

Beyond Growth – Indicators and Politics for People and Planet

Discussion Paper

Working Group 2: Resilience and Respecting Ecosystem Boundaries

General vision of this discussion group

In these testing times on the global environmental and trade fronts, the EU should quickly become a more resilient place. More resilience means less risk degradation, harmful transformation, or ecological collapse — e.g. soil loss that impacts agricultural productivity, desertification on land, salt intrusion in groundwater aquifers, fish stock collapse from rising temperatures resulting even to complete dead zones in the sea. Global trade flows can create risks — such as deforestation abroad — and can be at risk where there is ecosystem collapse — e.g. from fish or crop losses. Europeans need to be able to live well both now and in the future. This means respecting local to planetary boundaries, such as natural rates of renewal. Our recommendations should aim to improve EU policymaking in this respect. They need to be bold but doable. Timely but aimed at lasting change. Visionary but specific.

This thematic group will **give an impetus to the kind of indicators and politics that are needed to measure ecological resilience, to take up the evidence in policies, and to translate this into progress on sustainability**. We will specifically discuss what are the next key steps to make the EU a more resilient place, i.e. a region that quickly transitions towards living well within local to planetary boundaries by 2030. Moreover, what is needed to support EU's ecosystem resilience? What commitment to measures of resilience and critical thresholds is needed? What policies and tools can make a difference? Which policy framework should be the main focus of the Finnish Presidency and what specific windows of opportunities are there for change?

Background

In essence, **resilience** is about the human need for **security, safety and survival**. The concept of resilience emerged in the scientific literature in the early 1970s and is commonly defined as **“the capacity of a system to regenerate itself after a particular shock.”** This concept is applied in the fields of biodiversity and climate change adaptation, but it can be broadened to include preparing to deal with a shock to and

freezing of the global financial system, as was nearly the case in 2008. Resilience is closely linked to “tipping points” — if the pressure is beyond the system resilience, a “tipping point” can be breached whereby there is systemic change and new rules and conditions apply.

Policy-making and monitoring ecological resilience in the EU

The [Rome Declaration](#) of 2017 outlines the EU's future ambitions and declares a commitment to creating a "stronger and more resilient" EU. The EU has embedded ecological resilience in a range of policy areas. Maintaining 'natural capital', i.e. ecosystems and the services they provide, is fundamental to human economic activity and wellbeing. The need to conserve and enhance natural capital is therefore an explicit policy target in the EU's Biodiversity Strategy to 2020 and its 7th Environment Action Programme, and can be expected to be included in the European Green Deal, the 8th Environment Action Programme and strategies to implement the SDGs. However, assessments of the progress of such programmes/strategies reveal that the EU is far from achieving its objectives regarding biodiversity and natural capital, and is also not on track on climate action and meeting the 1.5 degree goal, or on reigning in virgin material extraction levels.

With respect to nature, the World Bank-led Wealth Accounting and the Valuation of Ecosystem Services (WAVES) programme highlights that GDP fails to adequately include the full contribution of ecosystem services. The Aichi Biodiversity Targets are part of the Strategic Plan for Biodiversity, adopted by the Convention on Biological Diversity (CBD). Target 15 aims for ecosystem resilience and the contribution of biodiversity to carbon stocks by 2020 enhanced through conservation and restoration. Despite restoration and conservation efforts, there is still a net loss of forests, a major global carbon stock. The decline in biodiversity and ecosystem services will undermine our ability to address climate change, and to achieve the global sustainable development goals (SDGs). However, the current climate proposals and wider SDG framework do not adequately recognise the interconnectedness of humanity and the biosphere or the volatility, uncertainty and complexity of ecological challenges.

Examples of policy recommendations:

- Replace the indicator of economic growth with a wider dashboard of sustainability indicators, including headline indicators to ensure that our ecosystems are resilient such as in terms of material footprint, carbon stocks and restoration rates, biodiversity loss, absolute human-made greenhouse gas emissions. Apply this to the EU semester, the European Green Deal, the 8EAP, the Europe 2030 strategy, the EU strategy on implementing the SDGs and the Stability and Growth Pact. Ideally, over time, replace the Stability and Growth Pact with a Sustainability and Wellbeing Pact that can integrate ecosystem resilience.

