

8. The Sustainable Development Strategy: adaptation or transition?

Introduction

Did the economic and financial crisis of 2008-2009 constitute an opportunity to combat climate change and set the European economy on a new path towards true sustainability? Many people, among them leading politicians and economists, believed throughout the year that this crisis would stimulate 'green growth', i.e. clean technologies and renewable energies for a low-carbon economy. Indeed, the Swedish Minister for Enterprise and Energy, Ms Olofsson, stated in July 2009 that the crisis was 'a golden opportunity to reorient our economy towards eco-efficiency'.

Has this turned out to be true? To answer with a degree of irony, yes: global CO₂ emissions for 2009 are expected to drop by 2.8% (Le Monde 2009a), world consumption of electricity and gas is set to fall for the first time since the Second World War by 3.5% and 3% respectively (Capgemini 2009), the volume of air traffic fell by 8.3% between May 2008 and May 2009 (AEA 2009), sales of new cars in Europe shrank by 12.3% in April 2009, dropping for the twelfth consecutive month, according to the European Automobile Manufacturers' Association, and so the list goes on. But rather than indicating a low-carbon economy, these figures mainly highlight the existence of an intolerable recession in terms of the

number of jobs being lost. So the question is this: will the recovery that began to emerge at the end of 2009 serve to alter the conceptual framework of the dominant economic model, until now based on the paradigm of infinite — albeit green — growth?

As will be seen below, the European Union Strategy for Sustainable Development remained on track in 2009, with the economic and financial crisis acting as a driving force in some areas, but as a brake in others. As far as a green recovery is concerned, even at this early stage it must be conceded that the environmental impact of national and European recovery plans is far from impressive. There are a number of positive aspects, but in other respects it is clear that there has been no shift in the paradigm. And the latest disappointment for the EU: the outcomes of the Copenhagen climate change conference in December 2009 largely failed to live up to the expectations of a Europe that had wanted to take a lead in the negotiations, but which was not followed by the international community.

Finally, it should be pointed out that in all these debates, the social dimension is generally absent. There is talk of developing new sectors (renewable energy, transport, etc.) but little mention

of the quality of jobs in these sectors. In this context, it is no doubt helpful today to seek to combine economic, climatic and social considerations within new indicators for 'growth', 'development' and 'well-being'. However, beyond the 'adaptation' of the economy (green capitalism), does this lead us to a genuine 'transition'? And if so, a transition towards what new model or models?

Themes

- 8.1 The Sustainable Development Strategy amidst the crisis
- 8.2 Recovery plans and green jobs
- 8.3 The Copenhagen Conference (COP15)
- 8.4 Conclusions and future prospects

8.1 The Sustainable Development Strategy amidst the crisis

Social dimension of the SDS

The Sustainable Development Strategy of the European Union (SDS) 2005-2010 has seven objectives: climate change and clean energy; sustainable transport; sustainable consumption and production; conservation and management of natural resources; public health; social inclusion, demography and migration; global poverty and the challenges of sustainable development.

The attainment of these objectives is evaluated every two years. In 2007, in its Progress Report, the Commission considered that progress on the ground was 'modest' (European Commission 2007: 14). In its 2009 Progress Report, it emphasised a whole host of positive policy developments (European Commission 2009c). Above all, however, it highlights the impact on the SDS of the economic and financial crisis. This crisis 'has shown that sustainability is also a key factor for our financial systems and the economy as a whole. The crisis is affecting all sectors of the economy, households, businesses and jobs. (...) Unemployment is rising, the number of job vacancies is still falling and companies continue to announce substantial job reductions across several sectors. The most vulnerable parts of the labour force are worst affected' (European Commission 2009c: 2).

One of the key strands of sustainable development – the social dimension – is therefore hardest hit by the crisis.

Moreover, despite a range of policy developments, some unsustainable trends persist: 'The demand on natural resources has been growing fast and exceeds what the Earth can sustain in the long term. Biodiversity is in decline globally and major ecosystems are placed under increasing pressure. Energy consumption in transport continues to rise. Global poverty persists; the Millennium Development Goals would need major efforts to be achieved' (European Commission 2009c: 2). In addition to these two observations, there is the now inescapable challenge of adapting our societies to climate change, which casts a further shadow over the situation. In 2009 the Commission adopted a White Paper on such adaptation (European Commission 2009g), outlining the enormous tasks to be undertaken at both national and European level, and the social implications are particularly striking (see Figure 8.1).

While the results of mainstreaming sustainable development into European policies appear to be rather thin (the 'Better Regulation' programme, Social Agenda, Employment Guidelines, Corporate Social Responsibility,

Sustainability Impact Assessments carried out within the preparation of free trade agreements), it is on combating climate change and clean energy that the most convincing outcomes have been achieved. Since 2006 greenhouse gas emissions have shown a positive trend, with the EU 'on track to achieve its targets resulting from the Kyoto Protocol' (European Commission 2009c: 5).

