



Operation and short history of the European Union

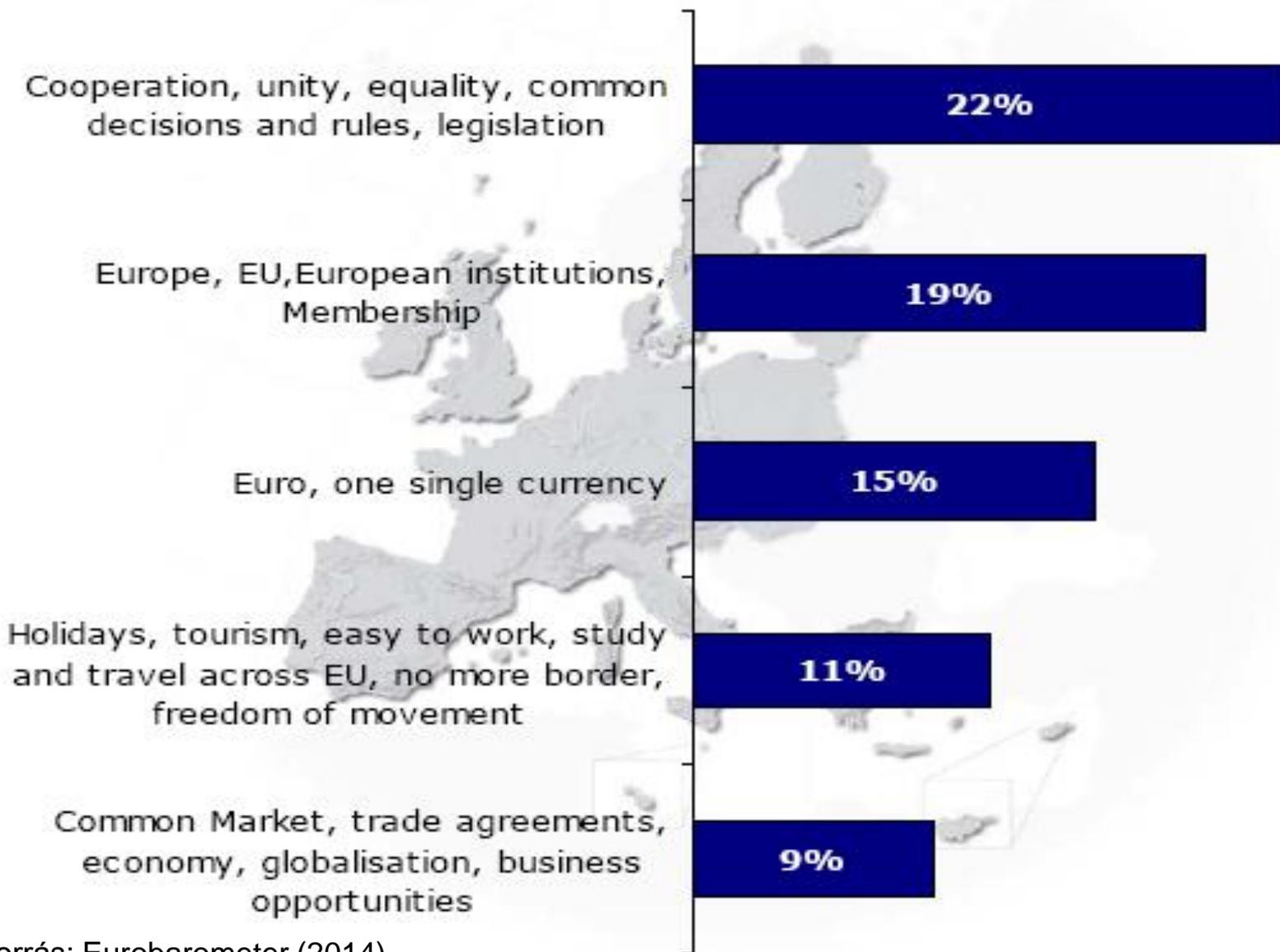
Prepared: Tekla Sebestyén Szép, PhD



The European identity

- identity = unity, consistency (togetherness).
- European identity = affinities of the European nations and citizens
- The different levels of the identity:
 - The geographical conditions
 - Cultural heritage
 - History, political past, conditions.

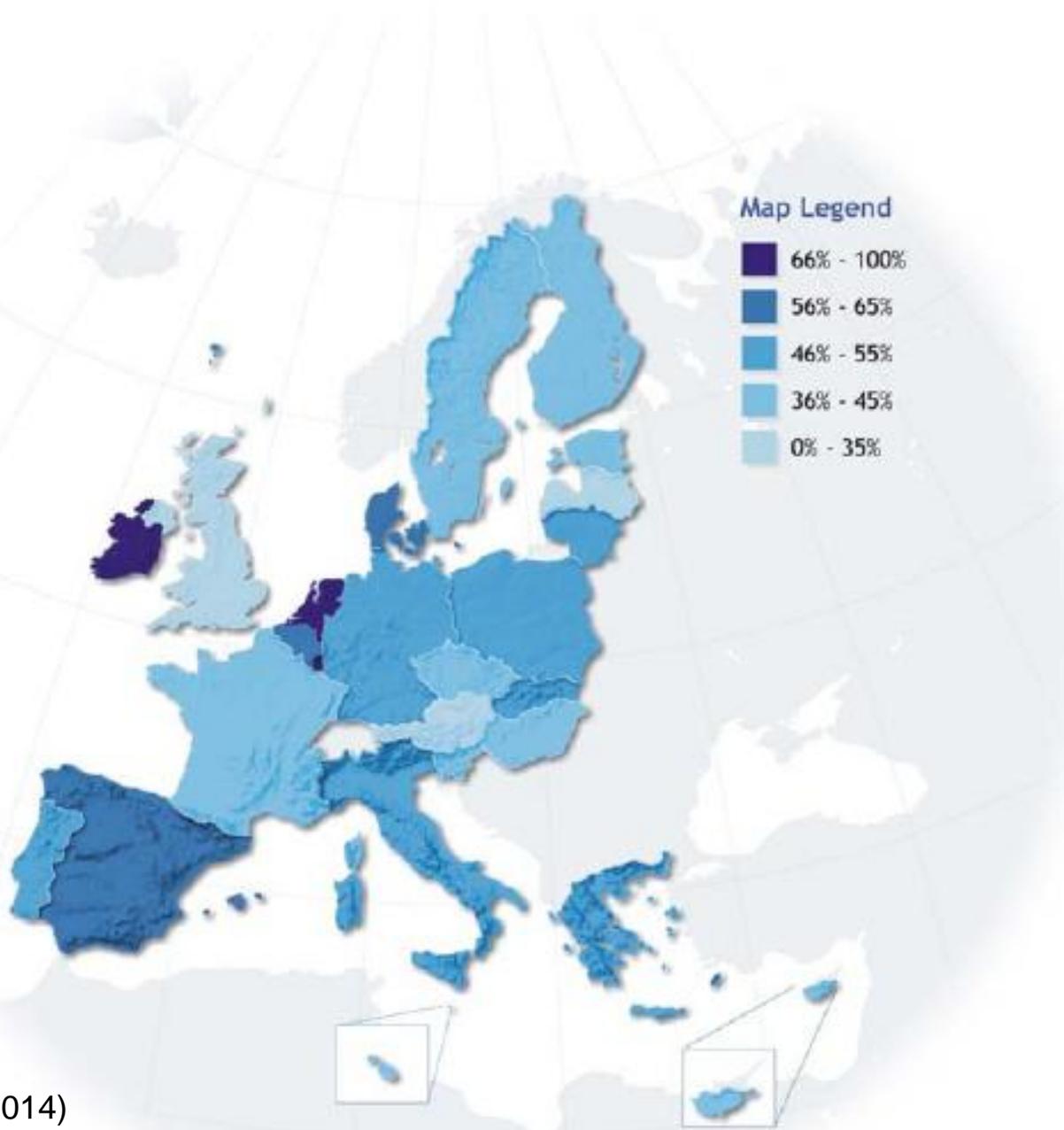
When you hear the words "European Union", what comes to your mind first? And what else? (OPEN QUESTION - MULTIPLE ANSWERS POSSIBLE)



Question: QA7. Generally speaking, do you think that (OUR COUNTRY)'s membership of the European Union is...?

Answers: A good thing

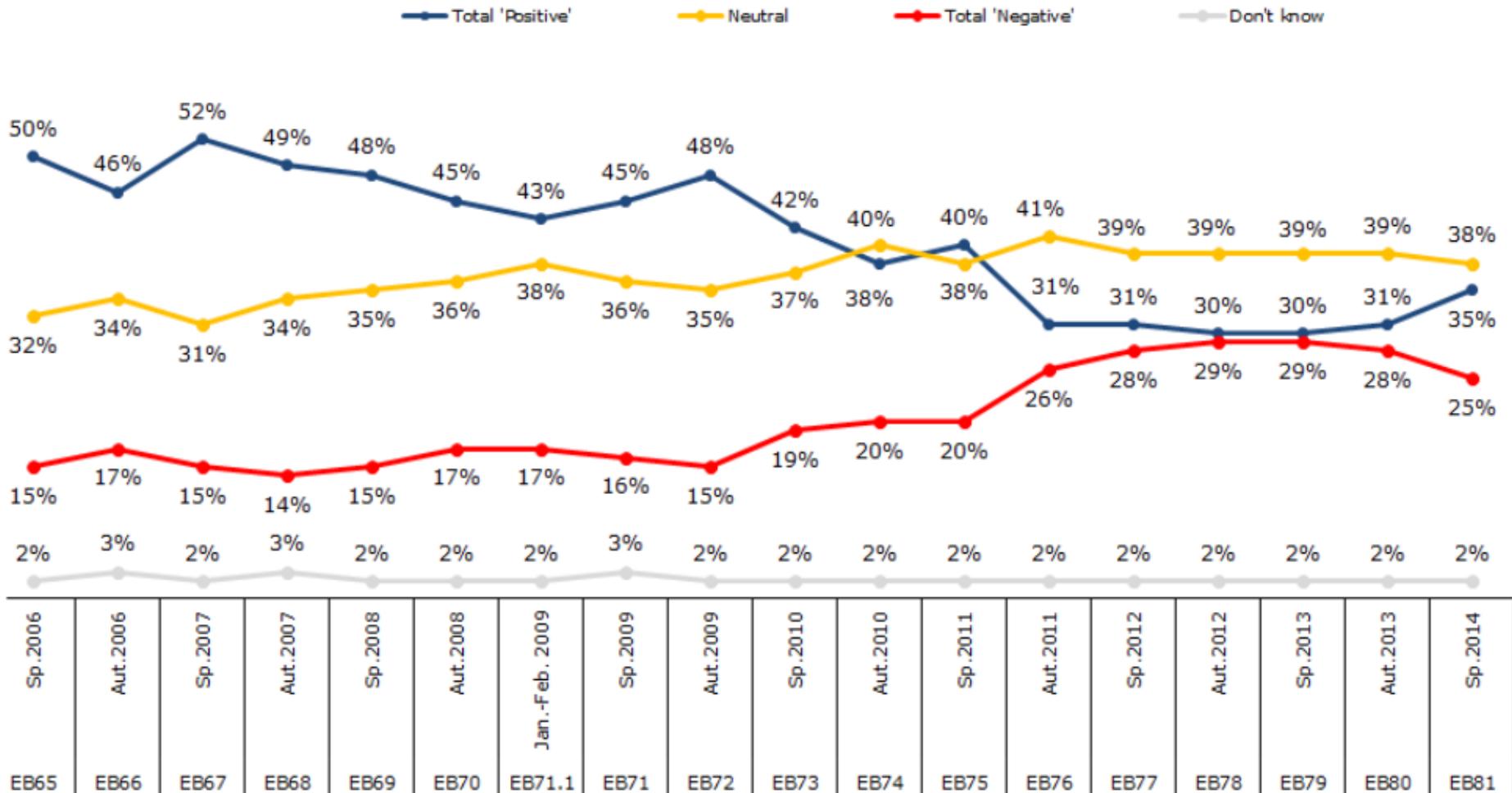
Country Results		
	Luxembourg	71%
	The Netherlands	71%
	Ireland	68%
	Spain	62%
	Denmark	61%
	Belgium	60%
	Slovakia	54%
	Germany	52%
	Lithuania	52%
	Poland	52%
	Greece	50%
	European Union (25)	49%
	Italy	49%
	Portugal	47%
	France	44%
	Czech Republic	44%
	Slovenia	44%
	Cyprus	43%
	Estonia	43%
	Sweden	42%
	Malta	42%
	Hungary	40%
	Finland	36%
	United Kingdom	33%
	Austria	31%
	Latvia	29%



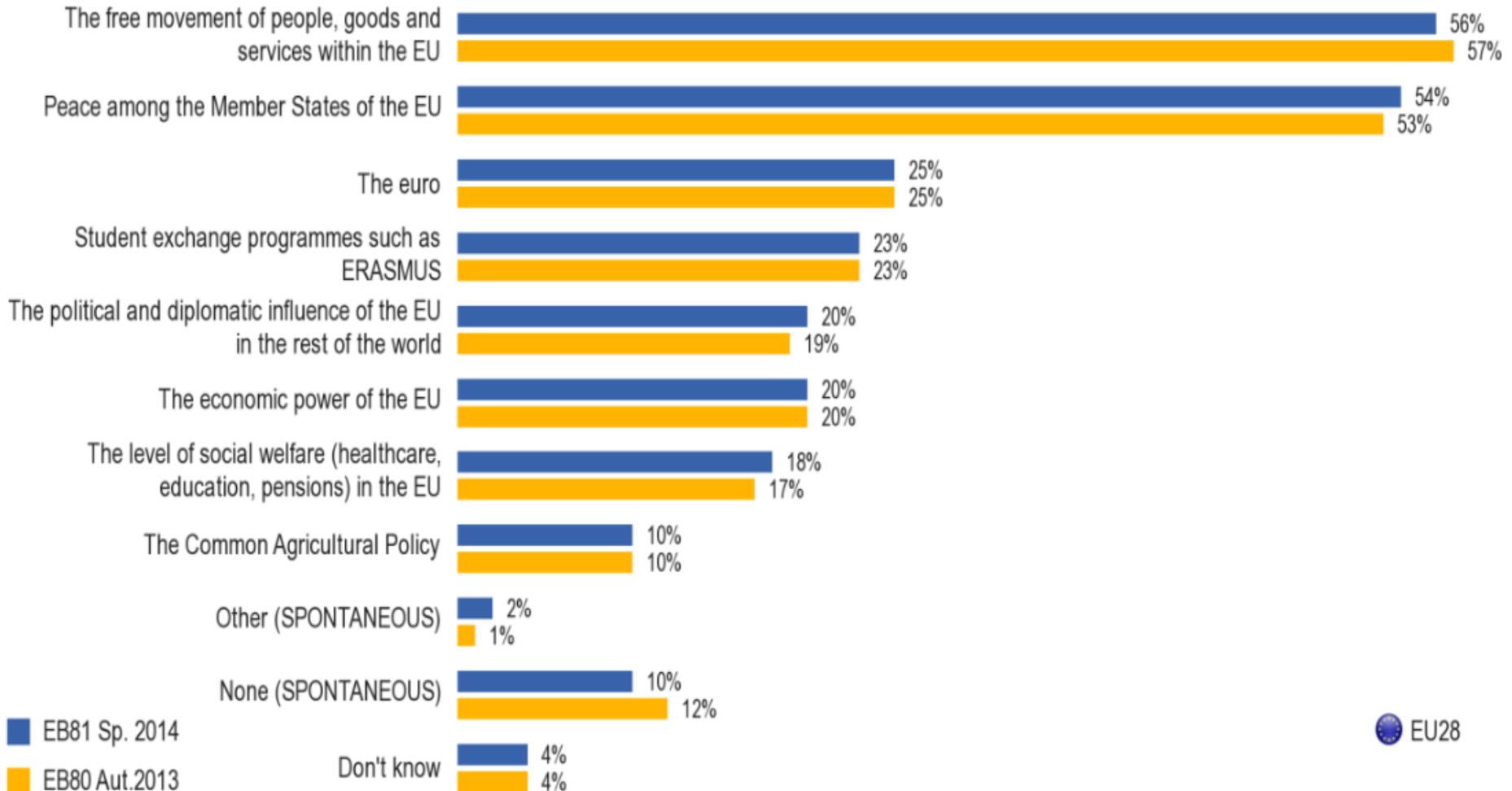
VILÁG- ÉS REGIONÁLIS GAZDASÁGTAN INTÉZET

Forrás: Eurobarometer (2014)

QA10 In general, does the EU conjure up for you a very positive, fairly positive, neutral, fairly negative or very negative image? - % EU

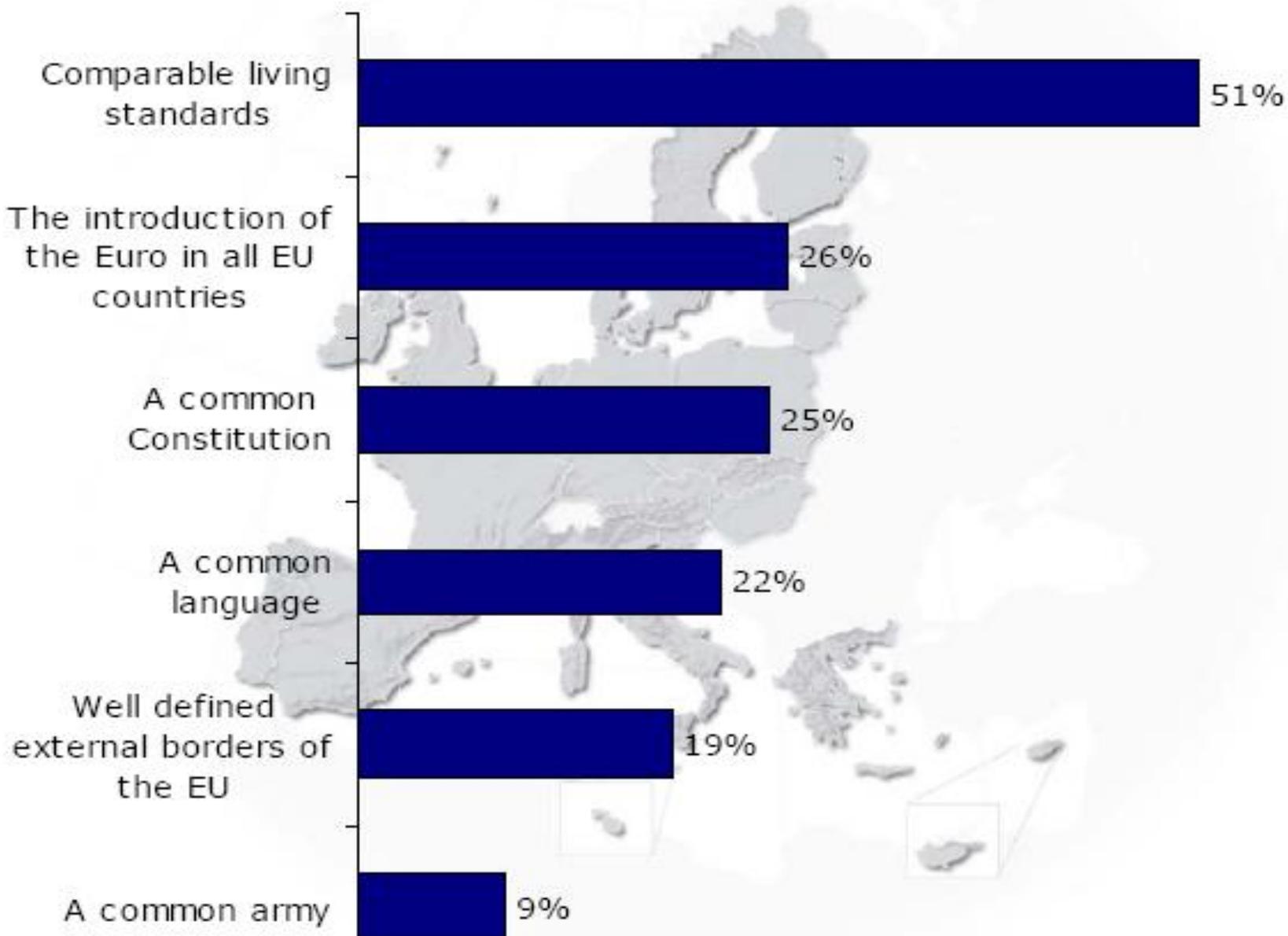


QD4T. Which of the following do you think is the most positive result of the EU?