- To acknowledge and measure ecological resilience more effectively, the EU has to further develop its objectives and indicators regarding ecological resilience and use these to monitor progress on the European Green Deal, the SDGs, the 8EAP, the Post 2020 biodiversity strategy and the CAP, as these will each define the course of action for the 2021 to 2030 period. Develop priority objectives for select resilience issues.
- The sustainable management of natural resources is key to achieving the 2030 Agenda for Sustainable Development, meet the ambitions of the European Green Deal, as well as many other specific policies and commitments. The EU has to redefine and broaden the current narrow understanding of resilience — which often focuses on the resilience of the economy or banks and the financial sector to shocks — and acknowledge and integrate ecological resilience into the SDG implementation process. Ecological resilience further needs to be integrated into the EU Post 2020 Biodiversity Strategy and the New Deal for Nature in the context of the CBD COP in Kunming (October 2020). Resilience is in some ways already in principle factored into account in some fisheries management objectives where sustainable yields need to reflect concerns of having stable fish populations, but this is still too rarely or ineffectively applied.
- EU leaders need to increase ecological resilience through increasing global trade measures based on the climate disruptiveness or environmental harmfulness of production. The implementation of Border Carbon Adjustment (BCA) taxes could discourage the import of climate-unfriendly products that would compete unfairly with products whose production faces climate-friendly taxation in the EU. This is needed to decrease carbon leakage effects to foreign countries in the face of stronger environmental regulation. There is also a need to have trade deals take into account trading partner policies disrupting globally relevant ecosystems and undermining planetary resilience to further pressures — as currently seen in the Brazilian fires that are undermining not only regionally invaluable ecosystems but also globally vital ones. The interdependency of ecosystems needs to be reflected in the interdependency of trade and diplomatic relations.

Key Questions for discussion:

1. Existing overarching frameworks: take a look at larger policy frameworks already existing at EU level (see annex 1 p. 4 to 5). Rank these in order of importance when it comes to making the transition to an ecologically resilient and sustainable Europe, where all people can live well within both planetary boundaries and resilient ecosystems.

- a. Do the indicators/measures go into the right direction (think about pros and cons of the measures)?
 - b. What more can and should be done to better reflect ecological resilience and concerns on ecological tipping points?
 - c. What specific indicators could be demanded?
2. New or other frameworks: take a look at other policy projects where ecological resilience concepts can and should be integrated (see annex 2 p. 5 to 11).
 - a. How do they reflect ecological resilience and concerns about ecological tipping points?
 - b. Do we need new frameworks and indicators?
 3. What are the special windows of opportunity for taking resilience into account in governance, policy making, and implementation?

Annex 1: Working List for Discussion: What are the larger policy frameworks at the EU level assessing ecological resilience accounting for system changes that we CAN influence during the Finnish Presidency? We identified some, without excluding others.

- 1) **The European Green Deal** promised in the Commission President elect Ursula von der Leyen's Political Declarations puts a healthy planet as a core objective - *Europe must lead the transition to a healthy planet ... by bringing people together and upgrading our unique social market economy to fit today's new ambitions. European citizens' health and the planet's health go together: it is the quality of the air we breathe, the water we drink, the food we eat and the safety of the products we use.* There is major potential for the EGD, developed as a whole Commission college approach to be a transformative agenda.
- 2) The Finnish Presidency has a big role to play in the formulation of the **8th Environmental Action Programme (8EAP)** (which will be a joint Commission, Parliament and Council agreement) and its relation to the Green Deal and 2030 Agenda and its SDGs. The time to decide that the 8EAP is an important transformative policy framework which can take nature and resilience into account is during the Finnish Presidency. The 8EAP can help define the course of action for the 2021 to 2030 period.

