# TOPIC OVERVIEW BOOKLET

Tampere 2020 - National Session of EYP Finland







# **EYP FINLAND PARTNERS:**











# **SESSION PARTNERS:**



























FAFA'S Rauhaniemen kansankylpylä



















William Thurings stiftelse

# WORDS FROM THE PRESIDENT

Dear Delegates,

It is a pleasure to be able to share this academic preparation kit with you. The Chairs' team has spent several weeks working intensively towards researching the ten topics which you will be discussing in Tampere, picking out key relevant elements of information and articulating them into coherent and hopefully engaging texts.

The aim of the Topic Overviews is to give you a starting ground to stand on when it comes to your specific topic. Beyond these primary overviews, it will however be of the highest benefit for you to do further research. The more you read about your topic (and of course others, if your interest so guides you), the more familiar you will become with it – and with familiarity comes ease, confidence and most importantly enjoyment.

So, here are some useful ways to **be curious** alongside reading your Topic Overview:

- Reading up on the European Union and its <u>institutions</u> a little bit, in order to get a superficial grasp of how it works what powers it has vis-à-vis Member States and what kind of <u>legal action</u> it can take.
- Clicking on the links provided both throughout and at the end of your Topic Overview.
- Trying to answer the questions posed at the end of the Topic Overview by doing some research of your own.
- Embracing the fun of research whether you love this topic, or it is new (but hopefully still somewhat interesting) to you, do try to enjoy this opportunity to dig deeper into an important issue of today's world.

If you do not have enough time to explore all of the abovementioned, do come to Tampere with an open mind and the motivation to build on whatever starting ground you do have.

This being all said, be it in relation to your topic or academics in general, I rest assured you will not only come to this session, but also leave it having gained lots of new insight.

With my best wishes,

Aïcha Bouchelaghem

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# **Committee on Constitutional Affairs (AFCO)**

**For a greater cause:** Despite the 2019 European Parliament elections resulting in a higher voter turnout than in the past, there is a large inequality in participation between different income groups. Which measures should be taken to increase active participation for all occupational groups?

Chaired by Hanna Ryan (FI)

# 1. Introduction

"The idea of citizen participation is a little like eating spinach: no one is against it in principle because it is good for you." (Sherry R. Arnstein, author of "Ladder of Citizen Participation").

**Participation** can be defined as the freedom of choice to partake in an event, community or task. **Active participation** has further requirements, and refers to an individual or group influencing their own governance or other non-personal activities. There are <u>four different dimensions</u> in relation to active participation for societal benefit: political, economic, social and cultural.

The **economic dimension** revolves around the individual and the labour market, the right to work and be paid for the work. The **social dimension** focuses on the relationship between an individual and society, and how one affects the other. The **cultural dimension** focuses on an individual's cultural heritage and respect of said culture. They include different aspects, but all refer to the individual and the individual's responsibility and action within the dimension. Each dimension is related to each other, hence impacting the **political dimension** of active participation.

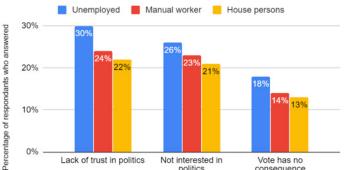
There are various ways to be **politically active**. The <u>most popular methods</u> are voting, signing a petition, joining a demonstration and participating in debates at a local level and on the internet. With the <u>increased use of the Internet</u>, more opportunities are available to those unable to be physically politically active. The use **social media** to, for example, spread awareness and promote a cause, has significantly increased and allows for a wider target audience to participate. Having politically active citizens is the cornerstone of any democratic nation. By putting attention on citizens and providing them with the opportunity to express their doubts and noticed inconsistencies, politicians and decision-makers can work according to the **public voice**.

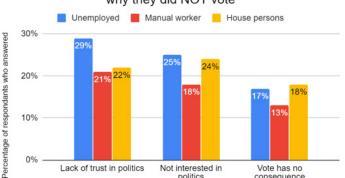
However, the <u>role of democracy</u> in Europe is failing, caused by **flawed democratic systems** in Member States, leading to mistrust in Europe and a sense of Europe's **incompetence** to provide for its citizens. In addition, political participation is **decreasing** across Europe. <u>Case studies</u> have found that **lower income** households have lower voter turnouts and pay less attention to local and national politics. This creates a **hierarchy** in which those with the highest incomes and most advantages are most involved in political participation and are "the voice" of the public, but only represent one social group.

# 2. Main challenges

The sociodemographic annexes from the <u>2014 European elections</u> and <u>2019 European elections</u> present justification for the hierarchical structure between occupational groups. In the 2014 elections, the turnout was highest amongst managers and self-employed, and lowest for manual workers and the unemployed. Additionally, lower income groups felt least that it was their duty to vote. The same statistics are illustrated in the 2019 election annex. Those with lower income are less likely to vote, hence participate, and were **more cynical of the EU**.







One explanation for this political withdrawal is **social exclusion**. Social exclusion refers to a social group or individual who is alienated from a more prominent group based on their disadvantages. Income, employment and education are considered reasons for social exclusion. Often those with <u>lower incomes feel socially excluded</u>. Many isolated members of society feel it is **irrelevant and meaningless to vote or be politically active** as they <u>set different priorities</u> and must focus on stabilizing their lives. Many individuals of low income groups feel political leaders are ignorant in regards to the struggles of those living with limited resources and how campaigns have little respect or representation of the socially excluded.

As political participation remains dominant at the high end of income distribution, due to the <u>struggle of economic influence on politics</u>, it **challenges how democracy is represented**. Active participation is required to ensure a democratic nation instead of institutions being led by privileged groups. However, as society is segmented based on factors such as education and

occupation, some individuals feel more <u>disconnected from political life</u>. Democratic states may not visibly provide **political knowledge** or inform on the **rights** of citizens, resulting in members of lower income groups being less interested in politics as there are no **direct benefits of actively participating**.

The **lack of circulating information** reaching low income households adds to their inactivity. Even with the widespread use of the Internet to publish information, many households face <u>challenges with receiving information</u> on how to be politically active. Many do not vote because they <u>were not properly taught</u> about their national government and party policies in any educational institution.

# 3. Main Stakeholders

To promote active participation in political surroundings, there is <u>little</u> the **European Union** can implement. The EU has a **supporting competence**, meaning it can recommend policy, but not adopt legally binding acts to be executed within the Member States in regard to **civil society**. Therefore, the EU can only congratulate, support or make suggestions. This makes it difficult, though not impossible, to approach EU citizens when encouraging political participation, as the EU has little influence on how Member States forward the proposal.

When it comes to encouraging active participation, **Member States**' governments have a fundamental role. As Member States must <u>ensure a democratic society</u>, policy-making is made to be as **transparent for civil society** as possible, allowing citizens to follow and understand the process. Technology is used, for example, to broadcast committee meetings and share draft legislations online to involve the public and provide a method for them to learn about political issues which are being discussed. This can indeed deepen the public's interest in political activities and encourage further participation.

**Non-governmental organisations** <u>provide a platform</u> for civil society to communicate with the national government, allowing citizens to be heard and work alongside policy-makers, being politically active.

One of the main responsibilities in active participation comes down to **civil society** and their choices. People are <u>repelled from politics</u> due to the negative connotation it carries and it disengages many from social participation.

Additionally, **the media** can deceive citizens by falsely or incorrectly interpreting and publicising a political decision, thereby aggravating the tension between decision-makers and the public. The **running belief** that there will always be disagreements amongst the public due to contradicting values and arguments also prevents individuals from partaking to portray and support political beliefs.

# 4. Existing measures

As Member States have the most essential role in supporting political participation, action has been taken forward to address the lack of involvement at the national level. For example, to test how active the public would be in discussing legislation, the Ministry of Environment in Finland presented a topic on a new law for off-road traffic, known as The Off-Road Traffic Act. Through a blog, citizens were asked to share any concerns with the topic, as well as ideas on how to solve the identified concerns, after which their input were brought to experts.

Member States can also apply **laws** relating to participation. For example, <u>voting in the European elections</u> is mandatory in 5 Member States: Belgium, Bulgaria, Cyprus, Greece and Luxembourg. Each Member State also has the right to determine its voting procedure, which varies highly between Member States, during national elections. Individual Member States give the public different extents of power, which can harshly **restrict some voters** and give more freedom of choice to others in different Member States. However, some believe that <u>compulsory participation should be disallowed</u> as it is not an intrinsic obligation and **violates** citizens' freedom of choice.

<u>Civil society organisations</u> (CSOs) are non-profit, non-partisan, non-violent organisations through which people <u>pursue their shared objectives</u> and <u>promote a cause</u>, which can be social, economical, cultural or political. They <u>allow members</u> to not only engage in political discourse, but also improve their social and organisational skills and interact with their community. <u>Civil Society Europe</u> (CSE) is a CSO which works to facilitate dialogue between the civil society and policy-makers. Such CSOs attempt to connect all members of society and <u>build interest and importance</u> in the themes each CSO discusses.

The EU has created <u>Directive 2003/35/EC</u>, which requires Member States to provide a platform for the public to participate in drawing up plans and programmes relating to the environment. It ensures that Member States activate their **public for political discourse** and inform them about proposals and programmes concerning decision-making. Member States are **free to adopt** whichever measure they choose. So far, only inquiries into legislative acts relating to the environment have been shared with the public, and no other section, such as industry and energy.

# 5. Key Questions

- Considering the cynicism of lower income groups towards the function of the EU, how can the EU increase interest in politics?
- As active participation is not obligatory and is often based on opportunity and motivation, what measures can be taken in order to engage all social groups to partake in political discussions or events?
- What methods should national governments use to provide every citizen with equal opportunity to be involved in conversations regarding new legislations?

# 6. Further Links

Guidelines for civil participation in political decision making, Council of Europe, 2017

The social situation in the European Union, European Commission based on Eurostat, 2009

The Psychology of Inequality, The New Yorker, 2018



# **Committee on Foreign Affairs (AFET)**

**Polar Powers:** With the decline of Arctic ice exposing new natural resources, the Arctic region grows in strategic importance. Considering the impact of further economic activity on the Arctic's fragile environment, what measures should European states take to promote sustainable economic development and resource management, while ensuring continued intergovernmental cooperation over the Arctic region?

Chaired by Christina Hönings (AT)

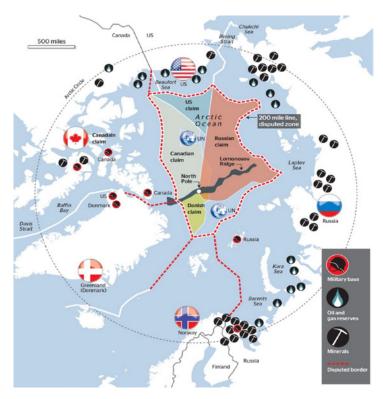
# 1. Relevance of the Topic

The Arctic is currently warming at twice the global average rate, a phenomenon known as Arctic amplification. Levels of Arctic sea ice reach a new minimum each year and are currently declining at a rate of 13% per decade. However, the changing climate has had much wider implications on the Arctic. The decline of ice sheets has made it economically feasible to extract resources from the ocean seabed and enabled new commercial shipping routes through waters which no longer require ice breakers to be passable.