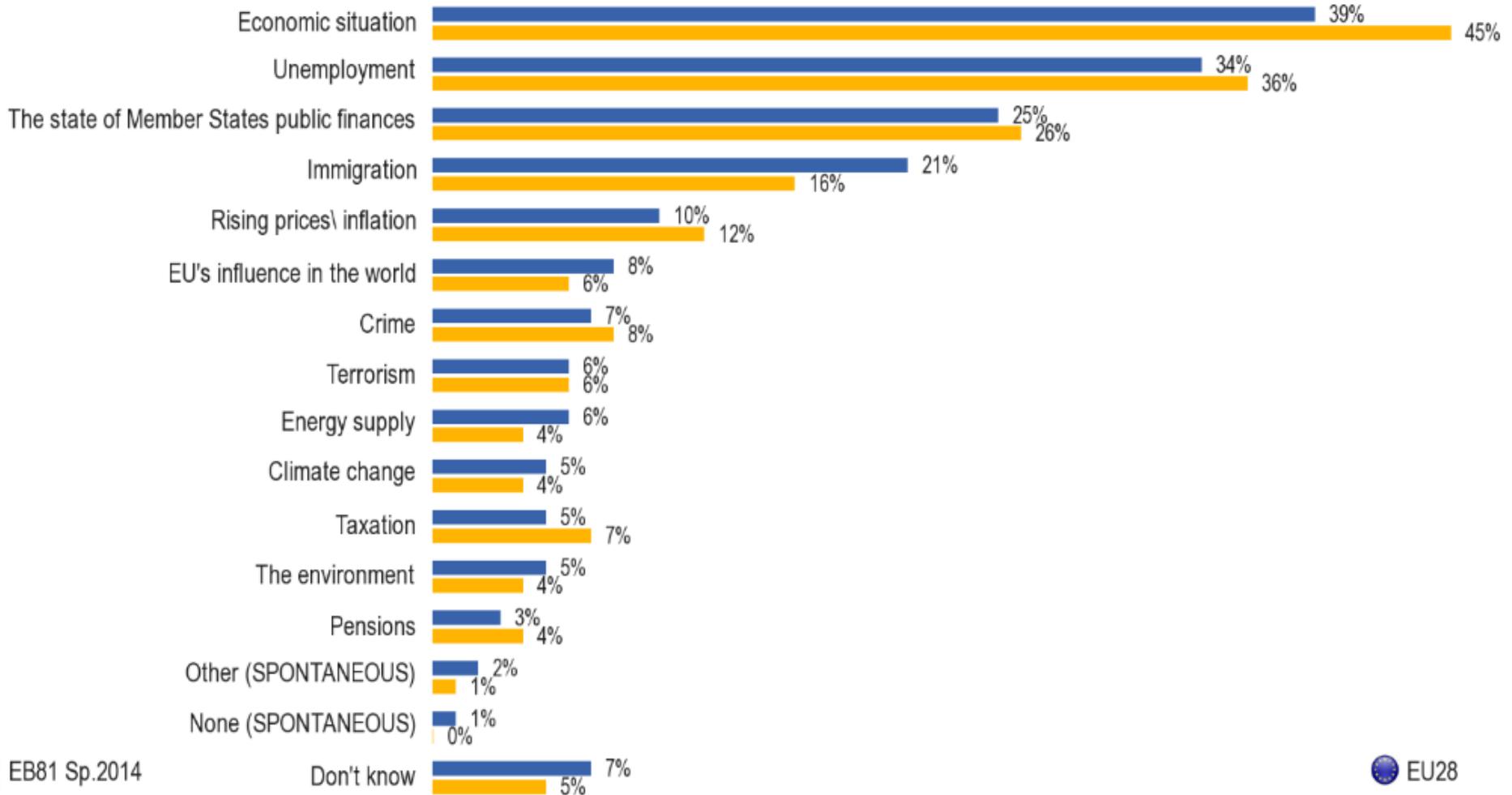




Which two of the following would you consider to be most helpful if anything, for the future of Europe?



QA6. What do you think are the two most important issues facing the EU at the moment?

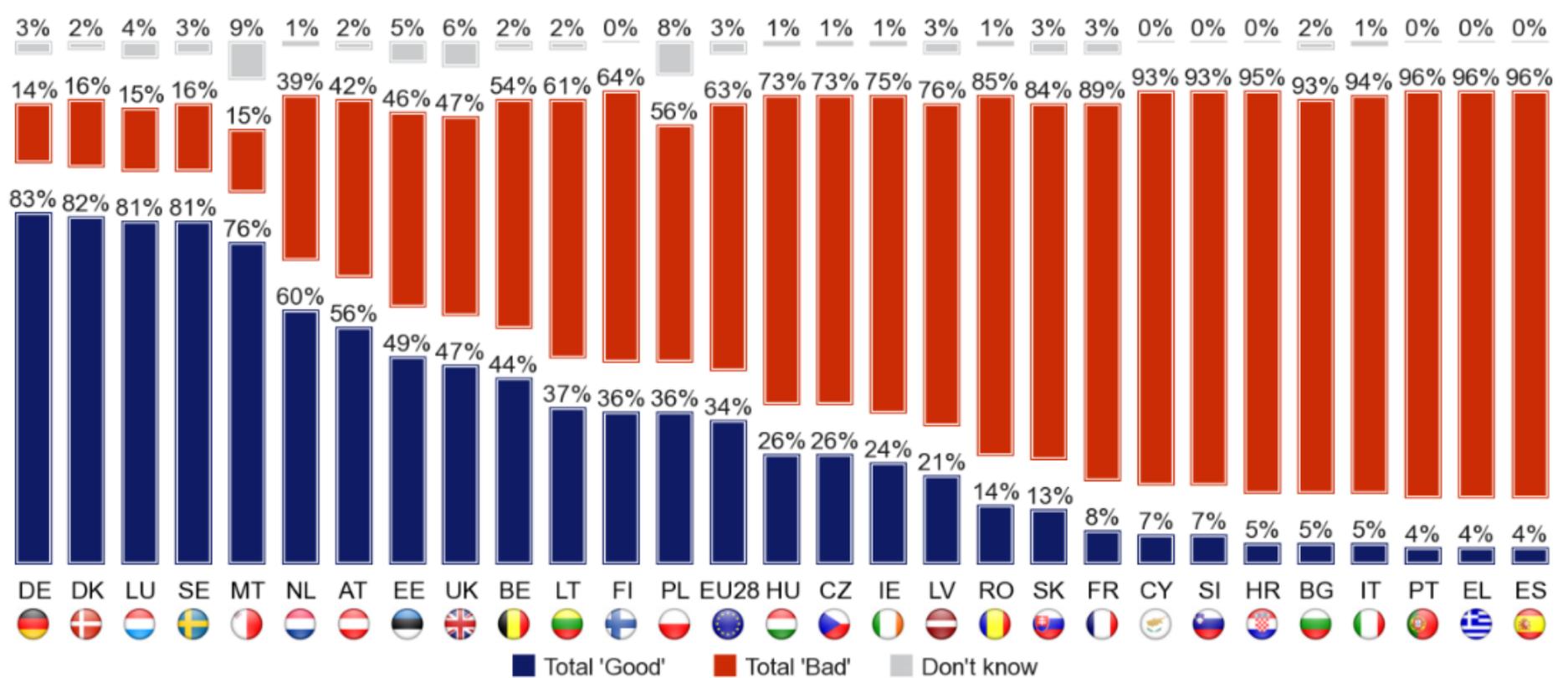


■ EB81 Sp.2014
 ■ EB80 Aut.2013

● EU28

QA2a.1. How would you judge the current situation in each of the following?

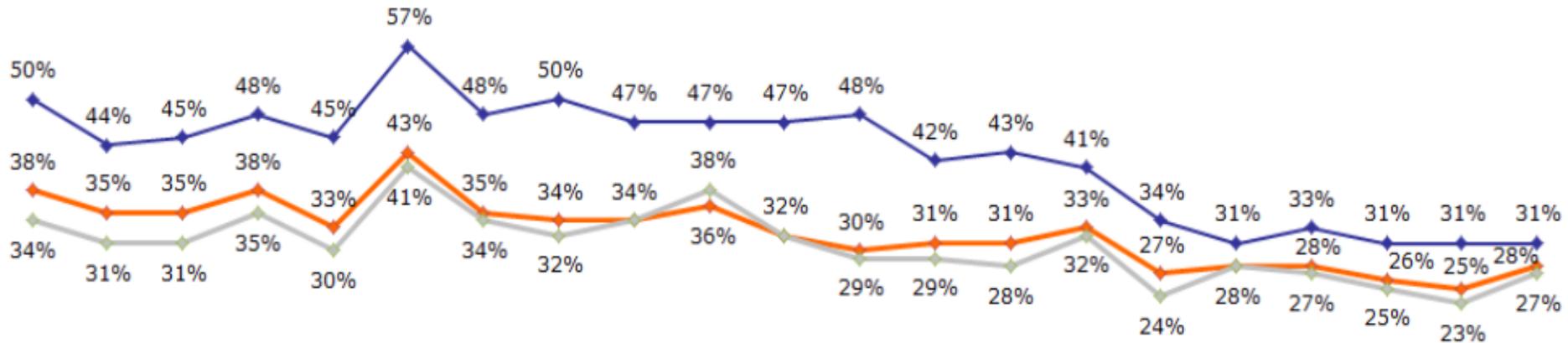
The situation of the (NATIONALITY) economy



Forrás: Eurobarometer (2014)

QA9. I would like to ask you a question about how much trust you have in certain institutions. For each of the following institutions, please tell me if you tend to trust it or tend not to trust it.
- Tend to trust - %EU

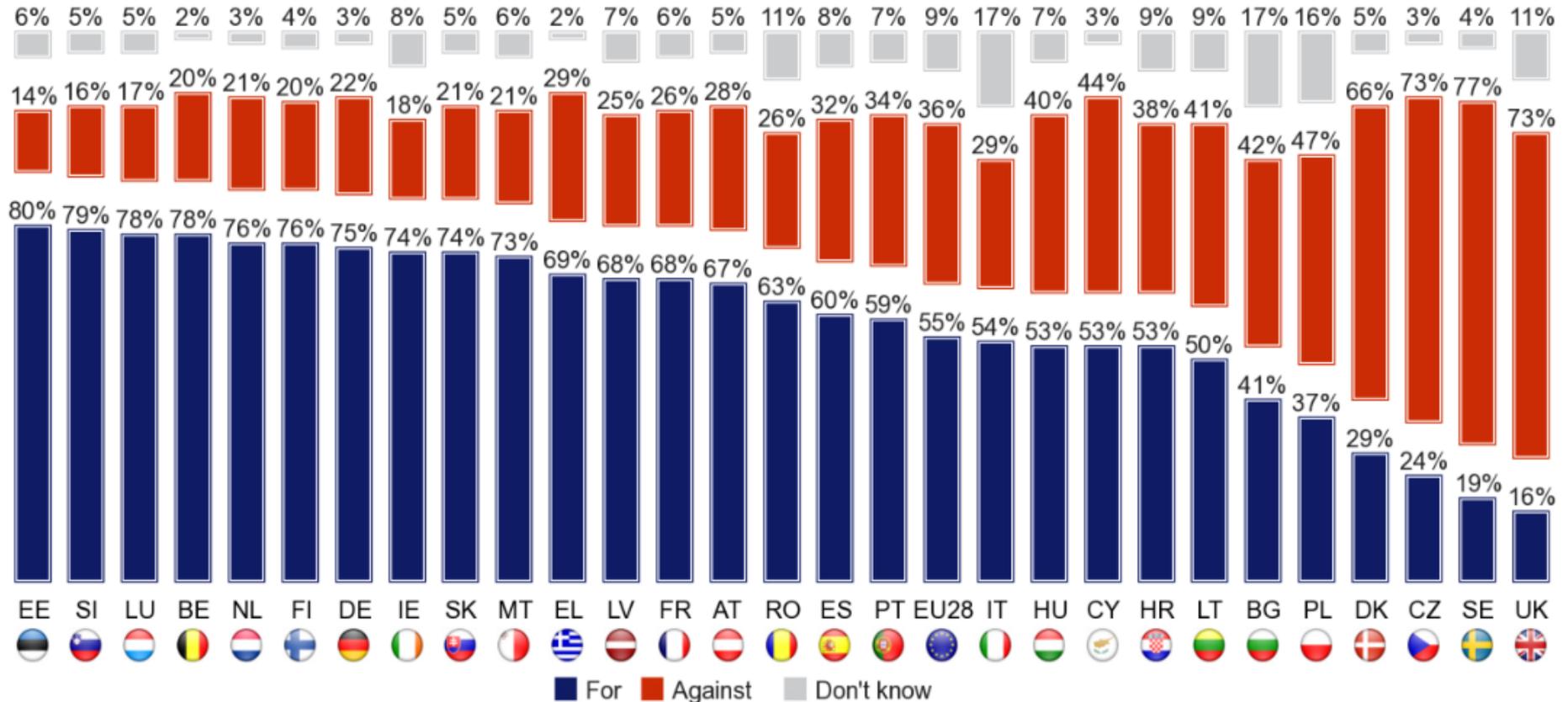
◆ The European Union ◆ The (NATIONALITY) Parliament ◆ The (NATIONALITY) Government



Aut.2004	Sp.2005	Aut.2005	Sp.2006	Aut.2006	Sp.2007	Aut.2007	Sp.2008	Aut.2008	Jan.-Feb. 2009	Sp.2009	Aut.2009	Sp.2010	Aut.2010	Sp.2011	Aut.2011	Sp.2012	Aut.2012	Sp.2013	Aut.2013	Sp.2014
EB62	EB63	EB64	EB65	EB66	EB67	EB68	EB69	EB70	EB71.1	EB71	EB72	EB73	EB74	EB75	EB76	EB77	EB78	EB79	EB80	EB81

QA17.1. What is your opinion on each of the following statements? Please tell me for each statement, whether you are for it or against it.

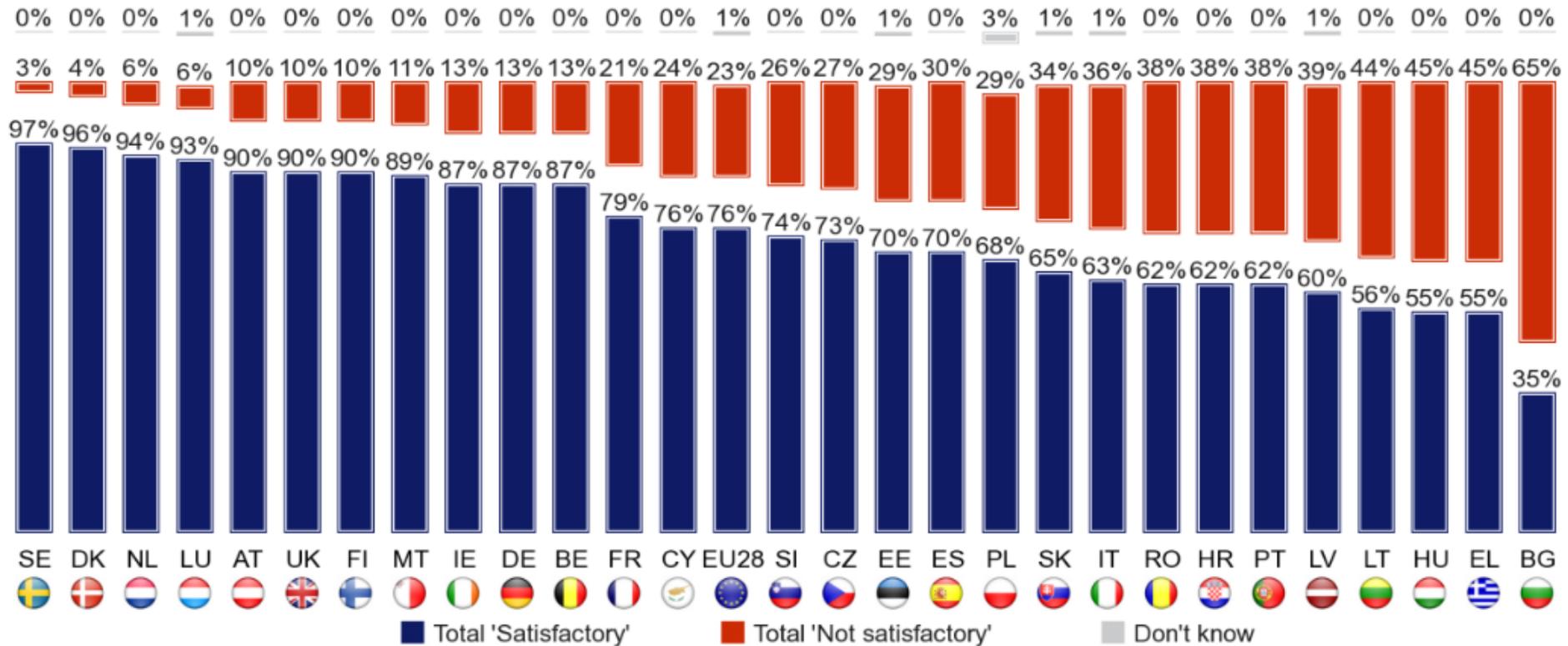
A European economic and monetary union with one single currency, the euro



■ For ■ Against ■ Don't know

QE1.3. I am now going to read out different aspects of everyday life. For each, could you tell me if this aspect of your life is very satisfactory, fairly satisfactory, not very satisfactory or not at all satisfactory?