- 3) **EU Post 2020 Biodiversity Strategy** and the **New Deal for Nature** in the context of the CBD COP in Kunming (October 2020) are the two main policy processes where concerns of ecological resilience can be integrated. The drafting of the EU Post 2020 Biodiversity Strategy has been ongoing during the Finnish presidency of the EU).
- 4) The **European Semester** provides a framework for the coordination of economic policies across the European Union. It allows EU countries to discuss their economic and budget plans and monitor progress at specific times throughout the year. Should we argue for complementing GDP guidelines to members states with those that fully reflect natural capital? How can we integrate ecological resilience in the discussions of new indicators? How can they complement indicators such as well-being indicators?
- 5) The **Multiannual Financial Framework** for 2021-2027 decides where the money from the EU goes. While the timing for influencing many of the big lines has already past (with the exception of the CAP), there is scope to influence the final budget allocations, the fund operationalisation and the indicators. There is potentially scope for resilience issues to be integrated into operational programmes, project selection, and monitoring and evaluation of spending (i.e. impacts on resilience, tipping points crossed).
- 6) The EC published its [reflection paper on SDG implementation](#) in January 2019 but has a long way to go before it can claim that it considers the SDG framework as the guiding policy framework for all policies until 2030, despite some important reflections on the SDGs in the Political Guidelines and commitments to integrate the SGs into the European Semester. Ecological resilience is not mentioned explicitly but is implicitly important in a number of areas — e.g. biodiversity, ocean resilience to acidification. In addition, [SDG8 growth targets](#) can create pressures on ecological resilience. The challenge and opportunity remains to integrate ecological resilience in the SDG implementation process.
- 7) **EU trade policy (EU Mercosur Deal + Border Carbon Adjustments)** currently reduces ecological resilience on a massive and global scale. For all these ecological reasons, adding to human rights abuses in Brazil, the EU should block the trade deal with Mercosur countries until real measures are in place to address the ecological catastrophe. Instead, EU leaders need to increase ecological resilience through increasing global trade measures that take into account the climate and environmental disruptiveness of production. Border Carbon Adjustment taxes are one way to discourage the import of products that are not produced in the best available climate-friendly way. They will at the same time create a more level playing field for climate friendly producers in the EU, thus supporting their economic resilience.

Annex 2: Working Table for Discussion: What policy areas are particularly important for ecological resilience, to what extent is resilience reflected, and what more needs to be done.

	<p>Why is Ecological resilience important and where does it feature <i>(explicitly or implicitly; as indicators or simply a term used)?</i></p>	<p>What more can and should be done to better reflect ecological resilience and concerns on ecological tipping points?</p> <p><i>(which indicators, where; what actions to integrate resilience – for development together; a few examples given)</i></p>
<p>Strategic agenda and processes</p>		

<p>SDGs: Agenda 2030 and EU's reflection paper</p>	<p>The 2030 Agenda for Sustainable Development recognizes that sustainable management of natural resources is relevant to achieving all the Sustainable Development Goals (SDGs), and therefore the crucial role of biodiversity and ecosystem services in the well-being of both people and our planet.</p> <p>However, the concept of social-ecological resilience and contribution of biodiversity and ecosystem services towards human well-being are not yet fully recognized and integrated into the sustainable development goal framework.</p> <p>The EU reflection paper mentions resilience only in the in terms of economic resilience, foreign and security policy and resilience of urban settings to preventing disasters and climate related risks.</p>	
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<p>7EAP and future 8EAP</p>	<p>The Seventh Environment Action Programme (7th EAP) 2014-2020 provides an overarching strategic framework and indicators for EU environment policy planning and implementation.</p> <p>It contains nine priority objectives, of which three thematic priority objectives are considered central. These are to 1. protect nature and strengthen ecological resilience, 2. boost resource-efficient, low-carbon growth, and 3. To reduce threats to human health and wellbeing linked to pollution, chemical substances, and the impacts of climate change.</p> <p>An assessment by the EEA shows that priority objective 1: the EU's natural capital is not yet being protected, maintained and enhanced in line with the ambitions of the 7th EAP. The 2020 outlook remains bleak overall for the selected set of objectives related to this priority objective.</p>	
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<p>European Green Deal</p>	<p>The Political guidelines state: <i>As part of the European Green Deal, we will present a Biodiversity Strategy for 2030. Our environment, our natural jewels, our seas and oceans, must be conserved and protected.</i></p> <p>While there is no explicit mention of ecological resilience per se, this is implicitly needed for the commitment to work.</p>	<p>Explicit recognition of ecological resilience concerns and tipping points and priority actions set that take resilience into account</p>
<p>Other</p>		
<p>Environmental Specific agendas and processes</p>		

