

Memorandum – European experiences with Environmental Policy Integration (EPI)

DRAFT 1 June 2007, Stockholm Environment Institute

Aims of the report

This study fulfils Work Package II.1 – Research of European experiences with Environmental Policy Integration (EPI). The aim of the study is to analyse European experiences of EPI, specifically in the transport and energy sectors, in order to facilitate learning from the European experience to the Chinese sector planning context. The study is carried out as a literature review of the most important and recent academic literature on EPI, as well as policy reports. It reviews EPI experiences both at the EU level and some examples at the national level in the member states.

Introduction to EPI

EPI refers to the integration of environmental objectives and considerations into sector policy-making and planning (e.g. energy, transport, agriculture) and is a key principle for realising sustainable development. It can be contrasted with traditional environmental policy, where the environment is seen as a separate sector and problems are managed in an 'end-of-pipe' way.

The EPI principle was strongly advocated by the World Commission on Environment and Development in 1987, and subsequently in Agenda 21 (chapter 8). In Europe, the principle has been given legal status through Article 6 in the Treaty of the European Union (EU), which states that: *“environmental protection requirements must be integrated into the definition and implementation of the Community policies [...] in particular with a view to promoting sustainable development”*. Several EU member states also have clauses on EPI in their national constitutions.

In practice, the European Environment Agency (EEA) has defined EPI as: *“a continual process to ensure environmental issues are taken into account in all policy phases, from the very beginning of the policy process. Importantly, EPI needs to lead to overall improvements in policy, policy implementation and policy outcomes. Environment will not necessarily come out on top in every policy that is adopted and implemented, but the overall trend should certainly be in the direction of sustainable development”* (EEA 2005 p. 13). The EEA has developed a framework for EPI that captures the key elements of the integration process.

Environmental signals – information about the sector's environmental performance and trends is required to take appropriate policy responses:

- *Economic and social drivers*, i.e. the root causes of the environmental impact of the sector and the extent to which eco-efficiency and decoupling of environmental impact from economic growth is achieved.
- *Environmental pressures, state and impacts*, i.e. the emissions and resource use caused by economic activities within the sector and the subsequent impact on public health, biodiversity, etc.

Sector policy responses – several elements of the sector policy-making process can be modified so as to better integrate environmental objectives and considerations:

- *Political commitment & strategic vision* – to provide a mandate for EPI and set priority environmental issues to be integrated, e.g. through legal requirements, sectoral sustainable development/environmental strategy, active leadership.

- *Administrative culture & practices* – to change everyday practice of governance and ensure environmental knowledge and interests are represented, e.g. through inter-ministerial coordination and communication, organizational restructuring, green budgeting, environmental management system (EMS).
- *Assessment, information, & consultation* – to ensure EPI in new policy and plan proposals, e.g. through strategic environmental assessment (SEA), regulatory impact assessment, consultation with environmental stakeholders.
- *Use of policy instruments* – to influence actors within the sector to behave in a more environmentally-friendly way, e.g. new sector policy tools such as market-based instruments, financial assistance programmes, eco-labelling.
- *Monitoring & evaluation* – to monitor the environmental performance of sector policies and the sector as a whole, e.g. indicators and monitoring schemes for sector environmental performance, policy evaluation, exchange of good practice on EPI with other levels and parts of government and internationally

European experience

[The experience of EPI in general at the EU and national level will be reviewed and summarized.]

EPI in the transport sector

[Important achievements and interesting examples of EPI in the transport sector will be analysed.]

EPI in the energy sector

[Important achievements and interesting examples of EPI in the transport sector will be analysed.]

Recommendations

[Recommendations will be made based upon the analysis of the European experience.]

Key sources on EPI

Policy-maker reports and websites:

- European Environment Agency (2005) *EPI: State of play and an evaluation framework*. http://reports.eea.europa.eu/technical_report_2005_2/en
- European Commission 1998 Cardiff strategy and 2004 Stock-taking report <http://ec.europa.eu/environment/integration/integration.htm>
- TRANSPORT: European Commission "Transport and Environment: Some key topics" <http://ec.europa.eu/environment/air/transport.htm>; "A sourcebook on Integration of environment into transport policy" <http://ec.europa.eu/environment/gpc/index.htm>; OECD "Environmentally Sustainable Transport" http://www.oecd.org/topic/0,2686,en_2649_34363_1_1_1_1_37433,00.html; EEA "TERM" <http://www.eea.europa.eu/themes/transport>
- ENERGY: European Commission "Energy and Environment" http://ec.europa.eu/environment/integration/energy/index_en.htm; EEA "Energy and Environment indicators" http://reports.eea.europa.eu/eea_report_2006_8/en

Academic publications:

- Nilsson and Eckerberg (eds) (2007) *EPI in Practice: Shaping Institutions for Learning*. Earthscan. www.earthscan.co.uk
- Jordan and Lenschow (eds) (forthcoming) *Innovation in Environmental Policy? Integrating Environment for Sustainability*. Edward Elgar. <http://www.uea.ac.uk/env/cserge/events/epi2/index.htm>
- *EPI and Multi-Level Governance* (EPIGOV) research project, see papers under 'Conferences'. <http://www.ecologic.de/projekte/epigov/>