Below we provide a detailed description of the principal measures taken in 2009 under the SDS in two sectors: sustainable transport, and sustainable production and consumption.

This does not, therefore, include other subject areas such as conservation and management of natural resources, public health, social inclusion, etc.

Figure 8.1 The challenges of adapting to climate change

Agriculture	Extreme weather events, soil depletion, health of forests + health of animals and plants
Fisheries + aquaculture	Dangers to coasts and marine ecosystems
Energy	Effects on hydropower production, on the cooling process in thermal power plants, on electricity distribution
Infrastructure	Impacts on densely populated areas (water and energy supply), rise in sea level, spatial planning, transport, regional development, industry, etc.
Tourism	Alpine and Mediterranean regions
Public health	Increase in the number of weather-related diseases and deaths
Water resources	Changes in quality and availability, drought, migration pressures
Ecosystems (including marine)	Loss of biodiversity and hence of ecosystem services

Source: Table compiled from the White Paper 'Adapting to climate change: Towards a European framework for action', COM(2009) 147 final, 1.4.2009.

8.1 The Sustainable Development Strategy amidst the crisis

Sustainable transport

The main European initiative in this sector relates to the implementation of the 'Greening Transport' package tabled by the Commission on 8 July 2008 (European Commission 2008c). This package consists of three elements:

1. adapting transport costs to take account more fully of the costs that transport imposes on society in terms of climate change, local pollution, noise pollution and congestion;
2. the introduction of road charging for heavy good vehicles, to encourage more environmentally responsible behaviour;
3. reducing rail noise.

The revision of the Eurovignette Directive, which forms the main body of the package, met with a barrage of protest from the entire industry. A joint declaration by CLECAT (the European Association for Forwarding, Transport, Logistics and Customs Services), IRU (the International Road Transport Union), EEA (the European Express Association) and ESC (the European Shippers' Council) expresses their misgivings about reducing the external costs of transport (IRU 2008). Similarly hostile is the ACEA (the European Automobile Manufacturers' Association) (ACEA 2008).

At its first reading, the European Parliament drastically cut the Commission proposal, opposing the inclusion of climate change costs in the revised Eurovignette proposal and the widespread introduction of congestion charging (European Parliament 2009). At the end of March, a number of Member States took the view in the Council of the EU that, since the transport sector was already feeling the effects of the financial and economic crisis, a revision of the Eurovignette Directive would be inopportune. Thus the debate was postponed until 'better' days, and the Eurovignette became one of the first environmental casualties of the financial crisis.

In addition to the postponement of the revision of the Eurovignette Directive, 2009 also saw the adoption of a range of sustainable transport measures:

- the adoption of a Regulation on CO₂ emissions from new vehicles, which set 130g of CO₂/km as the average emissions from new passenger cars to be achieved between 2012 and 2015, and a target of 95g from 2020;
- a Commission proposal of 28 October 2009 on the phased reduction of CO₂ from light commercial vehicles;
- the adoption of tyre labelling legislation: from 1 November 2012, all

new tyres sold in Europe must be labelled for fuel efficiency, wet grip and noise performance;

- the adoption of an Action Plan on urban mobility, which proposes twenty measures to assist local, regional and national authorities in achieving their goals for sustainable urban mobility;
- the Directive on the promotion of clean and energy-efficient road transport vehicles;
- the adoption of a Communication on the future of transport (following on from the White Papers of 2001 and 2006).

These measures on so-called 'sustainable' transport outline the ways in which current means of transport can be adapted to meet the imperatives of combating climate change and reducing consumption. However, given that over the last few years goods transport in Europe has grown more rapidly than gross domestic product (European Commission 2009c: 6), more consideration needs to be given to the changes that could be made to *modes* of transport and the necessary decoupling of GDP growth and transport *need*. The Commission Communication on the future of transport (European

Commission 2009d), which was fiercely criticised by the rail freight companies, puts blind faith in technological innovation and so fails to explore other avenues, e.g. fiscal solutions, to promote modes of transport with low fuel consumption and encourage a modal shift.

8.1 The Sustainable Development Strategy amidst the crisis

Sustainable consumption and production

In 2008, the Commission adopted a Sustainable Consumption and Production and Sustainable Industrial Policy Action Plan (European Commission 2008d). In 2009, the principal European instruments in this respect were the Directives on Ecodesign and Energy Labelling, the Ecolabel regulations, the European Eco-Management and Audit Scheme (EMAS) and lastly green public procurement.

1. Regarding product ecodesign, in April 2009 the European Parliament and the Council agreed a compromise in support of a Commission proposal extending the scope of the 2005 Directive on Ecodesign of products (involving the integration of environmental aspects from the design stage and throughout the life-cycle of a product). The 2005 Directive applies in principle to all products placed on the market that use energy for their operation and covers all energy sources. The revised Directive will authorise the Commission to adopt design specifications for products such as water-heaters, computers, televisions, industrial fans and incandescent light bulbs. It is worth noting that, from 2008 to 2009, nine Regulations were adopted on ecodesign of products (standby and off mode electric power consumption,

set-top boxes, lamps, televisions, refrigerators, etc.). If implemented in full, these regulations would result in electricity savings of around 315 TWh every year until 2020, which, according to a Commission press release, amounts to more than the annual electricity consumption of a country such as Italy.