With a changing landscape in the Arctic and unparalleled economic opportunities opening up, the longstanding **geopolitical race for control** over the Arctic region is entering a second round.

Coupled with the fact that the Arctic's land, internal waters and adjacent seas are under the divided jurisdiction of <u>eight sovereign states</u>, a potential conflict over **economic clout** becomes <u>increasingly likely</u>.

- 1 Arctic States: Canada, the Kingdom of Denmark (including Greenland and the Faroe Islands), Finland, Iceland, Norway, Russia, Sweden and the United States.
- 2 Link to picture: <a href="https://geosociopolitico.com/2017/09/27/part-3-the-arctic-and-the-future/">https://geosociopolitico.com/2017/09/27/part-3-the-arctic-and-the-future/</a>



# 2. Main Conflicts

Underneath the ice, the Arctic seabed is expected to hold approximately 20 percent of the world's undiscovered oil and gas reserves, both being natural resources which are highly sought after by companies and states alike. Presently, the exploration and exploitation of these mineral resources are the focal points of economic competition in the Arctic. Russia draws more than half of its overall oil production from Northwestern Siberia, while Alaska produces about 20% of US oil and natural gas output. Furthermore, the progressive decline in ice sheets is opening up a larger time window for using the Arctic as a profitable **trade shortcut**, particularly

in the <u>Northern Sea Route</u>, which significantly reduces cost and time needed for vessels from Europe to reach Asia.<sup>3</sup>



The Economist

This unprecedented economic potential inevitably gave rise to significant **geopolitical friction** between the Arctic states and other stakeholders. Each of the eight Arctic coastal states has sovereignty over the territory extending 200 nautical miles from their coastal waters, called **Exclusive Economic Zones (EEZ).** The territories which are not within the EEZs of Arctic states

- $3 \qquad \text{Link to picture: } \underline{\text{https://www.economist.com/the-economist-explains/2018/09/24/what-is-the-northern-sea-route} \\$
- 4 Exclusive Economic Zone: Defined by Art. 55 of the United Nations Convention on the Law of the Sea (UNCLOS), an EEZ of the Arctic is an area subject to the rights, duties and jurisdiction of the respective Arctic coastal state and in which the rights of other States are governed by Art. 58 of UNCLOS.

are unclaimed areas around the North Pole. The UNCLOS allows for a state to **extend** its EEZ up to a maximum of <u>350 nautical miles</u> if their claim is based on a scientifically proven natural prolongation of their <u>continental shelf</u>. These claims tend to overlap, resulting in growing geopolitical competition and **disputed territories** around the North Pole.

Growing competition in the Arctic further stands in conflict with its fragile environment. Scientists alert to the fact that the **Arctic permafrost**<sup>5</sup> holds twice as much carbon as the atmosphere does. The <u>thawing of permafrost</u> thus releases these **large carbon reservoirs** back into the atmosphere, increasing the amount of greenhouse gases in the Arctic and thus accelerating global warming. Moreover, the increased commercial activity in the Arctic through <u>Arctic shipping</u> and <u>Arctic oil drilling</u> causes an even greater rise in emissions.

#### 3. Main Stakeholders

- The United Nations Commission on the Limits of the Continental Shelf (<u>CLCS</u>) plays
  a vital role in the scientific assessment of <u>territorial claims</u> over non-EEZ Arctic regions.
  It is also the UN's <u>International Seabed Authority</u> which regulates the exploration and exploitation of natural resources in the international waters of the Arctic.
- In the **European Union**, the European Commission and the High Representative for Foreign Affairs and Security Policy have adopted an EU wide <u>Arctic policy</u> in 2016 which is based on <u>three cornerstones</u>: research into climate change, sustainable economic development, and international cooperation.
- Serving as an intergovernmental forum, the **Arctic Council** brings together all eight Arctic States, indigenous communities, non-Arctic observer states and non-governmental organisations (NGOs) to negotiate political, economic and environmental policies. Its aim is to promote cooperation, coordination and interaction amongst all stakeholders. Nonetheless, the EU has been denied observer status in the Council.
- A number of non-governmental organisations (NGOs) such as the World Wildlife Fund's (WWF) Arctic programme perform independent research into the impact of climate change on the polar regions, while also calling upon national governments and corporations to support the sustainable economic development of the area. On a business-to-business level, the Arctic Economic Council facilitates sustainable economic activities by sharing best practices and technological solutions amongst businesses operating in the Arctic. Furthermore, the Arctic NGO Forum provides a unique platform for various NGOs to exchange ideas and develop common policy strategies on Arctic environmental issues.
- A wide range of **actors in the private sector**, from oil drilling and shipping to renewable energy companies, share an interest in the economic utilisation of the Arctic. Moreover, the <u>Arctic Economic Council</u> comprises a large number of businesses which have committed to operating sustainably in the Arctic.

# 4. Existing measures & Good practices

- The <u>UNCLOS</u> is the international legal framework for political and economic cooperation concerning Arctic maritime issues. However, key stakeholders such as the US have not ratified the UNCLOS, rendering its crucial provisions on EEZs and international cooperation not legally binding for them.
- The <u>Antarctic Treaty System</u> (ATS) declared Antarctica as a scientific preserve, banning military operations, mining and fossil fuel extraction. In the Arctic, such a governance

<sup>5</sup> Permafrost: Permafrost is any ground that remains at or below the freezing point of water 0 °C for two or more years.

- regime is not yet in place, rendering it more vulnerable to unsustainable exploitation of natural resources and increasing militarisation.
- The International Convention on Oil Pollution Preparedness, Response and Cooperation (OPRC) by the International Maritime Organisation provides a global framework for combating the threat of marine pollution and oil spills at sea. States ratifying the OPRC are obliged to enact measures for dealing with pollution incidents, either nationally or in cooperation with other countries.
- The concept of 'Blue Economy' entails several policy standards for marine-based economic activities. For instance, a sustainable 'Blue Economy' is one which provides social and economic benefits for future generations, and which uses clean technologies and renewable energy to secure economic and social stability.
- With several expert and working groups, such as the Expert Group on <u>Black Carbon and Methane</u>, the **Arctic Council's subsidiary bodies** provide critical assessments and policy proposals on a wide range of issues from climate change to emergency response.
- The **Barents Euro-Arctic Council (BEAC)** promotes energy efficiency and renewable energy policies in the Barents region.<sup>6</sup>

# 5. Key Questions

# -Geopolitical challenge:

- Should the **unclaimed Arctic territory** be divided between the governments, and if so, how can it be divided fairly taking into account resource discovery and distribution?
- Can the **Antarctic Treaty System** serve as a model for Arctic governance, and how could governments with a heavy military presence be convinced of such a system?

#### -Economic challenge:

- Considering that new economic opportunities always go hand in hand with **growth and prosperity of Arctic communities**, how can the Arctic States incentivise businesses to pursue their economic interests in an environmentally sustainable manner?
- What role should innovative methods such as the development of a Blue Economy approach play in safeguarding the sustainability of economic development in the Arctic?

#### -Environmental challenge:

- How can stakeholders ensure the **protection and preservation of marine ecosystems** considering the increase in commercial shipping and the threat of oil spills?
- What further measures of **environmental protection** should be proposed towards a workable and effective climate governance in the Arctic?

# 6. Further Links

- How a Melting Arctic Changes Everything (This three-part article analyses the current state of the Arctic from an economic, environmental, and political perspective)
- <u>Walking on Thin Ice: A Balanced Arctic Strategy for the EU</u> (This strategy report offers statistical insights into the developments in the Arctic and the EU's cooperation with Arctic stakeholders)
- Getting it Right in a New Ocean: Bringing Sustainable Blue Economy Principles to the Arctic (This report outlines how the Arctic's economies can be developed to protect its ecosystem (focus on chapter 3))

<sup>6</sup> The Barents Region consists of the northernmost parts of Norway, Sweden, Finland and Russia.

- <u>Is there a link between the vanishing Arctic sea ice and extreme weather?</u> (This three-part documentary series illustrates the impact melting sea ice has on the Arctic, its population and ecosystem)
- Poles Apart? The Antarctic Treaty System as a Model for Arctic Governance (This paper explores the idea of using the Antarctic Treaty System to resolve issues arising in the Arctic)
- Oil in the Arctic TechKnow (This documentary emphasises the implications of oil drilling on the future of energy and climate change and discusses its potential risks in the Arctic)



# **Committee on Agriculture and Rural Development (AGRI)**

**Thinking Bee:** Given the recent rise in Colony Collapse Disorder, the problem of low profitability and various other threats faced by beekeepers in the EU, what steps can the EU take to support and encourage the vital work of beekeepers and avoid the potentially catastrophic effects of bee extinction?

Chaired by Conor Comiskey (IE)

#### 1. Introduction

Beekeeping is a vital part of European and global agriculture, as bees are major catalysts to the **pollination** process. Due to this, over <u>80%</u> of the crop yield and 75% of the food production in Europe depend on bee pollination. On a larger scale, the bee population greatly impacts whole ecosystems. They play a major role in **sustaining** plant and animal life in their <u>environments</u>.

In recent years, it has become increasingly clear that the population of many of nature's main pollinators, including honey bees and bumblebees, is **declining**. There is a **wide variety of reasons** for this decline including intensive agricultural practices and climate change. Beekeeping is an essential part of maintaining the stability of the bee population for the foreseeable future and thus it is of utmost importance for the planet.

However, as well as the external difficulties mentioned above, beekeepers face a multitude of **commercial challenges**. Although there are approximately 600,000 beekeepers in the EU, only

4% of these cultivate the minimum number of hives (150) needed to be professional producers. This shows that beekeeping does not attract a large number of cultivators who see the work as a business opportunity. Because of this, not enough honey is created in Europe to meet demand and the EU is forced to import 200,000 tonnes of honey a year from countries where apiculture is more profitable.

In short, bees are crucial to the existence of plant and animal life on planet earth. If they were to become extinct, the world's **ecosystem** would be **drastically changed**. Furthermore, an enormous proportion of global crop produce would suffer greatly, including many staple foods which make up a majority of the human diet. This could potentially lead to food shortages and even **famine**. Due to this, it is of paramount importance that beekeeping is supported within the EU. However, there are many different challenges to overcome in order to support this industry.

# 2. Main Challenges

There are several threats to the bee population in Europe and across the world. **Pesticides**, **parasites**, and **climate change** are all damaging the bee population. These issues also mean that only a small minority of European beekeepers are capable of producing honey at a **commercial rate**. In the United States, the issue of **Colony Collapse Disorder** has proven yet another threat to the survival of bees. All of these problems together mean that the future of beekeeping in Europe is very uncertain and in dire need of support.

