Basic information

2004/2131(INI) INI - Own-initiative procedure	Procedure completed
Stimulating technologies for sustainable development: an environmental technologies action plan of the European Union **Subject** 3.70 Environmental policy 5.05 Economic growth	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ENVI Environment, Public Health and Food Safety	MYLLER Riitta (PSE)	20/09/2004

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	HARMS Rebecca (Verts /ALE)	24/11/2004

Key events

Date	Event	Reference	Summary
28/01/2004	Non-legislative basic document published	COM(2004)0038	Summary
28/10/2004	Committee referral announced in Parliament		
20/04/2005	Vote in committee		Summary
11/05/2005	Committee report tabled for plenary	A6-0141/2005	
04/07/2005	Debate in Parliament		
05/07/2005	Decision by Parliament	T6-0271/2005	Summary
05/07/2005	Results of vote in Parliament		
05/07/2005	End of procedure in Parliament		

Technical information

Procedure reference	2004/2131(INI)
Procedure type	INI - Own-initiative procedure

Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/6/23487

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	ITRE	PE350.181	18/03/2005	
Committee report tabled for plenary, single reading		A6-0141/2005	11/05/2005	
Text adopted by Parliament, single reading		T6-0271/2005 OJ C 157 06.07.2006, p. 0020-0077 E	05/07/2005	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2004)0038	28/01/2004	Summary
Document attached to the procedure	COM(2005)0016	27/01/2005	Summary
Document attached to the procedure	SEC(2005)0100	27/01/2005	
Follow-up document	COM(2007)0162	02/05/2007	Summary
Follow-up document	SEC(2007)0413	02/05/2007	

Stimulating technologies for sustainable development: an environmental technologies action plan of the European Union

2004/2131(INI) - 27/01/2005 - Document attached to the procedure

The Environmental Technologies Action Plan(ETAP) was endorsed at the March 2004 European Spring Council. Positive reactions to ETAP were subsequently received from a wide variety of stakeholders including business organisations, financial actors, the research community, and NGOs.

The conclusionsadopted by the Environment Council on 14 October 2004 call for rapid implementation of ETAP to give eco-efficient innovations a fair and competitive market perspective and to provide for the internalisation of external costs through an effective mix of instruments. These include performance-based green public procurement, fiscal incentives, reform of subsidies that have considerable negative effects on the environment and are inconsistent with sustainable development, and risk-sharing facilities, especially for SMEs.

The report by the High Level Group chaired by Wim Kok on the Lisbon strategy 'Facing the Challenge' also calls for Member States to establish roadmaps for specific measures and deadlines.

The Commission, with the support of the Member States and the EIB, has made good progress in implementing the Action Plan. This report summarizes the main achievements, outlines some actions by Member States on which the implementation of ETAP can build and highlights areas where efforts could be stepped up to make faster progress towards tapping the full potential of environmental technologies.

The implementation of the key priorities in the Action Plan is well underway. Progress has been made in giving more priority to environmental technologies in the EU Framework-Programme for R&D. Technology platforms have been established in technological areas relevant for eco-innovation. Networks of testing centres are being established and should prepare the ground for a possible EU-wide environmental technology verification system.

The proposed Regulations for the future period of the Cohesion policy should facilitate regional investments in sustainable techniques and solutions, and the preparation of a future framework-programme for Competitiveness and Innovation should extend the range of EU instruments supporting environmental technologies.

To improve market conditions for the uptake of environmental technologies, an EIB facility supporting private investments related to the EU Emission Trading Scheme has been established, while preparatory work under the Dutch Presidency paved the way for further action regarding risk-funding schemes.

The finalisation of key orientation documents on Green Public Procurement, on standardisation, and on environmentally-harmful subsidiesshould catalyse action at both EU and Member States levels in these areas. Preparatory work is also under way on the design and implementation of performance targets for key products, services and processes.

Progress has also been made with respect to the global dimension, with the preparation of a Patient Capital Initiative supporting investments in renewable energy and energy efficiency, and discussions at international level on export credits and trade agreements. The implementation of the water and energy ACP-EU facilities, in the framework of the development aid policy, also creates significant opportunities for environmental technologies.

