

## THE EEB'S

## MEMORANDUM TO THE HUNGARIAN PRESIDENCY OF THE EU

**10 GREEN TESTS FROM CIVIL SOCIETY** 

## JULY - DECEMBER 2024



We are Europe's largest network of environmental citizens' organisations. We bring together over 180 civil society organisations from 41 countries. Together, we work for a better future where people and nature thrive together.

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## Introduction

The Hungarian Presidency of the Council of the European Union, that takes over from the Belgian Council Presidency on the 1 July 2024, will bridge the transition period between the Ursula von der Leyen Commission and the ninth European Parliament (with elected presidents David Sassoli and Roberta Metsola) and the new Commission and Parliament. This will be the second time Hungary has the responsibility of holding the Council Presidency, the first being in 2011. Hungary joined the EU in 2004 following the 12 April 2003 referendum where 84% of the valid votes supported EU membership.

The workload during the Hungarian Presidency on climate and environmental files will be lighter than for those of their trio partners, Belgium and Spain. Trilogues will be on hold until the next Parliament and Commission are in place, but the Council can still advance on their position across a range of files that not finalised under the Belgian Council Presidency and of course, explore their own priorities. The Hungarian Presidency has a responsibility to help complete the European Green Deal, reflect on the Strategic Agenda set by Heads of State on the 27-28 June 2024 and in light of this, the EP elections, the state of environment and climate, explore the needs and priorities for the next legislative cycle and its own Presidency contributions.

Hungary has the responsibility to ensure a constructive legacy for the ES-BE-HU Presidency Trio running from 1 July 2023 to December 2024. Many advances were made by the Spanish and Belgian presidencies, both of which also promoted debate and reflections on a range of key priorities, with climate mitigation, just transition, circular economy and climate adaptation and resilience the priorities of the outgoing Presidency. These priorities – that combine green and social dimensions - also remain fundamentally important during the Hungarian Council Presidency period.

Each Council Presidency has the responsibility of being a "neutral broker" facilitating progress by listening to and balancing the positions of the 27 Member States in light of the challenges and opportunities the EU faces and the files and international meetings open for decision, while of course raising topics considered of strategic importance by the Presidencies. Presidencies should also lead by example by showcasing ambitious national level initiatives and good practices in implementing EU legislation on environment and climate.

One should not ignore, however, a range of challenging realities - infringement cases against Hungary on a range of laws, concerns about democratic roll back and weakening of civic space. The Presidency period is an opportunity to remember the motivations and hopes of so many in Hungary when joining the EU and consider the common challenges facing Europeans. Each Member State has a special contribution to make to the European Project and we hope that Hungary will build on successes of their Spanish and Belgian Presidency partners and promote a green and social deal, a vibrant one-planet economy, and a healthy and resilient democracy in Europe, contributing to an agenda in these times of conflict and fear. Nurturing a vibrant civil society locally, at national and pan-European level is a key element in making sure our societies can navigate through challenging times.

The EEB, building on consultation with its over 190 members and wider civil society partnerships, has developed these Ten Green Tests for the Hungarian Presidency, where the engagement, commitment and leadership of this Presidency can make a lasting and fundamental difference. These have been approved by the EEB Board and Council with representatives from all EU Member States and many European networks.

The Ten Green Tests include policy dossiers coming from the EGD and wider EU policy and legal frameworks, the international dimension, and where Hungary could "lead by example" and inspire other countries. We propose the following Ten Green Tests that present a civil society vision as to what would constitute success by the Hungarian Presidency of the EU in the context of the challenges the planet and society face. We look forward to working with the Hungary Presidency directly and via our members to support a successful Presidency that can help the EU advance in the transition to living within the limits of our one planet – and ideally embrace a green and social deal for a one-planet economy as a core priority of the next legislative cycle. The Council Presidency relies upon the cooperation of the entire Council, and we therefore also call upon all Member States to take the Ten Tests as benchmarks for their Council engagement to make the most of the next six months.

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The above Ten Green Tests for the Hungarian Council of the EU Presidency reflects our understanding that politics is the art of the possible. However, if we do too little now to avoid climate, biodiversity and pollutions crises, then the challenges in 2030, 2040 and 2050 will be impossible for society to deal with. The impossibility of living well in the future with unabated crises should make policy makers reconsider what is possible to negotiate today and up the level of ambition in policy formulation and subsequent negotiations. It is in this context that we have designed the Ten Green Tests. They may seem ambitious, but they are fundamentally necessary for the future we need, and that young people deserve to inherit.



## 1 Advancing the European Green Deal as a Just Transition agenda for an EU committed to enlargement

The ongoing climate, biodiversity and pollution crises, the pandemic, Russia's invasion of Ukraine and the ever-starker evidence of poverty and inequalities in Europe and impacts abroad of EU consumption and actions have exposed the deep flaws and dependencies in our economic system. The power of industrial lobbies and political ideologies against environmental and social protections has manifested itself increasingly in 2023 and 2024. The EGD, in helping push for fossil fuel and resource independence, savings and efficiency, will contribute to social and economic resilience and should be treated as a project that supports peace and stability. The EGD, if sufficiently transformative, will be a peace project and a visionary investment in future Member State and EU resilience and stability. It should be promoted and progressed and not undermined by erroneously heeding false arguments.

Furthermore, the **fuel prices rises and inflation levels have brought into stark focus the level of poverty and inequalities in Europe** – energy poverty in particular, but also mobility poverty and the lack of affordable housing and general difficulties in making ends meet that often go hand in hand with environmental inequalities. This underlines the need for greater social, environmental and economic justice and improved fair governance where short-term private interests do not trump the need to do the right thing for Europe and its nations.

At the same time, **the facts underline that progress is too slow and risks too high** – the EU Climate Risk Assessment (EUCRA) paints a stark picture of climate impacts on Europe. The EEA's progress report on the 8th EAP concluded that many commitments for 2030 are very unlikely to be met. The World Economic Forum's Global Risks Report 2024 warns that the top four risks in ten years' time are extreme weather events, critical changes to earth systems, biodiversity loss and ecosystem collapse, and natural resource shortages. It is therefore essential that EU leaders keep going with their commitment and indeed go further and embrace a green and social EU for a one planet economy.

There are **increasing calls for a competitiveness and autonomy agenda** – in light of concern that China and the USA will benefit most in attracting investment and accessing markets in the transition to a carbon neutral economy and indeed profit more from the opportunities present in the ecological transition. The EU cannot match US subsidies, nor indeed Chinese state aid, but has a different toolkit to promote innovation. Regulation has proven to be a powerful catalyst for innovation and competitiveness. Investment in infrastructure, research and education, all strengthen "locational quality" and hence the pull factor for investments. A commitment to implementing and building on the European Green Deal, with its mix of legislation, incentives guided by conditionalities, finance and, where strengthened by investment in skills and training, should prove a winning package.

There are also **increasing calls for a system of fair and efficient taxation and pricing in the EU** – within the European Green Deal (EGD), at national level, and by the research community – underlining the need for ecological tax reform to put more burden on resource use, wealth and pollution and less on labour. There is a growing recognition that without addressing windfall taxes and tax loopholes, pricing and subsidies, the economy will not support sustainability needs. Fiscal rules were designed to achieve macroeconomic stability and to lower the burden of future generations. Today, this means investing in the just transformation of our economies and societies and implementing the EGD.

#### We therefore call upon the Hungarian Presidency to:

- A. Finalise the EGD to leave a transformative legacy of the Spanish, Belgian, Hungarian Council Presidency Trio and advancing the needed vision for a green and social deal for a one-planet economy for the next legislative period, combining progress on ecological, social, economic, governance, solidarity and diplomacy by:
  - Advancing across all remaining EGD files completing negotiations where possible. Push back against the calls for "a pause" in regulation and those seeking to halt or roll back legislative files, as the climate, biodiversity, pollution crises will not wait for an EU pause. Calling for a pause is irresponsible vis-à-vis people across all party constituencies and countries who are or will be affected by the climate crisis, risks from pollution and chemicals, and impacts from biodiversity loss and ecosystem tipping points. The triple crisis will not discriminate its impacts by party allegiance.
  - Ensure Council debate on a <u>new European Pact for the Future</u> for a green and social deal for a oneplanet economy. The reality of the impacts of the triple crisis has not changed by the shift to the right in the EP elections and decision-makers need to embrace their responsibilities for providing an agenda that supports people's wellbeing across Member States – by focusing on how they can benefit from and be engaged in the needed ecological transition to tackle the triple crisis and seize the opportunities inherent in this societal and economic transformation (see also point B).
  - Strengthen the international dimension of the EGD and EU diplomacy to ensure the EU's global credibility, position, and influence. Support ambitious conclusions at the UNFCCC COP29 building on official own EU commitments aligned with Paris agreement objectives (see Ten Test #2), and at the CBD COP 16, building on the Montreal commitments (see Ten Test #3), engage in diplomacy to encourage green deals abroad (whatever they are called) and support Green Deal implementation in third counties as part of global solidarity. Encourage that the objectives of the EGD are at the heart of the implementation of the 'Global Gateway' initiative launched by the EC and the EU High Representative.
- B. Debate and embrace an agenda on competitive sustainability that serves the people's and future generation's interests for a prosperous future and empowers the EU for a "race to the top" in sustainability.
  - Endorse a vision for the EU to become a global frontrunner in industry detoxification, depollution, decarbonisation and restoration, and ensuring it is fully reflected in the strategic programme and work plan of the European Commission.
  - Secure endorsement by policy makers of the main asks of the joint industry-NGO <u>Vision for a</u> <u>prosperous and sustainable industry: a positive blueprint for the future</u> in the context of EU industrial policy initiatives, including the industrial (Green) Deal. (see Zero Pollution Section 8).