<p>Biodiversity strategies and commitments (EU BD Strategy, CBD Aichi Targets)</p>	<p>In 2010, the Convention on Biological Diversity (CBD) agreed on a plan to take effective and urgent action to halt the loss of biodiversity by 2020. The aim was to ensure that ecosystems are resilient and continue to provide essential services contributing to human well-being and poverty eradication, as well as, securing the planet’s variety of life.</p> <p>The Aichi Biodiversity targets are part of the Strategic Plan for Biodiversity. Target 15 aims for ecosystem resilience and the contribution of biodiversity to carbon stocks by 2020 enhanced through conservation and restoration. The exact target is described as followed: <i>By 2020, ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems, thereby contributing to climate change mitigation and adaptation and to combating desertification.”</i></p>	
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	<p>Despite restoration and conservation efforts, there is still a net loss of forests, a major global carbon stock. A progress report towards the Aichi biodiversity targets can be found here.</p>	
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<p>EU development of the Long Term Strategy (LTS) on climate change</p>	<p>The EU LTS for “A Clean Planet for All” outlines a vision for achieving a carbon neutral Europe by 2050 through a socially-fair transition in a cost-efficient manner. It highlights the multi-sectoral, complex and fundamental transformation of Europe's societies that will be needed.</p> <p>No explicit statements about ecological resilience. Broader term of resilience is mentioned in relation to the need for better farming systems in order to improve resilience of farming to climate change itself. The vision further stresses nature-based solutions and ecosystem-based approaches being beneficial for water management, biodiversity and enhanced climate resilience.</p>	
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<p>Oceans</p>	<p>The Marine Strategy Framework Directive aims to achieve Good Environmental Status (GES) of the EU's marine waters by 2020 to protect the marine environment and natural resources. GES is defined as “The environmental status of marine waters where these provide ecologically diverse and dynamic oceans and seas which are clean, healthy and productive”. A set of set of detailed criteria and methodological standards has been developed to help Member States implement the Marine Strategy Framework Directive.</p> <p>Resilience is not being explicitly mentioned.</p> <p>The Commission Decision on good environmental status of marine waters further highlights that connectivity and resilience considerations are important for assessing ecosystem processes and functions to determine good environmental status but no further specification how resilience is to be achieved.</p>	
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<p>EU's Water Framework Directive</p>	<p>The Water Framework Directive aims to establish a framework for the protection of European waters in order for Member States to reach “good status” objectives for water bodies throughout the EU.</p> <p>However, fifteen years after the WFD was introduced, achieving its objectives remains a challenge, with 47% of EU surface waters not reaching the good ecological status in 2015—a central objective of EU water legislation (European Commission, 2012).</p> <p>Resilience or tipping points are not being mentioned within the documents.</p>	<p>e.g. integration of ecological tipping points into WFD Fitness check</p>
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<p>Common Agricultural Policy</p>	<p>The EU's common agricultural policy (CAP) is a partnership between agriculture and society and aims to, among others, to support tackle climate change and the sustainable management of natural resources.</p> <p>Resilience is only being mentioned in terms of making the farming community more robust against shocks in the short-term. However, a broader sense of resilience is needed to ensure sustainability in the long-term and effectively tackle climate change.</p>	
<p>Other</p>		
<p>Horizontal governance processes and tools</p>		

European Semester	The European Semester was launched to support the resilience of the European economies and financial system Ecological Resilience not featured.	The integration of SDG indicators as well as European Green Deal indicators and a due presence of indicators linked to resilience of nature and ecosystems
MFF	<i>Nothing explicit</i>	
Better regulation and IAs	<i>Nothing explicit</i>	
EU Mercosur Trade Deal	<i>Nothing explicit</i>	
Other		

