

Greece's 'invisible' green crisis

EU environmental policy is one of the casualties of Greece's austerity drive, writes Demetres Karavellas

Behind the depressingly familiar street demonstrations beamed almost nightly from Greece are other crises that are largely unreported and unnoticed.

One of these 'invisible' crises is environmental. Almost a quarter of a century of advances in environmental regulation made by Greece as a member of the EU are now being weakened and rolled back. Crisis-management policies are being adopted with intended short-term economic 'wins' but with little regard for sustainability and for environmental issues.

As a member of the troika overseeing Greece's austerity-based reforms (together with the International Monetary Fund and the European Central Bank), can the European Commission simultaneously act as custodian of the EU treaties while at the same time advocating policies that seriously undermine their implementation?

A case in point is the pioneering 'Green Fund' established by the Greek government in 2010 with the aim of promoting nature conservation and investments related to climate change. The fund swiftly accumulated over €1 billion. But the fund was effectively dissolved only months after its creation; 95% of the fund can now freely be absorbed by the state budget in order to help cover the national debt.

This shifting of resources away from the environment also stifles the potential for green businesses and jobs.

Environmental protection regulations are now being axed – this, at a time when large-scale infrastructure investments are being promoted without being subject to transparent, legally unimpeachable



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screening and to proper environmental impact assessments. One example is a draft law currently being discussed in parliament that would exempt all waste-treatment infrastructure works from proper environmental-impact assessment procedures on grounds of "the general public interest".

What have long been designated as 'illegal' constructions are now being retrospectively 'legalised' through payment of fines, again aimed at covering the soaring debt. With this measure, not only is immunity granted to illegal practices, but there is a clear risk of undermining important protected areas. The island of Zakynthos, the Mesolonghi lagoon and even Mount Olympus are among the protected areas that are particularly at risk.

This trajectory is economic folly. First, cutting back on environmental-protection regulations

may bring some short-term relief but will ultimately deter new investment. One recent example of a project approved despite its obvious impact on the protected habitat of an EU priority species is a large tourist resort on the island of Milos.

Second, the huge natural capital of countries such as Greece is an important source of wealth that is not captured in conventional economic accounting. Sacrificing environmental regulations in the name of austerity is poor economics.

Since tourism accounts for 18% of Greece's gross domestic product, it simply does not make business sense to put at risk one of the main competitive advantages and 'products' of this country – its stunning landscapes, and the wealth and diversity of nature spread across its peninsula, its islands and its marine environment.

Third, different economic development pathways based on 'green economy' principles and outcomes are rapidly becoming the new orthodoxy. Why send Greece back to the economic Dark Ages through imposed 'environmental austerity' at a time when investing in resource stewardship is increasingly seen as giving countries a competitive edge?

This is not to argue that Greece's economy does not need adjustment. But those who prescribe the medicine of austerity must be accountable for the longer-term consequences of their actions on the environment – a policy area that few understand and even fewer recognise properly in their national accounts.

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Preparing the EU for the next disaster

The EU has laid the ground for a better crisis-response system, writes Magnus Ekengren. It now needs political follow-through

How many systems does the EU have in place that would be activated in a crisis? The answer is about 30, led variously by the European Commission, the secretariat of the Council of Ministers, and the European External Action Service. Their roles vary, from providing early warning, to rapid responses to everything from terrorist threats to natural disasters.

This is a testament to the range of cross-border challenges that the EU faces. It also reflects the growing obligations placed on the EU's institutions to help member states during crises: the EU adopted a security strategy in 2003, approved a strategy for internal security in 2010, and in 2009 ratified the Lisbon treaty, which enables EU member

states to activate a solidarity clause in the event of terrorist attacks and natural disasters.

But this remains an ad hoc system whose flaws have been shown up repeatedly. The chaos wreaked by ash from the Icelandic volcano Eyjafjallajökull in 2010 and, in 2011, the E. coli crisis, the flows of immigrants from north Africa and the cyber-attacks on the EU's emissions trading system highlighted how fragmented the EU's crisis-response capacity is. The crises have crossed both geographical and sectoral boundaries.

The Commission has responded; it wants to end the ad hoc system. In October 2010, Kristalina Georgieva, the European commissioner for international co-operation, humanitarian aid and crisis response, proposed the establishment of a European Emergency Response Capacity. In this scheme, member states would pre-commit themselves to providing assets when disasters strike, and draw up joint contingency plans. Cecilia Malmström, the commissioner for home affairs, has emphasised the importance of strengthening the EU's co-ordination of national resources to manage cyber threats and improve border security. Both sets of proposals are

now being implemented.

More pooling and better co-ordination are certainly necessary, and both should ensure that, when EU member states invoke the solidarity clause, the response will be more effective. But only so much improvement is possible if the underlying problem is not addressed: fragmentation. The EU's response is handicapped by a system in which 27 member states have 27 distinct systems and sets of rules.

National systems need to converge and be better adapted to EU needs in times of crisis. Guidelines serve this purpose.

So the guidelines that the Commission issued in 2010 on risk assessment covering major natural and man-made disasters were welcome. Guidelines already existed for home affairs and internal security. In addition, the Commission has asked member states to draw up national programmes focused on EU internal-security priorities.

But these guidelines and national plans lack follow-through. A third component is needed: political pressure and leadership. The Council and the Commission should jointly evaluate the national plans and, if necessary, issue recommendations to member countries that are not doing enough to meet the EU's guidelines. These could include

deadlines for establishing minimum standards and capacity targets to be reached. In this way, a system of 'naming and shaming' (or 'naming and praising') would evolve. Such a system of 'governance by objectives' has been used in other areas, frequently as a prelude to 'hard' co-ordination and legislation.

This work must be cross-sectoral. The EU now urgently needs to decide who should be in charge of this work: Georgieva; Malmström; Catherine Ashton, as the high representative for security and foreign policy; José Manuel Barroso, the president of the European Commission; or Herman Van Rompuy, the president of the European Council?

Overall, the EU should aim to support domestic reforms, build up trust, and remove the obstacles to a more integrated European disaster-response and internal security system. Gradually, national systems would gain common features, a European mind-set would develop, and the capacity to respond to transnational threats would become more robust.

It is not just a desire for effective responses to disasters that is driving efforts to improve the EU's crisis response. The response to recent crises shows that the public increasingly expects the EU to be able to respond well.

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