Your standard of living

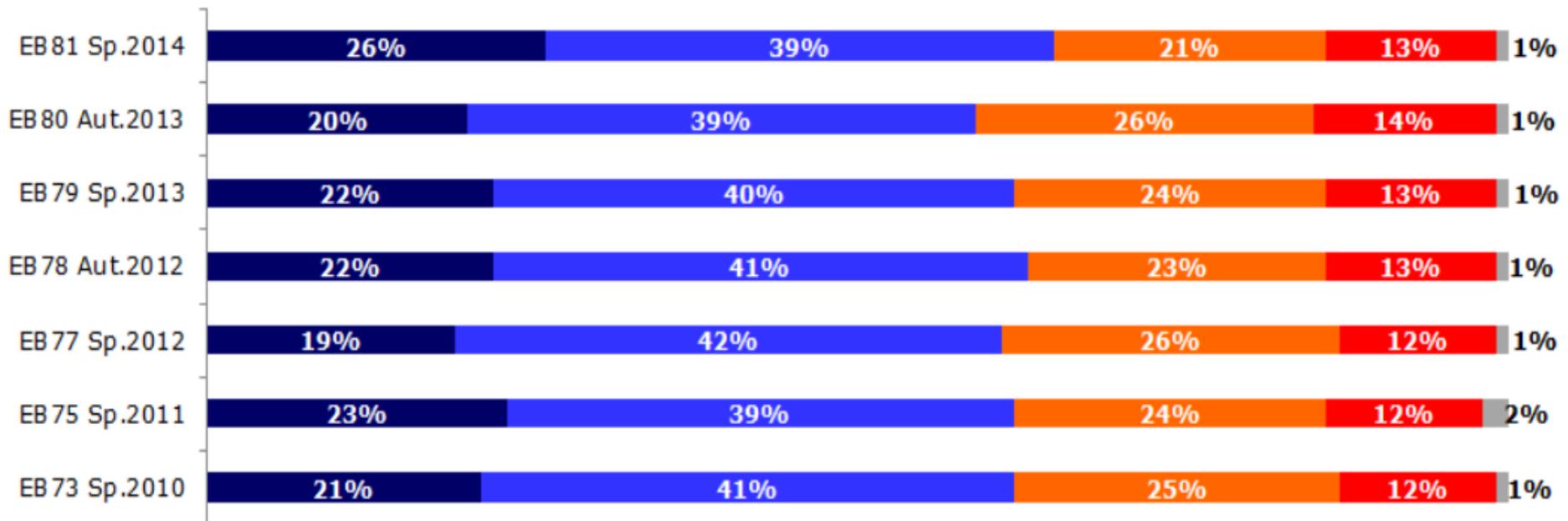


Forrás: Eurobarometer (2014)

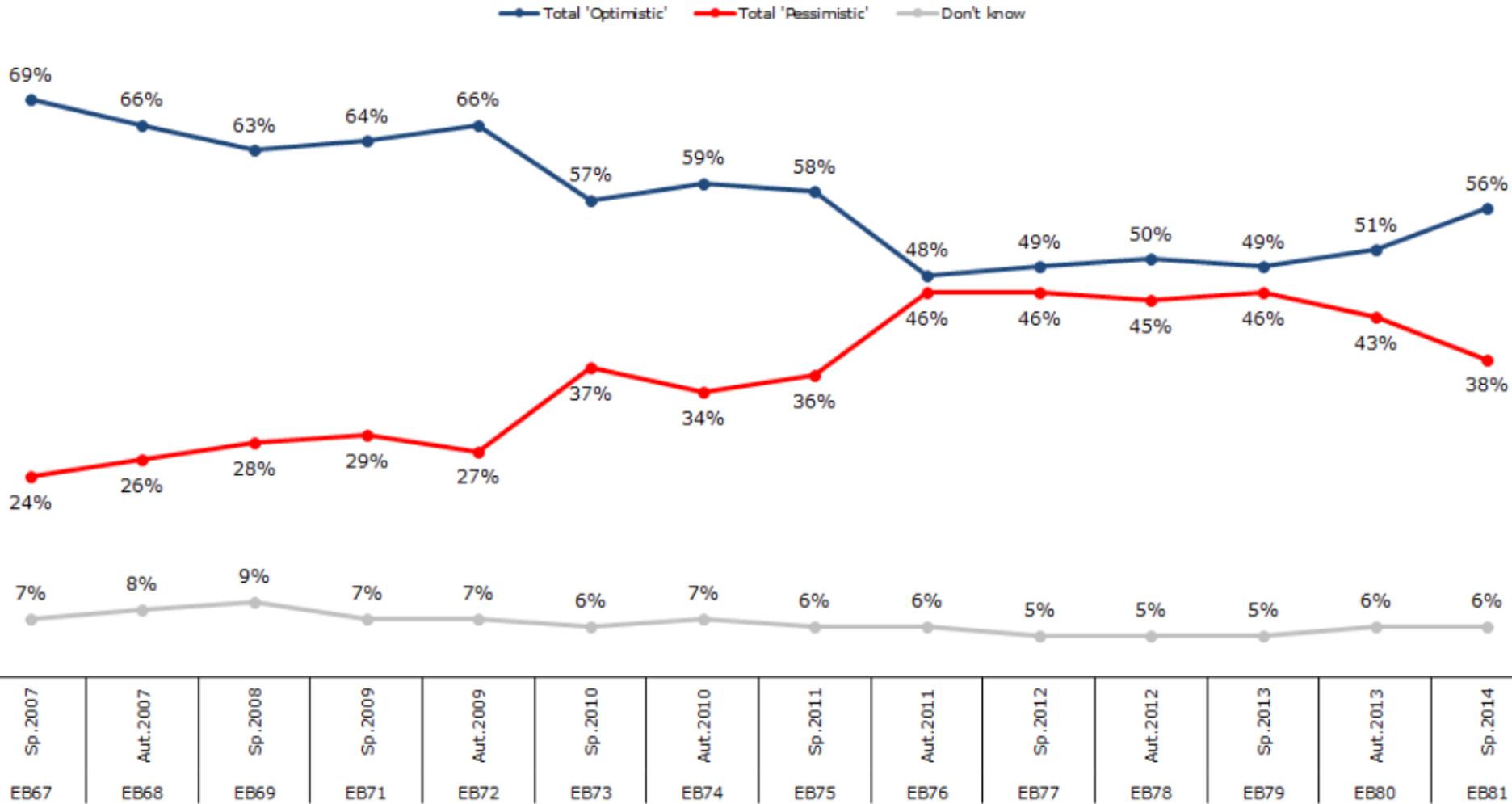
QD1.1. For each of the following statements, please tell me to what extent it corresponds or not to your own opinion.

You feel you are a citizen of the EU - % EU28

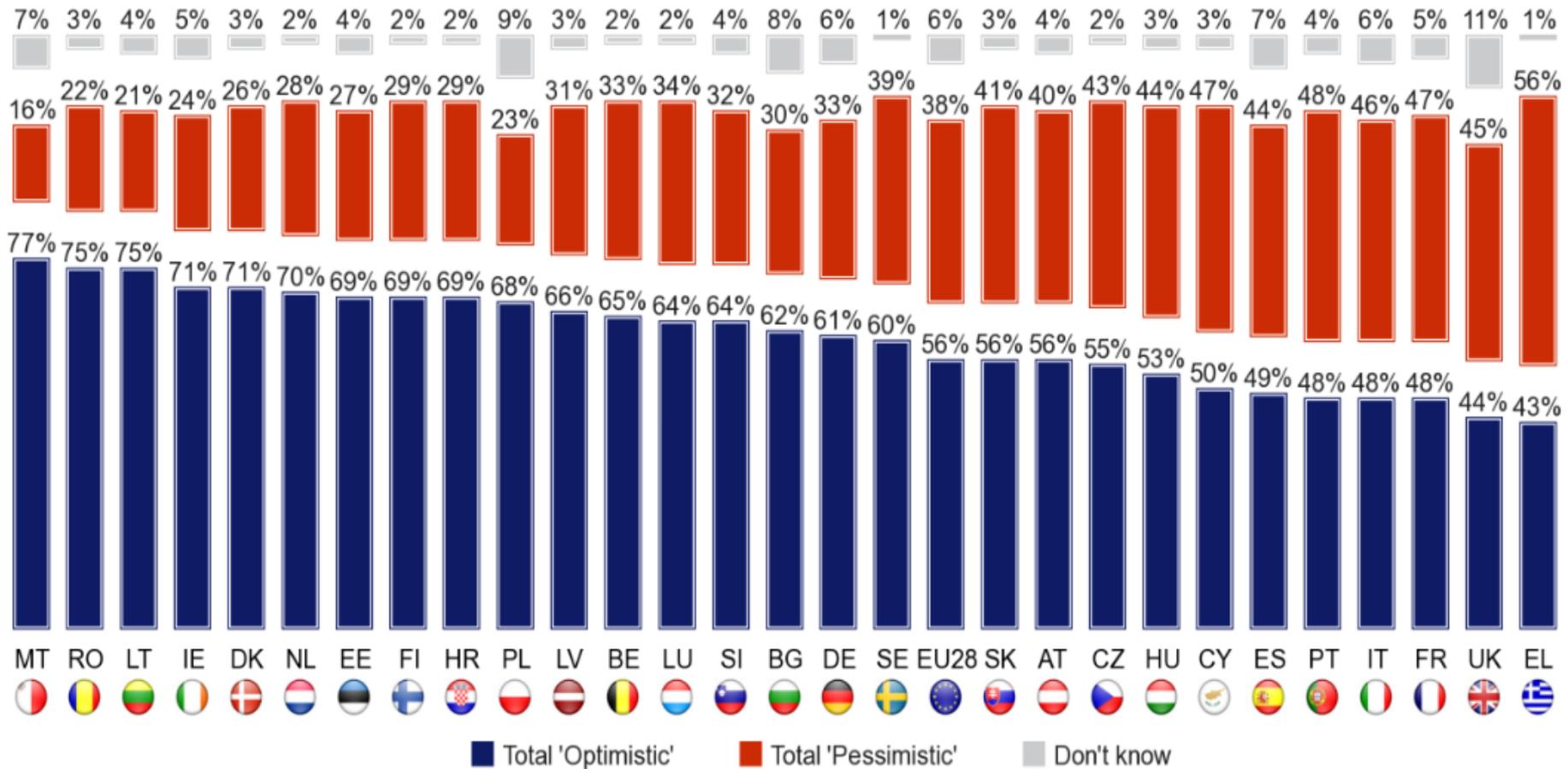
■ Yes, definitely ■ Yes, to some extent ■ No, not really ■ No, definitely not ■ Don't know



QA22 Would you say that you are very optimistic, fairly optimistic, fairly pessimistic or very pessimistic about the future of the EU? - % EU



QA22. Would you say that you are very optimistic, fairly optimistic, fairly pessimistic or very pessimistic about the future of the EU?

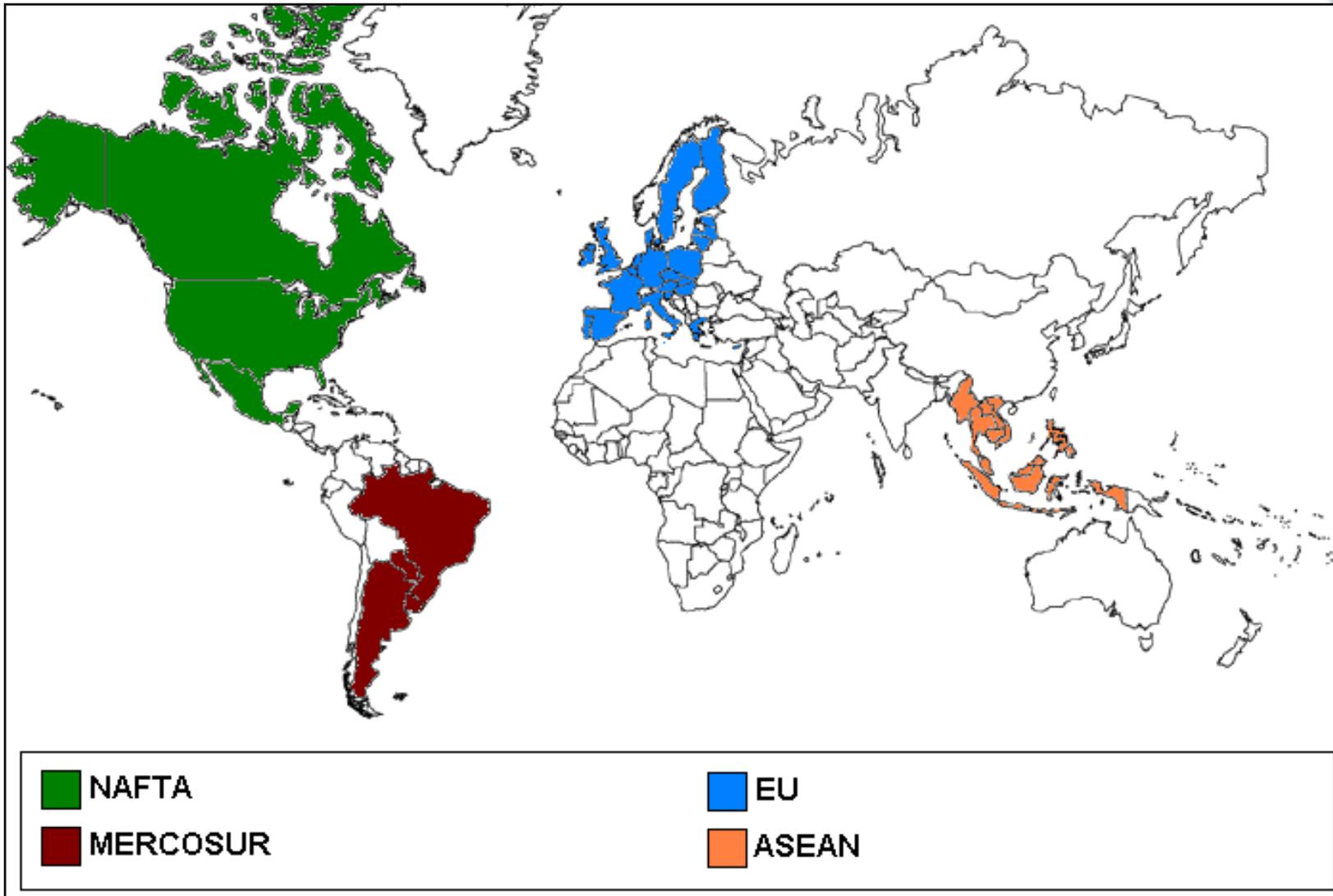


Flag



- 12 stars → prefections
- 12 apostles
- 12 Olympian gods in the Greek mythology
- 12 months/hours
- Arthur king and the Knights of the Roundtable (12 knights)

The most successful integrations in the world



Map of the EU



WORLD

TOP
TEN

RICHEST COUNTRIES (2012)
By GDP (PPP) Per Capita



Country	GDP (Per Capita \$)	Country	GDP (Per Capita \$)
Qatar	100,889	United States	51,704
Luxembourg	77,958	Switzerland	44,864
Singapore	60,799	San Marino	42,724
Norway	54,397	Canada	42,317
Brunei Darussalam	54,114	Australia	41,954

Source: International Monetary Fund (World Economic Outlook Database-October 2013)

Copyright © 2013 www.mapsofworld.com
(Updated on 5th Dec, 2013)

Description : Map shows the top 10 richest countries in the world.

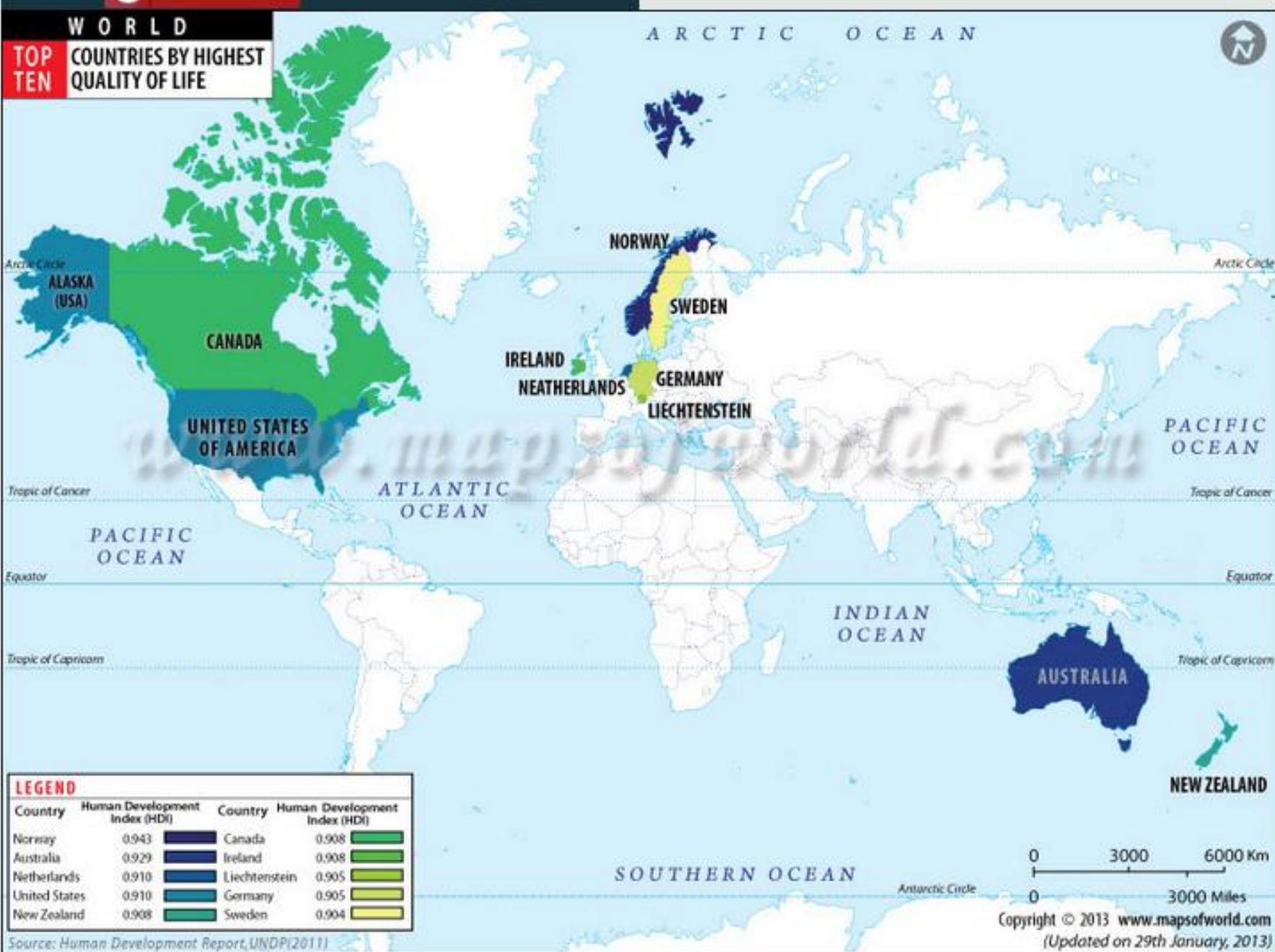
Disclaimer

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Source: Map of World <http://www.mapsofworld.com>

WORLD

TOP TEN COUNTRIES BY HIGHEST QUALITY OF LIFE



VIAC - ÉS REGIONÁLIS GAZDASÁGTAN INTÉZET

Description: This Map shows top ten countries with highest quality of life in the world.