#### C. Advance policies supporting a Just Transition consistent with a green industrial policy by:

- Advocating for a coordinated European approach towards green industrial policy supported by fiscal manoeuvre and significant spending capacity for Member States to invest in zero-pollution industry, green & social jobs tied with strong social and environmental conditionalities.
- Advocating for an EU Directive on a just transition for the world of work.
- Supporting **policy coherence between the European Pillar of Social Rights, Just Transition and Industrial policy** in support of wellbeing economy objectives.
- Promoting Just Transition policies via the European Semester, through commitments to a wellbeing economy; support for an adequate and socially just Social Climate Fund; and targeted NRRP spending to address fuel and transport poverty as well as promoting a Just Transformation Fund to follow on the existing fund that ends in 2027.

- Strengthening the partnership principle at all levels of governance to ensure buy-in and engagement. Also implement nationally, including at local and regional levels in the territorial approach to help support, agency and engagement,
- D. Support public investments for a stronger, more resilient and sustainable economy by:
  - Building on the G20 and OECD discussions on taxation, advancing discussions on **new own** resources i.e. progressive taxes including a tax on extreme wealth, a frequent flyer levy, an excess profit tax on fossil fuel and a financial transaction tax to support the EU and governments to plug green and social investment gaps. Also commit to environmental tax reforms to implement the polluter pays principle, while guaranteeing that it does not negatively affect low-income groups and workers in particular.
  - Starting discussions to establish a long-term EU just transformation fund post-2027 to create a dedicated and long-term EU public investment fund to drive the socially just transformation of our economy.
  - Preparing MMF negotiations for the 2028 to 2035 cycle to ensure an EU budget enabling a green and just transition through initiating discussions with EC, member states, CSO and social partners.
- E. Advance discussions on the importance of acknowledging the interlinkages of environmental policies, gender, economic and social justice, particularly of policies affecting racialised communities by:
  - Creating awareness and facilitating debates, especially regarding existing and upcoming policy proposals where policy coherence and justice concerns can still be better integrated.
- F. Ensure that the partnership between the EU and Ukraine based on the Ukraine Facility, aiming at its reconstruction and recovery is defined by the objectives of the EGD, in particular carbon neutrality, zero-pollution, an economy that works for all and a just transition by:
  - Ensuring that European institutions involved in the reconstruction and recovery as well as the accession process for Ukraine guarantee a regular dialogue with Ukrainian Civil Society Organisations (CSOs) and European civil society networks, including the European Investment Bank and the European Bank for Reconstruction and Development. Environmental CSOs should be given a clear role in relief and recovery measures as well as the accession process.
  - Support to open Chapter 27 (environment) as soon as possible for the accession negotiations with Ukraine.
- G. Advance the institutionalisation of the successful Beyond Growth processes following the European Parliament's Beyond Growth Conference and Beyond GDP indicator by:
  - Advancing the establishment of a **multidisciplinary expert group** to support the uptake of wellbeing and sustainability metrics in policymaking (building on the initiatives by the JRC), as its mainly the governance level that hampers up-take of wellbeing and sustainability indicators, not the availability and quality of data.
- **H.** Ensure a strong follow up in the Council regarding the **implementation of the SDGs** in and by the EU asking the Commission for an action plan to upscale SDG implementation, addressing the full spectrum of sustainable development as the main instrument to achieve EU targets for 2030, reducing negative spillover effects and leading by example with positive multilateral engagement in the 2024 Summit of the Future.

<u>More information</u>: The European Pact for the Future: a green and social deal for a one-planet economy • EU leaders may miss a rendezvous with history • NGOs call for a social and green investment plan for a prosperous and just transition • OpEd in Euractiv: Our Choice • Mid-term assessment of the European Green Deal • European Green Deal: One Year In • A Feminist European Green Deal • Turning fear into hope: Corona crisis measures to help build a better future' • Reprotecting Europe: The EU Green Deal v The War on Regulations • Towards a wellbeing economy that serves people and nature • EEB's Feedback on the EU Taxonomy Delegated Acts • Beyond Growth Conference: Open Letter •



# 2 Ensure energy security while addressing the climate emergency

The climate crisis is already evident on the news from across Europe (flooding, droughts, fires), and across the world - deadly flooding, heatwaves, coastal erosion from storms and sea level rise are being seen every month in the press around the world. The <u>EU Climate Risk Assessment (EUCRA)</u> gives a stark warning to Europe. Temperatures are set to rise at twice the global average, three times in Scandinavia and Spain, with dramatic risks of inland and coastal flooding, droughts and water stress, storms, fires and invasive alien species and pathogens and severe impact on our agriculture. Already in 2022, heatwaves <u>were estimated</u> to have caused over 60 000 excess deaths and the area where vegetation productivity suffered increased five-fold in 2022 compared to the average over 2000 to 2022. These risks will only grow more severe. There is a real risk that the already weakening gulf stream (the "AMOC: <u>Atlantic Meridional Overturning Circulation</u> will reach a tipping point as early as 2040, which would be a global disaster, with heat remaining in the equator and, for Europe, would risk plunging temperatures by 10 to 30 degrees in winter periods.

The Russian invasion of Ukraine has underscored the EU's vulnerability, due to a reliance on fossil fuels with implications for European household energy bills. The Hungarian Presidency must ensure that short-term measures to address the EU's energy security align with the long-term goals of combating climate change and environmental degradation. Despite the sharp uptake of renewables that followed the REpowerEU, a large share of gas imports to Europe have simply changed supplier, including other undemocratic regimes, and the EU remains very dependent on energy, particularly on gas, as a critical asset. This weighs heavily on Member States' commercial balance, exposes the EU to imported inflation, undermines competitivity and impoverishes households that, to a large extent, still rely on fossil fuels for heating, cooling and transport and are primary cost factors for households across the whole EU. In parallel, the poor planning and top-down decision-making of renewable projects give way to local opposition to such projects and slow down the path to energy independence of the EU.

The Hungarian Presidency should champion the swift and ambitious implementation of the Fit for 55 Package, crucial for tackling the ongoing energy crisis and reducing Europe's chronic fossil fuel dependence. In addition, the Energy Performance of Buildings Directive (EPBD) revision was approved with somewhat weak language on phasing out fossil fuel heating in new and renovated buildings. For this reason, an EU Heat Pumps Action Plan, a definitive phase-out date for fossil boilers through Ecodesign, and a European Heating Decarbonisation Fund are essential, alongside continued support for the REpowerEU plan. The Presidency should also push for common actions to reduce electricity costs for heat pumps and ensure ETS2 revenues protect vulnerable consumers. In particular, the Presidency should transform short-term emergency actions and regulations from the EU Save Energy Communication into lasting policies. These measures are vital for rewarding energy savings and advancing the EU's goal of energy sovereignty through renewables, efficiency, and sufficiency.

- A. Support an ambitious EU Commission work plan for the next mandate that include climate and environment and a Green and Social Deal as priorities, and hence delivers massive improvement in energy security, as well as a swift and ambitious implementation of the Fit for 55 package:
  - **Support a triple target for climate emissions**, energy efficiency and renewable energies in 2040: we need clarity, and emissions reductions should be given priority over carbon sequestrations and offsetting.
  - No false solutions funding: while Member states and private finance are free to invest in other technologies, public funding should only be dedicated, both for infrastructure and R&D, to

technologies that have been proven capable of delivering in the next 15 years, namely energy efficiency and renewables, and explicitly exclude gas infrastructures.