Pesticides are used widely for agricultural purposes in Europe and around the world. According to WHO, pesticides are 'chemical compounds that are used to kill pests, including insects...by their nature, pesticides are potentially **toxic** to other organisms'. The toxicity is of pesticides is measured by an **LD50** value. These values <u>represent</u> how many milligrams of the substance per kilogram of an animal's body weight will kill the creature 50% of the time. The lower the LD50 value of a substance, the greater its toxicity. A <u>2018 study</u> of pesticide use in the United Kingdom and its potential toxicity to bees found that between 1990 and 2015, the potential number of bees killed annually in the UK by pesticides **increased sixfold**. It was found that approximately 89% of this total toxic load came from just three substances from the neonicotinoid class: imidacloprid, clothianidin, and thiamethoxam. Each of these three substances has been proven to be extremely toxic to bees but are still used widely and **legally**.

Other current threats to the bee population are posed by **parasites** and **diseases** which impact negatively on bee mortality. The parasite Varroa destructor is the most damaging obstacle to the global profitability of beekeeping. This parasite is a mite which feeds on the <u>fatty organs</u> of bees. Due to the parasites feeding on their organs, the bees become more susceptible to diseases and toxic pesticides as their bodies can't fight back. A **mixture** of all of these factors can **destroy** entire bee colonies and it is suspected that the recent phenomenon of Colony Collapse Disorder in the United States came from all of these threats combined. Some of these parasites are carriers of deadly viruses and they pass them on to bees. There are at least <u>18</u> different **viruses** which have been found to affect honeybees. These viruses, including deformed wing virus and acute bee paralysis, greatly impact on individual bee mortality but can also put whole colonies at risk.

Although beekeeping is vital for the health of the planet, it is still a commercial activity. It is clear from the above challenges that beekeepers face a great number of threats to their **profitability**. When whole colonies are being destroyed by parasites and viruses, beekeepers are losing money as well as the creatures' lives. This is an issue because people will be **less likely** to take up beekeeping if they assume they will be losing money. It has also led to the EU being dependent on honey imports from nations such as China and Turkey. The EU's apiculture sector becoming more profitable and self-sufficient may drive more EU citizens to take part in the activity.

#### 3. Main Stakeholders

- Agriculture is a shared competence and thus the Member States' governments also have a role in legislating in support of beekeepers. They are particularly important to this topic because the EU requires each Member State to have their own <u>National Plan</u>, which is drawn up every three years and attempts to improve the **production** and **marketing** of the apiculture industry.
- There are many <u>beekeeping associations</u> across the Member States, which work as support systems and resource hubs for all beekeepers in their regions. They are a key actor in promoting sustainable practices to beekeepers.
- The EU and its Member States can set legislation in order to limit intensive agricultural practices but it is up to private agricultural firms to what extent they embrace sustainable practices. Corporations have a responsibility to shareholders and thus they naturally act in the most profitable way, often disregarding the impact on nature. For some of these corporations, their produce depends on pollination and therefore they may be encouraged to adopt sustainable practices.
- Research Organisations such as the European Food Safety Authority (EFSA) do
  excellent work in studying the challenges facing bees and the possible solutions to
  these challenges. The EFSA's <u>'Pesticide Peer Review Unit'</u> is one of its many units which
  researches the challenges facing bees.

# 4. Existing Measures

# **Agricultural:**

- As mentioned above, each of the Member States is required to implement a <u>National Apiculture Programme</u> every three years. The goal of the programmes is to improve general conditions for the production and marketing of apiculture products. An example of one of these national plans which has had success is the one implemented in France, which has seen many <u>stakeholders</u> get involved in promoting the cause. By drawing up these plans, Member States become eligible to receive EU funding which can cover up to <u>50%</u> of total expenses relating to apiculture.
- The EU has many different pieces of legislation regarding the sale and use of pesticides.
   <u>Regulation No 1107/2009</u> forbids pesticides which damage human or animal health from being sold within the EU.
- There are also numerous non-EU measures in place both globally and in Europe to address
  the issue of pesticide use. These include the Agricultural Pesticide Programme of the
  OECD, the FAO's International Code of Conduct on the Distribution and Use of Pesticides,
  the WHO's International Programme on Chemical Safety and many others.

#### **Commercial:**

- Under the Common Agricultural Policy (CAP), the EU offers **co-financing** initiatives for promotional measures run by the Member States' governments. The campaigns mainly aim to promote the merits of agricultural produce, for example honey. Campaigns can receive up to 85% of their funding from this scheme.
- There are a number of EU Quality Schemes which give consumers assurances on the geographical origin, product quality, and other quality-based aspects of agricultural produce such as honey. Labels are placed on the product packaging so consumers can easily recognise which items are guaranteed quality.

# **Research-based:**

• There have been many past and ongoing important studies into the issues faced by bees in recent years. One of the most significant of these research projects was the 'Bees in

Europe and the decline of honeybee colonies (BEE DOC)' study carried out between 2010 and 2013. BEE DOC sheds new light on the main factors affecting bee mortality and research such as this will be extremely important going forward.

# 5. Key Questions

- How can the EU support beekeepers in their efforts to fight the parasites and diseases which are increasing bee mortality?
- What measures can be put in place to make the apiculture sector more profitable within the EU?
- How can beekeepers be supported in **preparing** for the **possibility** of Colony Collapse disorder becoming prominent in Europe?
- In what ways can the EU **discourage** the use of pesticides which prove **toxic** to many important species including bees?

#### 6. Further Links

#### **General Information:**

- A short <u>briefing</u> about the beekeeping sector in the EU.
- An <u>infographic</u> with key facts about Europe's honey market.
- Opinion piece: European beekeeping in crisis.
- <u>Pesticide toxicity</u> and hazard explained.

# **Research Papers:**

- <u>BEE DOC</u>: A study into the decline of honeybee colonies in Europe.
- <u>Breakdown</u> of a study into honey bee parasites and disease.
- Study of the rise in toxic load for bees in Britain.
- All of the <u>ongoing</u> EU research projects on bees and pollinators.

#### **Videos:**

A Kurzgesagt video about bee death.



# **Committee on Human Rights (DROI)**

**Get with the trend:** One in every six people worldwide work in the textile and clothing industry. The majority of these workers are children and women, who are subjected to unethical working conditions and receive less than a living wage. What measures can the EU take to ensure human rights are upheld for workers in the fashion manufacturing industry?

Chaired by Cameron Dunn Merelle (FI)

"Fast fashion isn't free. Someone, somewhere is paying."

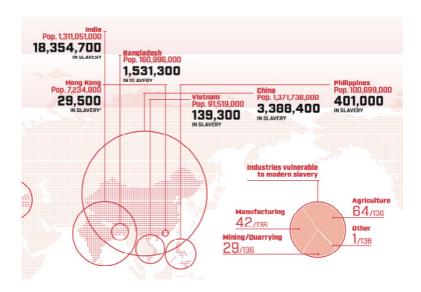
Lucy Siegle

# 1. Relevance of the Topic

During the early twentieth century, the fashion industry was thought to be a long thought out process carried out by esteemed designers who spent months planning and predicting the next major trends.<sup>1</sup> This approach to fashion was in line with consumer **demand** at the time and ensured **quality** was the priority.

<sup>1</sup> Laver, James. *The Concise History of Costume and Fashion*. H.N. Abrams, 1969.

As time progressed, the standard of both the health and safety of workers and the quality of the clothes produced started declining.<sup>2</sup> This was due to the demand for ever more **frequent new clothing collections** causing the overworking of fashion industry workers and therefore harming their health. Indeed, they were subjected to <u>harsh working conditions</u>. The situation today is no different; with **fast fashion** employing the replication of runway trends, rapid production, and poor quality materials in an attempt to supply the public with <u>inexpensive fashion</u>, there seems to be a lasting negative impact on both the environment and human welfare.



Fast fashion companies such as H&M, Zara and Next have recognised that in order to acquire the highest **profit** margin possible, they must utilise the **cheap labour** offered in developing countries such as **Bangladesh**, **India** and **Indonesia**. Due to the minimum wage being so low in these countries, many workers' survival depends on the earnings resulting from these jobs, despite their being overworked **without paid overtime** and subjected to **verbal or physical abuse**.

In 2013, many Bangladeshi fashion workers were the victims of the collapse of the **Rana Plaza incident**, a large eight-story building that worked as a clothing factory. This disaster caused the **death** of close to 1100 workers and injured thousands more. The workers had made countless complaints **before** the collapse in relation to strange sounds coming from cracks in the wall, but were <u>ultimately ignored</u>.

The Rana Plaza incident opened the world's eyes to the harsh reality of the working conditions to which fashion workers are subjected. This being said, the question still stands as to **why this problem was not recognised before**. Even though some large companies who sourced from Bangladesh took a stance to help improve basic worker rights, other companies have avoided mentioning it entirely.

<sup>2</sup> Siegle, Lucy. *To Die for: Is Fashion Wearing out the World?* Fourth Estate, 2011.

# 2. Key Terms

- Fast fashion A term commonly used by fashion retailers which refers to the act of reproducing current runway trends, i.e. designs created by high-end luxury brands, and selling them at a cheap price and at a fast rate.
- **Living wage** a wage high enough to allow a worker and their family a basic but decent rate of living. The living wage depends on the current economic development of a state as well as the amount of money required to live above the poverty line.
- **Sweatshop**-a workplace for the manufacturing of clothes which barely meet requirements in regards to health and safety regulations, putting the workers' lives at risk. Sweatshops are often heavily overcrammed and do not provide workers with proper ventilation or running water.
- International Labour Organisation (ILO) ILO is an agency of the United Nations which strives to uphold better global working rights by collaborating with governments, employers and workers.
- **Offshoring** The act of relocating from one country to another. In this context, the term refers to the relocation of garment factories in order to access cheaper labour for a larger profit.

# 3. Conflicts

Asia accounts for close to <u>70% of all textile</u> manufacturing in the world. It has become particularly attractive to budget brands due to the low cost of living in certain <u>Asian countries</u> and therefore a low minimum and living wage.



Global fashion brands have thus become core customers of local garment producers, both because of the <u>low prices</u> promised and the short production timeframes. Moreover, brands are thereby able to bring changes to product design, product volume, and production timeframes, and place last-minute orders **without accepting increased costs** or **adjustments** to delivery dates. However, this margin of freedom usually affects factory workers through causing them additional, <u>excessive stress</u>. They are pressured and <u>forced to work overtime</u> to meet the new company deadlines **imposed by larger corporations**.

The attempt to find cheap labour in developing countries also implies the use of **child labour**. As the fashion industry requires a low skill set, child labour is indeed very common, with <u>170</u> <u>million children</u> working in the manufacturing of clothing. Employers perceive children as easy to **manipulate** and therefore have them work for an <u>even lower pay</u> and in life threatening conditions.

Similarly, the use of forced labour is also common practice, especially in smaller manufacturing countries such as <u>Uzbekistan</u>. Every year, Uzbek workers are forced by the government to **abandon their current workplaces in order to pick cotton**. These workers work close to 14-hour days and receive minimal breaks in between, in order to satisfy the clothing demand. Some children are also sometimes subjected to forced labour, and are therefore forced to **halt their education** in order to work. The combined forced, child and subjective labour has been compared to <u>modern day slavery</u>.

Despite constant cries for help and reform from both the workers and non-governmental organisations (NGOs), **governmental bodies** as well as **media outlets** tend not to bring the issue to light <u>unless catastrophic incidents occur</u>.