Source: Map of World <http://www.mapsofworld.com>

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(Updated on 29th January, 2013)

Disclaimer

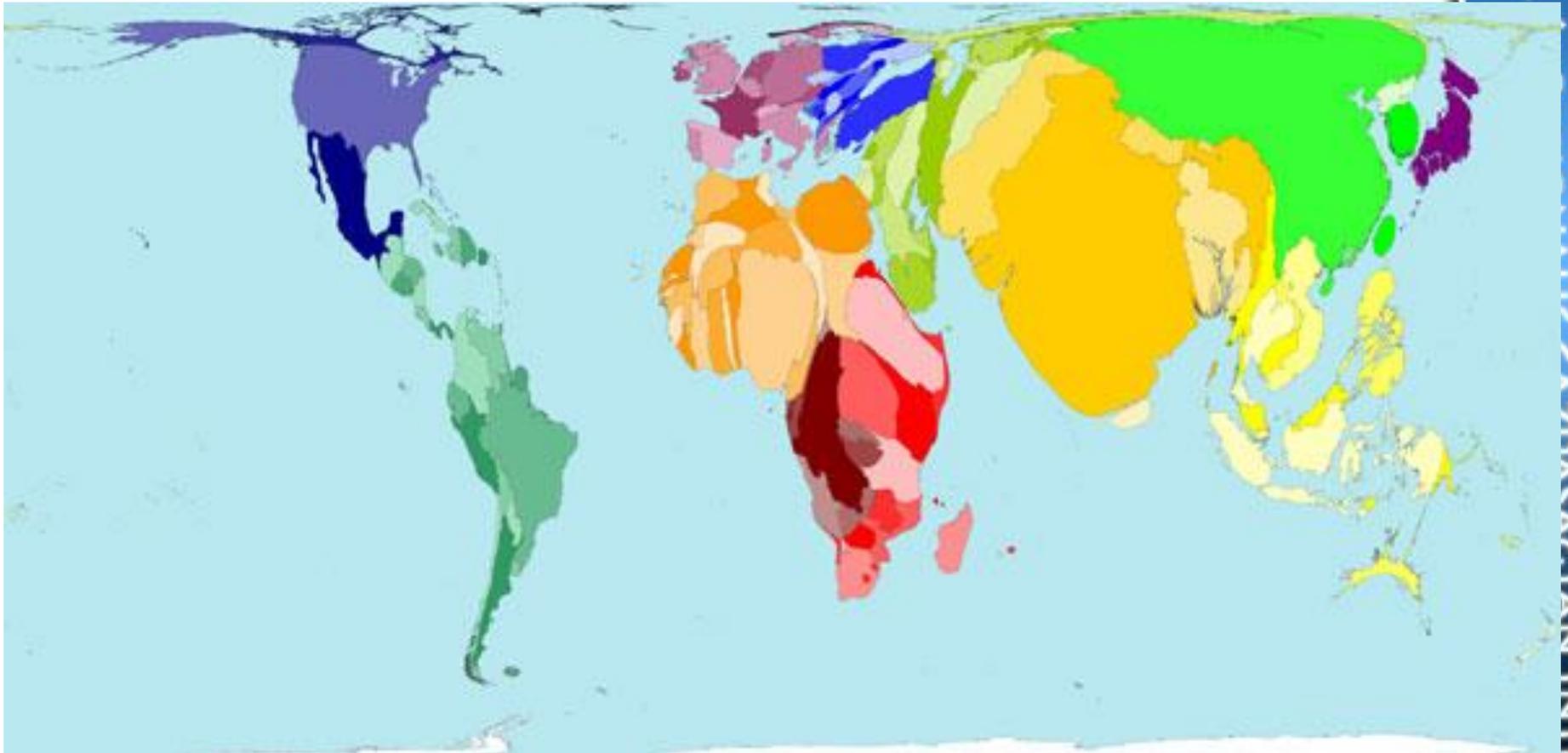
WORLD

TOP TEN Powerful Countries



Source: Map of World <http://www.mapsofworld.com>

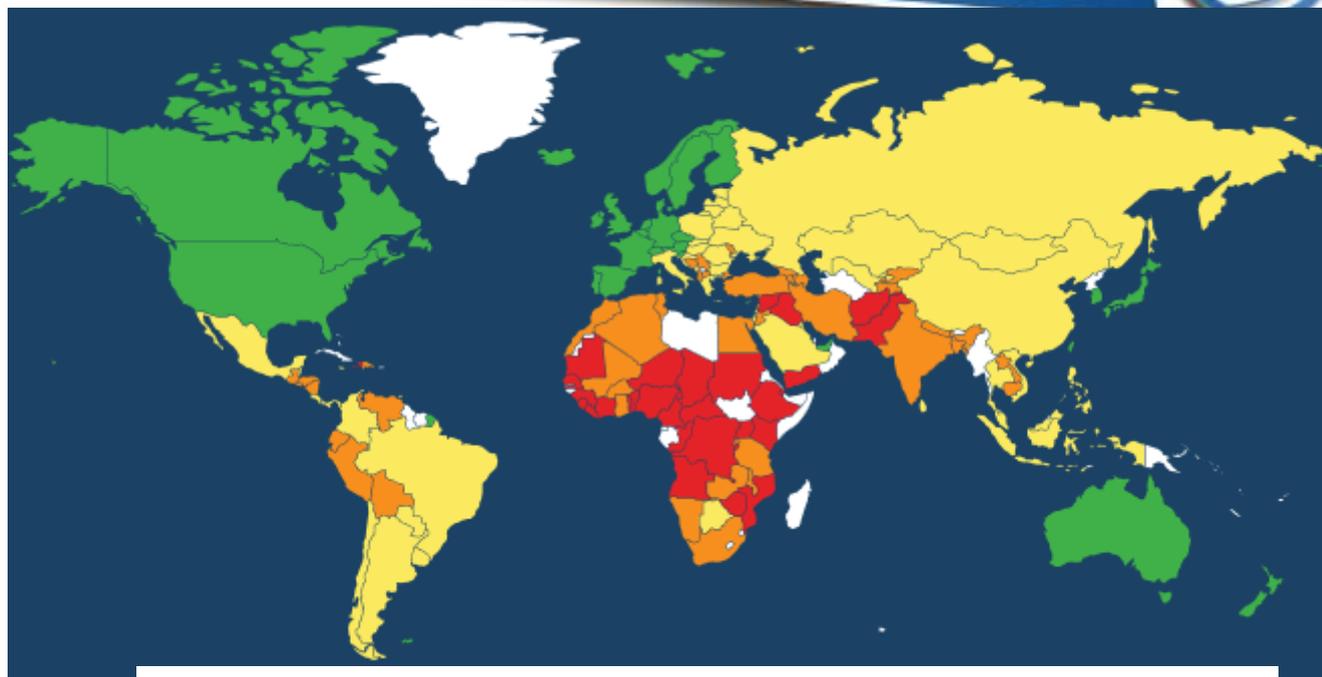
World population cartogram (2050)



Top 10 happiest countries (2012)



1. Norway
2. Denmark
3. Sweden
4. Australia
5. New Zealand
6. Canada
7. Finland
8. The Netherlands
9. Switzerland
10. Ireland



Rank	Country
1	Norway
2	Denmark
3	Sweden
7	Finland
8	Netherlands
9	Switzerland
10	Ireland
11	Luxembourg
13	United Kingdom
14	Germany
15	Iceland
16	Austria
17	Belgium
21	France
23	Spain
24	Slovenia
25	Malta
26	Portugal
	Czech Republic
	Cyprus
	Poland

REGIONAL RANKING—EUROPE

AZDASÁCTYAN INTÉZET



History of the EU

- France, Italy, the Benelux countries (Belgium, Netherlands and Luxembourg) together with West Germany signed the Treaty of Paris (1951) → European Coal and Steel Community
 - It gave birth to the first institutions, such as the High Authority (now the European Commission) and the Common Assembly (now the European Parliament). The first presidents of those institutions were Jean Monnet and Paul-Henri Spaak respectively.
- Treaties of Rome (1957): established the European Economic Community (EEC) and the European Atomic Energy Community (Euratom) among the members.
- European Communities (1967)
- Single European Act (1986/87)
- Maastricht Treaty (1992/1993)



Three pillars of the EU





- European Economic Area (which entered into force on 1 January 1994), an organisation that allowed European Free Trade Association states to enter the Single European Market.
- Treaty of Amsterdam (1997/1999)
- Treaty of Nice (2001)
- Lisbon Treaty (2007/2009)
- Europe 2020 strategy:
 - ensuring 75% employment of 20–64-year-olds;
 - getting 3% of the EU’s GDP invested into research and development;
 - limiting greenhouse gas emissions by 20% or even 30% compared to 1990 levels, creating 20% of our energy needs from renewables and increasing our energy efficiency by 20%;
 - reducing school dropout rates to below 10%, with at least 40% of 30–34-year-olds completing tertiary education;
 - ensuring 20 million fewer people are at risk of poverty or social exclusion



Main integration stages

1. Free trade area
2. Customs Union
3. Common market
4. Economic and Monetary Union
5. Political Union



Difference between „common” and the „community” policies

- “Common policies” used to be the ones that took the place of the essential elements of national policies (notably, agriculture, fisheries and foreign trade),
- Policies that supported and supplemented national policies were called “Community policies”.

Common and community policies

Horizontal Policies

- Regional policy
- Social and employment policy
- Taxation policy
- Competition policy
- Environment policy
- Consumer protection and public health

Sectoral Policies

- Industrial and Enterprise Policies
- Policy for research and technological development
- Energy policy
- Transport policy
- Trans-European networks
- Common agricultural policy
- Common fisheries policy
- Forestry policy
- Tourism
- Education, vocational training and youth policy
- Cultural policy



How the responsibilities are shared between the EU and the member states? I.

The European Union alone is responsible for:

- ▶ customs union
- ▶ rules governing competition within the single market
- ▶ monetary policy for countries using the euro
- ▶ conservation of marine biological resources under the common fisheries policy
- ▶ common commercial policy
- ▶ concluding an international agreement when this is provided for in EU legislation

How the responsibilities are shared between the EU and the member states? II.

The European Union and its member states share responsibility for:

- ▶ the single market
- ▶ aspects of social policy as defined in the Lisbon Treaty
- ▶ economic and social cohesion
- ▶ agriculture and fisheries, except for the conservation of marine biological resources
- ▶ the environment
- ▶ consumer protection
- ▶ transport
- ▶ trans-European networks
- ▶ energy
- ▶ creating an area of freedom, security and justice
- ▶ aspects of common security challenges relating to public health, as defined in the Treaty of Lisbon
- ▶ research, technological development and space
- ▶ development cooperation and humanitarian aid



How the responsibilities are shared between the EU and the member states? III.

Fields for which the member states remain responsible and in which the EU may play a supporting or coordinating role

- ▶ protection and improvement of human health
- ▶ industry
- ▶ culture
- ▶ tourism
- ▶ education, vocational training, youth and sport
- ▶ civil protection
- ▶ administrative cooperation



EU institutions and other bodies

- The Commission
- The European Parliament
- The European Council
- The Council of the European Union or Council or Council of Ministers
- The Court of Justice and the Court of First Instance
- The Court of Auditors
- The Economic and Social Committee
- The Committee of the Regions
- The European Investment Bank
- The European Ombudsman
- The European Central Bank



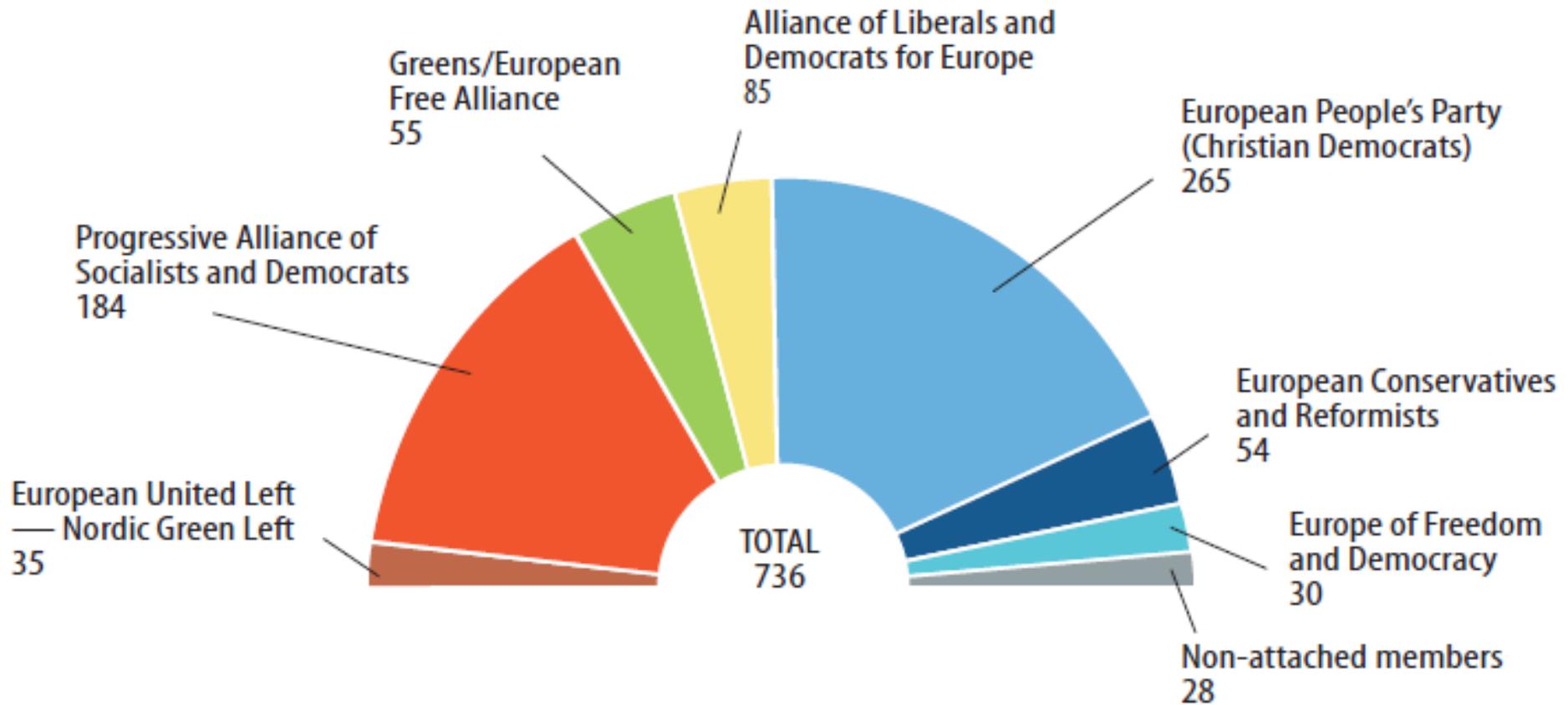
- Directly elected by EU voters every 5 years, members of the European Parliament (MEPs) represent the people. Parliament is one of the EU's main law-making institutions, along with the Council of the European Union ('the Council').
- The European Parliament has three main roles:
 - debating and passing European laws, with the Council
 - scrutinising other EU institutions, particularly the Commission, to make sure they are working democratically
 - debating and adopting the EU's budget, with the Council.
- Under the Lisbon Treaty, the range of policies covered by the new ordinary legislative procedure has increased, giving Parliament more power to influence the content of laws in areas including agriculture, energy policy, immigration and EU funds.
- Under the Lisbon Treaty no country can have fewer than 6 or more than 96 MEPs.
- **Location**
 - The European Parliament has three places of work – Brussels (Belgium), Luxembourg and Strasbourg (France).
 - Luxembourg is home to the administrative offices (the 'General Secretariat').
 - Meetings of the whole Parliament ('plenary sessions') take place in Strasbourg and in Brussels. Committee meetings are also held in Brussels.



Number of seats per country (since 7 June 2009)

— Belgium	22	— Latvia	8 (plus 1 after ICG)
— Bulgaria	17 (plus 1 after ICG)	— Lithuania	12
— Czech Republic	22	— Luxembourg	6
— Denmark	13	— Hungary	22
— Germany	99 (96 from 2014)	— Malta	5 (plus 1 after ICG)
— Estonia	6	— Netherlands	25 (plus 1 after ICG)
— Ireland	12	— Austria	17 (plus 2 after ICG)
— Greece	22	— Poland	50 (plus 1 after ICG)
— Spain	50 (plus 4 after ICG)	— Portugal	22
— France	72 (plus 2 after ICG)	— Romania	33
— Italy	72 (plus 1 after ICG)	— Slovenia	7 (plus 1 after ICG)
— Cyprus	6	— Slovakia	13
		— Finland	13
		— Sweden	18 (plus 2 after ICG)
		— United Kingdom	72 (plus 1 after ICG)
		— Total	736/754 (absolute majority: 369/378)

Number of seats per political group



Situation in July 2010



Questions

1. What is main result of the Lisbon Treaty with regard the EU Parliament?
2. Where is the loaction of the EP?
3. What kinds of rights have the citizens?
4. How many members have the EP?
5. What kinds of fields has the EP enhanced legislative role?
6. Who is the President of the EP?
7. How many official languages are in the EU?
8. How did the EP react to the financial crisis?



Council of the European Union

- Not to be confused with:
 - European Council – another EU institution, where EU leaders meet around 4 times a year to discuss the EU's political priorities
 - Council of Europe – not an EU body at all.
- **Role:**
 - Passes EU laws.
 - Coordinates the broad economic policies of EU member countries.
 - Signs agreements between the EU and other countries.
 - Approves the annual EU budget
 - Develops the EU's foreign and defence policies.
 - Coordinates cooperation between courts and police forces of member countries.
- For a proposal to go through, it will need the support of 2 types of majority: a majority of countries (at least 15) and a majority of the total EU population (the countries in favour must represent at least 65% of the EU population).



European Council

- European Council meetings are essentially summits where EU leaders meet to decide on broad political priorities and major initiatives. Typically, there are around 4 meetings a year, chaired by a permanent president.
- Its role is twofold – setting the EU's **general political direction and priorities**, and dealing with complex or sensitive issues that cannot be resolved at a lower level of intergovernmental cooperation.
- The European Council brings together the heads of state or government of every EU country, the Commission President and the European Council President, who chairs the meetings.
- The European Council decides by consensus, except if the Treaties provide otherwise.
- The European Council began informally in 1974 as a forum for discussion between EU leaders. It rapidly developed into the body which fixed goals and priorities for the bloc.



Decisions in the Council – votes per country

France, Germany, Italy and the United Kingdom	29
Poland and Spain	27
Romania	14
Netherlands	13
Belgium, Czech Republic, Greece, Hungary and Portugal	12
Austria, Bulgaria, Sweden	10
Denmark, Finland, Ireland, Lithuania and Slovakia	7
Cyprus, Estonia, Latvia, Luxembourg and Slovenia	4
Malta	3
Total	345

List of Presidency



Spain	January-June	2010
Belgium	July-December	2010
Hungary	January-June	2011
Poland	July-December	2011
Denmark	January-June	2012
Cyprus	July-December	2012
Ireland	January-June	2013
Lithuania	July-December	2013
Greece	January-June	2014
Italy	July-December	2014
Latvia	January-June	2015
Luxembourg	July-December	2015
Netherlands	January-June	2016
Slovakia	July-December	2016
Malta	January-June	2017
United Kingdom	July-December	2017
Estonia	January-June	2018
Bulgaria	July-December	2018
Austria	January-June	2019
Romania	July-December	2019
Finland	January-June	2020



European Commission

- The European Commission is one of the main institutions of the European Union. It represents and upholds the interests of the EU as a whole.
- The 27 Commissioners, one from each EU country, provide the Commission's political leadership during their 5-year term. Each Commissioner is assigned responsibility for specific policy areas by the President.
- The current President of the European Commission is José Manuel Barroso who began his second term of office in February 2010.
- The President is nominated by the European Council.
- The Commission represents and upholds the interests of the EU as a whole. It oversees and implements EU policies by:
 - proposing new laws to Parliament and the Council
 - managing the EU's budget and allocating funding
 - enforcing EU law (together with the Court of Justice)
 - representing the EU internationally, for example, by negotiating agreements between the EU and other countries.

