



**G L O B E**  
EUROPEAN UNION EU

## Event Summary

GLOBE EU organized a conference on Resource Efficiency Indicators in Brussels on November 18 with Janez Potočnik (UNEP) and François Wakenhut (European Commission) as its key speakers. The discussion was moderated by Vasileios Rizos (CEPS). The principle objective of the event was to elevate the debate on green indicators from the theoretical to the practical level and understand from stakeholders what they perceive as main obstacles to industry and legislators embracing such indicators.

In her introduction, GLOBE EU president Sirpa Pietikäinen stressed the importance of reaching an agreement on the use of indicators soon to support the introduction of a circular economy in Europe.

Janez Potočnik, co-chair of the UNEP International Resource Panel, presented rather conclusively the economic arguments for Europe to reduce its dependency (90%) on imported resources. He stressed the importance of decoupling materials use and economic growth which, combined with decarbonization of the economy, will be crucial to further reduce GHG emissions. Moreover, he considers the current unsustainable production and consumption pattern in the EU (and other industrialised countries) to be the main issue, especially in the framework of the UN Sustainable Development Goals agenda.

François Wakenhut presented recent developments at the EU level, including the latest Resource Efficiency Scoreboard, which Eurostat has published since December 2013. Notwithstanding the EU's lead on sustainability issues, Wakenhut was pessimistic on the prospects of a rapid introduction of green indicators in the EU given the absence of a supportive policy framework. Indeed, he signalled that ongoing work by the European Environmental Agency on indicators in its annual State Of the Environment Report ('SOER') demonstrated a lack of progress across a range of issues.

Vasileios Rizos explained the research conducted in the context of the NetGreen project, which analyses the many environmental indicators, their actual use, and the production of these indicators by a large number of public and private actors. The NetGreen interactive website allows stakeholders to explore an inventory of a fully described set of 260 green growth indicators.

He submitted that the actual use of indicators is often hampered by unawareness amongst decision makers, the poor quality of a number of frequently overlapping indicators, and the unwillingness of policy makers to use and apply indicators developed by non-institutional actors. The work carried out by Eurostat on Natural Capital Indicators is therefore very much welcomed.

Questions from the audience signaled an interest in the mounting price of water as an increasingly precious resource and its impact on CAPEX decisions. Also, a stronger liaison with the finance community was recommended given the sector's recent focus on risk pricing.

Reactions from the panel suggested that finance may well make a big difference in the debate about indicators as soon as risk approaches applied by the financial community are adopted in the policy framework for SDGs and the EU's circular economy. The pricing of climate risks is a prime example whereas water pricing emerges rapidly: both in the real economy and in the finance and investment decisions of actors involved in water-intensive economic activities. Governments also take an interest in risk pricing given the relevance for public revenues from payments for ecosystem services.

Transparency in combination with a coherent resource policy was also touched upon as a crucial element in supporting a transition to the wider use of green economy indicators. Improving communication to educate consumers was mentioned as a necessity to ensure that the long-term benefits of resource efficiency are not offset by increasing consumption levels (rebound effect).

Panelists criticized the current focus on GDP growth rates as an indicator of economic performance and bellwether of general wellbeing. Indeed, recent studies show that levels of happiness are higher in countries with low growth rates. All agreed, however, that green economy indicators and the resulting resource efficiencies should not be associated with a lower quality of life but rather be used to create an agenda of hope.