- **Support joint action to leverage private financing** for climate action, particularly in the buildings, transport and industry sectors.
- **Promote Energy Communities** as a mean to facilitate the deployment of renewable energy and cut energy costs for both households and businesses.
- Additionally, the Presidency should prioritise finalising the **Energy Taxation Directive** to unlock the full potential of the recently approved energy legislation. This requires decisive action to secure a unified position within the Council.
- **B.** Propose a voluntary commitment to allocate all of the ETS2 fund to heating and cooling sectors, in order to shield the largest share of vulnerable citizens from the effects of the carbon pricing:
  - Advance an intergovernmental proposal to dedicate all ETS2 funds to heating and transport: all ETS revenues paid on heating and transport fuels should be dedicated to policies that relieve the pressure on such sectors and shield households and SME from carbon pricing, cut their bills and increase the European resilience to international energy shocks.
  - **Propose voluntary commitment to maximise investments in the SCF** over cost-sharing. Funds should not only be offsetting the carbon pricing for low- and middle-income households but also be primarily dedicated to investing in solutions that help to radically cut household's bills in the long term, such as insulation, solar, heat pumps and storage.
- **C.** Advance on the decarbonisation of the buildings sector, crucial for both EU's energy independence and everyday life of citizens, by proposing key policies and new instruments including that embrace a new housing paradigm:
  - **Promote public, cooperative, social, and community-led housing** and to secure access to decent, affordable and low-carbon housing as the best way to prevent the growing homelessness and housing exclusion emergency. through EU, national and local measures,
  - Beyond renovation, EU green policies should **include low-carbon housing supply targets** to meet growing demand for housing.
  - Leading by example on nature-positive renewable energy projects and expanding and upgrading district heating systems in urban areas through renewable energy, such as geothermal
  - **Proposing an EU heating decarbonisation fund** to help Member States on top of the Social Climate Fund: such additional funds should be funnelling the many different streams of existing EU funds, complement national support schemes and allow for public-private partnership in financing building decarbonisation. All such funding streams needs clear and strict social criteria to make sure not only home-owners benefit.
  - Propose a plan to unlock private finance for the decarbonisation of buildings including by promoting the voluntary uptake of Mortgage Portfolio Standards, as foreseen in the newly revised EPBD to increase financing available for homeowners to renovate buildings and overall improve their energy performance while decreasing energy consumption.
    - Push for an EU wide strategy for affordable and sustainable housing.
- D. Stimulate the European Commission to bring the ambition of the EU F-gas regulation to the global level. Both the climate and the chemical pollution crisis need global shared governance and rules. Such escalation at global level would create a level playing field for European industry and help to secure a competitive advantage for EU producers as front runners, offering climate-friendly solutions.
- E. Build on the June 2024 <u>Bonn Climate Change Conference</u>, and engage convincingly at the UNFCCC COP29 on November 11–22 in Baku, Azerbaijan, to drive the needed increase in international ambition and commitments (and using EU and national commitments as signs of engagement and leverage), EEB works in partnership with CAN Europe for International Climate Policies and they will contact the presidency with more specific asks, going in more detail than the following recommendation that the presidency push for:

- Recognising how essential climate mitigation is for human rights, wellbeing, society and the economy and pushing for greater mitigation ambition identifying a clear pathway to a full, fast, fair and funded fossil fuel phase out, strengthening language on reducing emission of all greenhouse gases (including methane), meaningful work on the Mitigation Work Programme, and strengthening language on phase out of all fossil fuels;
- Strengthening of the 2035 NDCs (Nationally Determined Contributions) and EU targets in light of the 1.5-degree limit, and in light of the ongoing discussion on the 2040 target from and associated 2035 EU target, and ensure gender issues are embedded to support equity and justice;
- Negotiating for scaling up climate finance (the New Collective Quantified Goal on climate finance (NCQG)), with clear responsibility also for historical emissions and operationalise the loss and damage fund to help communities suffering from climate change;
- Committing to a just transition for **people and nature positive renewable energy roll out** helping with the funding to help reach and pass the tripling of renewables targets and ensuring that communities benefit from the roll out;
- Calling on COP29's organizers to fully enshrine and guarantee human rights in the Host Country Agreement and allow the full, free and effective participation of civil society at the meeting as also requested by <u>Amnesty International</u>;
- Engage to have ambitious adaptation indicators for the **Global Goal on Adaptation** and push for the timely national adaptation Plans as part of the Global Stocktake and advance on implementation that takes social justice into account.

More information: EEB's main asks for the Fit for 55 Package - A package fit for the planet and fair to society • Building a Paris Agreement Compatible (PAC) energy scenario and policy brief • META article on COP27 • EEB and others letter on the Gas Package • EEB and others letter on energy labelling for space heaters • EEB report on the missing subventions gap to decarbonise heating in Europe • EEB contribution to the Renovation Wave consultation • EEB via Coalition for Energy Savings EED position paper • EEB-Hydrogen-Position-Paper • EEB Burnable Carbon: What is still burnable in a circular cascading low carbon economy • No more new hydropower in Europe: a Manifesto • Fossil Gas Phase Out Manifesto • EPBD position paper • EEB policy brief on Naturepositive renewables • Joint NGOs statement on renewables permitting • META article on safeguarding renewables against social backlash • META article on renewables spatial planning • EEB report on energy saving measures throughout the EU • EEB Renewables best practices factsheet • Joint NGO letter to EU negotiators to keep the RED for renewables • EEB policy brief on the Commission's Delegated Act on Additionality for RFNBOs



# 3 Reverse the dramatic loss of biodiversity on land, in freshwater and in oceans

Our lives, health, wellbeing, economy and our ability to mitigate and adapt to the climate crisis depend upon healthy and biodiverse ecosystems. However, despite this urgent moral, economic and environmental imperative, nature is in a state of crisis. The five main direct drivers of biodiversity loss (changes in land and sea use, overexploitation, climate change, pollution, and invasive alien species) are making nature disappear or deteriorate, making it imperative that the EU continues to focus on both protection, restoration and sustainable use of nature. The Hungarian Presidency has a responsibility to finalise negotiations on the key Green Deal laws recognising the urgent need to offer solutions to the biodiversity and climate crises, such as the Soil Monitoring Law (SML) and Forest Monitoring Law (FML). The Presidency must represent the common European interest in the negotiations on EU laws and push back against orchestrated disinformation campaigns by powerful vested interests who have been blocking progress on the European Green Deal. Strong Council leadership and a timely handling of the negotiations will be crucial to make the most of the potential that these new laws can provide.

The Hungarian Presidency also marks an important point in the roll out of the key EU strategies for 2030 that form a central plank of efforts on nature and biodiversity under the European Green Deal, including EU Strategies on Biodiversity, Climate Adaptation, Forests, and Soil. The six months that Hungary will be at the helm of the EU at the beginning of the legislature 2024-2029 offer a unique opportunity to take stock of the progress made under these Strategies and highlight gaps and distance to targets, as well as priority actions to be taken. For example, the EU Member States need to significantly increase the efforts to establish a truly coherent Trans-European Nature Network on land, in freshwater and in oceans as well as step-up implementation and enforcement of obligations under the existing nature, water and marine laws.

In addition, the Hungarian Presidency will represent the EU on a global stage including at the upcoming meetings of the Bern Convention and lead preparations for the Conference of the Parties under the Convention on Biological Diversity (CBD COP 16). In an unprecedented move, the European Commission President has requested a mandate from the Council to lower the protection status of the wolf under the Bern Convention, against scientific evidence and public opinion. The Presidency must secure rejection of this regrettable proposal in the Council and must be guided by the scientific urgency to address the biodiversity and climate crises in a synergistic way and clearly demonstrate action on protecting and restoring nature in the EU in order to remain a credible global partner.

- A. Demonstrate the EU's global leadership on tackling the nature crisis, especially by **rejecting the European Commission proposal to lower the protection status of the wolf under the Bern Convention**, backedup by clear progress within the EU on nature restoration and effective protected area management.
- **B.** Represent the Council in the negotiations towards agreeing the first EU **Soil Monitoring Law** that puts our soils on the path to recovery by 2030 and guarantees that they are brought back to health by 2050. Ensure that trilogue negotiations start without delay and are concluded during the Presidency.
- **C.** Prioritise Council negotiations on the **Forest Monitoring Law** including close involvement of the Environment Council in the deliberations so that it helps establish a comprehensive picture of the state

and use of forests in the EU and facilitate targeted decision-making for better forest management, including via closer-to-nature forestry approaches.