Questions



- Why did the Nobel Committee decide to give the Nobel Peace Prize to the EU?
- What is the main target of the EU?
- What did it in Switzerland happen?
- What will happen after this vote?
- Was Switzerland divided on this question? Which region did it (the free movement of the labour) support?
- Why does the Swiss decision puts Cameron under pressure?
- How many immigrants live in Switzerland?
- How can be the current situation characterized in the EU?
- What are main targets of the Greek Presidency?
- What does it mean „jobless growth”?
- What are the main priorities of the Greek Presidency?
- What will happen at the end of May?



Thanks for your attention!



Energy policy

Prepared:

Tekla Sebestyén Szép, PhD

Assistant lecturer



Content

- Importance of energy
- Basic definitions
- Energy use of the world, EU and Hungary
- EU policy of the EU
- Consequences



Questions

- What happened in January 2009?
- This problem raise the awareness of ...
- How much will be the gas dependancy in 2030?
- How much is the cost of the gas import per year per capita?
- What are the consequences of the dependancy?
- What can be the solutions?
- How long would be the Nabucco pipeline?
- How much natural gas would be reachable with the Nabucco pipeline?
- What are three key words?

Importance of energy - Global risks 2013

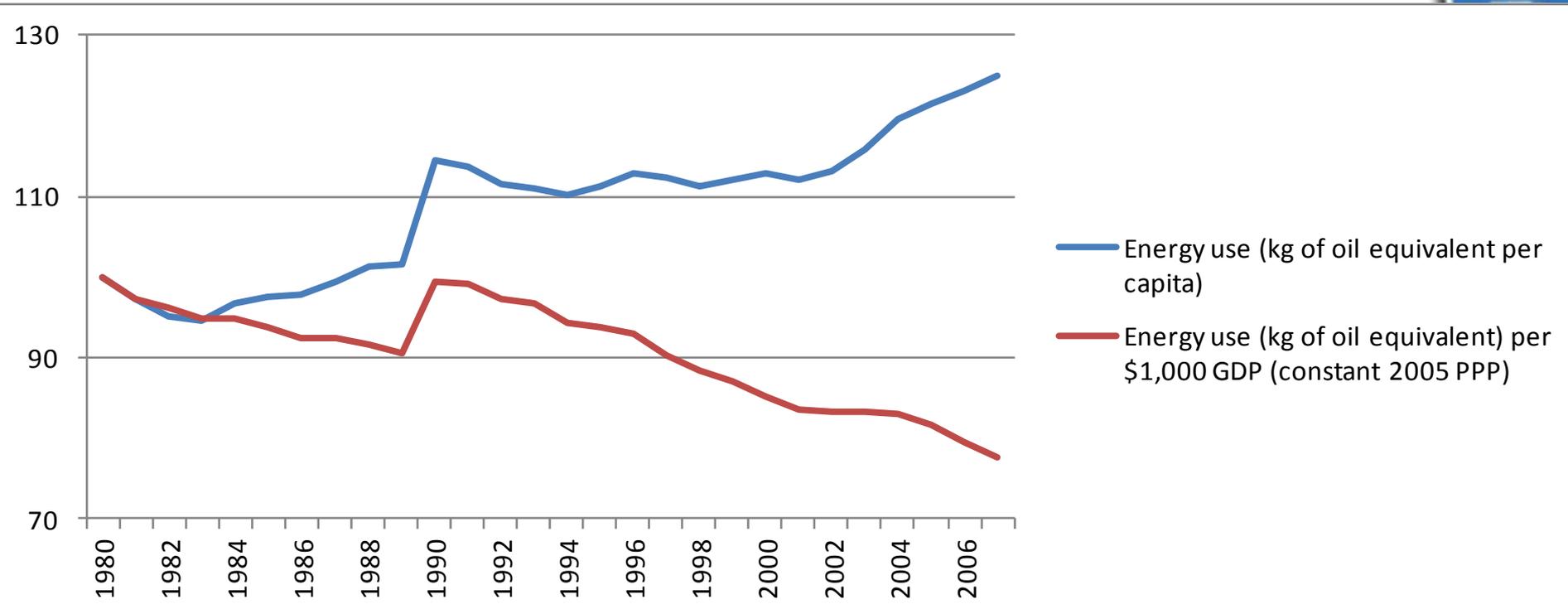
1. Economical risks:

1	Chronic fiscal imbalances	Failure to redress excessive government debt obligations.
2	Chronic labour market imbalances	A sustained high level of underemployment and unemployment that is structural rather than cyclical in nature.
3	Extreme volatility in energy and agriculture prices	Severe price fluctuations make critical commodities unaffordable, slow growth, provoke public protest and increase geopolitical tension.
4	Hard landing of an emerging economy	The abrupt slowdown of a critical emerging economy.
5	Major systemic financial failure	A financial institution or currency regime of systemic importance collapses with implications throughout the global financial system.
6	Prolonged infrastructure neglect	Chronic failure to adequately invest in, upgrade and secure infrastructure networks.
7	Recurring liquidity crises	Recurring shortages of financial resources from banks and capital markets.
8	Severe income disparity	Widening gaps between the richest and poorest citizens.
9	Unforeseen negative consequences of regulation	Regulations which do not achieve the desired effect, and instead negatively impact industry structures, capital flows and market competition.
10	Unmanageable inflation or deflation	Failure to redress extreme rise or fall in the value of money relative to prices and wages.

- Environmental risks
- Societal risks
- Geopolitical risks
- Technological risks

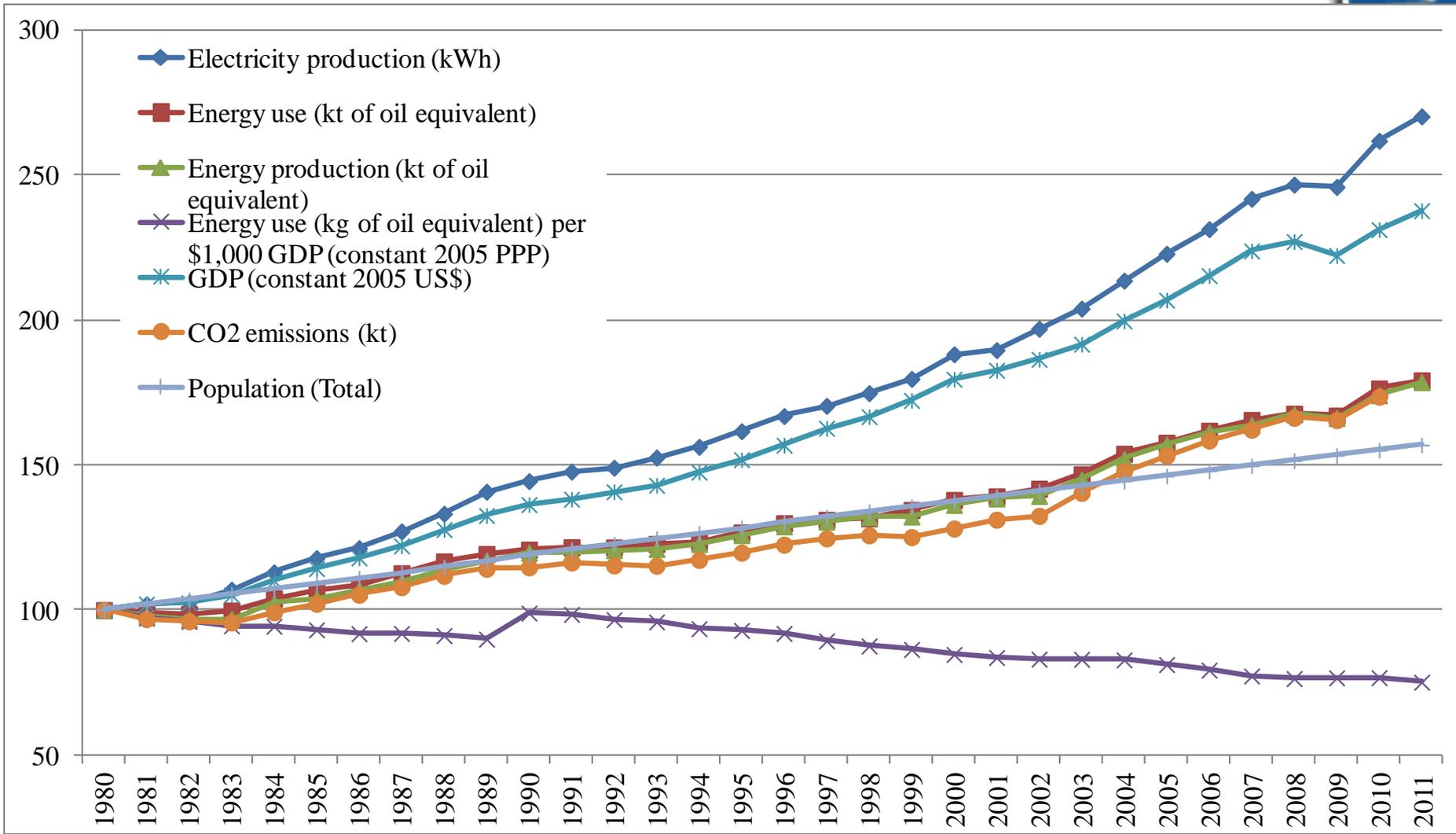


Energy use in the world (1980=100%)



Source: own construction using the Worldbank database

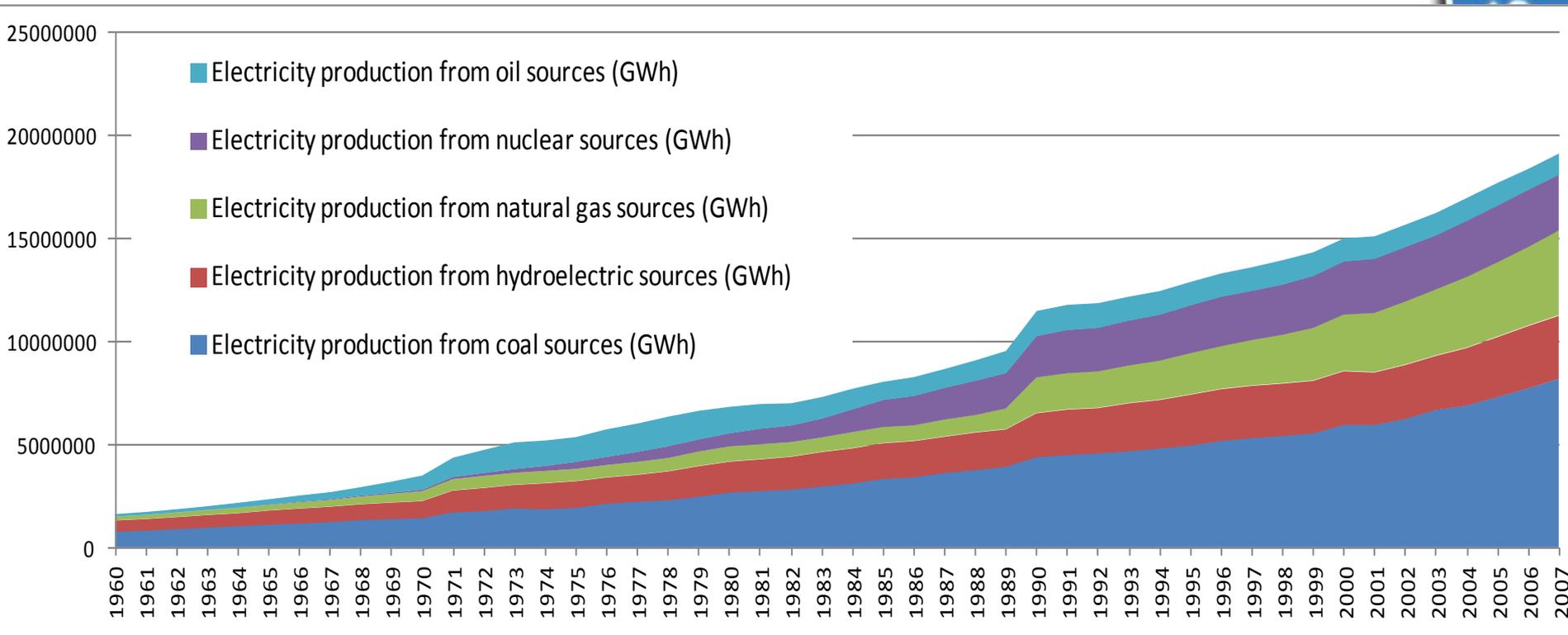
The main data of the world energy consumption (1980-2010)



Source: Worldbank database

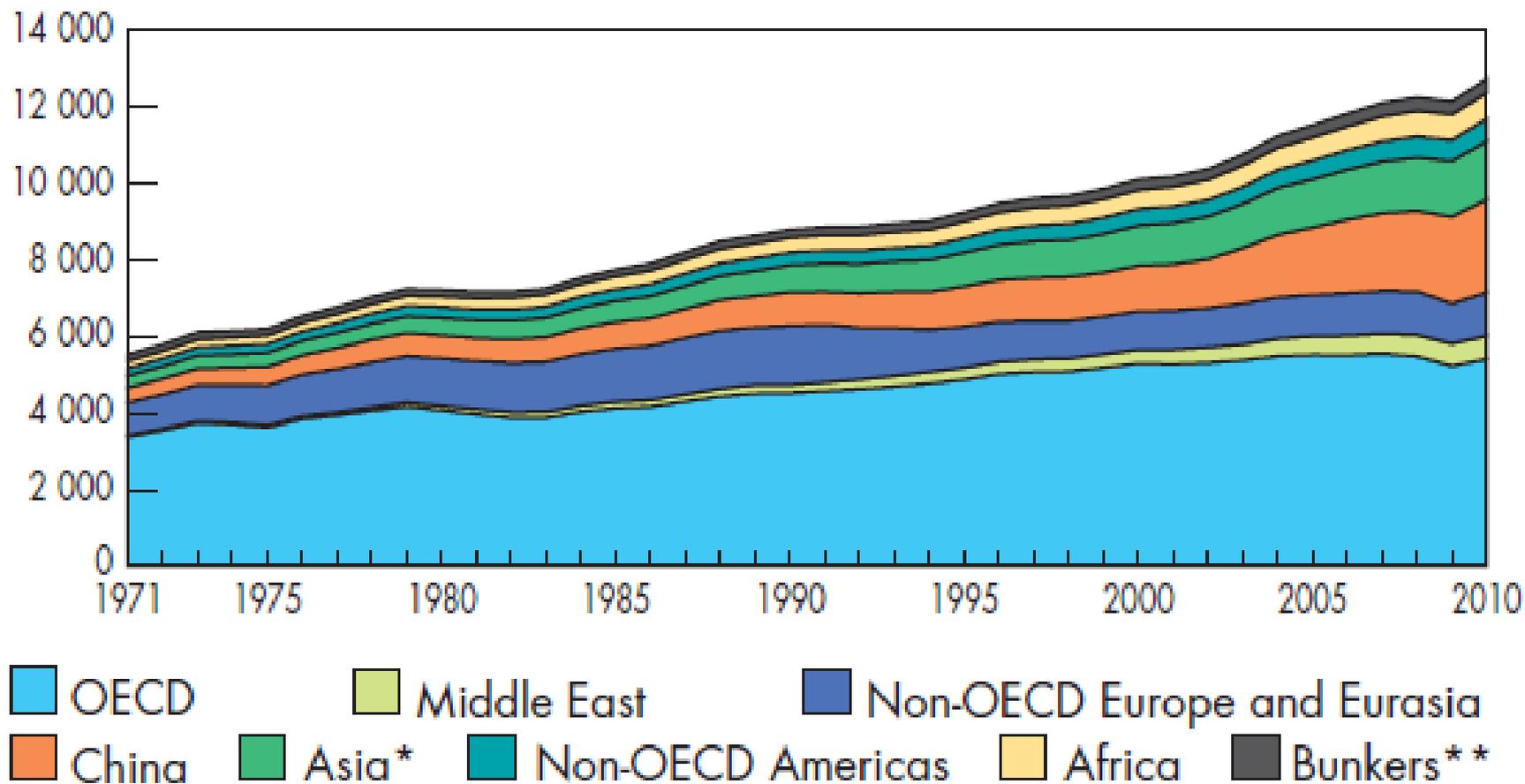


The electricity production in the world(1970-2007, GWh)



Source: own construction using the Worldbank database

World total primary energy supply from 1971 to 2010 by region (Mtoe)





The oil demand and supply in the world

	1980		2005	
	Oil demand (million barrel/day)	Oil supply (million barrel/day)	Oil demand (million barrel/day)	Oil supply (million barrel/day)
North-America (OECD)	21	11,8	24,9	9,8
Europe (OECD)	14,7	2,4	14,4	4,8
Pacific	6,2	0,5	8,3	0,5
Transition economics	8,9	11,5	4,3	11,4
Asia	4,4	2,9	14,6	5,9
Middle-East	2	17,9	5,8	20,7
Africa	1,4	1,2	2,7	3,5
Latin-America	3,5	1,5	4,9	3,8
World	64,4	64,9	83,6	83,6



TOP 10 crude oil producer, exporter and importer country

Producers	Mt	% of world total
Saudi Arabia	544	13.1
Russian Federation	520	12.6
United States	387	9.3
People's Rep. of China	206	5.0
Islamic Rep. of Iran	186	4.5
Canada	182	4.4
United Arab Emirates	163	3.9
Venezuela	162	3.9
Kuwait	152	3.7
Iraq	148	3.6
Rest of the world	1 492	36.0
World	4 142	100.0

2012 data

Net exporters	Mt
Saudi Arabia	353
Russian Federation	247
Islamic Rep. of Iran	122
Nigeria	121
United Arab Emirates	114
Iraq	108
Venezuela	93
Kuwait	89
Canada	82
Angola	79
Others	574
Total	1 982