2. With regard to energy labelling, it should be borne in mind that the Energy Labelling Directive established a labelling system that indicates the energy consumption of household appliances such as refrigerators, freezers, washing machines, tumble dryers, dishwashers and ovens. Manufacturers are obliged to indicate energy consumption using a scale ranging from 'A' (green products) to 'G' (red products with poor energy performance), which is designed to help the consumer assess how much a product would cost to use. On 13 November 2008, the Commission put forward a proposal to extend the scope of this Directive to energy-using products for industrial or commercial use and to energy-related products, i.e. those with an impact on energy consumption during operation. In addition, the proposal included the reclassification of products already covered by the Directive at a lower grade on the A to G scale.

Whilst the European manufacturers of household appliances (European Committee of Domestic Equipment Manufacturers - CECED) opposed this reclassification, the European Parliament, on the other hand, wanted it to go further. For instance, the Parliament considered that the product energy classification should only be valid for between 3 and 5 years and that the relevant limits should be regularly updated to take account of technological progress. For its part, the Council of the EU tended to agree with the industry. In a compromise text agreed in the trilogue on 17 November 2009, the new energy labelling system modifies the classification scale for energy performance, extends this system to new energy-using products for industrial or commercial use and stipulates that all advertisements vaunting the technical features of a model must mention its energy consumption grade or energy efficiency. This draft Directive is still awaiting final approval by the Council and the European Parliament, probably in January 2010, and is expected to enter into force in 2011.

3. With respect to the revision of the Ecolabel Regulation and the EMAS Regulation, work continued in 2009 until the adoption on 26 October of

a new Community system for the award of the Ecolabel, enhancing its scope and visibility. The revision of the Eco-Management and Audit Scheme (EMAS) was adopted on the same day, aiming above all to raise its profile and increase take-up rates, particularly by small and medium-sized enterprises and local authorities.

4. As to 'green' and social public procurement, it should be borne in mind that each year in Europe, public authorities spend the equivalent of 16% of EU GDP on the purchase of goods such as office equipment, building materials, transport vehicles, building maintenance services, cleaning, catering, etc. The example of the Energy Star standards in the United States has shown that, when public authorities adopt environmental standards for public procurement, companies in the sector will adapt accordingly (see Box 1).

8.1 The Sustainable Development Strategy amidst the crisis

Sustainable consumption and production

For 2010, the revised SDS of the EU had set the objective of aligning the average level of green public procurement (GPP) with that of the highest level achieved by Member States in 2006. Hence in 2008 the Commission proposed that, by 2010, 50% of all tendering procedures should be 'green'. However, this target was non-binding, and it is clear that to date, much of the potential for GPP remains unexploited. The Commission had recommended the adoption of national action plans for 2006 to promote GPP. At the start of 2008, only 14 Member States had adopted these plans. Eighteen months later (in June 2009), 10 countries were yet to adopt a target figure, or were merely content to distribute toolkits and handbooks on GPP. A number of Member States did have specific commitments: the Netherlands set a target of 100% GPP by 2010; in Belgium the target was 50% at federal level by 2011 and 100% for the Flemish Region. In other countries, targets were set by product group (electricity, paper, vehicles, etc.). Nevertheless, on the whole there is plenty of room for improvement in this initiative.

Finally, with regard to the social aspects of public procurement (decent work, respect for human rights, support for social inclusion, etc.), in July 2009 the Commission postponed the

adoption of a practical and non-binding guide. It should be pointed out that a number of sectoral social partners declared themselves in favour of the inclusion of social criteria in public procurement (see in particular the joint declaration of 18 April 2008 by UNI-Europa, EFFAT, ETUF-TCL and CoEss, Ferco, EFCI and EURATEX entitled 'Towards responsible awarding of contracts' relating to services in the private security, contract catering, cleaning, and textile and clothing sectors).

Box 1

In 1993, the US Federal Government decided to purchase only Energy Star-compliant IT equipment. The Federal Government is the world's largest computer purchaser, and it is estimated that this decision played a significant part in the subsequent move to compliance with Energy Star standards for the vast majority of IT equipment on the market. In the US in 2008, this programme prevented the equivalent of the greenhouse gas emissions from 29 million vehicles. The environmental benefits resulting from the Federal Government's choice of Energy Star amount to 200 billion kWh of electricity saved since 1995, which equates to 22 million tonnes of CO₂. See <http://www.energystar.gov/>

Source: European Commission (2004).