The development of information tools and the mobilisation of relevant stakeholders should pave the way for further initiatives regarding awareness-raising and targeted training.

Nevertheless, EU action needs to be intensified in order to achieve a decisive impact on the wider use of environmental technologies:

- Community financial instruments should better promote the mobilisation of risk finance for knowledge related activities and innovation such as eco-innovation.

- Environmental performance targets for products, processes and services need to be developed by the Commission as a matter of priority. These should address major environmental challenges such as climate change, air and water pollution, efficient energy consumption and the reduction of waste.

- Efforts to establish an EU wide system for testing and verifying environmental technologies should be intensified. This would allow producers to get a certificate for the environmental performance of new innovations and other technologies in line with the established environmental performance targets.

- In 2005, work will be done to examine whether state aid rules should further facilitate the development of eco-innovations and their introduction to the markets.

- In the context of the ETAP, appropriate indicators should be developed in order to better analyse the development of eco-innovation and evolution of environmental technologies' markets.

- By the end of 2005, Member States should set national roadmaps for the implementation of ETAP. Such roadmaps should build on existing strategies and action plans, and indicate concrete measures and deadlines.

- Member States should take steps to mobilise additional risk funding for eco-innovations and environmental technologies. Establishing investment funds dedicated to eco-innovation or environmental technologies could do this.

Stimulating technologies for sustainable development: an environmental technologies action plan of the European Union

2004/2131(INI) - 02/05/2007 - Follow-up document

The EU Environmental Technology Action Plan, or ETAP, was created in order to stimulate eco-innovation and the take-up of environmental technologies on a broad scale. Launched in 2004, the plan maps out action at a European level, by the Member States and by stakeholders. In this report on the ETAP, the Commission:

- sketches trends and developments in environmental technologies;
- outlines progress on implementation of the plan; and
- recommends priority areas for future action.

Trends and developments: The potential of European business to eco-innovate is underestimated. Evidence shows that well designed legislation does act as a driver for innovation and environmental technologies, which in turn helps companies to reduce costs significantly. The full implementation of EU legislation, such as Eco-design, IPPC, WEEE and RoHS will further enhance eco-innovation in the future. However, more needs to be done to

make the kind of environmental gains needed, on the scale required. There is a pressing need for immediate and systematic action. To make a difference, in environmental terms, higher levels of deployment and take-up of environmental technologies are required at both an EU and global level. Eco-innovation has to be the mainstream of Europe's innovations and be the required norm across the whole economy.

Progress on implementing the Plan: Since the launch of the ETAP, about EUR 1.4 billion has been awarded to environmental technology projects under the 6th Framework Programme. It has been estimated that under the 7th Framework Programme up to 30% of the EUR 32 billion budget will address environmental technologies such as hydrogen and fuel cells, clean production processes, alternative energy sources, CO2 sequestration, bio-fuels and bio-refineries, energy efficiency, information technologies for sustainable growth, clean and efficient transport, water technologies, soil and waste management and environmentally friendly materials.

The recently adopted Strategic Energy Technology Plan aims to lower the cost of clean energy and put EU industry at the forefront of the rapidly growing low carbon sector. The plan identifies those technologies for which the EU has to mobilise resources and accelerate development and deployment. Financial Instruments have also been mobilised. They include: the Competitiveness and Innovation Programme (CIP) of which EUR 433 million has been allocated to the promotion of eco-innovation; the European Investment Bank (EIB) which together with the Commission is developing a joint Risk Sharing Finance Facility; the Cohesion policy – around 21 % of the structural funds have been allocated to innovation; and LIFE, which has co-financed some 2 750 innovative pilot demonstrations projects since 1992 with a total investment of over EUR 2.6 billion. In addition to the Financial Instruments, the Commission has recently adopted a Green paper on market-based instruments in which issues such as taxes on energy, transport and other pollutant sources are discussed.