# 4. Clarification

Over the past decades, solving the human rights issue of fast fashion has proven to come with great difficulties, as this problem mostly lies outside of Europe. Whilst the **EU** thus has **limited power** over the issue, influence can be applied through legislation and pressure on both corporations and consumers. For example, the EU does have some control over clothing corporations within its borders and can therefore affect the imports and exports of said corporations.

Whilst creating a single relevant legislation has proven difficult, a significant opinion shift in consumer behaviour has nonetheless been recognised, with more and more consumers favouring **sustainable clothing** brands and **second hand clothing** over name brands. A significant enough change in consumer opinion might cause a chain reaction which could ultimately lead to making the frenetic production of new clothes unnecessary.

Moreover, in the **European Parliament**, the Committee on **Human Rights** stands as a **subcommittee** to the Committee of **Foreign Affairs**. This entails that the former has limited power in regards to decision-making, and the complexity of foreign policy trumps the EU's concerns with fashion manufacturing workers' rights.

On a different note, workers in the fashion industry are often subject to **intimidation tactics** when it comes to **unionising**. Although some unions do exist, they are most commonly created by factory management and serve the sole purpose of pleasing clients. Otherwise, workers are **discouraged** from unionising through intimidation in the form of **abuse or violence by managers**. Unions would however allow workers sharing a similar opinion the possibility of negotiation with their employers in relation to their respective worker rights and conditions through bargaining.

When confronted, **governments** of countries from which fast fashion brands supply their labour tend to draw emphasis on the **job opportunities** created through the fashion industry. Despite inhumane working conditions, they argue that this industry indeed offers jobs to those without an education or with financial problems. The money workers do receive however does not suffice to assure them a <u>decent standard of living</u>.

# 5. Key Questions

- What kind of solutions has the EU attempted in the past?
- How and to what extent can the EU influence (imports by) clothing corporations producing clothes in places which use forced labour, or in any form fail to abide by ethical standards?
- Though the main problem does not occur within Europe, in what ways can the EU improve fashion industry workers' conditions?
- How can consumers contribute on an everyday basis?

# 6. Further videos

- A 50-minute <u>documentary</u> on the conditions of sweatshop workers
- A <u>TED talk</u> by Maxine Bedat explaining the cost of fashion
- A <u>news report</u> on the child labour used



# **Committee on Economic and Monetary Affairs (ECON)**

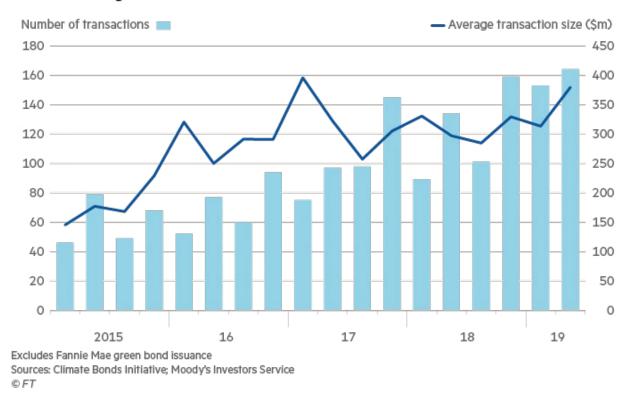
Money doesn't grow on trees: 180€ billion are still needed every year in order to reach the aims set by the Paris Agreement, while the issue of corporate greenwashing is gaining increasing attention in stock markets. What action can the EU take in order to foster sufficient and transparent green investment flows?

Chaired by Emilė Petravičiūtė (LT)

# 1. Introduction

The climate crisis cannot be overturned anymore, although it could still be managed to a certain level with common effort. To create an international action pathway, the <u>Paris Climate Agreement</u> was established. Its main goal is to limit the global average temperature increase to 1.5°C. In addition, the EU, at the forefront of international efforts to fight climate change, has set an aim to reduce greenhouse gas emissions by at least <u>40% by 2030</u> compared to 1990. However, the EU like other international organisations are aware that the **limited government funds** which have been invested in tackling climate change are <u>not sufficient</u> to reach these goals. Therefore, they are calling on **private companies and individuals** to focus on investments with a sustainable and green perspective. The climate crisis is <u>generally recognised</u> by consumers, investors and businesses, thereby allowing an increase in the number of green bonds, or in other words, assets contributing to tackling climate change.

# Number of green bond transactions and average transaction size are increasing over time



While one might wonder what **sustainable investments** entail, there is no definite, commonly accepted answer. There is <u>no official definition</u> of what kind of investment is considered green and this creates a substantial number of problems. Businesses remain profit-driven bodies, even in the context of a climate emergency. They tend to seek to be <u>considered sustainable</u>, mainly to build a more attractive picture to investors and consumers. With no rules on what counts as a green bond, the opportunities for **'greenwashing'** open up, leading to over-estimated statistics and thus less efficient fight against climate change.

# 2. Vocabulary

- **Green finance** a process of making financial investment decisions by prioritising environmental protection and action against climate change.
- <u>Climate or green bonds</u> financial investments that are linked to climate change solutions and gain fixed interest.
- <u>'Greenwashing'</u> -misleading marketing, promoting a company as having environmentally friendly policies and goals. This often involves banks and funds disclosing only partial information about the company's activities and falsely promoting its investments as green. Financial institutions are able to decide by themselves what qualifies, and is therefore passed off as sustainable.
- <u>Green taxonomy</u> a classification tool of environmentally friendly activities, which the European Commission is currently working on. It would be used by investors and companies in making financial investment decisions.

# 3. Stakeholders

- **Private businesses** are profit-driven organisations which raise their capital through either debt or bond sale. As green investment and sustainable finance are gaining popularity, it is in their interest to promote their bonds as 'green' to attract more investors.
- **Private investors** are individuals or businesses who invest their own money into a company, with the goal of helping that company succeed and getting a return on their investment. In the context of climate change, <u>investors care</u> about the company's environmental protection policies, because sustainable businesses have better reputation thus are more successful, more profitable and can generate higher returns on investments.
- **Stock exchange markets** are markets for buying and selling companies' bonds; in other words, markets for investing in private companies. To be listed in a stock exchange market, the company has to provide detailed, transparent information on its activities so the investors can make appropriate financial decisions. Some of the stock exchange markets, including the London Stock Exchange market, are considering <u>tightening their standards</u> on green bonds.
- The <u>European Commission</u> is the EU institution responsible for proposing legislation and enforcing decisions. It is currently <u>framing legislation</u> on green investments and green bonds. It has organised a <u>High-level expert group</u> on sustainable finance and has prepared an <u>Action Plan</u> on financing sustainable growth.
- The <u>European Investment Bank</u> is also an EU institution and describes itself as the lending arm of the European Union. It invests in various businesses and projects across the EU and worldwide. It mainly targets <u>environmentally friendly</u> and socially responsible businesses. The EIB consists of two parts: the European Investment Bank and the **European Investment Fund**, which specialises in finance for small and medium businesses.

# 4. Measures in place

**The European Commission** recognises the importance of stimulating and defining green finance and has been working on this issue for a few years now. In 2016, the European Commission established a **High-level expert group** (HLEG) responsible for assisting it in creating legislation on green finance. The HLEG delivered a <u>final report</u> in January 2018, which consists of a number of recommendations for new legislation. One recommendation was to establish a **taxonomy** of sustainability, which would identify under which conditions or criteria any given investment or financial product can contribute to the EU's sustainability objectives.

Based on the recommendations of the HLEG, the European Commission drafted an <u>action plan</u> for financing sustainable growth. The **action plan** sets out a strategy on green finance in the EU. Its key actions include implementing the mentioned taxonomy, evaluating the current reporting requirements for companies in order to ensure they provide investors with the right information and supporting financial institutions which contribute to sustainable projects. Proposals for actions on sustainable finance are currently under way. EU Member States and the European Parliament aim to agree on the sustainability taxonomy <u>by the end of 2019</u>.

In June 2019, another expert group was formed by the European Commission, called Technical Expert Group (TEG) on sustainable finance. The TEG published a <u>report</u> in which it proposes the Commission create a voluntary, non-legislative **EU Green Bond Standard** to enhance the effectiveness, transparency, comparability and credibility of the green bond market and encourage market participants to issue and invest in EU green bonds.

The **EU Green Bond Standard** is already used by the **London Stock Exchange Market** to set a standard for companies wanting to join their **Sustainable Bond Market**, an exchange market segment offering opportunities for green, sustainability and social bonds and aims to provide investors with transparent information.

The **European Investment Bank** commits <u>at least 25%</u> of its investments to climate change mitigation and adaptation every year. Its committed to gradually increasing the share of its financing dedicated to climate action and environmental sustainability to reach 50% of its operations <u>in 2025</u>.

#### 5. Main conflicts

The European Union reduced its **CO2 emissions** by 2.5% over the past year, with all but eight of the EU's 28 nations emitting less greenhouse gas in 2018 than the year prior. However, in order to meet the EU energy and climate targets for 2030 and ensure a transition to a low carbon-and more environmentally sustainable economic model, the EU faces an **investment gap** of €180bn of additional investment per year. Attracting private capital to the activities that have the highest impact on climate is therefore key.

However, there is currently <u>no common understanding</u> of which economic activities can be considered environmentally sustainable, which is one of the factors contributing to this investment gap. **Financial institutions** identify sustainable economic activities and green assets within their business on a voluntary basis; it is not up to any common authority to define what activities can be considered sustainable. Consequently, almost 50% of the total managed assets in 2018 in Europe, a sum as high as <u>14 trillion US dollars</u>, have been deemed 'sustainable investing assets'. This said, given the continuing lack of sustainable finance, these 50% do not seem to be an accurate number, but rather the result of **greenwashing**. Moreover, investors often find it too burdensome to check and compare different information for different financial products. This creates <u>uncertainty</u> and discourages investors from investing in green finance, and thus hampers the transition towards a sustainable economy.

To tackle these problems, European institutions are working on a **taxonomy** which would provide a common definition of **sustainable finance** and **green bonds**. The legislation will likely enter into force within 2021 or 2022. But investors and finance institutions such as the London Stock Exchange Market are already using recommended taxonomy criteria to ensure their investments are green.

However, some **worries** have been expressed about the **efficiency** of the new taxonomy project. Officials in the taxonomy legislation negotiations say EU governments want to <u>limit the scope of the rules</u> to include only those admitted green funds and lenders. Traditional "dirtier" lenders who have no interest in launching sustainable finance products would remain untouched. In other words, the taxonomy urges firms and financial institutions, that are already putting effort to move towards greener pathway, to disclose transparent information on their assets, but does not do much to encourage traditional lenders to launch green finance products or tackle the companies which pollute the most. To this the **TEG**, which proposed the taxonomy legislation, replies that in the future the <u>taxonomy will expand</u> and will also include activities in economic sectors which have a negative impact on the environment as long as they reduce that negative impact substantially.

# **6. Key Questions**

- What should be considered as 'green finance' and 'sustainable bonds'? Under which criteria?
- How different financial and legislative bodies cooperate in implementing this taxonomy?
- How can the current taxonomy project be changed to reach the sustainability goals of the EU faster?
- Is there any other way to encourage transparent and efficient green investment than through a sustainability taxonomy?
- How can the European Investment Bank foster green finance?