- **D.** Support the **implementation of the EU Biodiversity Strategy** including review of its progress (e.g. commitment on new protected areas and improvement of status of protected species and habitats) and support the **alignment of the EU Strategies to the Kunming Montreal Global Biodiversity Framework.**
- E. Drive ambition for biodiversity action globally especially at the CBD COP 16 in Cali, Colombia, building on EU's leadership role for the Kunming-Montreal Agreement, adoption of the EU's Nature Restoration Law as well as building on the good relationship with the CBD Secretariat given the new CBD Secretariat's new Executive Secretary's EU institutions background.
  - Demonstrate EU commitments to implement the Kunming-Montral Global Biodiversity Framework (the Biodiversity Plan), by demonstrating action at home on nature restoration, on agri-ecological practices, soil health, LULUCF advances and carbon farming (see also TenTest#4) and embracing nature-based solutions for climate adaptation;
  - Commit to partnerships internationally to support biodiversity conservation and restoration (green and blue biodiversity, including coasts, seas and oceans), with a particular emphasis on supporting least developed countries and Small Island Developing States and economies in transition – through resource mobilisation and technical collaboration;
  - Push for inclusive conservation that respects the **rights of Indigenous Peoples and local communities**, and at the same time push for the protections of these people from exploitative and environmentally damaging mining activities as, for example, 54% of transitional minerals are found in and near Indigenous Peoples' territories;
  - Given the fifth MOP to the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising from their Utilisation (NP-MOP-5), contribute to progress on access and benefits sharing, both by implementing EU commitments to the Nagoya Protocol and through partnerships with third countries, supporting fair and equitable sharing of benefits from, inter alia, the Digital Sequence information on genetic resource.
- F. Support EU action to reverse the increasing degradation of marine and coastal ecosystems and scale up ambition to achieve a healthy ocean by ending extractive and polluting practices (industrial fishing, mining littering etc.) and support a climate resilient, regenerative and sustainable blue economy that respects planetary boundaries by:
  - Holding a joint Ocean meeting attended by Environment, Energy, Fisheries and Transport ministries, with stakeholder representation to address crosscutting marine issues;
  - Continuing the effort **to fight marine pollution from plastics, chemicals and nutrients**, notably through addressing the multiple sources of microplastic pollution with binding measures in the relevant proposals of the EU Green Deal (Pellet Loss Proposal, Soil Monitoring Law, Euro 7, ESPR, Textile strategy);
  - Prioritising the Council's quick and ambitious positioning on the **Proposed Regulation on Preventing Pellet Losses to reduce Microplastic Pollution**, which should use a comprehensive supply chain approach and binding minimum requirements in line with EP's amendments for all economic operators handling pellets (including maritime transporters) to take effective steps to prevent chronic losses of plastic feedstock to the environment;
  - Supporting the implementation of the Commission's Action Plan on Bathing Waters;
  - Supporting the swift implementation of the Marine Action and push for Member States to publish their roadmap to plan a **just transition out of bottom-trawling and prevent bycatch of sensitive species** before the end of the year.

- Pushing for the swift ratification of the new **High Seas Treaty** to protect marine biodiversity in areas beyond national jurisdiction (BBNJ) by the EU and its Member States as well as members of the BBNJ High Ambition Coalition, to ensure its entry into force as soon as possible;
- Ensuring that all **Total Allowable Catches (TACs) for fisheries** set for 2025 follow scientific advice, meet the objectives of the Commons Fisheries Policy and enable effective rebuild of all fish populations and ensure long-term ecosystem health;
- Garnering European support to a General Policy of the International Seabed Authority for the protection and preservation of the marine environment, instead of a hastily adopted "mining code" which would allow **deep-sea mining** in international waters;
- Advocating for binding EU legislation prohibiting deep-sea mining activities within national jurisdiction within the EU and prepare the ground for an embargo of deep-sea minerals in the single market.
- **G.** Lead by example in the implementation of the **EU Biodiversity Strategy for 2030** and the obligations under the recently adopted Nature Restoration Law as well as the Nature Directives by focusing on nature protection, including new pledges to reach the EU's target to protect and effectively manage 30% of EU's land and seas, as well as nature restoration.

**More information:** Open letter: Decision on potential modification of the protection status of the wolf • At Full Speed: EEB Policy Brief on the EU emergency regulation to accelerate renewable energy • Fact sheet on Peatland restoration • Policy Brief on Nature-Positive Renewables • EU restoration targets for rivers and freshwater ecosystems • EU Biodiversity Strategy Shadow Action Plan to conserve fisheries resources and protect marine ecosystems • Planning offshore renewable energy with nature in mind • Benefits quickly outweigh costs of banning bottom trawling from Marine Protected Areas • At a crossroads: Europe's role in deep sea mining • The top ten problems for renewable energy in Europe are not linked with nature protection • Certification of Carbon Removals: EEB Policy Recommendations • EEB Analysis of the Commission's legislative proposal for Carbon proposal for a Soil Monitoring Law • EEB letter to Coreper I on the Soil Monitoring Law • Soil Monitoring Law Technical Briefing on the principles of subsidiarity and proportionality • Soil Monitoring Law Technical Briefing on establishing a robust governance structure • Soil Monitoring Law Technical Briefing on access to justice •



# 4 Drive a just transition towards sustainable food and agriculture

The way we produce and consume food is driving multiple environmental and health crises, while the climate and biodiversity crises are also huge threats to our ability to produce food, as is becoming increasingly apparent in Europe and across the globe. Science is clear: we must urgently make our food systems sustainable, equitable and resilient by addressing how we produce, distribute, and consume food. From nutrient pollution to biodiversity loss and climate change, from household food insecurity to the growing burden of diet-related diseases, the challenges are complex and interrelated, requiring urgent, bold, and systemic policy and legislative solutions.

The Hungarian Presidency will have a crucial role to play to ensure that legislative and non-legislative initiatives emanating from the Farm to Fork Strategy remain at the top of the political agenda for the next Commission. We urge the Presidency to make the reconsideration of the recent overhaul of environmental conditionalities under the Common Agricultural Policy (CAP), starting from a scientific review and updated impact assessment of the new configuration recently imposed on the policy, a clear focus and top priority.

In February this year, the Commission published its Communication on the 2040 Climate targets. In the coming months discussions on the proposed binding targets will take place, with publication expected early next year. It is crucial that agricultural emissions are addressed with ambitious targets to avoid the sector falling behind the rest of the economy and to make it possible to achieve the EU's climate goals. We call on the Hungarian Presidency to create the space for this discussion, and to lead with an ambitious vision for climate action in agriculture.

Finally, the Presidency should liaise with the incoming Commission to ensure key proposals relating to the revision of the EU's agri-food promotion policy, the revision of the EU's animal welfare legislation and the further development and publication of a proposal for a framework law on Sustainable Food Systems, are urgently addressed.

In light of the increasing and worrying polarisation of society, which also crystalises around agricultural issues, we encourage the Hungarian Presidency to pursue closer dialogue between the environmental and agricultural communities.

- A. Request a scientific review and updated impact assessment of the Common Agricultural Policy (CAP) as recently revised to exclude all meaningful environmental conditionality;
- **B.** Uphold the ambition and commitments of the Farm to Fork Strategy for a transition to sustainable and healthy food systems and reject attempts to undermine this agenda based on flawed and misleading "food security" arguments;
- **C.** Create the space for ambition on the climate goals in agriculture in light of the upcoming 2040 climate targets;
- **D.** Increase the dialogue between the Agriculture Council and Environment Ministers and stakeholders, including by inviting environmental NGOs to the Informal Agriculture Council and meeting with environmental representatives in the margins of Agriculture Council meetings, as is already customary with some agricultural representatives;

- E. Support a transformative Sustainable Food Systems (SFS) Law and initiate Council discussions in close collaboration between Environment, Public Health, and Consumers Affairs Ministers; with a view to unlock a just transition towards healthy, fair, and sustainable food systems by creating a robust governance framework, setting evidence-based, quantified and time-bound targets, and taking ambitious measures to shape healthy and sustainable food environments.
- F. Urge the new Commission to progress work on the long-awaited proposal for a revision of the EU's agricultural and food promotion policy and animal welfare legislation and lead a constructive debate in the Council around the policy changes needed to create enabling food environments for healthy and sustainable diets.
- **G.** Support adequate implementation of the Sustainable Use of Pesticides directive (SUD) and encourage the development of further **regulation to effectively reduce pesticide use**, particularly pushing for a ban on ("forever chemicals"). Explore means to give farmers adequate support to reduce or eliminate pesticide use.

