and will be the key to its successful implementation. Protecting consumers and the environment from hazardous chemicals calls for practical solutions. Unfortunately, the Commission's proposal falls short in this respect. Furthermore, UNICE is concerned about the Commission's hazard-based approach that is based on the intrinsic properties of chemicals rather than on the real risk they may pose to consumers. This may lead to an increasing number of arbitrarily restricted or banned substances which, in turn, would have serious consequences for Europe's chemical industry, in particular on SMEs. What is needed instead is a streamlined testing programme based on a targeted risk assessment approach that focuses first on those chemicals that give rise to the greatest cause for concern.

- ?? **Sustainable use of natural resources:** We believe the 6 EAP should offer the chance of a fundamental improvement of policies to manage natural resources and waste taking an integrated approach. This required clarification of the definition of waste, and of the point where waste ceases to be waste.

In compliance with the overarching goal of the 6 EAP, UNICE demands the management of resources and waste in a sustainable way, taking into consideration environmental, economic and social aspects. According to the Waste Framework Regulation there is no preference given to recycling over other recovery options of solid waste. It is a mistaken assumption that material recycling is always the option with the lowest environmental impact. Examples can be given where recycling results in higher consumption of energy, increased air and/or water emissions. The life-cycle approach needs to be taken into consideration to include all environmental aspects of a waste management strategy. UNICE therefore requests broadening of the proposed thematic strategy towards a "Recovery Strategy".

### 3.) POLICY-MAKING:

#### ?? **Better regulation:**

UNICE fully supports the Commission aim of 'better regulation' based on sound science, economic assessment and broad consultation. We will join in this process. We also appreciate the Commission's intention to regulate outcomes rather than be prescriptive in the means for achieving the goals and we agree on the importance of stimulating innovation and of a regulatory framework that motivates enterprises.

#### ?? **Policy Instruments:**

UNICE welcomes the intention to encourage the use of flexible instruments. However, the proposal puts too much trust in eco-tax approaches to solving problems. We believe an appropriate and effective mix of policy instruments will pass tests of motivating business, be environmentally effective and coherent with other policies, be efficient as defined by cost-benefit analysis, be flexible, low cost and easy to administer, demonstrate transparent compliance, command public support.

#### ?? **Guiding Principles:**

The proposal identifies the critical importance of supporting research. Implementing the precautionary principle must be based on sound practice of risk assessment and management, taking health and environmental exposure into account. However, UNICE has reservations about the practical implications of the intention to add 'substitution' and 'reversal of the burden of proof' to the policy principles applied.