# 7. Further Links

- A short video explaining green finance.
- A video by European Investment Bank explaining green bonds.
- Frequently asked questions about the taxonomy.
- Summary about taxonomy.
- London Stock Exchange Market initiatives on green finance: <u>Green Economy Mark</u> and <u>Green Revenues taxonomy</u>.



# Committee on Environment, Public Health and Food Safety I (ENVI I)

**Trash talk:** It is estimated that a third of all food products are not consumed, which means that on a global scale, 1.4 billion hectares of land - an area three times the size of the EU - are potentially being used to produce food that is ultimately wasted. How can the EU minimise food waste and food loss from production to distribution, without eroding food safety standards?

Chaired by Sofie de Jong (NL)

# 1. Relevance of the Topic

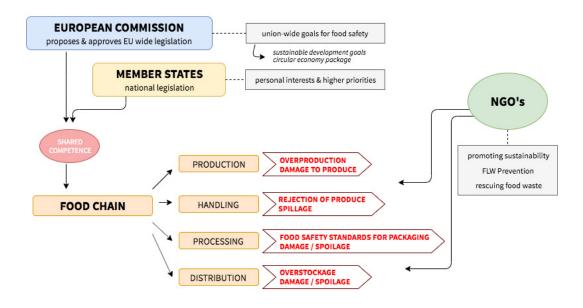
Each year, nearly one third of the world's food production is either lost or wasted. Not only does this result in an **economic loss**, as it generates \$940 billion in global economic losses annually, it means that all of the natural resources used for growing, processing, packaging, transporting and marketing that food were also wasted. All the production efforts of the wasted food combined emits **3.3 gigatons of greenhouse gasses**. According to the <u>UN's Food and Agricultural Organisation (FAO)</u>, food waste has a **global carbon footprint of about 8%** of all global greenhouse gas emissions caused by humans. Seen on a global scale, that would translate to being the third-largest emitting country. In addition, this lost or wasted food (FLW) is the main contributor to **deforestation** and the **depletion of global water sources**.



Besides the effects food waste has on the climate, it is also a **waste of good and nutritious food and resources** whilst there are still families going hungry. It is estimated that some <u>43 million</u> <u>people in the EU</u> cannot afford a quality meal every second day. On top of that, the global demand for food is expected to <u>increase by 70% by 2050</u>, meaning this issue will only increase in the future if no action is taken. All actors in the food chain play a significant role in preventing and reducing FLW, from those who produce and process foods to those who make foods available for consumption and ultimately consumers themselves. Promoting the reduction of food waste can in turn potentially increase the efficiency of the whole food chain.

#### 2. Main Actors

(fig. 2 - Main actors involved in the topic)



# 3. Main Challenges

There is not one single cause with one single solution to food waste. The food supply chain is a complex and dynamic system and the responsibility to tackle this problem applies to every step of the chain. When looking at FLW from production to distribution, many countries, cities, companies, and other entities initially **lack sufficient insight** into the process of food loss. It is recurrently unclear how much, why, and where food and/or associated inedible parts are removed from the food supply chain. This complicates the **process of developing strategies** and **prioritising actions** to prevent FLW. Apart from obtaining this relevant data, companies have both **internal and external motivation** for tracking their FLW. These numbers can help companies fulfil corporate sustainability goals, improve employee engagement and reveal where their costs can be reduced.

Generally speaking, in highly industrialised countries, food is wasted predominantly at the sales and consumption stages, while in developing countries food begins to be wasted at the manufacturing and processing stages. Yet, even though half of the amount of the EU's FLW lies at the consumers' end, there still needs to be a change in how the food supply chain is run. There is a general belief among citizens that the EU can afford to waste food, as the price tag on the wastage is not relevant for them. In this manner, the industry at the core of production is not held accountable for its initial waste or surplus production, similarly to the distributors and other actors down the line. This is partly caused by a lack of coordination between different actors in the supply chain. The food industry has seen a transition from supplying just the necessary amount to a system where all products are constantly available, whether they are consumed or not. As a result, there are little to no economic incentives for businesses to change their ways and put not only effort but also money towards more environmentally friendly practices.

Moreover, recent years have witnessed a trend of **market globalisation** as well as the demand for more food, especially without regard to seasonal availability. This requires food to be fresh for longer and available at all times. On the other hand, supermarkets still have a habit of **overstocking shelves**, and **transport lines** from harvest to market have only grown longer over the previous years. As a result of these developments, larger amounts of food are lost or wasted, both because the journey from farm to fork is further expanding and because large amounts of food are wasted as a **precaution** to avoid <u>food safety</u> risks. **Consumer behaviour** plays a large role in this; however, this is to an extent shaped after the practices of the industry. Indeed, improving the regulations and marketing in the distribution stages may reduce the amount of unnecessary food waste.

# 4. Measures in Place

Food loss and waste falls under the **shared competence** of the EU and its Member States, meaning that both may adopt legally binding acts in the area concerned, with EU-wide legislation always having a legal priority.

In 2015, the United Nations Department of Economic and Social Affairs (UNDESA) established 17 <u>Sustainable Development Goals</u> (SDG) with the aim of achieving a **better and more sustainable future** for all. One of these goals is to ensure <u>sustainable consumption and production patterns</u>.

Under the action plan for the <u>Circular Economy</u> (CEP), the European Commission promised to develop a **common EU methodology** to measure food waste. Even though the food waste related actions of the CEP were ultimately rejected by the European Commission, who solely proposed that Member States develop national food-waste prevention strategies individually, some European-wide efforts and plans did reach implementation. In 2016, the EU <u>Platform on Food Losses and Food Waste (FLWP)</u> was founded, with a sub-group on 'Action and Implementation'. The platform functions as a multi-stakeholder platform that helps to define which measures are needed and facilitate inter-sector co-operation. Part of this platform is the **Food Loss and Waste Accounting and Reporting Standard** (<u>FLW Standard</u>). The mandate of the Platform, initially foreseen to end on 31 October 2019, has been **extended** until the end of 2021, to further make an effort to reach the SDG targets.

The SDG targets have induced many different EU-supported projects and NGOs whose mission is directed towards preventing and reducing FLW. The Horizon 2020 REFRESH project has cooperated with the FLWP in order to establish the REFRESH Community of Experts (CoE), a web platform open to stakeholders and aiming to provide a space to **share their experiences and best practices** in food waste prevention. The #reducefoodwaste network is another example of an EU-supported platform, which provides a **space for discussion on current developments.** Wrap leads multiple industry campaigns aimed at supporting the industry and working with local authorities, communities and organisations to **reach their food waste reduction and resource efficiency goals**.

Despite all these efforts, the SDG's targets are exceedingly moving out of reach. With worldwide material consumption still rapidly increasing, more and stricter regulations are needed from an EU-wide perspective. However, the Commission and the Council are hesitant to enact meaningful legislation. This being said, each Member State can, to a certain degree, propose and implement **national legislation** on the ways their businesses are required to prevent or handle their leftover, lost and wasted food. This way, some countries have taken the lead in developing promising strategies and legislation to prevent and reduce FLW.

In France, for example, a <u>law</u> was passed in 2016, obliging supermarket chains to donate unsold food to charities or face a €3,750 fine. Similarly, Italy has adopted <u>legislation</u> that defines food chain surpluses and in return provides a hierarchy for the recovery of excess food, giving priority to human consumption. <u>Norwegian supermarkets</u> have set in place different strategies to reduce food waste. These include, amongst others, the promotion of food with a short shelf life at a reduced price and the redistribution of surplus food to charity. Whilst efforts and strategies were made theoretically, practically it seems that **more transparency and collaboration** between supermarkets and charity organisations is still needed to put such ideas into efficient practice.

# 5. Key Questions

- How can the EU impart corporations with a feeling of urgency to deal with FLW, while alternative priorities are competing for the budget?
- What will stimulate Member States, especially ones with less stable economies, to focus on taking a more sustainable approach regarding their food supply chains?
- In what ways can EU-wide legislation be implemented to tackle FLW along the entire supply chain?
- What will be the impact of such legislation on small or start-up businesses?
- How can smaller and local food producers and retailers be supported in their efforts to work more sustainably, whilst not influencing the free market sphere?
- What should be the balance between a sustainable food supply chain and food safety?

# 6. Further Links

- <u>Food wastage footprint</u> (Video by the United Nations Food and Agriculture Organisation (FAO) explaining the global food wastage footprint and giving examples of directions for possible solutions of this)
- Food waste: the problem in the EU in numbers (Infographic from the European Parliament giving more insight on which sectors and countries waste the most food)
- <u>More than £1bn of food wasted before reaching supermarkets</u> (**Article** by the Guardian which gives insight into how much food is lost in the initial cycle of production)
- <u>Tackling food waste: turning nemesis into a saviour</u> (Euractive **article** on the role that food packaging plays in minimising food waste)
- <u>Global Demand for Food Is Rising. Can We Meet It?</u> (Article from the Harvard Business Review which questions the efforts made to meet the ever-rising global food demand and what that will do to the levels of FLW)
- <u>Building a Business Case to Take Action Against Food Waste</u> (A Consumer Goods Forum's
   article on why food waste measurement is important and why and how it impacts a
   business's profit margin)
- <u>Food Safety: Why it matters</u> (**Podcast segment** from the Food and Agriculture Organisation (FAO) explaining why every individual should care about food safety)
- <u>A modern and sustainable food law in the EU</u> (**Infographic** from the European Commission explaining more on recent legislation surrounding food safety and its purpose)



# Committee on Environment, Public Health and Food Safety (ENVI II)

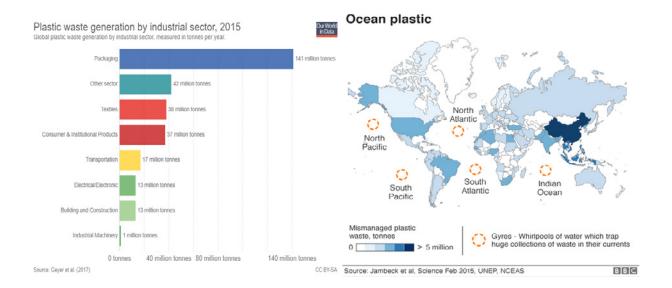
**Wrapping it up:** Despite recent EU legislation, Member States continue to allow the usage of single-use and other plastic packaging for many products available to consumers. Taking into account the demand for such products and the need for easy transportation of goods, how can the EU encourage Member States to use more sustainable packaging materials, while also maintaining the high standard of food safety that Europe currently enjoys?

Chaired by Doireann Brosnan (IE)

# 1. Relevance of the Topic

With recent <u>European legislation</u> **banning** single use plastics, the EU seems to be progressing on its journey towards sustainability. However, not only single use plastics cause a problem. With only **42%** of packaging **recycled**, products traded in Europe use excessive <u>non-sustainable packaging</u>, though they sometimes do not even need it. Bananas, for example, are often found wrapped in plastic, when their skin is perfectly adequate to protect them. A lack of sourcing products locally also contributes to this issue. Even the process of creating plastic – fracking – is in and of itself <u>harmful to the environment</u>.