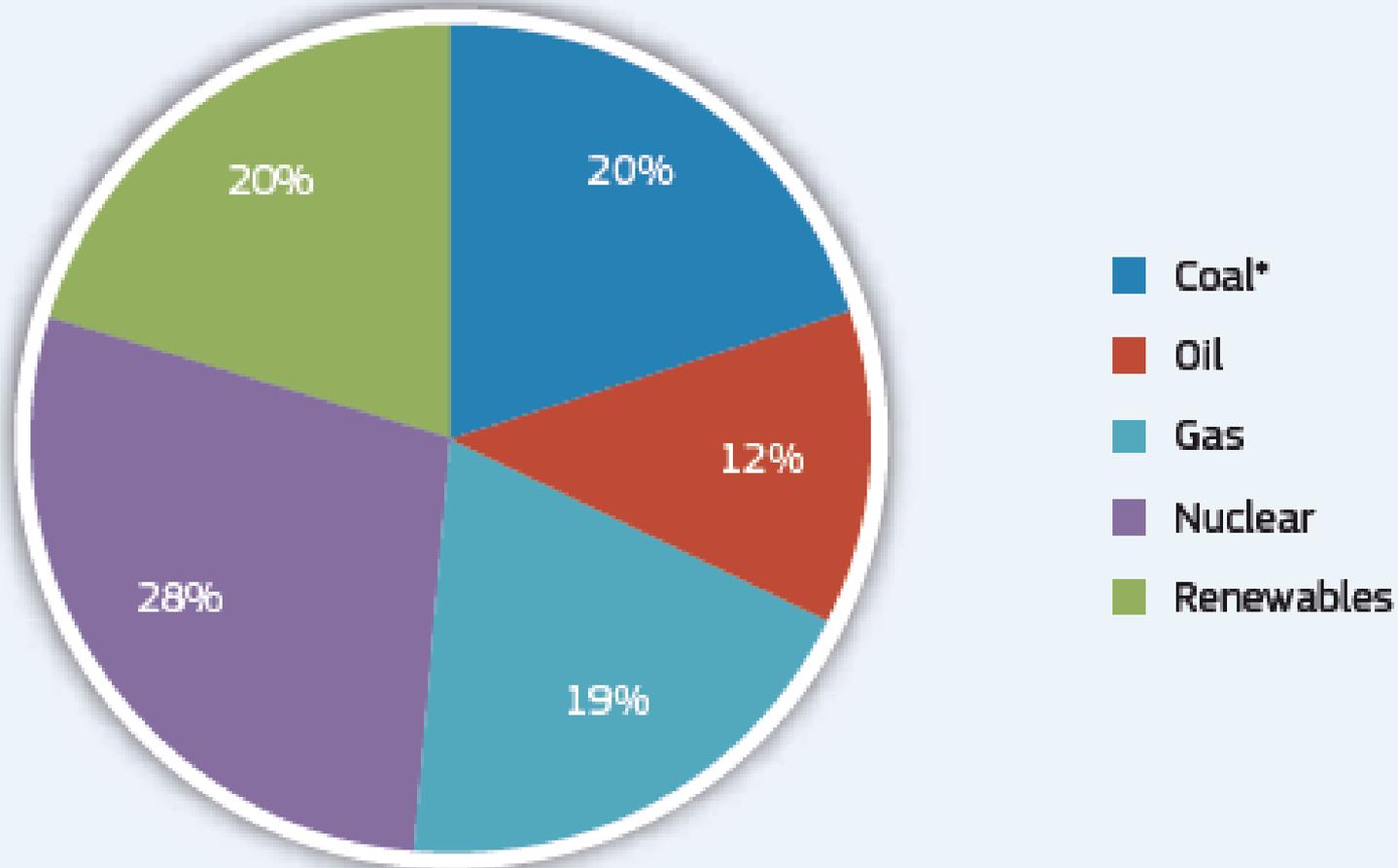
2011 data

Net importers	Mt
United States	500
People's Rep. of China	251
Japan	177
India	172
Korea	125
Germany	90
Italy	77
France	64
Singapore	58
Netherlands	57
Others	508
Total	2 079

2011 data

EU-27 Energy Production by Fuel In 2010 (%)

EU Energy Production: 837 Mtoe

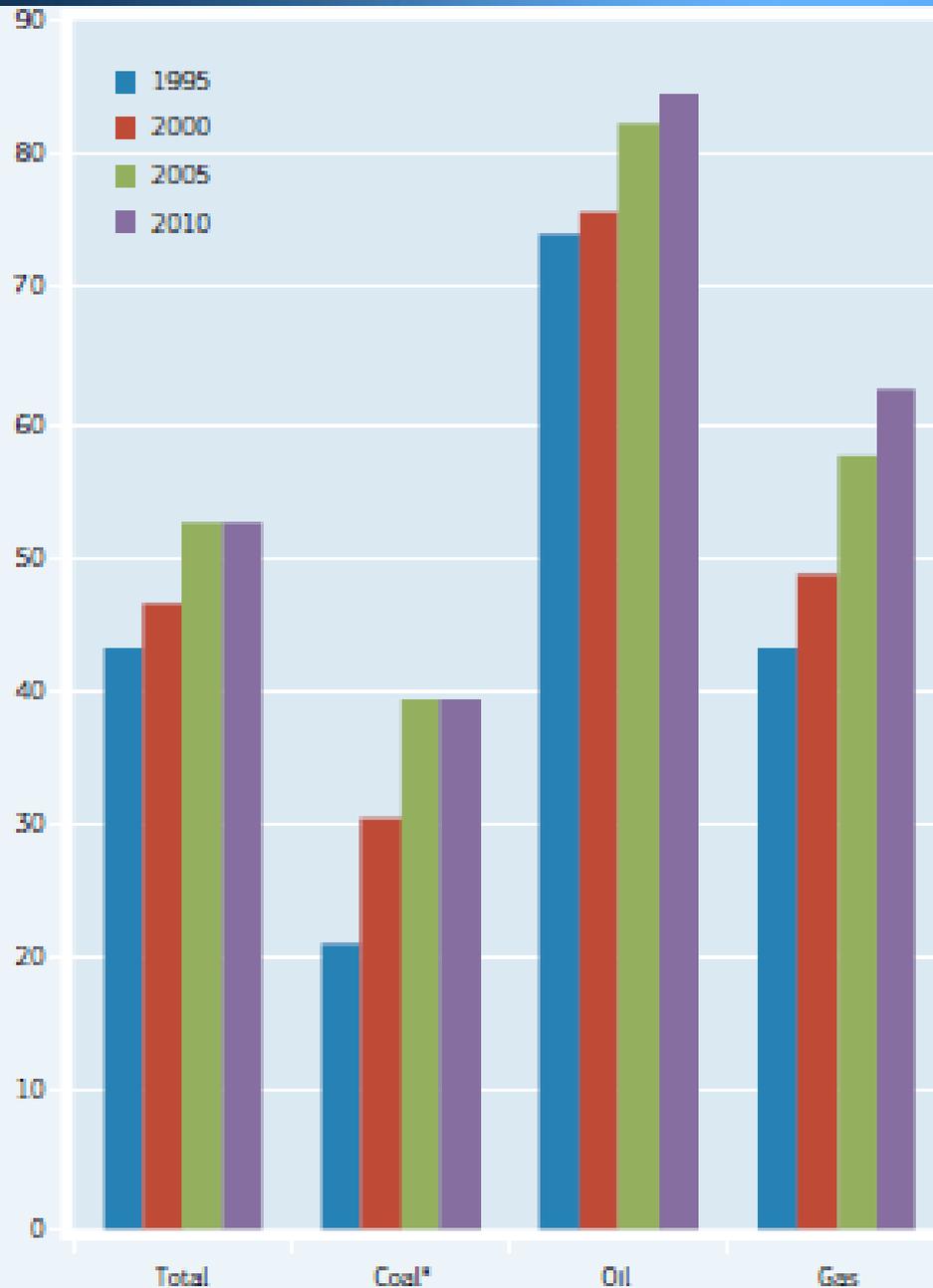




VILÁ

GAZDASÁGTAN INTÉZET

EU-27 energy import dependancy (%)



* Coal and Other Solid Fuels

Source: Eurostat, April 2012

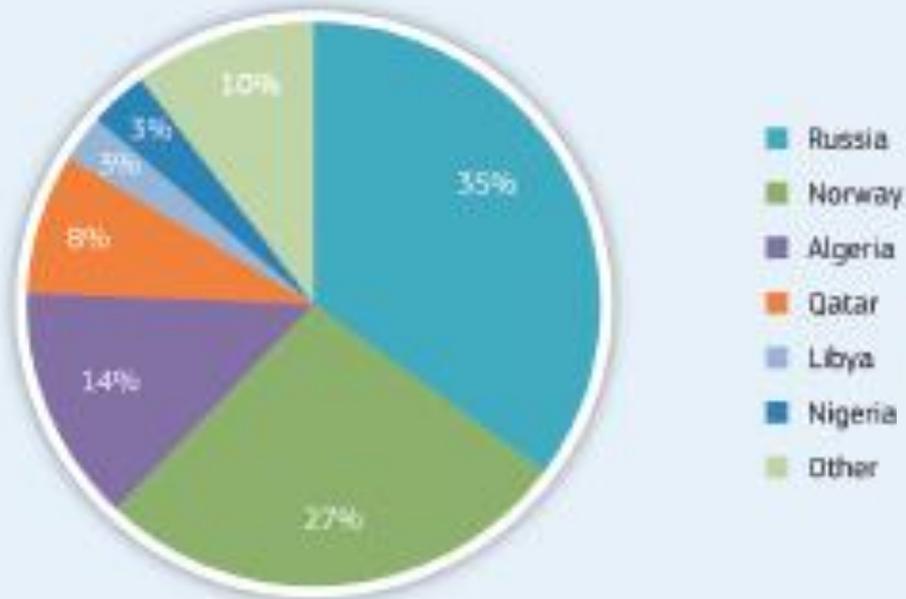
Methodology and Notes: See Appendix 6 - No 1



EU-27 Imports by Country of Origin

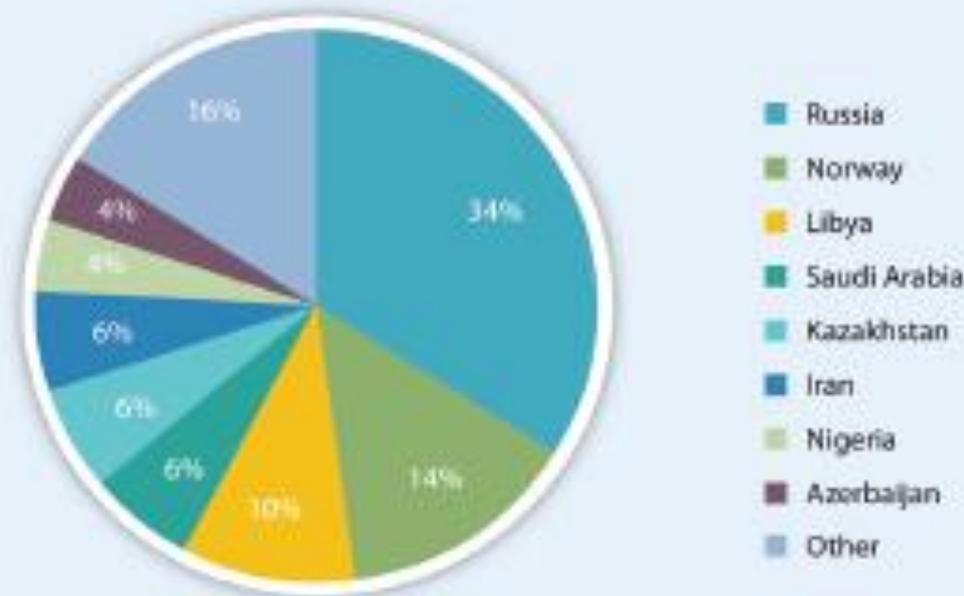
EU Imports of Gas - 2010 (%)

Total EU-27 Gas Imports: 371.783 million cubic metres



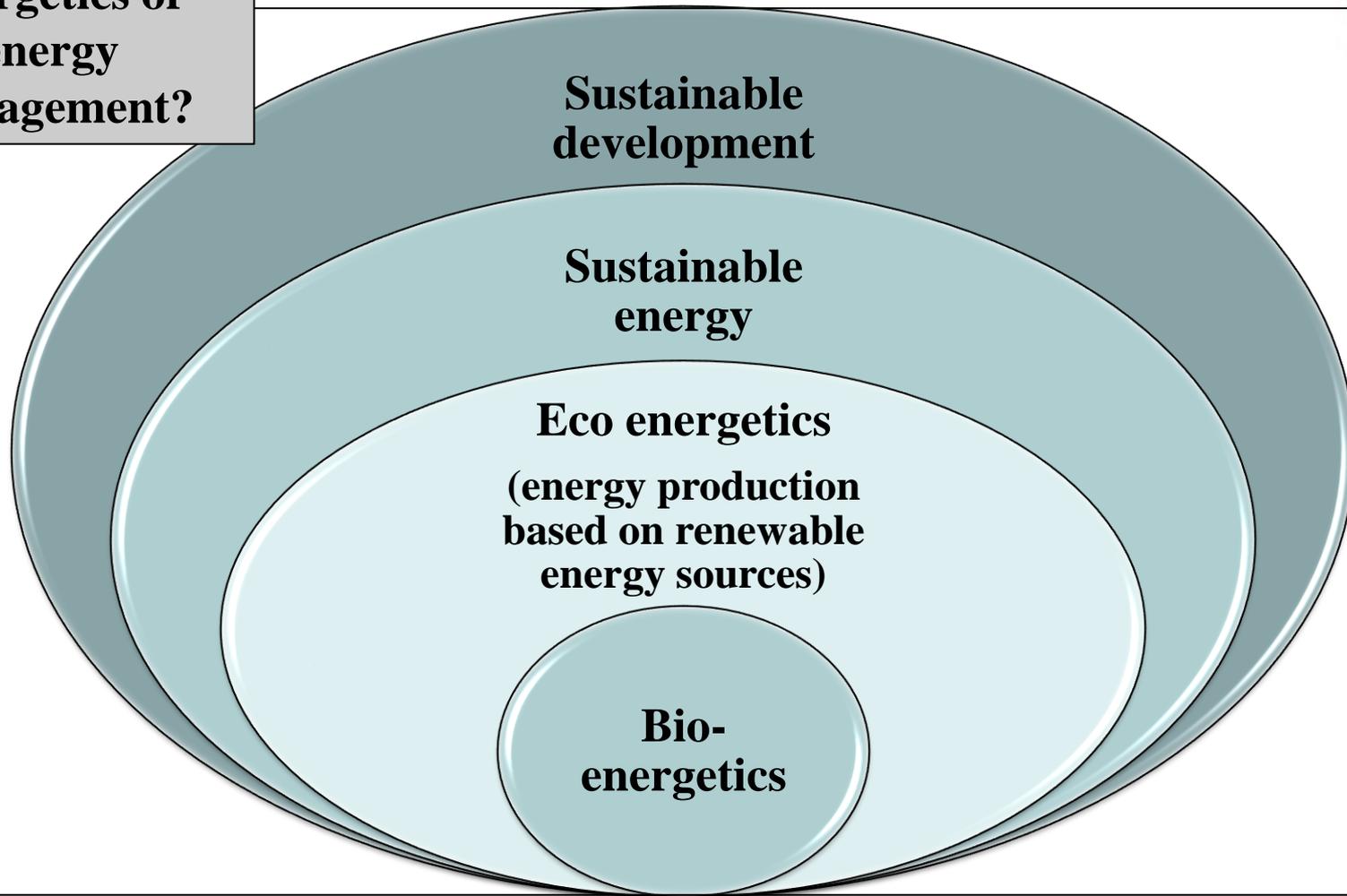
EU Imports of Crude Oil - 2010 (%)

Total EU-27 Oil Imports: 527.494 thousand tonnes



Sustainable energy

**Energetics or
energy
management?**





Basic definitions

- **Sustainable development** is (the most frequently quoted definition is from the Brundtland Report) development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
- A new but frequently used term is **sustainable energy**, which is a narrower category than sustainable development: “it means the socially, economically and ecologically integrated implementation of the complex process of energy production, storage, transport, and use. So it is converting classical energetics with regard the sustainability principles”.
- **Energetics** or **energy management** is “every practical activity to ensure and manage the utilization of the available energy sources and reserves in the most economical way, meet the energy needs safely and economically, decrease the energy losses and diminish the unnecessary loss of resources”.

Criteria of the sustainable energy

Politics and regulations	<ul style="list-style-type: none">• Environmental policy• Regional vs. national energy policy• Energy infrastructure
Availability	<ul style="list-style-type: none">• Access to renewable energy sources
Prices, pricing	<ul style="list-style-type: none">• Energy price supports
Information	<ul style="list-style-type: none">• Knowledge• Technology



History

- European Coal and Steel Community (1951)
 - It concerns only for the cokes.
- European Atomic Energy Community (1957)
 - The purposes of Euratom are to create a specialist market for nuclear power and distribute it through the Community and to develop nuclear energy and sell surplus to non-Community States.
- Rome Treaties (1974)
 - Crude oil reservations.
- The energy policy is a community policy, it is the responsibility of member states.



European Energy Charter

- International agreement.
- The Energy Charter Treaty establishes a framework for international cooperation between European countries and other industrialised countries with the aim of developing the energy potential of central and Eastern European countries and of ensuring security of energy supply for the European Union.
- The Protocol on energy efficiency and related environmental aspects aims to promote energy efficiency policies that are compatible with sustainable development, to encourage more efficient and sound use of energy and to promote cooperation in the field of energy efficiency.
- It was signed in 17th December 1991. Hague.
- The agreement is accepted by 51 countries (except Russia), The European Community and the Euratom.



Green Papers

- 2013: Green Paper - A 2030 framework for climate and energy policies
- 2007: Green Paper - Adapting to climate change in Europe – options for EU action
- 2006: Green Paper - A European Strategy for Sustainable, Competitive and Secure Energy
- 2005: Green Paper on Energy Efficiency or Doing More With Less
- 2000: Green Paper - Towards a European strategy for the security of energy supply
- 2000: Green Paper on greenhouse gas emissions trading within the European Union
- 1996: Communication from the Commission - Energy for the Future: Renewable Sources of Energy - Green Paper for a Community Strategy
- 1994: For a European Union Energy Policy - Green Paper



White Papers

- 2009: White Paper - Adapting to climate change: Towards a European framework for action
- 1997: Communication from the Commission - Energy for the future: Renewable sources of energy - White Paper for a Community strategy and action plan
- 1995: White Paper : An Energy Policy for the European Union



An Energy Policy for Europe (2007)

- JUSTIFICATIONS FOR A EUROPEAN ENERGY POLICY
- ESTABLISH THE INTERNAL ENERGY MARKET
 - A competitive market
 - An integrated and interconnected market
 - An energy public service
- ENSURE A SECURE ENERGY SUPPLY
- REDUCE GREENHOUSE GAS EMISSIONS
 - Renewable energy
- DEVELOP ENERGY TECHNOLOGIES
- CONSIDER THE FUTURE OF NUCLEAR ENERGY
- IMPLEMENT A COMMON INTERNATIONAL ENERGY POLICY



Energy Security and Solidarity Action Plan (2008)

- Infrastructure needs and the diversification of energy supplies
- External energy relations
- Oil and gas stocks and crisis response mechanisms
- Energy efficiency
- Making the best use of the European Union's indigenous energy resources



European Energy Programme for Recovery (2009)

- **Gas and electricity infrastructures**
 - The programme finances interconnection projects with the following objectives:
 - security and diversification of sources of energy and supplies;
 - optimisation of the capacity of the energy network and the integration of the internal energy market;
 - development of the network;
 - connection of renewable energy sources;
 - safety, reliability and interoperability of interconnected energy networks.
- **Offshore wind projects**
- **Carbon capture and storage**

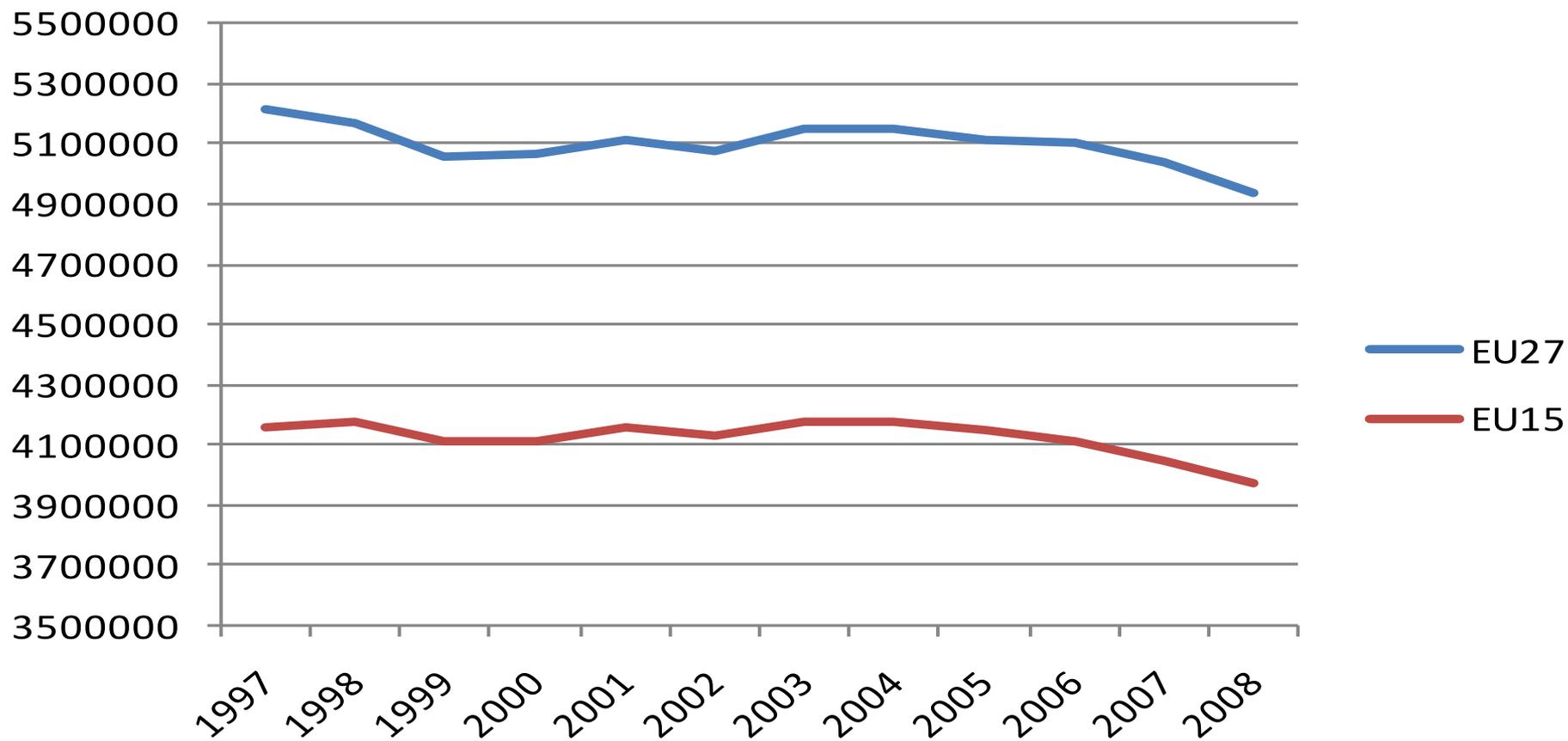


Energy 2020 (2010) „20-20-20”

- 20% cut in greenhouse gas emissions by 2020, compared with 1990 levels.
- 20% increase in use of renewable energy by 2020.
- 20% cut in energy consumption through improved energy efficiency by 2020.
- Targets:
 - Sustainability
 - Competitiveness
 - Security of energy supply



Emission in the EU (1000 tonna CO2 egyenértéken)





The new energy strategy focuses on five priorities

1. Achieving an energy efficient Europe;
2. Building a truly pan-European integrated energy market;
3. Empowering consumers and achieving the highest level of safety and security;
4. Extending Europe's leadership in energy technology and innovation;
5. Strengthening the external dimension of the EU energy market.