More information: <u>EEB</u> - BirdLife - WWF policy vision 'A brighter future for EU food and farming • <u>EEB</u> position paper 'Breaking Free. Europe's animal welfare crises and the brighter future within reach • <u>EEB</u> position paper 'Revision of the Sustainable Use of Pesticides Legislation – "Reduce Use" Proposal (RUP)' • <u>EEB</u> comments on the Revision of the Sustainable Use of Pesticides Directive • <u>EEB</u> - BirdLife - WWF Report 'Will CAP ecoschemes be worth their name?'' • Briefings assessing draft CAP Strategic Plans: Space for nature; Peatlands and Wetlands; Grasslands; Soils; and <u>Pesticides</u> • <u>EEB</u>-BirdLife-NABU report 'CAP unpacked... and unfit' • <u>EEB</u> comments on the Integrated Nutrients Management Action Plan • <u>EEB</u> report '*Hungry for Change* – An EU <u>Sustainable Food Systems Law for People and Planet</u>'' • <u>Joint report</u> 'Sustainable Food Systems Law – Policy <u>Recommendations for a Meaningful Transition</u>' •

# 5 Tackle pressures on surface and groundwater and ensure clean water for all

Most of the rivers, lakes and groundwater aquifers across the EU are not healthy, thus undermining our livelihoods and causing alarming biodiversity decline: one in three freshwater fish species in Europe are currently threatened with extinction and migratory freshwater fish populations have seen a 93% collapse since 1970. Pollution is one of the main reasons for this, as well as the fact that our rivers, lakes and wetlands have often been dammed and canalised to enable production of energy from hydropower, transportation of goods by inland navigation, or water storage for agriculture.

The EU Water Framework Directive (WFD) is a holistic piece of legislation that aims to achieve good status of Europe's freshwater bodies by 2027 at the latest. Where political will exists, the WFD has proven to be an effective framework for addressing the main pressures facing freshwater ecosystems, but efforts and resources for better implementation and enforcement of the WFD need to be significantly stepped up. In general, the ambition of the 3<sup>rd</sup> generation River Basin Management Plans remains low with excessive use of exemptions from the WFD's environmental objectives, delaying the needed action and reforms beyond 2050.

Moreover, there is overwhelming evidence that our freshwater ecosystems are suffering from pollution from many chemicals, such as pharmaceuticals, (micro)plastics and PFAS, and their combined effects. The European Commission has proposed to update the lists of water pollutants to be more strictly controlled in surface waters and groundwater by *inter alia* setting legal thresholds for pharmaceuticals, a group of PFAS and more pesticides, as part of the EU's Zero Pollution Action Plan (ZPAP). Unfortunately, the Council decided to use this important legislative update, which is several years overdue, as a means to amend core principles of the WFD, despite this being out of scope of the mandate and in counter to the outcomes of the fitness check evaluation of the Directive.

- A. Represent the Council in the trilogue negotiations on the Commission's proposal to update the list of water pollutants of surface and groundwater by:
  - Keeping the scope of the legislative update of the EU water Directives (WFD, EQSD, GD) limited to priority pollutants of surface and groundwater, recognising the conclusions of the fitness check evaluation of the EU water policy that only chemical aspects of the WFD need a legislative update;
  - Supporting listing of the proposed pollutants of surface water and groundwater including PFAS as a group, as well as supporting the proposed environmental quality standards (EQS) for newly added substances and tightening the standards for already listed pollutants;
  - Introducing threshold values for sub-group of substances with similar mode of action, such as neonicotinoids, pyrethroid insecticides, photosynthesis-inhibiting herbicides, estrogenic hormones and macrolide antibiotics, to better address combined effects of chemical mixtures;
  - Ensuring there is no weakening of the existing obligations to address pollution, in particular the phase out obligation of priority hazardous substances;
  - Supporting the proposal from the European Parliament to introduce an Extended Producer Responsibility to cover the monitoring costs of substances of emerging concern and decrease the pressure on public budgets;
  - Effectively preventing or reducing pollution at source (for essential activities or uses), reducing the use of hazardous chemicals and plastics, aiming towards zero harm from pollution to people and planet.

- B. Support the European Commission in bringing forward the delayed Initiative for Water Resilience and ensure it is based on nature-based solutions.
- C. Lead Council's opposition to the proposed weakening of the Nitrates Directive standards and insist the EC publishes the delayed Integrated Nutrient Management Action Plan (INMAP).
- D. Organise Council's support to the WFD implementation including in the context of the WFD Common Implementation Strategy of the Water Framework Directive and to ensure that the environmental objectives of the WFD are met by 2027, recognising that the 3rd generation River Basin Management Plans indicate that most EU rivers, lakes and groundwater aquifers will remain unhealthy in 2027 and Member States continue excessive use of exemptions from the WFD environmental objectives. Discourage the Member States from construction of new hydropower dams, given their negative biodiversity impacts and focus instead on barrier removal to restore free flowing rivers.
- E. Lead by example in stepping up the implementation and funding of the WFD in Hungary to bring rivers, lakes and groundwater aquifers to ecological health by 2027.

**More information:** EEB Comments on the Revision of the Lists of Pollutants Affecting Surface and Groundwater and the Corresponding Regulatory Standards • The Final Sprint for Europe's Rivers • Joint Statement on the revision of the lists of surface and groundwater pollutants • Joint NGO analysis of the European Commission's proposal for revised list of priority substances for surface and groundwater • LRE joint position for a water resilient Europe • EEB NABU and BUND briefing on WFD implementation • EEB comments to Nitrates Directive evaluation • EEB feedback to the EC initiative to amend manure-application rules under the Nitrates Directive • EEB comments on the Integrated Nutrients Management Action Plan



## 6 Ensure clean air towards zero environmental and health impacts

Air pollution is the first environmental health risk in Europe, responsible for around 300,000 premature deaths every year. In September 2021, the World Health Organisation published its updated Guidelines on Air Quality (the previous version was from 2005), setting clear guidance on which air quality standards should be guaranteed to protect people's health, and the environment, from air pollution. In 2021, the European Commission has published its Zero-Pollution Action Plan (ZPAP) to achieve a zero-pollution ambition, announcing several key initiatives for cutting air pollution at the source and the revision of the Ambient Air Quality Directives (AAQDs). Today's AAQDs are establishing minimum EU air quality standards that all Member States must achieve and maintain. Existing EU standards are much more lenient than what the WHO recommended in its recent 2021 Guidelines and even compared to WHO's 2005 paper. Still, many Member States are not complying with them, and EU citizens' health and our environment are far from being protected.

Under the Hungarian Presidency, the Council will approve the new Ambient Air Quality Directive. This will allow the new AAQD to enter into force and the responsible authorities to finally focus on the transposition and implementation phases. We call on the Hungarian Presidency guide Member States and secure a swift and ambitious process.

The process of reviewing the National Emission Ceilings Directive will continue. We call on the Council, guided by the Hungarian Presidency, to secure a swift contribution to the process aiming at initiating its revision as soon as possible.

Important decisions also need to be taken at the international level, within the framework of the UNECE Long-Range Transboundary Air Pollution Convention, namely for the ongoing revision of the Gothenburg Protocol. The commitment of EU Member States is key to drive the process towards an ambitious outcome.

- A. Promote Member States engagement towards the swift adoption and transposition of the new Ambient Air Quality Directive by:
  - **Promptly transposing the legislation into national law** aiming at developing national dispositions which fully reflect the aim and objectives of the directive, including on Chapter VIII;
  - Promoting the quick implementation of the Directive, identifying the necessary actions to be taken at national and local level even before the legislation is transposed, and at the latest immediately after it becomes national law; Continue prioritising the implementation of the existing AAQD Directive, going beyond its minimum requirements, also reducing concentrations of ground-level ozone and its precursors (including methane);
  - **Recognising the prominent role that science must have** compared to fake-news and short-term political fixes;
  - Listening to the civil society call for a tough, comprehensive and credible action to reduce air pollution, also considering the very relevant social dimension of air pollution;
- B. Lead on the review of the National Emission Ceilings Directive (National Emission reduction Commitments Directive) by:
  - Highlighting the importance of this process, providing timely feedback by Member States;

- Stressing the importance of the legislation while flagging the need to raise its ambition, so to secure coherent and comprehensive action to cut air pollution at the source, while supporting cooperation among Member States to maximise mutual benefits;
- Recognising the need to set additional emission reduction targets for the year 2035 and 2040, expanding the scope of the Directive to also include black carbon, methane and mercury, and rising the level of ambition for the already covered pollutants.
- Securing that the needed steps are taken, also through the NECD review and possible revision, to cut air pollution from agriculture, in particular of ammonia and methane; being a major source still very much overlooked (more than 90% of EU ammonia emissions, a PM 2.5 precursor, is generated by agriculture and more than 50% of EU methane emissions, a precursor of ground-level ozone, is generated by agriculture).
- Increasing cooperation among national ministries to push for wide support for **air quality objectives**;
- C. Guide EU Member States in the process of revision of the Gothenburg Protocol to the UNECE Long-Range Transboundary Air Pollution Convention by positioning the European Union according to science, therefore calling for an ambitious new Protocol setting new targets for the years 2035 and 2040 for the already covered pollutants, while also expanding its scope to include targets for black carbon, methane and mercury;
- **D.** Promoting actions to **cut pollution at the source**, especially from agriculture, domestic heating and shipping.
- E. Lead by example by swiftly revising Hungary's National Air Pollution Control Programme to deliver, at the minimum, on the National Emission Reduction Targets established by the National Emission Ceilings Directive, making sure that effective public participation is secured, and the revised Programme is finalised as soon as possible (the deadline of the 1 April 2023 having already expired).
- F. Foresee a Council debate on the need for revising the Environmental Noise Directive such revision having also a great potential for contributing to air pollution reduction objectives (through the promotion of beneficial measures).