8.1 The Sustainable Development Strategy amidst the crisis

The SDS and decoupling

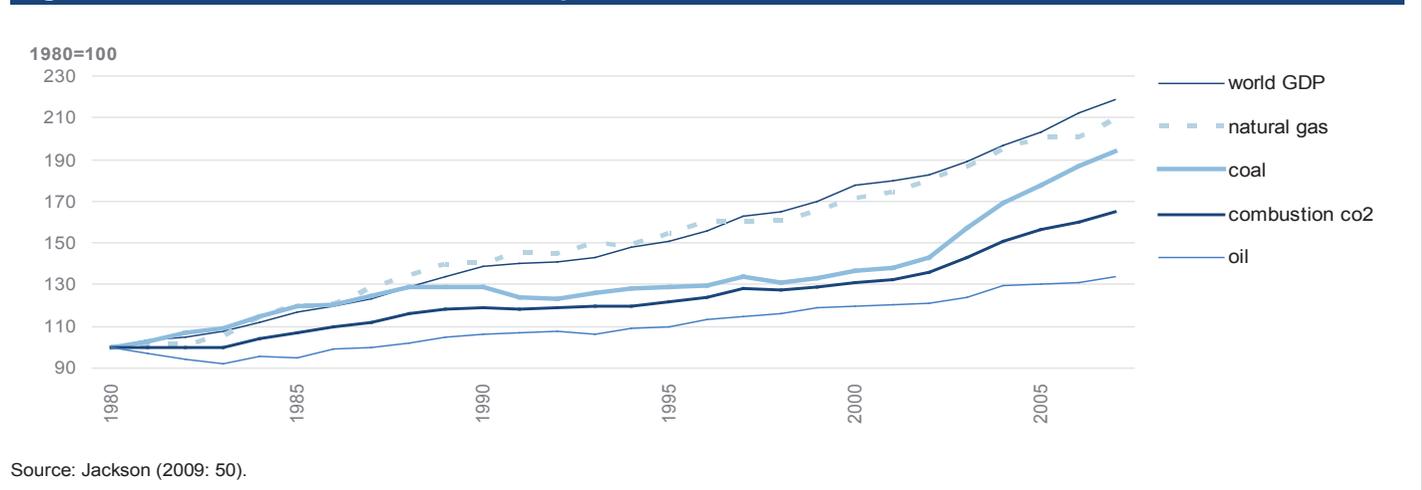
To conclude this section, a final remark on the concept of ‘decoupling’. Put simply, this means finding ways of doing more (generating more economic growth) with less (fewer raw materials and natural resources). The SDS explicitly states its objective of decoupling economic growth from the consumption – and depletion – of these resources.

Decoupling, if really possible, will enable us to continue on the path of economic growth without questioning it. But is this really possible? According to a report entitled ‘Prosperity without growth?’ by the UK Government’s Sustainable Development Commission (Jackson 2009), decoupling is a myth (see Figure 8.2).

‘Simplistic assumptions that capitalism’s propensity for efficiency will allow us to stabilise the climate and protect against resource scarcity are nothing short of delusional. Those who promote decoupling as an escape route from the dilemma of growth need to take a closer look at the historical evidence – and at the basic arithmetic of growth,’ (Jackson 2009: 8) (see also the Jevons Paradox, which states that increased energy efficiency leads to the same level of, or even higher, global energy consumption). In any event, this report convincingly demonstrates that

the degree of decoupling required to create a sustainable society can never be achieved by mere appeals for efficiency (in energy or other areas). This remark inevitably prompts a questioning of the notion of economic growth, even green growth, as the ultimate goal of all European and national policies.

Figure 8.2 Trends in fossil fuel consumption and related CO2: 1980-2007



8.2 Recovery plans and green jobs

National and European recovery plans

From October 2008, when it became clear that monetary policies (reducing interest rates) would not be sufficient to stimulate the crisis-stricken economy, most western countries began to draw up recovery plans as Europe entered recession. Between November 2008 and January 2009, all the major EU economies adopted such plans, amounting to a total of 325.5 billion dollars, according to an evaluation by HSBC at the end of February (compared with nearly 1,000 billion dollars in North America and over 1,150 billion in the Asia-Pacific region) (HSBC 2009).

These recovery plans provide for a variety of measures affecting both revenue and expenditure. On the revenue side, most European countries have opted for a reduction in tax on businesses (a temporary reduction in tax rates or deferral of payment) and cuts in social security contributions. This support for employers aims to limit the number of bankruptcies and redundancies, but in some instances the effectiveness of such measures can be called into question (Watt 2009a). Some countries have also changed the rate of VAT in specific sectors or for certain kinds of products.

On the expenditure side, increasing public investment (energy efficiency, research and development, railway

infrastructure, etc.) has been ‘the most popular choice by European governments in terms of volume’ (Watt 2009a). Such increased investment in infrastructure is coupled with support for certain categories of company (particularly SMEs), sectorally specific measures (e.g. in the construction sector or the automobile industry, in particular car scrappage premiums), and direct assistance to households, especially the most vulnerable (increases in social benefits, etc.).