Issues and priorities for the future: Whilst a lot has already been achieved, the Commission report acknowledges that more remains to be done. It warns that all activities have to be stepped up and carried out on a new scale – with much more emphasis on demand. The focus in the coming years, therefore, will be on five actions that increase demand and three support measures. They are as follows:

Increase demand:

- Promote Green procurement;
- Mobilise greater financial investments;
- Establish Technology Verification and Performance Target systems;
- Build on Promising Practice of Member States;
- Focus on sectors with high gains.

Support measures:

- Ensure a strategic knowledge resource on eco-innovation;
- Promote awareness and active participation;
- Harness research.

Stimulating technologies for sustainable development: an environmental technologies action plan of the European Union

2004/2131(INI) - 28/01/2004 - Non-legislative basic document

PURPOSE : to propose a European Action Plan in order to improve the development and wider use of environmental technologies.

CONTENT : the European Commission presents its Action Plan to improve the development and wider use of environmental technologies. The report states that many new environmental technologies have great potential to improve the environment and, at the same time, boost the competitiveness of companies. Examples of environmental technologies range from recycling systems for waste water in industrial processes, to energy-saving car engines, which allow cars to use less fuel, to soil remediation techniques. However, there are still many barriers, including the complexity of switching from traditional to new technologies, and insufficient access to capital. The Action Plan, based on the results of extensive stakeholder consultations, aims to overcome these barriers through a concerted European effort to help maximise the potential of environmental technologies. It will also help the EU achieve its sustainable development goals in a cost effective way. The Plan should enable the EU to become a recognised leader in environmental technologies. Key actions include the launch of technology platforms with stakeholders in areas such as hydrogen and fuel cells, photovoltaics, and water supply and sanitation; establishing environmental performance targets for products and services; and making the most of funding schemes and public and private procurement policies.

The Plan contains eleven priority actions for the Commission, national and regional governments, industry and other stakeholders to improve the development and uptake of environmental technologies. These include:

- the launch of 3 technology platforms bringing together researchers, industry, financial institutions, decision-makers and other relevant stakeholders, to build a long-term vision on the research needs in this area and future market developments; the technology platforms on hydrogen and fuel cells and on photovoltaics are already planned to start in early 2004. A similar platform on water supply and sanitation technologies will be launched in early 2005;

- developing and agreeing on ambitious environmental performance targets for key products, processes and services. This will encourage their uptake by business and consumers, as has been shown for example by energy-consumption labels on fridges; and

- mobilising financial instruments, both within and outside the EU, to share the risks of investing in environmental technologies, with a focus on climate change, energy and small and medium-size enterprises (SMEs). The European Investment Bank, the European Bank for Reconstruction and Development, and the funding mechanisms resulting from the Kyoto Protocol (the Clean Development Mechanism and Joint Implementation) should play a role in this action.

The Commission is committed to the implementation of this Action Plan and asks Member States, the European Parliament and the European Council to:

- endorse this Plan and contribute to its rapid implementation;

- request the EIB Group and the EBRD to broaden the range of financing instruments, including venture capital, which can be effectively used to promote environmental technologies; and

- initiate the Open Method of Co-ordination to assist in implementing the specific actions in the Plan.

FINANCIAL STATEMENT :

- Budget lines concerned : 07 01 04 01 : Legislation, awareness-raising and other general actions based on the Community action programmes in the field of the environment - Expenditure on administrative management; 08 03 : Nanotechnologies, intelligent materials, new production processes and devices; 08 06 0101 : Sustainable energy systems; 08 06 0102 : Sustainable surface transport; 08 06 0103 : Global change and eco-systems; 08 08 01 01 : Supporting policies and anticipating scientific and technological needs; 08 08 01 02 : Horizontal research activities involving SMEs; 08 08 01 03 : Specific measures in support of international cooperation; 08 13 01 : Research programme for steel.

- Total allocation for action : EUR 23.676 million until 2008, of which DG ENV constitutes EUR 1.58 million and DG RTD EUR 22.096 million.

- Period of application: indefinite.