**More information:** • <u>EEB position: Civil Society Vision for a Zero Pollution Future</u> • <u>EEB Submission to AAQD</u> <u>review</u> • Airy promises: how EU governments are failing to cut air pollution and what to do about it • Six <u>necessary steps for cleaner air</u> • <u>Views on the review of the Gothenburg Protocol and expectations on a revised</u> <u>Protocol • National Air Pollution Control Programmes: analysis and suggestions for the way forward</u> •



## 7 Call for toxic-free environment and the ambitious implementation of the Chemicals Strategy for Sustainability

Citizens are <u>exposed</u> to chemicals in a wide range of products, from toys and childcare items to food containers, cosmetics, furniture and textiles. Daily exposure to a mix of toxic substances is linked to rising health, fertility and developmental threats, as well as to the decline of insect, bird and mammal populations. Scientists <u>warn</u> that <u>toxic pollution</u> has crossed the '<u>planetary boundary</u>, threatening the Earth's operating system and humanity'. Babies are described as born 'pre-polluted', with '<u>forever chemicals</u>' found in all umbilical cords in all nearly 30,000 samples analysed, as well as <u>flame retardants</u> in human breast milk. Public concern about chemicals in everyday products is high, according to <u>polls</u>.

The EU has a leading chemical safety regime, but regulatory measures are <u>slow</u> and are failing to control increasing chemical pollution and its health and environmental impacts. The market <u>share</u> of hazardous chemicals remains high (about two thirds) and unchanged over the last decade, with the use of the most harmful chemicals <u>growing</u>.

Recognising the threat and public concern, the European Commission's European Green Deal announced in December 2019 includes a 'zero-pollution ambition for a toxic-free environment' and a 'green oath: do no harm.' The Chemicals Strategy for Sustainability (CSS), published in October 2020, aims to ban the most harmful chemicals from consumer products, extending the generic approach to risk management and grouping substances for more efficient regulation to avoid regrettable substitutions. The Council Conclusions support the ambitious implementation of the Strategy.

Despite progress on the CSS, important files remain pending, such as the revision of the Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH) and the implementation of the Restrictions Roadmap to phase out the most harmful chemicals in consumer products. These are essential tools for controlling chemicals in Europe.

<u>Mercury</u> and its compounds are highly toxic, can damage the nervous system and are particularly harmful to foetal development. Mercury 'travels' globally, bioaccumulates up through the food chain, especially in certain predatory fish, and presents a human exposure risk. The EU mercury regulation was revised, including mercury bans for dental amalgam by 1 January 2025 and fluorescent and other lamps by December 2025 and 2026, depending on the categories.

At global level, the Minamata Convention on Mercury was adopted in October 2013, to protect human health and the environment from anthropogenic mercury emissions. The Fifth Conference of the Parties (COP5) to the Convention, took place from the 30 October to 3 November 2023 in Geneva. Important decisions were taken further strengthening the Convention by, among other key steps, phasing out more mercury-added products and processes; developing clear mercury waste management requirements and release guidance; and by assisting its effectiveness evaluation. The mercury added skin lightening cosmetics challenge came to global attention and additional information was requested by Parties towards strengthening the enforcement of the relevant mercury ban.

#### We therefore call upon the Hungarian Presidency to:

- A. Develop a general approach on the 'One Substance, One Assessment' package (OSOA) to expedite the inter-institutional negotiations and overcome inefficiencies, inconsistencies, and slow procedures in the current system, by streamlining hazard and risk assessment of chemicals across EU legislation and improving access to information through a common open data platform on chemicals. The Council position should include a proposal establishing concrete mechanisms for action in the early warnings system for emerging chemical risks.
- **B.** Conclude inter institutional negotiations on the Toys Safety Regulation to enhance the safety of toys by banning the most harmful chemicals, such as endocrine disruptors, sensitisers, bisphenols and PFAS.
- C. Adopt a general approach to the potentially upcoming legal proposal to ensure that hazardous chemicals banned in the European Union are not produced for export. If the Commission doesn't make a proposal by 2024, launch a discussion on mechanisms to implement the EU Chemicals Strategy commitment to halt the export of banned/non authorised chemicals, including chemical pesticides.
- D. Promote EU leadership in strengthening the Minamata Convention on Mercury by, among others, actively engaging in the intersessional processes of the COP; supporting initiatives towards firstly; widening the scope of mercury added products and processes to be phased out including lamps and dental amalgam and secondly; controlling and where feasible eliminating mercury compounds' trade; as well as supporting a programme of work to better enforce the mercury ban on cosmetics.
- E. Ensure that the revised EU Mercury Regulation is properly implemented while setting swiftly the ground for developing a draft guidance on abatement technologies for mercury emissions from crematoria, as well as for assessing the need of regulating further mercury compounds, remaining mercury uses and waste sources.
- F. Promote a Product Liability Directive and a Cosmetics Regulation that holds e-platforms that sell illegal and dangerous chemicals and products containing them, such as mercury added skin-lightening creams, accountable and ensures that failure to comply with those requirements results in meaningful consequences.

More information: From Risk to Resilience: Navigating Towards a Toxic-Free Future • Waiting for REACH: The negative impacts of delaying reform of EU chemical laws • A roadmap to nowhere? The EU's bold plan to quit the most harmful chemicals is a year old. We assess its effectiveness. • The Need for Speed – Why it takes the EU a decade to control harmful chemicals and how to secure more rapid protections • Joint Statement: EU-wide ban on the export of banned pesticides • The European Commission must act on pollution and not delay the legislation on the sustainable use of pesticides • EEB response on the revision of the RoHS Directive • Executive Summary – Skin lighteners still available online despite mercury findings • EEB comments on the EU Mercury Regulation review • Letter to Director Manfredi • Joint Statement on Mercury Added Lamps • Report – Skin lighteners still available online despite mercury findings • Report – 'Prime' time to Stop Online Sales of Illegal High Mercury Skin Lightening Products •

## 8 Shift towards a zero-pollution industry

The EEB promotes an EU industry acting within planetary boundaries, that fully embraces a zero-pollution ambition and supports policy action that "walks the Green Deal talk". The EEB endeavours to shape the vision and action plan for an 'Industrial Deal', inter alia through feeding into the initiative for 'A competitive European industry driving our green, digital and resilient future'. We promote the Zero Pollution Ambition as a clear priority for the next EU Commission, as reflected in the EEB's European Pact for the future and the more industry specific Blueprint 'Our vision for a prosperous and sustainable industry: a positive blueprint for the future', which is endorsed by other NGOs and industry players.

The Hungarian Presidency will have the unique opportunity to continue the work started by the Belgian Presidency in confirming an EU strategic agenda for the next five years, and ensure that an ambitious vision for a sustainable, zero pollution, industry is reflected in the work plan by the new Commission. Boosting the competitiveness of EU industry should go hand in hand with ambitious objectives towards climate neutrality in line with the EU 2050 vision. Such elements will be fully consistent with the strategic autonomy goals of the EU and to further develop the European industrial leadership. The revised Industrial Emissions Directive (IED) - Integrated Pollution Prevention and Control Directive Recast - regulates the pollution of the industrial installations with the highest environmental impact in the EU. According to the revised framework, Best Available Techniques (BAT) performance standards shall take a forward-looking and more integrated approach, notably on accelerating the decarbonisation and "deep transformation" of large-scale industrial production. Concrete delivery on the zero-pollution ambition will depend on robustness of secondary acts and the coherent EU policy framework conditions, where Council has a key role to play as to uphold integrity on the zero-pollution ambition. The abuse by Member States of 'flexibilities' for implementation demonstrates the need for a harmonised approach at EU level and national frontrunners. The instrument bears the potential to promote a global environmental level playing field, enabling the EU to catch up on its frontrunner performance claims.