A study performed by Great Britain's Royal Statistical Society showed that a massive 91% of plastic isn't recycled, and only 12% of all plastic ever created has been incinerated. However, the solution does not solely lie in recycling. Plastic, unlike glass and metal, can only be recycled a number of times before it must be discarded, becoming effectively non-recyclable. While 73% of glass in Europe is recycled, this is only the case for just over 40% of plastic packaging waste. In addition, recycling uses a substantial amount of energy, including collecting, sorting, processing and transporting the materials, regardless of whether they are plastic, glass or metal. Therefore, it is absolutely imperative that we re-evaluate the circumstances which require us to use such harmful substances for the preservation and transport of our products. Clearly, it is not only single-use, but also various other forms of packaging which need to be removed from Europe to solve this issue. Below are two graphs; the first displays the colossal proportion of plastic packaging in plastic waste and the second indicates the main areas where garbage circulates in the oceans.



# 2. Key Terms

- <u>Biodegradable:</u> decomposable by bacteria or other living organisms, often produced to create a more sustainable environment.
- <u>Single-use</u>: only used once and is not reused or recycled by the user.
- <u>Hydraulic fracturing:</u> also known as *fracking*; the process of pumping highly pressurised liquid into the ground, forcing fissures to open, in order to extract crude oil, which is used in the creation of plastic.
- <u>Microplastics</u>: miniscule plastic particles less than 5mm that pollute the environment and are dangerous when consumed by humans as they carry toxic and carcinogenic chemicals.
- <u>Sustainability:</u> property of efforts to avoid the long-term depletion of natural resources while carrying out tasks in order to preserve them.
- **Recycling:** the conversion of waste of a particular substance into that of another product which can be reused.

#### 3. Conflicts & Measures

#### **Conflicts**

- The increase in single use plastics is causing serious damage to the environment. Plastic that isn't recycled remains intact for around 450 years before finally decomposing. A lack of recycling across Europe has resulted in vast amounts of ocean pollution, resulting in serious wildlife endangerment and excessive consumption of microplastics via seafood. Microplastics are also consumed through the air and through bottled water. A study in the Environmental Science and Technology journal showed that those who consumed bottled water rather than tap water ingested up to 90,000 more microplastic particles than the average individual.
- The process of fracking damages the land and environment. It can take almost 10 million gallons of water to frack a single well (an area in the ground, often relatively deep, in which pockets of oil reside), and the negative effects of this include the release of harmful gases into the air causing pollution, that water sourced locally near the area of the fracking wells can become undrinkable, and the surrounding soil is in danger of being damaged by potential oil spillages.
- While <u>legislation</u> banning plastic has been discussed and approved, it has yet to be implemented, and is not expected to come into force until 2021. Therefore, there is currently no official EU legislation in place regarding the single market-wide ban of plastic packaging.
- Many items which do **not** require packaging, such as cucumbers or watermelons, are being coated with plastic. This, for example occurs to prevent bananas from <u>ripening</u> more quickly, since many such products are sourced from abroad.
- There are little to <u>no incentives</u> for large **corporations** to switch from plastic packaging to sustainable replacements. This results in **no research or development** being carried out by packaging suppliers, since there is no demand.
- Due to the lack of research and development, there is <u>no cheap alternative</u> to plastic packaging, since, in order to make the transition, companies would need to **invest** in the research required for the discovery of an alternative, as well as its production. This would require substantial funds, support, time and effort.

#### Measures:

- In order to reach the Sustainable Development Goals, the European Union has recently
  voted to support a ban on nearly all single use plastics across the continent. In addition,
  the European Commission submitted a strategy on the reduction of plastic waste.
- In countries such as Ireland, a **tax** has been implemented on plastic bags. Starting in 2002, this initiative was the first of its kind in the EU, charging no more than **15 cents** per bag. This generated substantial government income and led to a usage **reduction** of 90%. Since then, other countries and constituent countries have followed suit, such as Italy, Germany and Scotland.
- Some main **food suppliers** are becoming sustainable, such as the supermarket Lidl, which has recently introduced **biodegradable bags** to replace their plastic bags for fruit and vegetables. They are slowly implementing this <u>plan</u> across Europe.

#### 4. Outlook/ Future Implications

If the EU continues to use excessive amounts of plastic, it will have a serious detrimental effect on our environment. By 2050, plastic is expected to be responsible for up to 13% of the world's carbon emissions. Fracking, the process of extracting crude oil used in plastics, wastes up to 30% of the water needed for the procedure. In addition, the chemicals in plastic interact with water, in particular to create **toxic pollution** that affects whatever surrounds it. Reservoirs, land and oceans are all affected, which in turn has a harmful impact on the flora and fauna that inhabit them. For example, a study completed by the Proceedings of the National Academy of Sciences of the United States of America (PNAS) found that 90% of seabirds have ingested plastic of some sort. The oceans possibly experience the worst effects of plastic pollution. A continuation of plastic waste in water will cause severe damage to the entire environment. Since plastic is light, it floats on the surface. In lakes this acts in a similar manner to algae, and prevents oxygen from travelling into the water, causing both the wildlife and vegetation to suffocate. This will also eventually lead to the extinction of many species. On a different note, a report by the World Wide Fund for Nature (WWF) revealed that the average person consumes <u>5g of plastic a week</u>, equivalent to that of a credit card. If we continue to consume this much plastic, it will endanger countless amounts of species and will have negative impacts on our own health.

# 5. Major Stakeholders

- **European Commission:** an EU institution whose primary function is to propose legislation for the European Parliament and subsequently the European Council to accept or reject, or suggest edits and amendments before it can be ratified by the Member States of the European Union. This institution is currently **promoting** the reduction of plastic across the EU, in accordance with the **Sustainable Development Goals**.
- European Parliament Committee on Environment, Public Health and Food Safety: currently chaired by Pascal Canfin, this is the section of the European Parliament which revises proposals of the European Commission referring to Environment, Public Health and Food Safety.
- Mass plastic producers: examples of these include <u>Plastipak</u> and <u>AEP Industries Inc</u>.
  These companies produce plastic packaging and other plastic goods, which are then distributed around the world. Many of these companies are **US**-based, and so are out of the EU's scope of law.
- Large food companies: companies such as Nestlé, or fruit suppliers, who use plastic packaging for their products, as it is **cheap** and **easily** sourced.
- <u>Civil society</u>: the **social stigma** surrounding the sanitariness of our planet tends to go ignored. Even simple acts such as litter-picking are often seen as "<u>dirty</u>". The damage caused by the use of plastics is not strong enough yet for people to stop using it, as people often tend **not to care** about problems which do not directly affect them, and recycling can sometimes bring its own <u>issues</u> to the table. However, with the increasing **awareness** of the necessity to make the transition to sustainable packaging, civil society could potentially play a substantial **role** in the decrease of purchasing goods with single use plastics, if consumers were informed of the benefits of reducing their plastic consumption.

# 6. Key Questions

- What are potential substitutes for plastic packaging?
- Which **industries** contribute most to the excessive plastic use throughout Europe?
- What can be done to ensure that unnecessary plastic packaging is removed from **supermarkets**?

- How should **large corporations** investing in cheap plastic packaging be **incentivised** to transition to biodegradable or non-plastic packaging?
- Which industries, if any, should be **exempt** from recycling?
- How would a **complete ban** on single-use plastic packaging **affect** the medical industry?
- How can the **public** become more involved in the reduction of plastic packaging across the EU's single market?

- Why does the Arctic have more plastic than most places on Earth?
- Plastic Waste Environment: European Strategy for Plastics
- Rwanda Plastic Bag Ban
- This university student created a plastic alternative out of fish waste



# Committee on Industry, Research and Energy I (ITRE I)

**As if our house is on fire:** With many European cities lacking both vacant space and affordable housing, it is time to draw the attention back to our homes. Bearing in mind current efforts in the eco-housing sector and the tension between the private and public housing sectors, how can the EU and its Member States further develop affordable housing?

Chaired by Tim Kniepkamp (DE)

### 1. Introduction

A house is more than just a building. It is a place to which we attach memories and where we find both privacy and physical shelter. Across the world, homes vary significantly both inside (e.g. furniture, floor, ceiling) and outside (e.g. size, architecture). However, public attention often neglects the surrounding circumstances of housing: is there enough vacant space and is it affordable to build a house? How could the layout of cities as a whole influence the mobility of people, access to green space and the availability of daily business services in walking distance? Is it possible to build houses in a sustainable manner so as to lower energy consumption and thereby reduce greenhouse gas emissions?

#### 2. Central terms

- **Ecohouse/Eco-Housing** is housing designed so as to minimise its impact on the environment, especially in terms of the efficient use of energy. Potential measures include high-level thermal insulation, passive solar orientation, heating from renewable sources and photovoltaic panels.
- **Gentrification** is the process by which a place, especially part of a city, changes from being a poor area to a richer one, where people from a higher social class live, thereby pushing the original population to the outer suburbs.
- **Green Building** is the activity of constructing buildings in a way that protects the natural environment, for example by using green energy. In the US, it is known as the practice of creating and using healthier and more resource-efficient models of construction, renovation, operation, maintenance and demolition.
- A **zero energy building** produces enough renewable energy to meet its own annual energy consumption requirements, thereby reducing the use of non-renewable energy in the building maintenance sector.

## 3. Main challenges

Rome wasn't built in a day and the same is true for substantial changes to the housing sector. Today, many European cities lack affordable housing. Just in 2017, Berlin's housing prices increased by 20,5%. In the centre of Porto, rents have risen by 88% in the last five years. The increasing prices stem from the gap between supply and demand, which resulted in 20% of the German housing demand not being fulfilled this year. The housing bubble is fueled by large and often foreign investment companies: these own a vast majority of property in the city centres and are only accountable to their shareholders. In order to maximise revenue, they increase the prices. As a consequence, gentrification takes place, which pushes low-income households out of the cities. However, it is not just the house that is unaffordable, but so is the land beneath. Reshaping suburbs in order to hinder gentrification or reverse the trend requires balancing the interests of the investors as property owners and their respective tenants. The former are the legal owners and have a right to be protected from expropriation of any kind. The latter have a right to be protected from unjustified hikes in housing prices. Even worse, in congested areas, vacant space will hardly be available unless current housing is replaced by more efficient building solutions.

At the same time, one should not neglect climate change as the key challenge of the 21st century. To this end, housing is a major contributor to greenhouse gas emissions; for instance, in the UK, constructing, occupying and operating buildings produces around 50% of total greenhouse gas emissions. These figures stem from the fact that buildings account for 40% of total energy consumption in the European Union. Therefore, it is crucial that buildings are constructed and renovated sustainably. This requires a life-cycle assessment including structure design efficiency, energy efficiency, water efficiency, material efficiency and waste reduction. On a macro level, the design of cities as a whole greatly impacts their contribution to climate change. The competence on urban planning lies in the hands of the governments or municipalities: do they allow new roads or public transport connections? Do they stand up for new business areas or rather private housing? Do they allow new green areas in the cities? Considering the different socio-economic standards across the EU, it is hard to find common ground across all Member States, some of whom some may face more pressing challenges. Also, regional planning policy as an instrument to influence the layout of cities lies outside the competence of the EU, requiring soft law¹ to reach the desired results. Even if substantial changes to the current

<sup>1</sup> A quasi-legal instrument that has no legal force, such as non-binding resolutions, declarations, and guidelines created by governments and private organisations. See also "Why does soft law have any power

development of cities are made, that does not necessarily mean the new structures follow ecohousing standards. Currently, many **construction companies** are not informed about ecological building techniques, nor do they have any incentive to adhere to standards such as LEED or Passive House.