For its part, the Commission put forward a ‘European’ Economic Recovery Plan on 26 November 2008 (European Commission 2008e). This sets out a

package of national and European measures worth a total of 200 billion euros (1.5% of EU GDP), although of this amount only 30 billion (0.3% of GDP) can be seen as directly contributed from the EU budget and the European Investment Bank (EIB). Officially, this plan – a framework for national recovery plans – seeks to maintain jobs during the upcoming period of recession and pave the way for a transition to a low-carbon economy (see Box 2).

The transition towards a low-carbon economy is evident in a number of new European research and development initiatives: the European ‘green cars’ initiative, European energy-efficient

buildings, and Factories of the Future. It should also be pointed out that, alongside other initiatives, the Plan calls on the Member States to pursue energy efficiency targets in public buildings by cutting property tax on energy-performing buildings and reducing VAT on ‘green’ products and services in the construction sector. It provides for the temporary relaxation of competition rules (state aids) and a more flexible interpretation of the Stability Pact (temporary increase in public deficits).

Box 2 Principal elements of the European Recovery Plan

14.4 billion euros in 2009 from the EU budget + 5 billion euros in new money.
Of the 14.4 billion for 2009:

- 5 billion in additional funding for energy and broadband interconnections
- 6.3 billion for advance payments from the European Social Fund and the Cohesion Fund
- 2.1 billion redeployed to the ‘green cars’ initiative and the energy efficiency, Factories of the Future and hi-speed internet projects
- 0.5 billion for the Trans-European Transport Networks
- 0.5 billion for various other projects.

Furthermore, this plan provides for an increase in EIB investment to 15.6 billion euros in 2009 and the same amount in 2010, to be targeted particularly at SMEs, renewable energy and clean transport in the automobile industry, as well as the establishment of the European 2020 Fund for Energy, Climate Change and Infrastructure (‘Marguerite Fund’) in partnership with national institutional investors.

For its part, the European Bank for Reconstruction and Development (EBRD) will contribute 500 million euros for financing in the new Member States.

In addition to these amounts, 5 billion euros in new money have been allocated for 2009-2010: some 3.5 billion euros for investment in energy infrastructure (carbon capture and storage, offshore wind projects – only 500 million – and gas and electricity interconnection projects). 1.5 billion will be used for rural development policy.

8.2 Recovery plans and green jobs

Evaluation aspects

In terms of employment, the Recovery Plan mainly focuses on the automobile industry and the construction sector. These are the sectors most affected and with the greatest structural importance to the economy, as well as major providers of jobs, whether directly or indirectly. The aim is to keep the number of job losses as low as possible.

To this end, the Commission has also reprogrammed European Social Fund expenditure by means of a number of anti-crisis measures. In addition, the rules governing the European Globalisation Adjustment Fund have been amended to speed up these procedures. Taking in addition all the measures taken at national level (the introduction of temporary layoffs, a reduction in working hours and other schemes to cushion the blow), at the end of November 2009 the Commission took the view — despite 4 million jobs lost in the space of a year — that ‘the European labour markets, while seriously affected by the crisis, are proving more resistant than expected’ (European Commission 2009e) (see Figure 8.3).

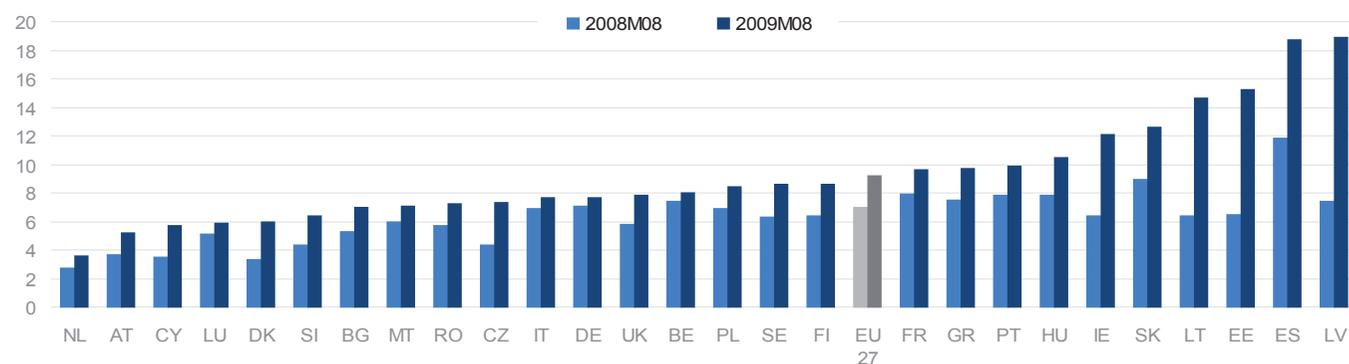
Despite this ‘positive’ message, it remains important to underline the deeply unfair price paid by workers in this crisis. Before the crisis, people were already condemning widening

inequalities and the declining share of value-added represented by pay; added to this we now have a situation in which millions of workers are losing their jobs today, yet tomorrow will continue to contribute as taxpayers, in one way or another, to refilling the state coffers emptied by the crisis.