Progress is further expected in the early implementation of the Regulation establishing the Industrial Emissions Portal (IEP-R) – through the upcoming review of the pollutants list and reporting thresholds. The Presidency shall ensure to catch up with the digital age and make the best use of information (e.g. e-permit system) for other purposes such as benchmarking (of operators and permit writers permitting ambition) and compliance promotion, in coherence with "reporting burden reduction" calls for member states and some industry. It is crucial to ensure that digital reporting obligations serve progress on environmental performance benchmarking and accountability of decision making. Similar political signals are expected in relation to the review of the UNECE PRTR Protocol on reporting on industrial activities. We expect the Presidency to steer the political discussions to an outcome-oriented approach and improve on public accountability in decision making on environmental matters, for example, through the review of Council work procedures.

- A. Steer the EU Strategy on Industrial Policy to deliver transformative change towards a circular, decarbonised and zero-pollution industry. Secure endorsement by policy makers of the main asks of the joint industry-NGO '<u>Vision for a prosperous and sustainable industry</u>: a positive blueprint for the <u>future</u>' in the context of EU industrial policy initiatives such as 'A competitive European industry driving our green, digital and resilient future' (Industrial (green) deal) by:
  - Reaffirming that the EU Strategic agenda will be about sustainable competitiveness that serves the people's and future generation's interests for a prosperous future, not an exclusive economic agenda allowing industry operators to stay off-track with planetary boundaries;

- Endorsing of a vision for the EU to become a global frontrunner in industry detoxification, depollution, decarbonisation and restoration, and ensuring it is fully reflected in the strategic programme and work plan of the European Commission
- Ensure that the new Commission creates lead markets for the uptake of sustainable products and materials and help to systematise decarbonisation and circular economy strategies in industry.

**B.** Making the Industrial Emissions Directive (IED) implementation deliver on the industrial transformation, providing the necessary impulse for an ambitious implementation and ensure ambitious secondary legislation to make the zero pollution, climate and circular economy ambitions a reality, this includes notably:

- Making the EU BREF Process fit for the 2050 goals of climate neutrality, zero pollution and circular economy by ensuring that the European Commission initiates an advanced review of the BREF guidance and promotes a fully combined approach with market-based instruments on climate action (deletion of IED Art 9(1) IED). This should equally ensure a forward-looking outcome-oriented approach on BAT determination, delivering on climate neutrality, inclusive of wider public interest, transparently based on technical feasibility, and fully internalise externalities on economic viability;
- Calling for rules about installation-level transformation plans towards the 2050 goals of zero pollution, carbon neutrality, and circularity, the guidance on the information exchange process on BAT (Sevilla Process) and methods for cost-benefit assessments.
- C. Accelerating the transformation of Energy intensive industries and internalising environmental and human health costs by:
  - Promoting the decarbonisation and depollution of most impacting industry (e.g. energy intensive activities) through integrated push and pull policy approaches (demand pull through meaningful product standards and procurement rules for steel and cement and *transformation push* through ambitious BAT-Conclusions and robust Industrial Carbon Prevention and Management policy);
  - Calling for the internalisation of external costs fully reflecting the 'Polluter Pays Principle through the review of the Environmental Liability Directive (ELD and through the secondary acts on costbenefit assessments to be developed under the IED).

#### D. Promoting inclusive governance, transparency and public accountability in decision-making by:

- Requiring single-access platforms and databases for **environmental information** to promote compliance, benchmarking of performance, improved information exchange for EU standards-making and more up to date and complete public access to information.
- Securing political direction for a comprehensive and user-friendly European Industrial Emissions
  Portal and its parent UNECE Kyiv Protocol (on PRTRs), bridging with the digital product passport
  promoted through EU product policy and incorporating due diligence requirements from other EU
  acquis;
- Amending the Commission expert group rules or Council work practices to improve inclusive governance, to ensure full transparency and accountability to the 'Green Oath' and to improve the balance of public versus private interests.

**More information**: Joint Industry-NGO vision for a prosperous and sustainable industry: a positive blueprint for the future • Briefings on IED and IEP-R review • Briefing on main outcomes / opportunities on IED and IEP-R • Proposals for an EU Process for the 2050 goals of climate neutrality, zero pollution and circular economy



# 9 Grasp the full potential of the circular economy

Shifting from a wasteful take-make-use-dispose model to a genuine circular economy offers a multitude of benefits for European citizens and the economy. It will help preserve resources, reduce costs for households and businesses, cut greenhouse gas emissions, and improve resilience to price volatility and supply-chain disruptions, thus strengthening Europe's strategic autonomy. Thanks to its pivotal timing at the beginning of a new political term, the Hungarian Presidency will face an important window of opportunity to unlock the full potential of circular economy across the EU. To this end, it will be crucial to ensure that the Council confirms the adoption of a Strategic Agenda for 2024–2029 which prioritises actions towards addressing resource overconsumption and seizing circular economy opportunities to deliver on our shared climate, zero pollution and biodiversity commitments while strengthening the resilience of Europe's economy.

To effectively tackle Europe's systemic overconsumption and related overdependence on natural resources from third countries, the Presidency should continue to progress on the introduction of EU material footprint targets to reduce resource demand at production and consumption level. This should build on the first steps secured by the Belgian Presidency and reflected in the Council conclusions on the 8EAP, which identified this as a strategic priority for the post-2024 period.

Furthermore, as the EU defines its priorities for the next political term, it will remain critical to finalise the circular economy policy files that remain under the legislative process without delay. This should be done by ensuring the necessary level of ambition so that these new measures can move us beyond business as usual by prioritising waste prevention, reuse, refurbishment and supporting citizens in making truly sustainable choices.

Overall, the Hungarian Presidency will have the great chance, and therefore the responsibility, of completing several key circular economy files and of securing that circularity and reduction in resource use are placed at the heart of the next EU Strategic agenda.

- A. Promote the setting of a new Circular Economy (CE) action plan reinforcing the 2020 one, as part of the work plan of the new EU Commission. This new CE Action Plan should unleash CE potentials for resource savings and reduced dependence of EU, as well as for its leverage effects on decarbonising our economy by addressing embodied emissions in our production and consumption patterns. Additionally, it should promote CE as a tool to protect biodiversity by adopting a cascading use of biomass, and progress depollution by minimising the use of toxic materials hampering material loops.
- **B.** Call on a **resource use/material footprint target** to be a core feature of the new EU strategic agenda and a priority new initiative by the new EU Commission.
- C. Take an ambitious stance on the targeted revision of the Waste Framework Directive (WFD) and initiate trilogue negotiations. Support a Textile Waste Reduction target for 2030 of 10-15%, based on the volumes placed on the market in 2020 as a baseline year; establishing a mechanism to analyse the impact of used textile exports which can move us toward the setting of Extended Producer Responsibility (EPR) schemes rooted in global accountability; as well as product-specific waste management performance targets. Moreover, ensure that the EPR scheme includes a volume criterion as part of the calculation of eco contribution fees and the thresholds for bonuses under progressive eco-modulation. Concerning food waste, ensure that negotiations lead to ambitious legally binding food waste targets respecting the commitments in the 2018 WFD to reduce food loss and waste from Farm to Fork by 50%, which is

supported by several Member States and MEPs, and also committed to in SDG 12.3. Finally, develop a stance on the implementation of various review clauses in the WFD (i.e., Art. 9 (9), Art. 11 (6), Art. 12 (2)) and the necessity to revise the WFD swiftly and in due manner.

- D. Promote the still largely untapped potential of public and corporate procurement to create lead markets for the uptake of sustainable, decarbonised solutions and materials. and support the revision of the Public Procurement Directive as proposed by the May 2024 Competitiveness Council to make green and socially just PP the new normal
- E. Finalise work on the Green Claims Directive by leading timely and ambitious trilogues, securing an independent pre-approval procedure for all green claims and labels, clear assessment, and communication rules, improving the robustness of the requirements substantiating green claims, including on aspects not sufficiently covered by life cycle assessments.
- F. Conclude the last formal step for the final adoption of the **Packaging and Packaging Waste Regulation** (**PPWR**) ensuring that Council formally adopts the regulation without delays after the completion of the corrigendum procedure. As the EU faces record levels of packaging waste, it is urgent to complete the adoption of the new rules to prevent its generation, promote reuse and tackle overpackaging and to implement these without delay.
- **G.** Catalyse the discussions around a reduced use of critical raw materials to moderate the supply and price risks. Adhere to the transparency and information sharing measures of the CRMR and involve civil society in the implementation through the Critical Raw Materials Board on the Strategic Projects and all relevant DGs with regards to the Strategic Partnerships negotiations. Continue the Belgian presidency's work on Sustainable Resource Management and push for highest due diligence, environmental and social standards for projects within the EU and those implemented in Strategic Partnership countries, for making sure that resource extraction for decarbonisation and digitalisation does not come at the expense of local communities, Indigenous Peoples, and the environment.
- H. Adopt an ambitious approach to the proposal for a Regulation on Circularity Requirements for Vehicle Design and on Management of End-of-Life Vehicles (EoLV), ensuring specific measures to reduce the material use and footprint of vehicles; strengthen measures on repair and reuse as well as on dismantling and disassembly of vehicles at EoL to foster high-quality recycling; measures to enable the exchange of information and traceability of Extended Producer Responsibility (EPR) obligations with non-EU trading partners; harmonise the Circularity Passport for vehicles with other Digital Product Passports proposed under the Ecodesign for Sustainable Product Regulation and Batteries Regulation; and address Substances of Concern, going beyond heavy metals restrictions.
- I. The government of Hungary has been attracting foreign investors to set up electric vehicle battery factories in Hungary, including Chinese investments for one of the region's largest battery plants. While Europe needs to move towards electrified mobility, the production of car batteries comes with significant environmental and social impact such as potential water shortage, pollution or land use change including in sensitive areas. Moreover, lithium extraction to feed battery factories comes with significant impacts for the communities affected by mining. New mining sites, for instance in Serbia, have already sparked mass protests. We expect the Hungarian government to:
  - Ensure the **right to information**, **participation and access to justice** for all communities affected by planned new lithium mining sites and battery factories,
  - Promote **public transportation and active transport** instead of a one-to-one replacement of all combustion engine cars with EVs to reduce the amount of car batteries needed;
  - Prefer collaboration with battery manufacturers who follow the **highest environmental and social standards** in line with all EU legislation and