Finally, both **eco-housing** and **affordability** face three facets of the heated debate as to the extent of **EU interference** in the private housing sector. First, the classic dispute between liberal and socialist approaches arises: to what extent is public interference into the private market beneficial? Second, the relations between the responsible stakeholders of social housing appears complex: social housing is determined by <u>political actions on a local, regional and/or national level</u>. Is a coherent and unilateral solution among all Member States feasible? Third, the EU should be cautious about interfering in the housing market directly. As mentioned, housing matters remain within the competence of the Member States. Instead, the EU is limited to provide financial aid in social, cooperative and public housing in line with <u>EC Decision 2012/21</u>.

# 4. Existing measures

- The <u>ISO 21931</u> international standard establishes a framework for the assessment of the environmental performance of buildings and related external works.
- The **Energy Performance of Buildings Directive (2010/31/EU)** sets a standard for the minimum energy efficiency of both new and existing buildings.
- The <u>Leadership in Energy and Environmental Design (LEED)</u> is the most widely used green building rating system in the world. It provides a framework to create healthy, highly efficient and cost-saving green buildings.
- The <u>Urban Agenda for the EU</u> was launched in 2016 as part of the Pact of Amsterdam aiming at better regulation, better funding and better knowledge in the field of housing.
- The <u>Housing Partnership Action Plan</u> proposes tangible actions for the EU on the basis of a three-year analysis of the challenges for the housing sector.
- The **Energy Performance of Buildings Directive** focuses on decarbonisation of the entire EU building stock. It has been updated in 2018.
- The <u>Passive House Standard</u> concept is a **voluntary energy efficiency standard** also known as MINERGIE-P. It is not attached to any architectural design and could not only be applied to new buildings but also used in the renovation of existing ones.
- Level(s) is a voluntary reporting framework to improve the sustainability of buildings.
- The Navarra Social Housing Project will provide social flats in line with the passive
  - house sustainable construction standard. It is currently under construction.
- Almere Poort and Almere Oosterwold are projects in a Dutch city offering publicly owned land to low-income families in order to provide them with affordable property.

## 5. Key Questions

- How can the European Union hinder further gentrification in major cities?
- Alternatively, is it possible to reverse the trend of displacing communities into a concept which allows the original tenants to remain in their suburb?
- How can the EU make eco-housing methods such as "passive house" affordable and known to both the people and the relevant businesses involved?
- Should urban planning play a role in the debate on eco-housing and, if yes, how should the layout of cities be shaped?
- How could Europe be at the forefront of altering housing in a sustainable way while establishing affordable solutions for its entire population?

anyway" by Bryan H. Druzin, in: Asian Journal of International Law 2017, p. 361 ff.

- <u>Common Principles and Strategies for Urban Policy</u>
- TED Talk by Liz Ogbu "What if gentrification was about healing communities instead of displacing them?"
- TED Talk by Alex Steffen "The shareable future of cities"
- TED Talk by Alastair Parvin "Architecture for the people by the people"
- TED Talk by B. Bahaar Rao "Building sustainable and affordable housing"
  TED Talk by Catherine Mohr "The tradeoffs of building green"



# Committee on Industry, Research and Energy II (ITRE II)

Cap and trade: The EU Emissions Trading System (ETS) is the world's first cap and trade scheme for emissions, and covers around 45 % of the EU's greenhouse gas emissions. The ETS has been criticised for inefficiency and even subsidising polluters at the taxpayers' expense, while defenders argue that it cuts emissions where it costs least to do so. What steps should the EU take in order to improve the ETS and ensure CO<sub>2</sub> emissions are reduced in the most cost-efficient way?

Chaired by Matias Mäkiranta (FI)

### 1. Introduction

**The EU Emissions Trading System** (ETS) is the world's first **international emissions trading system**, established in 2005. The main goal of the ETS is to create an economic incentive for polluting companies to reduce emissions, which basically means putting a price on greenhouse gases. The ETS works with the **"cap and trade"** principle. In the beginning, an upper limit - i.e. a cap - is set on the total amount of greenhouse gas that can be emitted by the companies in the system and the cap is reduced over time, so that total emissions fall. Based on the cap, companies are able to buy or receive emission allowances, which they can also trade with each other. **One emission allowance** gives the right to emit **one ton of CO**<sub>2</sub> (carbon dioxide) into the atmosphere. After each year, a company must surrender enough emission allowances to cover all its emissions, otherwise heavy fines are imposed. The market mechanism in the ETS ensures that companies have an incentive to cut down emissions, since they will then have to surrender less emission allowances at the end of each year. Extra allowances can be sold to other companies for profit or saved for future years. On the other hand, companies which are short on allowances at the end of the year have to buy more allowances from other companies or face a heavy fine.

## 2. Central concepts

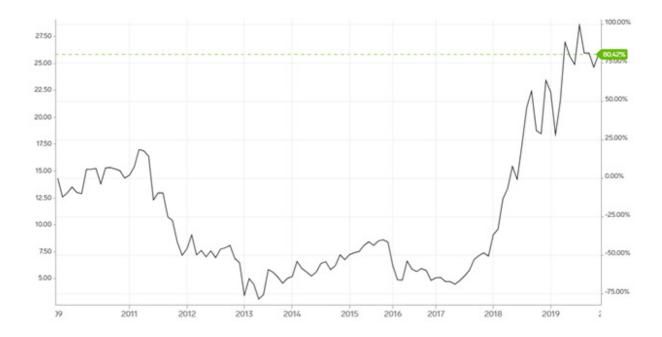
- The EU Emissions Trading System covers around 45 % of the EU's greenhouse gas emissions. It applies to large industrial installations with a total rated thermal input exceeding 20 megawatts and to flights within the European Economic Area (EEA).
- A carbon tax is paid based on the amount of greenhouse gas produced. It is considered as an alternative for the cap and trade system.
- Carbon leakage describes a company moving its installations to countries outside the EU if producing emissions within the EU is too expensive. However, the size of carbon leakage is difficult to estimate and a study funded by the European Commission in 2013 reports that "there is no evidence detected for the occurrence of carbon leakage as defined by the ETS Directive in the period of application of the EU ETS, 2005-2012." However, under the EU ETS, industrial installations deemed to be exposed to a risk of carbon leakage receive special treatment to support their competitiveness.
- A <u>carbon sink</u> is anything which absorbs more carbon than it releases as carbon dioxide.
  Carbon sinks create negative emissions, because they reduce the amount of carbon dioxide in the atmosphere. Commonly known naturally occurring carbon sinks are for example forests, swamps and oceans.
- Carbon capture and storage (CCS) is a combination of technologies designed to prevent the release of carbon dioxide in power generation and industrial production. It can reduce the amount of carbon dioxide produced from heating and energy production.
- **Direct air capture (DAC)** is a process of capturing CO2 directly from the air. DAC produces negative emissions as well, since it reduces the amount of carbon dioxide in the atmosphere.
- **Emission Compensating** means compensating the amount of carbon dioxide produced by creating an equal amount of negative emissions. It is common to give individuals the opportunity to offset emissions when flying and there are also non-profit organisations, such as the <u>Compensate-foundation</u>, which offer the possibility to compensate any amount of carbon emissions.

# 3. Existing Measures

The ETS is a controversial topic. The European Commission has favoured this solution because it is by far one of the few **market-based** solutions. The ETS is also supposed to reduce emissions where it is most effective to do so: companies which can easily cut emissions are able to sell their allowances to companies which cannot reduce their emissions as easily. However, several weaknesses have been identified in the current system.

Firstly, it has been argued that the system puts a cap on **climate ambition**. For example, if an EU Member State makes ambitious climate policies and reduces its emissions, the emission allowances the country would have used will be sold to another country which will itself create more emissions. This has also been referred to as the **waterbed effect**.

Secondly, the system has been accused of being ineffective. For example, in 2017 the EU ETS emissions actually <u>increased by 0,18%</u>. The main factors behind the current ineffectiveness of the EU ETS are the **freely handed emission allowances** and the **high cap on emissions**, which have together kept the price of emission allowances low for a long time and even briefly <u>at 0,03</u>€ during Phase I of the EU ETS. However, it is difficult to estimate whether the ETS could be a lot more effective than this, since the price of emission allowances has never been at such a high level – until the past few months.



### See the full graph here

Many argue that the cap set in the system is generally too high due to heavy lobbying by heavy-polluting industries. In 2020, the cap for emissions will be 21% lower than in 2005 and 43% lower in 2030. If the cap is not tight enough, the prices of emission allowances stay low, which means that they do not have a significant effect on reducing emissions. Another reason for **low emission allowance prices** is the fact that even to this day, only about half of the allowances are auctioned while half of the allowances are handed out to companies for free. The amount of freely handed allowances is supposed to decrease, yet the EU has decided to hand out **free allowances** at least until 2030. In Phase I of the ETS, the EU handed out a large amount of allowances for free and the current system allows for banking the allowances, which means that several companies have been able to save allowances for the future, which again lowers the price of emission allowances. However, the amount of freely handed out allowances is decreasing steadily, which is one of the causes behind the now **rising price** of emission allowances. This current high price may also be due to companies preparing for Phase IV of the ETS, which is starting in 2020 and introduces a lower cap for emission allowances.

Yet a further issue with the ETS is the fact that EU Member States are allowed to give state aid to companies with high electricity consumption in order to help them cope with rising costs caused by the ETS. The aim is to minimise the risk of carbon leakage and make sure that the companies can compete in the international market, yet this state aid can also be seen as subsidising the polluter.

#### 4. Main Stakeholders

- **The European Commission** proposes changes to the EU ETS between its different phases, including the cap for emissions. It is also in charge of executing and monitoring of the EU ETS. All emission allowances issued are held in the <u>Union registry.</u>
- **The Member States** can give state aid to their companies with high electricity consumption and therefore free them from the burden of the ETS. They also auction the emission allowances to companies, gaining revenue themselves.
- Companies have an influence on EU climate policies through lobbyists and they usually

- favor policies with less climate ambition. However, if the private sector regarded emissions reduction as a profitable outcome, their actions could be very different.
- **Lobbyism** has participated in building the ETS from the beginning. Many claim that <u>heavy</u> <u>lobbying</u> is one of the reasons why the ETS remains fairly ineffective. For example, energy industry lobbyists have been vouching for handing out free emission allowances, putting a high cap on emissions and getting more state aid.