In terms of the fight against climate change, the impact of the recovery plans appears very limited. Officially, the objectives of both the European and national plans were linked to the fight against climate change, based on the rationale that speeding up investment in energy efficiency and green technologies would create green jobs

in the long-term and hence economic growth that is more sustainable in terms of energy consumption and the environment.

Figure 8.3 Comparison of unemployment rates in EU 27 countries: August 2008 and 2009 (%)



Data Source: Eurostat (2009) *European Labour Force Survey (ELFS)*.

8.2 Recovery plans and green jobs

Evaluation aspects

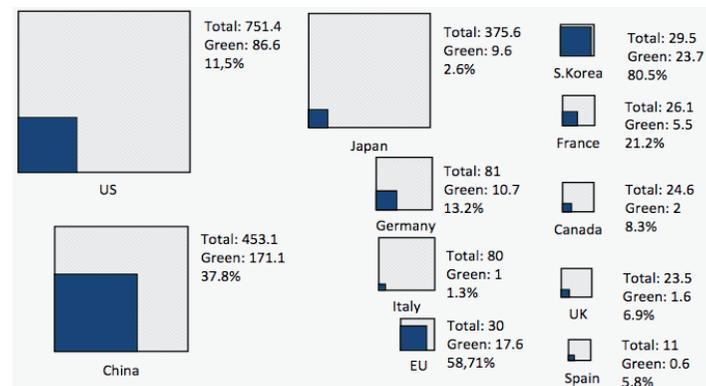
From a methodological point of view, it is nonetheless difficult to find a strict definition of 'green' investment. For instance, does the car scrappage premium introduced in France, Germany, Austria, Italy and Luxembourg constitute green investment? Certainly, if one takes the view that the premium encourages the replacement of the oldest (and most polluting) vehicles in the fleet by cleaner vehicles; but not if one believes that the way forward is not to have 'clean traffic jams' but to modify the modes of transport used and reduce the need for transport (in France, as a result of the car scrappage premium, 2009 was the year with the highest vehicle sales since 1990). According to Andrew Watt, the various government estimates of the proportion of their packages that are 'green' should therefore 'be taken with a large pinch of salt' (Watt 2009a: 24).

Mariya Nikolova points out that there are certain criteria that appear in several studies: measures for increasing energy efficiency, renewal of infrastructure (e.g. public transport, railways, etc.), promotion of clean technologies, and renewable energies (Nikolova 2009). Studies have sought to compare the 'green' elements of the different recovery plans (see Figure 8.4).

This chart shows that, proportionally, the European Recovery Plan is one of

the greenest, yet in relative and absolute terms its overall size and environmental aspects remain modest.

Figure 8.4 Ratio of green stimulus of national recovery packages, absolute volumes in bn€ (based on Bernard et al. 2009; data from HSBC 2009)



Source : Wuppertal Institute (2009: 5).

8.2 Recovery plans and green jobs

Green jobs and a fair transition

It is impossible to carry out a global evaluation of the impact of green adaptation, since the impact varies depending on the sector of economic activity, the kind of skills that workers possess, and the regions where certain kinds of job are destined to disappear and others be created. Nevertheless, all economic sectors will feel this impact, directly or indirectly (a fact that the expression 'green jobs', meaning those helping to preserve or improve the quality of the environment, tends to ignore — after all it is the whole economy that will have to 'go green').

According to the European Commission, the sectors that are bound to be most affected are those associated with the provision of energy, agriculture, fishing, tourism and construction. These sectors will see jobs lost but also the creation of new kinds of jobs (e.g. in renewable energies) (European Commission 2009e). However, it remains extremely difficult to assess the net impact of these changes: for instance, green energy that is more expensive than conventional energy might contribute to a cut in household purchasing power, which in turn could have an impact on other types of expenditure and hence on other kinds of jobs. According to the various definitions, it is said that the eco-industries could provide the EU with between 2.3

and 21 million jobs (ECORYS 2008: 15) (Figure 8.5).

Moreover, these figures give no indication of the quality of jobs created (pay, training, working conditions, etc.). An ETUC report warns against the creation of poor-quality jobs: 'There is a risk (...) that jobs developed in newly-created companies may be perceived by workers as less well paid and offering less secure working conditions than jobs in well-established branches' (ETUC 2007: 186). This is why the trade union movement asserts the importance of a fair transition. 'The concept of a fair transition means that the costs and advantages of the decisions taken

in the public interest — including the decisions necessary to protect the climate and the planet — must be shared fairly. (...) More than the process of job creation or destruction, the transition towards a low-carbon economy will transform existing jobs. This is the reason why the path towards a sustainable world economy and the transition to industrial jobs that are more respectful of the environment are closely tied to an effective social and employment policy' (ETUC 2009a).