• Very carefully assess potential sites for battery factories properly following the EIA processes, consulting affected communities and civil society and sparing protected areas from any such developments.

**More information:** • <u>Open letter: Yes to an EU legislation on Sustainable Resource Management</u> • <u>White Paper</u> on Sustainable Resource Management in the EU • A resilient and resource-wise Europe: Sufficiency at the heart of the EU's future • <u>Due diligence in EU product rules – Policy Briefing</u> • <u>EEB position on legislative proposal on</u> substantiating green claims • <u>EEB report and joint statement on online imports in ESPR</u> • <u>EEB feedback on</u> proposed Regulation on Vehicle Design and Management of End-of-Life Vehicles • <u>EEB Priorities for the Waste</u> Framework Directive Revision • Letter to Member States on food waste reduction targets • <u>Policy brief on the</u> feasibility of ambitious food waste reduction targets in the WFD •



# 10 Strengthen accountability and the rule of law and promote environmental justice

The impact of the European Green Deal rests on full implementation and proper enforcement of the negotiated laws, targets and promises. The Hungarian Presidency will have the crucial role of ensuring that the laws passed in the last five years are transposed, implemented and enforced at the national level. Implementation and enforcement of the EGD cannot be achieved without fully guaranteeing environmental rights to people in Europe and strengthening environmental governance at EU level and in the Member States, as well as ensuring an environment in which civil society can thrive. This role of guaranteeing the space for civil dialogue and defending environmental defenders in their fundamental roles to achieve a just and green transition is more important than ever. There are rising threats to democracy and environmental action, such as state repression of environmental defenders and civil society organisations and their rights of freedom of expression and association, as well as their ability to participate in decision-making, be it through criminalising legislation, police violence, surveillance, or other chilling tactics. The Aarhus Convention provides basic environmental rights to the public of access to information, public participation and access to justice - and fully guaranteeing those rights in the EU and by the EU is crucial for the fulfilment of the EGD.

The Presidency will also need to start leading the Council in preparation for **Aarhus Convention 8<sup>th</sup> Meeting** of the Parties in 2025, in such a way as to guarantee that the EU will be able to comply with the Convention or endorse decisions of non-compliance against itself. In the likely event that the Commission proposes a revision of the Governance Regulation, the Presidency should support this, including to support stronger Articles 10 and 11 to make public participation more robust and to include access to justice, making the EU's climate legislation more in line with the Aarhus Convention pillars.

The enforcement of environmental law requires clear and coherent rules to hold natural and legal persons liable for causing harm. While the Commission is conducting a fitness check on the Polluter Pays Principle more broadly, it has been clear for years that the poor implementation of the **Environmental Liability Directive (ELD)** has left much to be desired in terms of holding polluters accountable and liable. The Council Presidency can support the Commission to propose a revision of the ELD, cooperating with the Commission to gather the necessary information on the needs in Member States which would ensure that a revised ELD is properly implemented, and that the polluter truly does pay.

- A. Promote civil society space and meaningful participation in decision-making for democratic legitimacy: the Presidency should do this by ensuring the rights of environmental defenders to exercise their Aarhus Convention rights, as well as the ensuring the broader rights to protest and engage in acts of civil disobedience as a means of freedom of expression. Where appropriate, the Presidency should also lead the Council in guiding the national transposition of the Anti-SLAPP Directive.
- B. Champion the EU and its Members States commitment to recognising and implementing the right of current and future generations to a clean and healthy environment.
- **C.** Champion the implementation and enforcement of EU environmental law and organise an exchange on ensuring full compliance with environmental obligations. In particular, voluntarily publish infringement letters sent to Hungary to increase transparency of the infringement process and urge the Commission to step up its enforcement work through increased capacity and full transparency.

- D. Promote and financially support the mandate of the Aarhus Convention Compliance Mechanism, including the Compliance Committee and the Special Rapporteur on environmental defenders, and urge EU Member States and the European Commission to support the mechanism financially through additional voluntary contributions.
- E. Lead the Council in preparation for the Aarhus Convention Meeting of the Parties and ensure the EU is prepared to support and honour the Aarhus Convention Compliance Mechanism with regard to decision VII/8f and findings C128 of the Aarhus Convention Compliance Committee by 2025.
- F. Support the Commission in monitoring corporate accountability for adverse negative environmental, climate and human rights impacts across companies' value chains and effective redress for victims of corporate harm in the transposition and enforcement of the Corporate Sustainability Due Diligence Directive.
- **G.** Support the Commission in any efforts towards the harmonised implementation of the Polluter Pays Principle in a potential revision of the Environmental Liability Directive.

More information: Reaction to ACCC review report on Decision VII/8f • EEB briefing: Revised and Responsive Governance Regulation • Case studies: Citizenwashing, the greenwashing of democracy • META article: My experience of a citizens' deliberation day in Brussels • META Article: Putting Rights first in the Green Transition II • EEB report bearing the brunt: Roma and traveller experiences of environmental racism • EEB report: Environmental Justice in National Strategic Frameworks • Common Basic Principles for Environmental Justice for Roma • The EEB's Provisional Analysis of the Performance of the EU on Access to Justice • Environmental Crime Directive assessment: Small step for legal consequences, big step for political change • Journal Article: the EU's Climate and Energy Framework in light of the Aarhus Convention •

### Abbreviations

AAQD	Ambient Air Quality Directives
BAT	Best Available Techniques
BREFs	Best Available Techniques Reference Documents
CAP	Common Agricultural Policy
CLP	Classification, Labelling and Packaging
COP	Conference of the Parties
CRMA	Critical Raw Materials Act
CSOs	Civil Society Organisations
CSS	Chemicals Strategy for Sustainability
EC	European Commission
EED	Energy Efficiency Directive
ELD	Environmental Liability Directive
EGD	European Green Deal
EoLV	End-of-Life Vehicles
EP	European Parliament
EPR	Extended Producer Responsibility
EQS(D)	Environmental Quality Standards (Directive)
ETS	Emissions Trading System
EUCRA	European Climate Risk Assessment
GD	Groundwater Directive
GDP	Gross Domestic Product
IED	Industrial Emissions Directive
IEP-R	Industrial Emissions Portal
INMAP	Integrated Nutrient Management Action Plan
JRC	Joint Research Centre
MEPs	Minimum Energy Performance Standards
MFF	Multiannual Financial Framework
NRL	Nature Restoration Law
NRRPs	National Recovery and Resilience Plans
PP	Public Procurement
PFAS	Per- and polyfluoroalkyl Substances
PPWR	Packaging and Packaging Waste Regulation
PRTR	Pollutant Release and Transfer Register
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RED	Renewable Energy Directive

RoHS	Restriction on Hazardous Substances Directive
SDGs	Sustainable Development Goals
SFS	Sustainable Food Systems Law
SML	Soil Monitoring Law
SLAPPs	Strategic Lawsuits Against Public Participation
UNECE	United Nations Economic Commission for Europe
UWWTD	Urban Waste Water Treatment Directive
WFD	Waste Framework Directive
WFD	Water Framework Directive
WHO	World Health Organisation
WTO	World Trade Organisation
ZPAP	Zero Pollution Action Plan



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The EEB and its members welcome continued engagement and cooperation with the Presidencies of the Council of the European Union.

We also develop a paper before each Presidency Trio. The 2023-2024 paper, addressed to the Spain, Belgian and Hungarian Presidencies, can be read here.

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