### 5. Outlook

The future of the Emissions Trading System (ETS) is a continuing point of debate. The EU has already planned <a href="Phase IV">Phase IV</a> of the ETS, yet several aspects could be handled differently. <a href="Environmental organisations">Environmental organisations</a> are striving for putting a tighter cap on emissions, preventing the use of banked allowances and auctioning all emission allowances. At the same time, companies affected by the ETS are lobbying for the opposite. Meanwhile, the private sector is vouching for the ETS, because it is a market-based solution and it is not unfavourable to the polluters at the moment.

While the EU ETS does not concentrate on **carbon sinks**, some emission allowances can be obtained through **international credits**, in other words emission-saving projects around the world. Also, at least half of the auctioning revenues are used for climate and energy related purposes. The amount of international credits is currently very limited, but companies are lobbying to obtain more credits from **emission compensating**. The EU Commission and environmental organisations are against this at the moment, because they believe that emissions compensation is too **uncertain**. Another idea could be to invest all the money from auctioning emission allowances in offsetting emissions and arrange a floor price for allowances which would follow the price of creating the same amount of negative emissions.

Some believe that instead of repairing the EU ETS, it should be **scrapped** altogether and replaced with another alternative. The most common solution offered is **an EU-wide carbon tax.** A tax would allegedly be a simpler solution but it would perhaps be more difficult to exploit than the current cap and trade system. In the case of a carbon tax, companies would simply pay a tax based on the amount of greenhouse gases they produce. The same issues regarding the state aid of Member States and the excessively low price on carbon could apply to the carbon tax system and compensating emissions could be included in that system too. Compared to the current system, the carbon tax does not include the same kind of market mechanism and also lacks one of the central features of the EU ETS, which is making sure that emissions are reduced where it most effective to do so.

A disadvantage regarding both the EU ETS and the carbon tax is that **it is difficult to estimate the exact amount of emissions produced**. Because of this, both systems can be exploited and companies may claim to produce far less emissions than they actually do.

Climate change is a global issue which requires global solutions. The EU ETS currently accounts for <u>over 75%</u> of international carbon trading. **Carbon markets** also exist, for example in Canada, China and Japan. Creating a global and effective carbon market could be in the EU's interest, because it could be an effective way to both battle climate change and get rid of carbon leakage, if the same regulations applied to all major energy companies around the world. <u>The importance of an international carbon market</u> has also been recognised in the Paris Agreement.

# 6. Key Questions

- How should the EU influence the price of emission allowances?
- Should the EU continue the free allocation of emission allowances?
- Should the EU reach for a global carbon market?
- What industries should be included in the ETS?
- How can one ensure that the cap in the ETS is not placed too low, taking into account environmental sustainability?
- Should the current ETS be replaced, for example by an EU-wide carbon tax?

- Video: "The EU Emissions Trading System explained"
- <u>Website:</u> The basics of the EU Emissions Trading System and the sectors and gases covered in the ETS
- Publication: "The role of EU ETS in increasing climate ambition", Sitra
- Article: "Carbon tax v cap and trade: which is better?", The Guardian
- Article: "The EU Emissions Trading System in 2019: trends and projections", European Environment Agency
- Article: "EU Emissions Trading System does not hurt firms' profitability", OECD
- Handbook: EU ETS Handbook, European Commission



# **Committee on Transport and Tourism (TRAN)**

**Far from home?** As several European cities are suffering increased living costs and the alteration of their local culture due to overtourism, how can the EU face and prevent the negative effects of its tourism industry on local communities and their heritage?

Chaired by Henning Undheim (NO)

#### 1. Introduction

In June of 2019, ten European cities together in a press release asked the EU for help with combatting the "touristification" of their neighborhoods and the increased housing rents caused by the growth of digital letting agencies such as AirBnB. The number of tourists in the EU has exploded, growing with 29% since 2009, reaching over three billion in 2017. Such mass tourism can affect the destinations concerned both economically and culturally. In rural and coastal destinations, the large amounts of tourists also have damaging effects on local ecosystems. At the same time, tourism is an important source of income for many EU Member States and EU citizens working in the sector, employing 13,6 million people. The industry also gives tourists the opportunity to explore the continent and experience other cultures. How can the EU balance these factors and ensure the sustainable future of the European tourism industry?

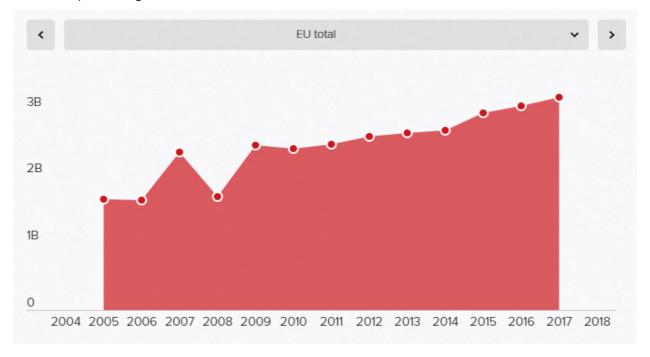
## 2. Key Terms

- Overtourism A situation in which the impact of tourism exceeds physical, ecological, social, economic, and/or political capacity. Often seen through overcrowding, damage to air and water quality as well as living conditions for residents.
- AirBnB An online market for home-owners and tourists to buy and sell overnight stays
  in homes and apartments. AirBnB is currently defined as a digital information provider,
  not a real estate company.
- Rural tourism destinations Tourist destinations with low population density, often struggling with a lack of infrastructure to accommodate large amounts of tourists.
- <u>Urban tourism destinations</u> Cities which attract tourists. Many European cities have experienced increased tourism in recent years.
- **Coastal tourism destinations** Tourist destinations alongside coastal areas such as beaches and islands. They are often very exposed to ecological damage from tourism.
- World Heritage Site Landmarks chosen by UNESCO as having outstanding value to humanity, and represent the past, present and future cultural and natural legacy of humankind.
- <u>Disneyfication</u> The transformation of a real and authentic tourism destination into a generic environment or carefully controlled and safe entertainment.

# 3. Main Challenges

With the dramatic increase in European tourism levels, many new challenges have surfaced. Overtourism is defined as something more than overcrowding of tourists; it is a situation where <a href="the destination">the destination</a> is at risk of **losing its viability** as a future destination. <sup>1</sup>

1 Graph showing the total amount of tourists in the EU between 2005 and 2017 in real numbers. Source:



As cities such as <u>Amsterdam</u>, <u>Berlin and Barcelona</u> have called for stricter control over AirBnB, the effects of short-term letting have become apparent, as for example <u>a quarter</u> of the residential buildings in the centre of Paris now are **short-term rentals instead of homes**. In Spain, Mallorca banned almost all short-term rentals of private homes, as rents had <u>increased by 40%</u> since 2013. At the same time, the EU is <u>leaning towards</u> regarding AirBnB as a part of the <u>e-Commerce Directive</u>, ensuring the **free flow of online services** in the Internal Market. This would make it easier for AirBnB to escape local regulation.

In addition to raising rents and living costs, tourism may also have **damaging effects on the local environment and culture**. Many destinations, especially rural and coastal, do not have **infrastructure** strong enough to cope with the growing amounts of tourists. The Spanish tourism destination of Torremolinos, for instance, saw its demand for electricity increase by 160% in just 19 years, due mainly to increased tourism. The European Commission believes that tourists may produce twice as much waste as local residents, leading to problems such as **littered beaches and natural heritage sites**. In addition, tourism stands for 5% of the global greenhouse gas emissions. Some cities, such as Amsterdam, has grown irritated with of the increased amount of **tourism-related shops** in their city centres, leading to a **ban**. As more and more souvenir shops and tour managers have popped up, the fear is that the cities will lose their **cultural identity**. This process of disneyfication can also alter the **cultural appeal** the destinations have towards new tourists.

In the era of **social media and peer-to-peer platforms** such as TripAdvisor, tourism flows may have become <u>more concentrated</u>, both geographically and in time. The rise of **low-cost airline** possibilities has also contributed to increasing the amount of tourists and this concentration. When specific tourist destinations become popular through social media, the flow of tourists can increase dramatically without local governments being able to keep up. Tourism to Iceland, for example, **increased by 20%** yearly between 2013 and 2017. The Icelandic infrastructure, made to suit 300 000 inhabitants, has suddenly had to cope with an extra **2,3 million tourists**, leading to extreme incidents such as tourists <u>going to the toilet in the streets of Reykjavík</u>.

This large concentration of tourists can alter the **authenticity**, **cultural character**, heritage sites and local residents of the destination. If as much as a quarter of a city's residents have to **move out of the city** to cope with increasing rents, the city loses part of its cultural character. If the beautiful beaches or breathtaking mountains you wish to visit are **covered in waste**, they lose their natural beauty. If hundreds of thousands of tourists arrive to the rural destination at the same time, filling up hotels and **crowding the streets**, you will not be able to enjoy what the destination has to offer. **Overtourism can alter destinations**, thereby making them undesirable for future tourists and defeating the purpose of the industry.

**Politico** 

### 4. Main Stakeholders

- **Member States** As the EU has <u>supporting and coordinating competence</u> over tourism, the Member States have the power to decide their own tourism policy. Tourism policies are often focused on the important role tourism plays in the country's economy.
- **European Commission** has the power to propose legislation to support or coordinate Member State policy, and is responsible for enhancing Europe as a leading tourism destination. The Commission has a <u>stated goal</u> of supporting tourism businesses, and ensuring <u>long-term sustainability</u> in the sector.
- **European Parliament** has the power to agree to or change proposals from the Commission, and because it is directly elected by European voters, can make EU-level decisions on behalf of many of the local residents in vulnerable tourism destinations.
- United Nations World Tourism Organisation (UNWTO) UN agency responsible for the promotion of responsible and sustainable tourism. UNWTO produces <u>reports</u> and statistics on global tourism.
- **European Tourism Association (ETOA)** Private association representing over a thousand tourism companies in Europe, lobbying the EU on behalf of them and wants to develop sustainable tourism and increase tourism growth.
- **Civil society** In a <u>Eurobarometer</u> survey from 2013, 95% of tourists were satisfied with the natural features of their travel destination. European citizens enjoy travelling and discovering new places within the union. However, civil society has also been <u>protesting</u> against increasing levels of tourists, putting overtourism on the agenda.

# 5. Key Questions

As the challenges of overtourism are increasing in the EU, how can the tourism industry be saved? The consequences of increased amounts of tourists have been documented, but is the EU **informed enough on the risks of overtourim** to face the problem efficiently? How can the EU ensure the **free movement of digital services** as a part of the Internal Market, while at the same time **supporting local municipalities** and Member States in combating increased living costs due to arenas such as AirBnB? How can the EU **strengthen local infrastructure**? Should local governments be able to **limit the amount of incoming tourists**, and if so, how? How can the EU secure **sustainable flows of tourists** without overwhelming vulnerable destinations, and how can the **authenticity** of urban as well as coastal and rural destinations be preserved?

- <u>Ten cities ask EU for help to fight AirBnB expansion</u> (An article about the economic impact of AirBnB)
- <u>Boom time for European tourism</u> (An article outlining the development of tourism in the EU with figures and interactive infographics)
- <u>Sustainable tourism</u> (The European Commission's view on sustainable tourism)