South Stream vs. Nabucco

- Nabucco:
 - Nabucco is the new gas bridge from Asia to Europe and the flagship project in the Southern Corridor. It will be a pipeline to connect the world's richest gas regions - the Caspian region and Middle East - to the European consumer markets.
 - Target: diversification and bypass Russia
 - 2 facilities:
 - Small-Nabucco: Azerbaijan (8-10 billion m³/year) But: small reserve.
 - Big-Nabucco: Azerbaijan + Turkmenistan, Iraq, Iran, Kazakhstan, Uzbekistan, Kuwait, Libanon, Syria
 - Transitcountry: Turkey, commission of it is 15% per year from the gas. Reliability??? Here there is not the Russian „transitpolice”!
 - Total amount: 7,9 billion Euro
 - Pricing?
 - Construction will start in 2013, first gas will flow in 2017.

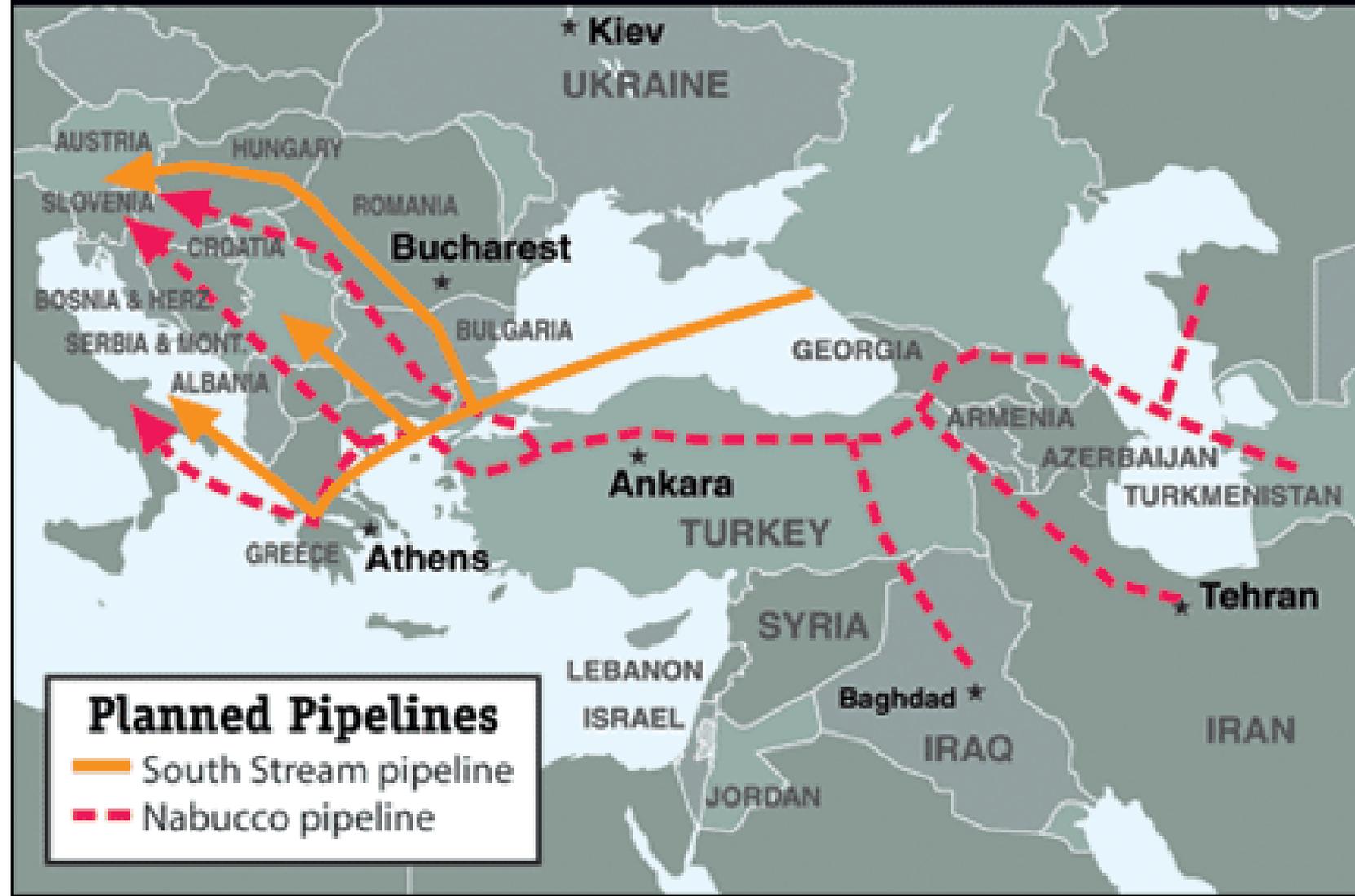


South Stream vs. Nabucco

- South Stream is also a political project, designed to bypass Ukraine by running under the Black Sea to Bulgaria. From there, one branch will go to Greece and Italy, and another one will supply Romania, Serbia, Hungary, Slovenia and Austria.
- It is aimed at strengthening European energy security by eliminating transit risk, and is another real step toward executing Gazprom's strategy to diversify Russian natural gas supply routes.



Competing Gas Pipeline Import Routes from Caspian, and Middle East into Southeast Europe



Source: http://whatreallyhappened.wikia.com/wiki/South_Stream



Questions

1. Are both Ukraine and Russia responsible for the gas war?
2. How much is the European gas dependency on Russia?
3. What is the real need of the EU?
4. Would has been the Nabucco is a good solution?
5. Is the energy and climate policy of the EU is efficient?
6. What are the two main pillars of the climate policy in the EU?
7. What is the ETS? Is that efficient?
8. How can you classify the world countries from the perspective of the climate talks?
9. What is the difference between top-down and bottom-up approaches?
10. Why does the climate action depend on the private sector?
11. Why should the EU rethink the energy policy?
12. What is the main advantage of the gas in contrast with the coal?
13. What are the main additional benefits of the renewable energy sources?



Thanks for your attention!

Economic and Monetary Union

Prepared:

Tekla Sebestyén Szép

Assistant lecturer





Questions

- What did the EU celebrate on 1st January 2012?
- How many countries are to the Euro areas belonging now?
- How many countries did the Euro use firstly? What countries did it use?
- What are the advantages of the Euro?
- How many banknotes and coins were firstly printed?
- How many banknotes are in circulation nowadays?
- What countries did to the Eurozone after 2002 join?



Stability and growth

- The framework for cooperation on economic policy is the Economic and Monetary Union (EMU).
- Objectives:
 - more growth,
 - more jobs
 - higher level of social welfare for all.
- EMU means:
 - Coordination of economic policy-making between Member States
 - Coordination of fiscal policies, notably through limits on government debt and deficit
 - An independent monetary policy run by the European Central Bank (ECB)
 - The single currency and the euro area

ECONOMIC AND MONETARY UNION (EMU)— THE EURO ZONE

European Union countries that:

- Have adopted the euro
- Have not adopted the euro

Euro Area
Member States





Date of adoption

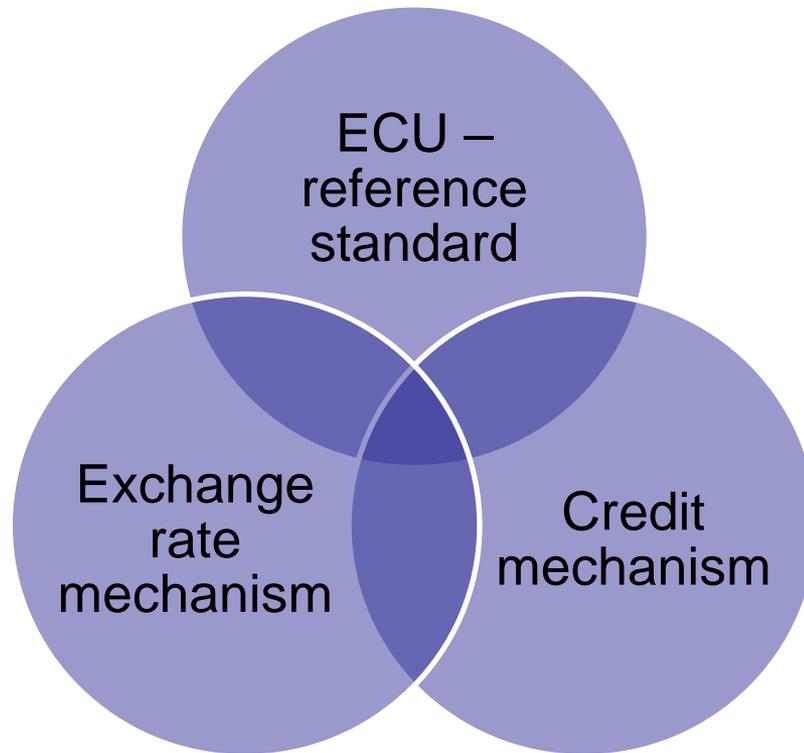
1999	Belgium, Germany, Ireland, Spain, France, Italy, Luxembourg, Netherlands, Austria, Portugal, Finland
2001	Greece
2002	Introduction of euro banknotes and coins
2007	Slovenia
2008	Cyprus, Malta
2009	Slovakia
2011	Estonia
2014	Latvia



Brief history of the EU

- 1944. Bretton Woods Agreements.
- Summit in The Hague in December 1969.
- Pierre Werner, Prime Minister of Luxembourg, was given the task of drawing up a report on how the EMU might be reached by 1980.
- The Werner group final report in October 1970.
 - Harmonisation and coordination of national economic policies;
 - Narrow the exchange rate band
 - Integration of the capital market
 - Creation of a common currency
 - Establish a common central bank.
- Discussion monetary-based integration or economy-based integration? (what should be the first stage: economic coordination or monetary union?)
- 1971. Collapse of the Bretton Woods system
- March 1979. creation of the European Monetary System (EMS).

European Monetary System



Flexible system replacing the Bretton Woods system.

Common exchange rate mechanism, common monetary policy, common currency – ECU →

Guaranteed by European Monetary Cooperation Fund.



Brief history of the EU

- 1985. Single Market Programme.
- 1986. Single European Act
- In June 1988 the Hanover European Council set up a committee to study economic and monetary union under the chairmanship of Jacques Delors, the President of the European Commission → report.
- 1989. June: decision of Madrid European Council.



The three stages towards EMU – The Delors report

- Stage 1 (1990-1994)
 - Complete the internal market and remove restrictions on further financial integration.
 - Convergence criteria
- Stage 2 (1994-1999)
 - Establish the European Monetary Institute to strengthen central bank co-operation and prepare for the European System of Central Banks (ESCB). Plan the transition to the euro. Define the future governance of the euro area (the Stability and Growth Pact). Achieve economic convergence between Member States.
- Stage 3 (1999 onwards)
 - Fix final exchange rates and transition to the euro. Establish the ECB and ESCB with independent monetary policy-making. Implement binding budgetary rules in Member States.



Advantages of the euro

- the cost of changing money when travelling or doing business within the euro area has disappeared;
- the cost of making cross-border payments has in most cases either disappeared or been reduced significantly;
- consumers and businesses can compare prices more readily, which stimulates competition.
- Being in the euro area is a guarantee of price stability.
- Strengthens the role of Europe at international level.
- Stable currency with low inflation and low interest rates, and encourages sound public finances.
- A single currency is also a logical complement to the single market which makes it more efficient.
- The size and strength of the euro area also better protect it from external economic shocks, such as unexpected oil price rises or turbulence in the currency markets.



Euro convergence criteria

1. Inflation rates: No more than 1.5 percentage points higher than the average of the three best performing member states of the EU.
2. Government finance:
 - Annual government deficit: The ratio of the annual government deficit to gross domestic product (GDP) must not exceed 3% at the end of the preceding fiscal year. If not it is at least required to reach a level close to 3%. Only exceptional and temporary excesses would be granted for exceptional cases.
 - Government debt: The ratio of gross government debt to GDP must not exceed 60% at the end of the preceding fiscal year. Even if the target cannot be achieved due to the specific conditions, the ratio must have sufficiently diminished and must be approaching the reference value at a satisfactory pace.
3. Exchange rate: Applicant countries should have joined the exchange-rate mechanism (ERM II) under the European Monetary System (EMS) for two consecutive years and should not have devalued its currency during the period.
4. Long-term interest rates: The nominal long-term interest rate must not be more than 2 percentage points higher than in the three lowest inflation member states.



Who manages it?

- When the euro came into being, monetary policy became the responsibility of the independent **European Central Bank (ECB)**, which was created for that purpose, and the national central banks of the Member States having adopted the euro. Together they compose the **Eurosystem**.
- European System of National Central Banks
- Fiscal policy (tax and spending) remains in the hands of individual national governments – though they undertake to adhere to commonly agreed rules on public finances known as the **Stability and Growth Pact**. They also retain full responsibility for their own structural policies (labour, pension and capital markets), but agree to co-ordinate them in order to achieve the common goals of stability, growth and employment.



The main actors in EMU

- The European Council – sets the main policy orientations
- The Council of the EU (the 'Council') – coordinates EU economic policy-making and decides whether a Member State may adopt the euro
- The 'Eurogroup' – coordinates policies of common interest for the euro-area Member States
- The Member States – set their national budgets within agreed limits for deficit and debt, and determine their own structural policies involving labour, pensions and capital markets
- The European Commission – monitors performance and compliance
- The European Central Bank (ECB) – sets monetary policy, with price stability as the primary objective.



Who can join and when?

- All Member States of the European Union, except Denmark and the United Kingdom, are required to adopt the euro and join the euro area. To do this they must meet certain conditions known as 'convergence criteria'.
- National target dates for adoption of the euro
 - Romania: 01.01.2015
 - Bulgaria, Czech Republic, Hungary and Lithuania do not currently have a target date for adoption of the euro.



ERM II

- The Exchange Rate Mechanism (ERM II) was set up on 1 January 1999 as a successor to ERM to ensure that exchange rate fluctuations between the euro and other EU currencies do not disrupt economic stability within the single market, and to help non euro-area countries prepare themselves for participation in the euro area.
- The convergence criterion on exchange rate stability requires participation in ERM II.



The crisis

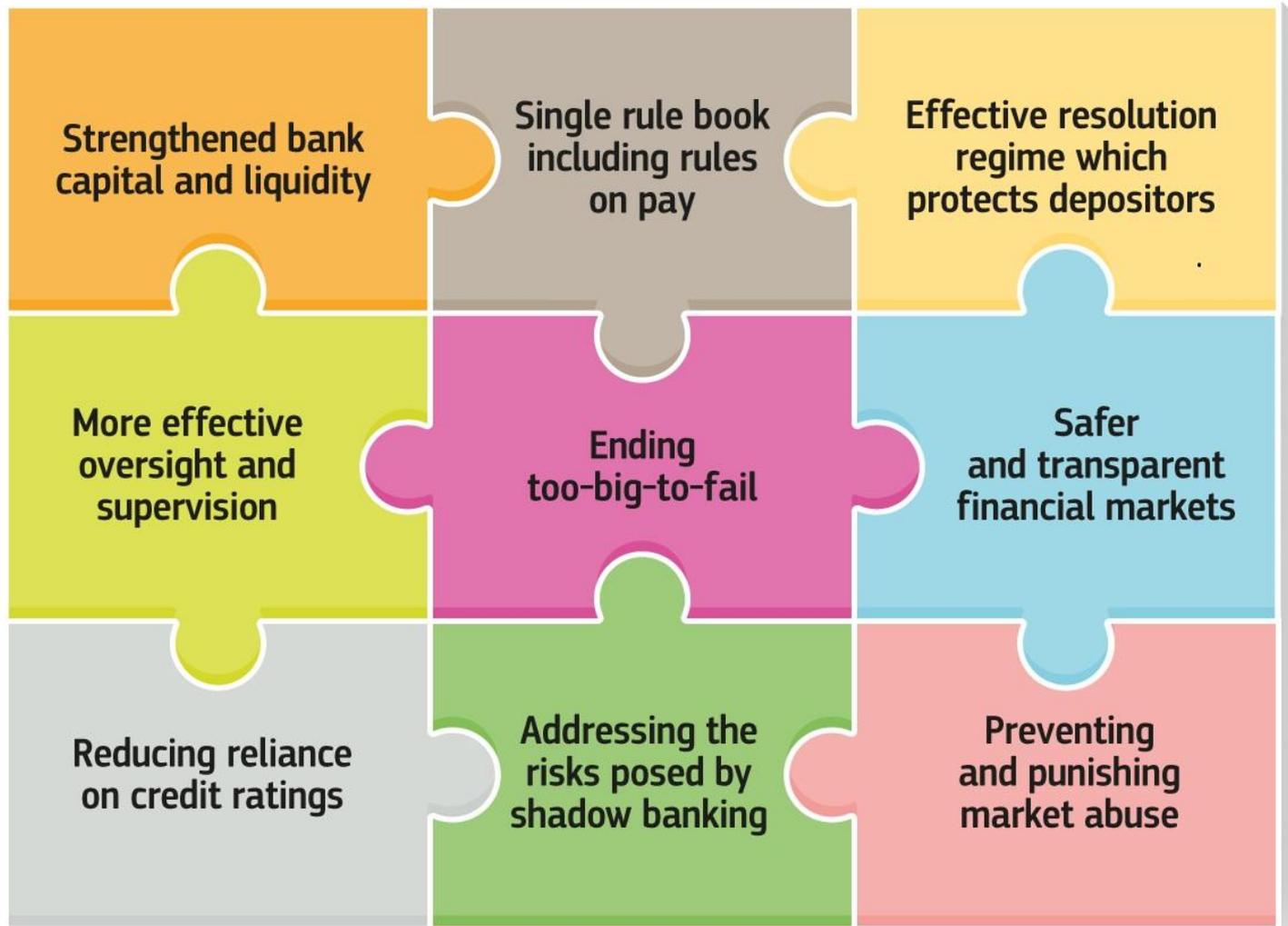
- EU governments have pumped more than €2 trillion into the rescue effort.
- EU leaders have coordinated interventions, supporting banks and allowing guarantees for lending. The EU has also increased national guarantees for individuals' savings accounts to a minimum of €100 000.
- May 2010: a package of European Stabilisation Actions → providing financial assistance to EU members in difficulty
 - European Financial Stabilisation Mechanism (EFSM)
 - European Financial Stability Facility (EFSF) → with the International Monetary Fund (IMF) it provides a financial stability package of up to €750 billion.
 - A new permanent crisis mechanism, the European Stability Mechanism (ESM), will be set up in the euro area from mid-2013.
- The Stability and Growth Pact is intended to ensure that Member States maintain budget discipline in order to avoid excessive deficits.