- Overall multi-annual estimate of expenditure (in commitments) :

a) Technical and administrative assistance and support expenditure (meetings of experts and studies) : EUR 23.676 million (EUR 5.700 million in 2004, EUR 4.014 million in 2005, EUR .144 million in 2006, EUR 3.674 million in 2007 and EUR 5.144 million in 2008);

b) Financial impact of human resources and other administrative expenditure : EUR 5.783 million over 5 years (EUR 1.1517 million per year). EUR 0.791 million allocated for human resources (7.3 permanent posts) and EUR 0.366 million for other administrative expenditure.

- Total Cost : EUR 29.459 million.

Stimulating technologies for sustainable development: an environmental technologies action plan of the European Union

2004/2131(INI) - 05/07/2005 - Text adopted by Parliament, single reading

The European Parliament adopted an own-initiative report drafted by Riitta **MYLLER** (PES, FI) on the Commission’s Communication on Stimulating Technologies for Sustainable Development: An Environmental Technologies Action Plan for the EU. (Please see the summary of 20/04/2005.)

Boosting demand for environmental technologies: Parliament welcomed the Communication as a useful basis for discussion and development of more concrete proposals on how to boost environmental technologies, but would like to see more emphasis on the development of the demand for such technologies. It pointed to the employment and growth potential of the environmental technologies sector, where a multitude of new business opportunities and, consequently, new jobs can be created – notably within small and medium-sized enterprises (SMEs) – which could make a crucial contribution to attaining the Lisbon objectives. Parliament recognised the role of environmental policies as a driver of innovation in market economies where innovation is sparked by exacting requirements. Strict environmental norms have led to EU leadership in many growth sectors. The EU should endeavour to remain a leader on the market fornew technologies and conceptual innovations. Parliament called on the Commission to set an ambitious target with regard to the EU's share of the global market for environmental technologies. It felt that within ten years the EU should attain a market share of at least 50%. The market for environmental goods and services is growing rapidly and EU companies should continue to play an important role on this market and profit from first-mover advantage.

Creating a fair and competitive market for environmental technologies: Parliament stressed theimportance of removing the barriers which slow down the wider use of environmental technologies. It called on the European Environment Agency to analyse to what extent Community rules act as a brake on the use and spread of environmental technologies. The Commission should subsequently draw up a concrete action programme to eliminate the barriers identified, including a timetable. Parliament urged the Commission to draft a report on the best practices which have increased the use of environmental technologies outside the EU, for example in Japan.

Parliament went on to call on the Commission to give the utmost priority to creating "the right market conditions" for environmental technologies, primarily through decisions at Community level, e.g. by implementing the polluter pays principle, thereby making sure that companies that offer clean technologies are rewarded. The development of environmental technologies, notably in the energy sector,has been hampered by important state aids for fossil fuels and nuclear power in the Community. Parliament strongly believed in the principle that external costs should be included in the price of

energy from different sources and that this principle should be a basis for the revision of the EU state aid guidelines due in late 2005. Eco-taxes are also an important tool to get energy prices right.

Meeting the demand for environmental technology: Parliament stressed the importance of providing research with sufficient means. It recalled the agreement reached in Barcelona in 2002 to increase spending on research and development in the EU in order to approach 3% of gross domestic product by 2010, and welcomed initiatives to increase funding and coordinate efforts in this field. The Seventh Framework Programme for Research must provide funding for environmental technologies. Parliament called on the Commission, in the proposals for the next Framework Programme for Research, to draw up a strategic research agenda per economic sector in consultation with all parties concerned (producers, environmental organisations, universities, research institutes and consumers).

Coherent policies on an internal as well as an external level: Parliament called on the Commission to make an assessment of internal and external spill-over effects of policies within the EU from the point of view of sustainable development in order to avoid objectives of the EU being undermined. ETAP must be coordinated with existing initiatives.

Finally, Parliament emphasised that sustainable development requires global solutions and welcomed all initiatives to promote environmental technologies in developing countries. Exports of outdated and polluting technology to third countries must be discouraged. The EU should take a leading role intechnology transfer. Parliament urged the Member States to encourage the public sector,the private sector and international financial institutions to promote environmental technologies and to give priority to environmental technologies in their lending while denying financial support to outdated and polluting technologies. It welcomed the recently adopted OECD recommendation on Common Approaches on Environment and Officially Supported Export Credits.