Figure 8.5 Employment and total turnover in eco-industries in the EU – various definitions

	Employment	Total turnover
Narrow definition eco-industries (mainly pollution prevention or treatment)	2.3 million	€ 270 billion
+ activities closely dependent on a good quality environment (environment-related tourism, organic agriculture, renewable energy, etc.)	4.4 million	€ 405 billion
+ induced 'knock-on' or 'multiplier' effects	8.6 million	€ 1 trillion
Widest definition includes all activities dependent on the environment (all agriculture, renewable energy, etc.)	21 million	€ 3 trillion

Source: Website of the EC – Environment and employment: http://ec.europa.eu/environment/integration/employment_en.htm

8.3 The Copenhagen Conference (COP15)

Five main topics for negotiation

Following the adoption by the European Union of the 'Energy and Climate' package in 2008 – a series of measures designed to combat climate change – the major international event of 2009 was the 15th Conference of the Parties (COP15) to the United Nations Framework Convention on Climate Change (UNFCCC), held from 7-18 December 2009 in Copenhagen (Denmark). The conference was attended by delegates from 192 countries and 119 Heads of State and Government. Its original goal was to draw up a preliminary version of a binding international treaty aiming to control and reduce greenhouse gas emissions. This text would replace the Kyoto Protocol of 1997, which had laid down legally binding targets for the industrialised countries, which made a commitment to reducing their greenhouse gas emissions. However, several of the largest polluters, including the United States, have never ratified this treaty. According to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) published in 2007, a maximum rise in global temperatures of 2 degrees – the limit recommended by the IPCC – would require the developed countries to reduce emissions by between 10 and 40% by 2020 and between 40 and 95% by 2050.

The topics for negotiation at the Copenhagen conference can be divided into five main areas:

- *mitigation*, i.e. reducing the quantity of carbon dioxide emitted into the atmosphere as a result of human activity. The principal challenge here is to find a strategy within which the industrialised countries can reduce their current emissions effectively and the developing countries can limit the rate of growth of their emissions without jeopardising their economic development;
- *adaptation*, i.e. reducing the vulnerability of countries to the impact of climate change. For the developed countries this means contributing financially to the cost of adaptation projects in the developing countries, which are often more vulnerable and have fewer resources available for adaptation (coastal planning, building flood-resistant dwellings, etc.);
- *deforestation*, i.e. reversing the trend of reducing the world's forested areas, since forests remove carbon dioxide from the atmosphere;
- *technology transfer*, i.e. the promotion by the developed countries of more energy-efficient and environmentally responsible ways of achieving economic growth in the developing countries (including the whole issue of intellectual property);
- *financing*, i.e. the historical climate 'debt' of the developed countries (which have had free rein in polluting the atmosphere during periods of industrialisation and economic growth). According to the developing countries, this 'debt' should be paid by the developed countries in the form of assistance to poor countries in meeting the challenges of climate change.

8.3 The Copenhagen Conference (COP15)

Position of the main players and results

The players involved can be divided into four main groups:

- the European Union, which is committed to a reduction target of 20 to 30% by 2020, and which tried in vain to impose its leadership on the negotiations. Its hope was to achieve a binding treaty laying down quantified targets for greenhouse gas reductions;
- the United States, which declared itself willing to set a target for reducing its greenhouse gas emissions (around 17% by 2020 compared with 2005 baseline levels) but refuses any legally binding commitments if emissions from developing countries continue to rise;
- the emerging countries (mainly the BASIC group of Brazil, South Africa, India and China) which emphasise the historical responsibility of the industrialised countries and the fact that they must therefore pay a larger share of the cost of combating CO₂ emissions. These countries are opposed to the setting of quantitative reduction targets for their own emissions and to the notion of international monitoring;
- the developing countries, which focus mainly on the provision of

aid for adapting to climate change, and the transfer of finance and technology.

The climate change conference ended by producing a short document entitled 'Copenhagen Accord'. Since, by the end of 2009, this document had not been signed by all of the countries, it does not constitute an official United Nations decision. It is not a legally binding treaty, but the commitments that it contains are expected to lead to the adoption of a global treaty in 2010.

The points in the Accord that are considered as progress are the following:

- the fact that it is the first truly global accord that sets a target for limiting the rise in global temperature to 2 degrees;
- the fact that it recognises the need to provide support for adaptation to the most vulnerable and contains a commitment to securing promises of aid;
- the fact that it contains an agreement on the importance of measures to reduce emissions from deforestation and degradation of forests.

The points in the Accord that are considered as failures are the following:

- the fact that the Accord is not legally binding;
- the lack of quantified commitments on the reduction of greenhouse gas emissions (each country is obliged to establish its own such targets by the end of January 2010), and particularly the absence of a 50% emissions reduction target to be achieved by 2050;
- the postponing until 2010 of the conclusion of a full accord, without a binding timetable;

– the lack of consensus between developed and developing countries on the share-out of contributions and on international monitoring of mitigation efforts.

The European Union takes the view that, even if the document produced by the conference does not meet expectations, it is better to have an Accord than none at all. The Commission believes that the binding commitments of the EU on quantified targets and on aid to developing countries will stimulate the other industrialised countries to follow suit in 2010.

Box 3 Principal dates in international collaboration on climate change

- 1971 Establishment of the United Nations Environment Programme (UNEP). Issues associated with climate change are now officially part and parcel of UN climate concerns.
- 1979 First World Climate Conference. The World Meteorological Organisation (WMO) and the International Council for Science launch the World Climate Research Programme.
- 1988 Establishment of the Intergovernmental Panel on Climate Change (IPCC) by the WMO and UNEP.
- 1990 First IPCC report. The UN General Assembly calls for the negotiation of an international agreement to mitigate climate change.
- 1992 First 'Earth Summit' in Rio. Adoption of the United Nations Framework Convention on Climate Change (UNFCCC) ratified by 192 countries.
- 1997 Adoption of the Kyoto Protocol by COP3.
- 2007 Fourth IPCC report. 'Unequivocal' scientific conclusions on the sources and dangers of anthropogenic global warming. The IPCC receives the Nobel Peace Prize; the countries adopt the Bali Action Plan at COP13.
- 2009 Third World Climate Conference. In December, COP15 takes place in Copenhagen.

Source: Department of State of the United States Government.

8.4 Conclusions and future prospects

As we have said, in 2009 it was thought that the economic crisis and the national and European recovery plans would offer a chance to pave the way towards a low-carbon economy. Has this turned out to be the case? Even at this early stage, it must be observed that the recovery plans only go a very short way towards meeting the long-term objectives of creating a low-carbon economy.

In the short term, the priority given to economic recovery in 2009 gave rise to significant state intervention to support the economy and employment (in the automobile, construction, industrial and energy sectors), but at times, hasty action led to the kind of stimulus provided in the past, with little or no questioning of our modes of transport, mobility needs, wasting of resources and energy, and ignoring of the real costs, etc. Moreover, it was due to the economic crisis that the revision of the Eurovignette Directive was postponed, the very purpose of which was to enhance the environmental aspects of the Directive. In such circumstances it was also decided to invest in road infrastructure, and a number of European countries introduced a car scrappage premium as a way of boosting an industry undergoing a serious over-production crisis.

This crisis situation could have been an opportunity to integrate sustainable

development more fully into European policies. With regard to green and social public procurement, it is clear today that a large proportion of its potential remains unexploited. Many recent studies, some in over-optimistic vein, also highlight the potential of eco-industries, including their impact on employment.

However, the need to adapt to new 'growth' imperatives in an endangered biotope comes up against deep-rooted interests. So rather than a genuine *transition*, what we are seeing is a slow and unambitious *adaptation*. A genuine transition would require us to widen the debate and call into question paradigms such as the growth in gross domestic product. Nevertheless, a number of reflections along these lines emerged in 2009, which have something of the nature of this transition. They include:

- the Stiglitz report, which advocates a new measure of wealth besides GDP;
- a Commission Communication entitled 'GDP and beyond: Measuring progress in a changing world', which proposes five actions to supplement GDP with other indicators;
- the publication on 26 June 2009 of a joint report by the WTO and

the United Nations Environment Programme (UNEP) on the links between trade and climate change (in particular the idea of a carbon tax);

- statements made at the end of August 2009 by the Chair of the UK Financial Services Authority (FSA) on the introduction of a 'Tobin'-style tax to reduce the size of the banking sector and discourage speculation on the foreign exchange markets;
- a report by the Sustainable Development Commission of the UK Government entitled 'Prosperity without growth?', which reflects on the decoupling of well-being and economic growth and affirms that the latter needs to be terminated;
- the European Council of December 2009, which encourages the IMF 'to consider the full range of options including insurance fees, resolution funds, contingent capital arrangements and a global financial transaction levy in its review' (European Council 2009).

Although today these few examples remain nothing more than declarations of intent, at the very least they demonstrate the speed at which the political debate is moving. Such official questioning of the very concept of economic

growth as the ultimate aim of all policies breaks a taboo that has lasted at least three decades, and does so in a way that would have been unthinkable just a short time ago.

Within the European trade union context, there are other themes emerging in this debate: increasing the share of value-added represented by pay, reducing dividends paid out to shareholders so as to increase the proportion of profits reinvested in the firm, the creation of new and high-quality jobs in the green sectors, know-how acquisition by employees, etc. Elements such as these can contribute to a paradigm shift. And we should add to these: an overhaul of production and distribution methods, a change in consumption patterns, fewer mobility needs and changes to modes of transport, and the subordination of commercial policies to environmental and social demands, etc. Overall, this is about questioning the concepts of 'growth', 'development' and 'progress' and reflecting on the alternatives. For as economist Daniel Cohen emphasises, 'We must imagine a world that has not found the means of fleeing headlong, as a planet, into perpetual growth' (Le Monde 2009b).