- 13 December 2011. New set of rules.
 - Stronger preventive action through a reinforced Stability and Growth Pact (SGP) and deeper fiscal coordination.
 - Stronger corrective action through a reinforced SGP
 - Minimum requirements for national budgetary frameworks.
 - Preventing and correcting macroeconomic and competitiveness imbalances.
- Since the crisis started in 2008, the European Commission has worked hard to learn all the lessons from the crisis and create a safer and sounder financial sector. The Commission has proposed 28 new rules to better regulate, supervise, and govern the financial sector so that in future taxpayers will not foot the bill when banks make mistakes. Most of these rules are now in force or being finalised.



Key pieces of the EU-wide financial reform puzzle





Banking union

- In June 2012, Heads of State and Government agreed to create a banking union, completing the economic and monetary union, and allowing for centralised application of EU-wide rules for banks in the euro area.
- Common rules will help to prevent bank crises in the first place and, if banks do end up in difficulty, set out a common framework to manage the process, including a means to wind them down in an orderly way.
- Common rules will also ensure that all EU savers are guaranteed that their deposits up to €100 000 (per depositor/ per bank) are protected at all times and everywhere in the EU.



Questions

- What was the size of the mortgages before and after the crisis in Spain?
- Why are the mortgages arrears relatively low in Spain?
- Which are the signs of the recovery?
- What are the arguments of the „Greek exit”?
- What are the most serious problems of the Irish economy?



Thanks for your attention!



Common Agricultural Policy

Prepared:

Tekla Sebestyén Szép, PhD

Assistant lecturer



Questions

- Under the II. World War what was one of the most important condition of war?
- What are the main objectives of CAP?
- What are the main tools?
- What kind of problems were caused?
- What were the solutions?
- What say the critics?



General features

- Given that nearly 60% of the population of the 27 Member States of the EU live in rural areas covering 90 % of the territory, rural development is a vitally important policy area.
- The EU has some 14 million farmers with a further 4 million people working in the food sector. The farming and food sectors together provide 7% of all jobs and generate 6% of European gross domestic product.
- Today, annual spending on agriculture and rural development together is running at about €55 billion, around 45% of the total EU budget. CAP spending peaked at 72% of the EU budget in 1984 and has fallen steadily since then.

HERE'S WHAT OUR FARMERS
PRODUCE EACH YEAR
(AVERAGE FOR 2008-10)



Cereals
300 million t



Sugar
16 million t



Oilseeds
21 million t



Olive oil
2 million t



Apples
10 million t



Pears
3 million t



Citrus fruit
10 million t



Wine
170 million
hectolitres



Beef and veal
8 million t



Pigmeat
20 million t



Poultrymeat
12 million t



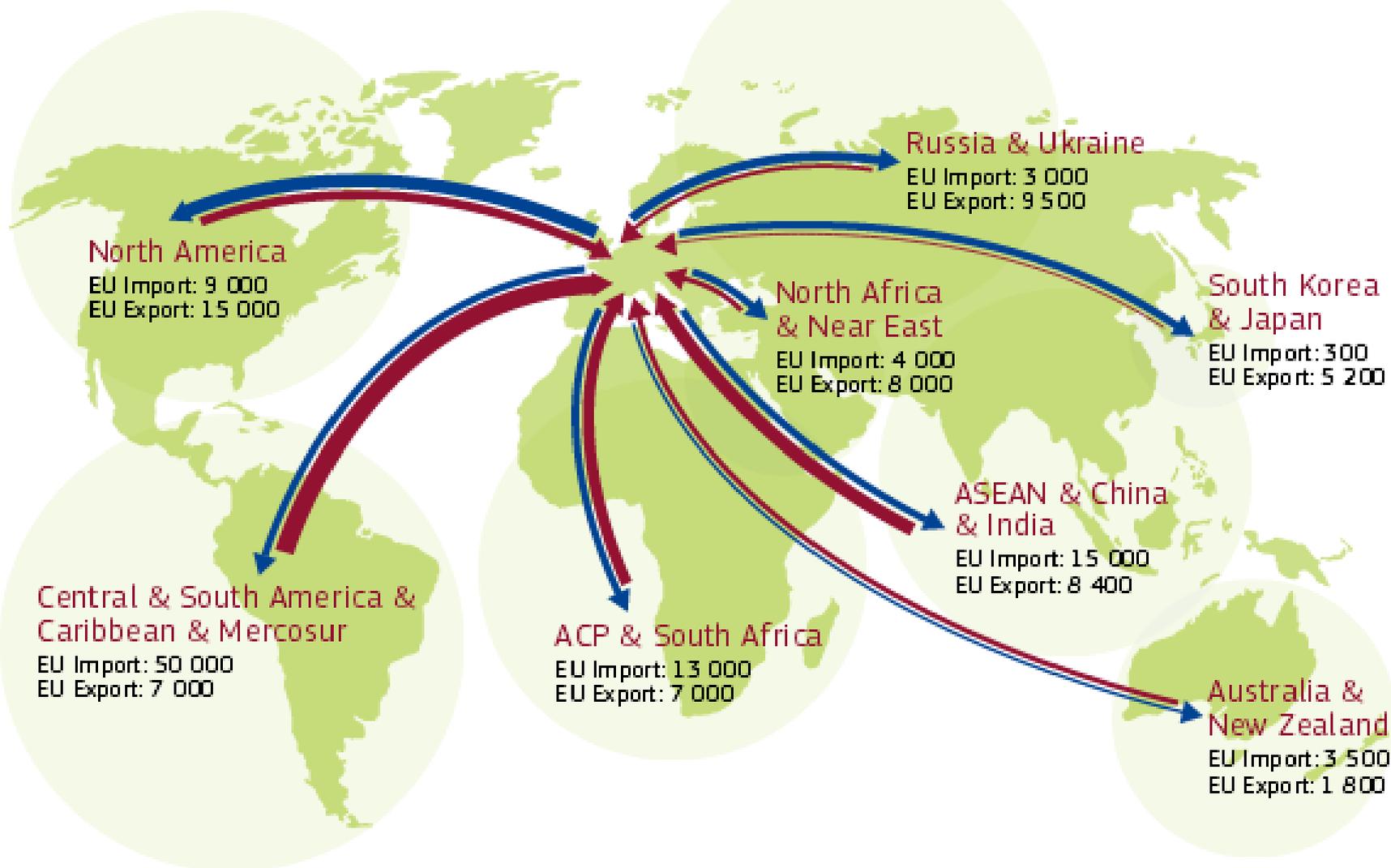
Eggs
7 million t



Milk
140 million t



EU AGRICULTURAL TRADE (MILLION EUR)



Source: Document DG AGRI International aspects of agricultural policy, data are rounded, representing the average for 2008 – 2010

The Common Agricultural Policy, A partnership between Europe and Farmers

http://ec.europa.eu/agriculture/cap-overview/2012_en.pdf





EU EXPORTS BY SECTOR

Other machinery and appliances **21%**



Chemicals **11%**



Pharmaceuticals **8%**



Agriculture **7%**



Vehicles and parts **6%**



Textiles **3%**



Construction equipment **2%**



Source: Data are 2010, Commission services

The Common Agricultural Policy, A partnership between Europe and Farmers

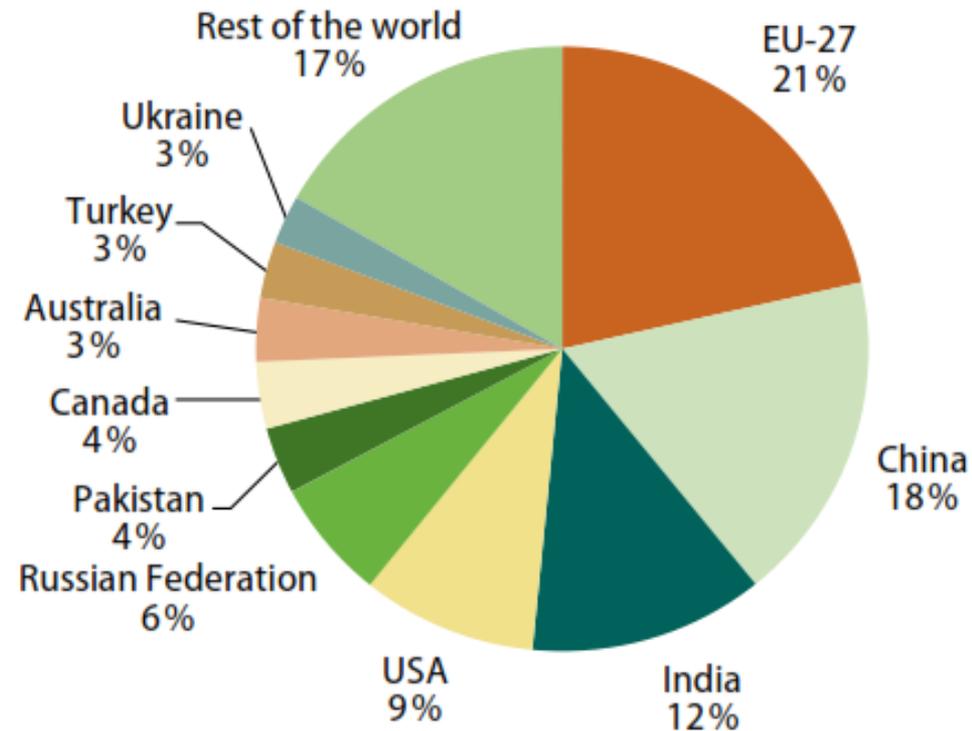
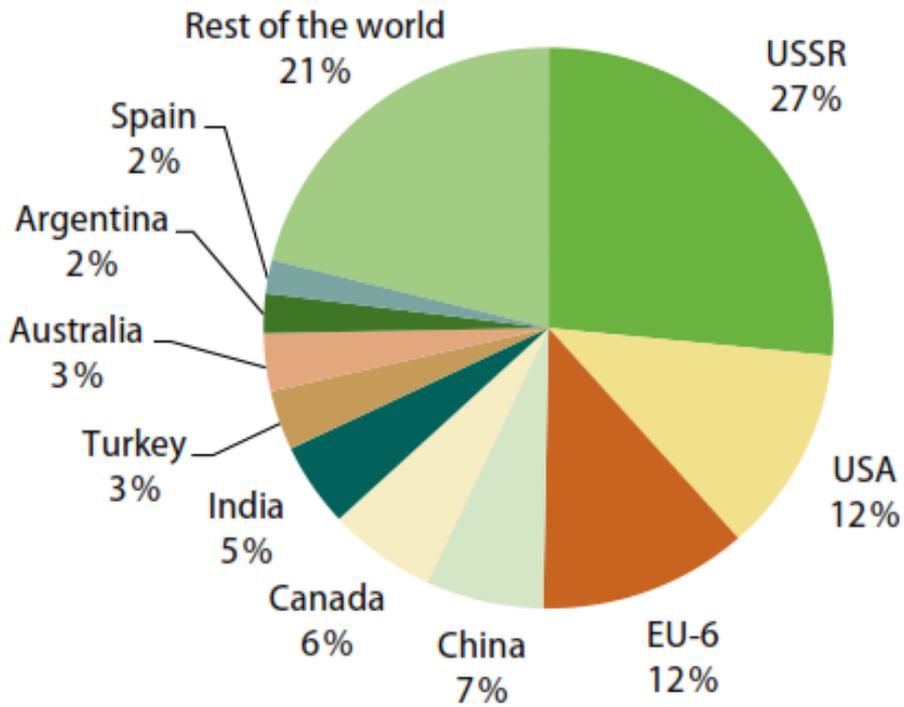
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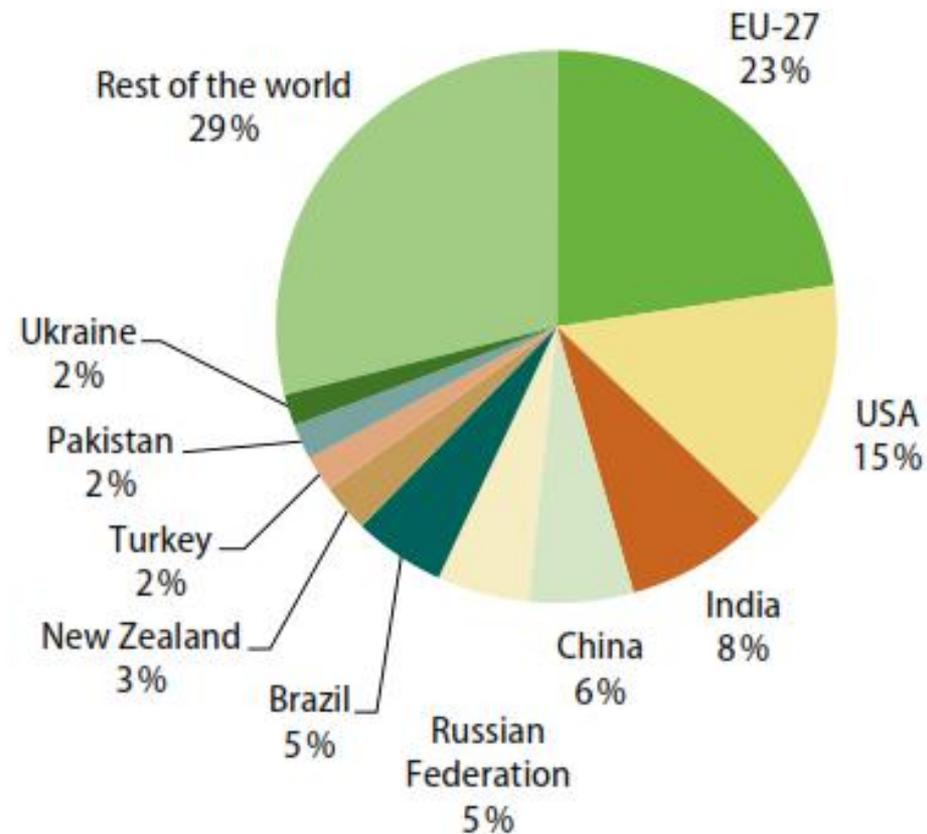
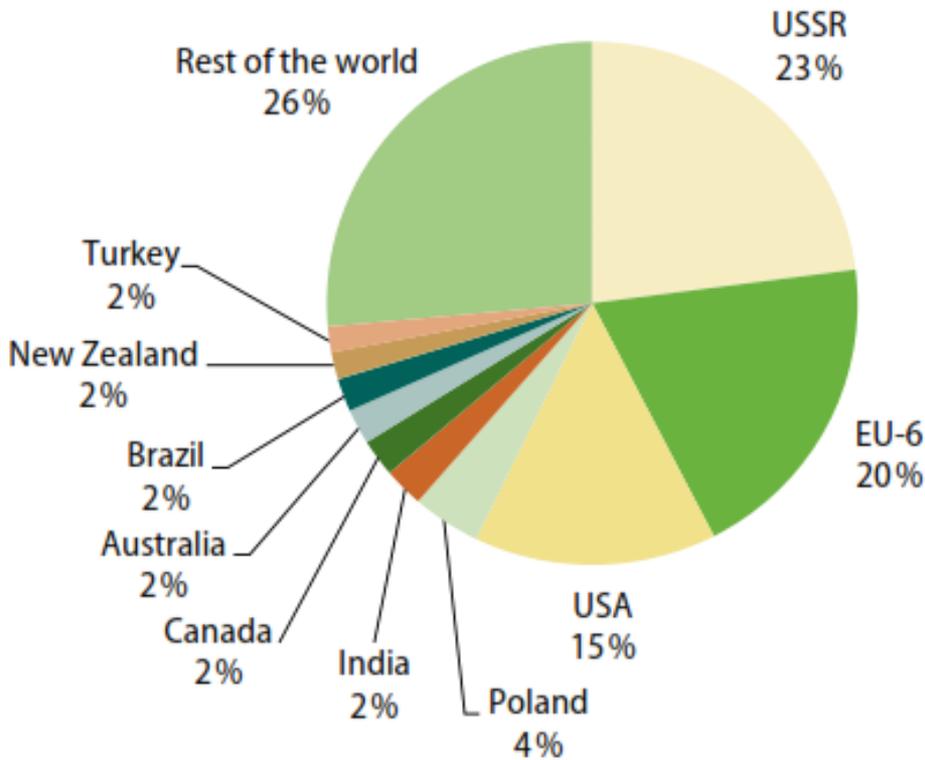
The features of European agriculture

- Europe is both a major exporter and the world's largest importer of food, mainly from developing countries;
- For several products Europe is considered as the world leader, for example in olive oil, meats, wines, whisky and other spirits.
- The European farming sector uses safe, clean, environmentally-friendly production methods providing quality products to meet consumers' demands;
- The EU farming sector serves rural communities. Its role is not only to produce food but also to guarantee the survival of the countryside as a place to live, work and visit;

Share of wheat production between main world producers (1962, 2010, %)



Share of cow's milk production between main world producers (1970, 2010, %)





History

- The CAP has its roots in 1950s western Europe (born in 1962).
- Early targets:
 - encouraging better agricultural productivity
 - stable supply of affordable food
 - ensure a viable agricultural sector.
 - offer subsidies and systems guaranteeing high prices to farmers,
 - providing incentives to produce more.
 - Financial assistance for the restructuring of farming
 - Professional trainings
- The EU safeguards food quality
 - measures to enhance food safety and hygiene,
 - clear labelling rules, regulations on animal and plant health and animal welfare,
 - control of pesticide residues and additives in food and via nutritional information.
 - strict monitoring and control systems, while ensuring the effective functioning of the European single market.



Past

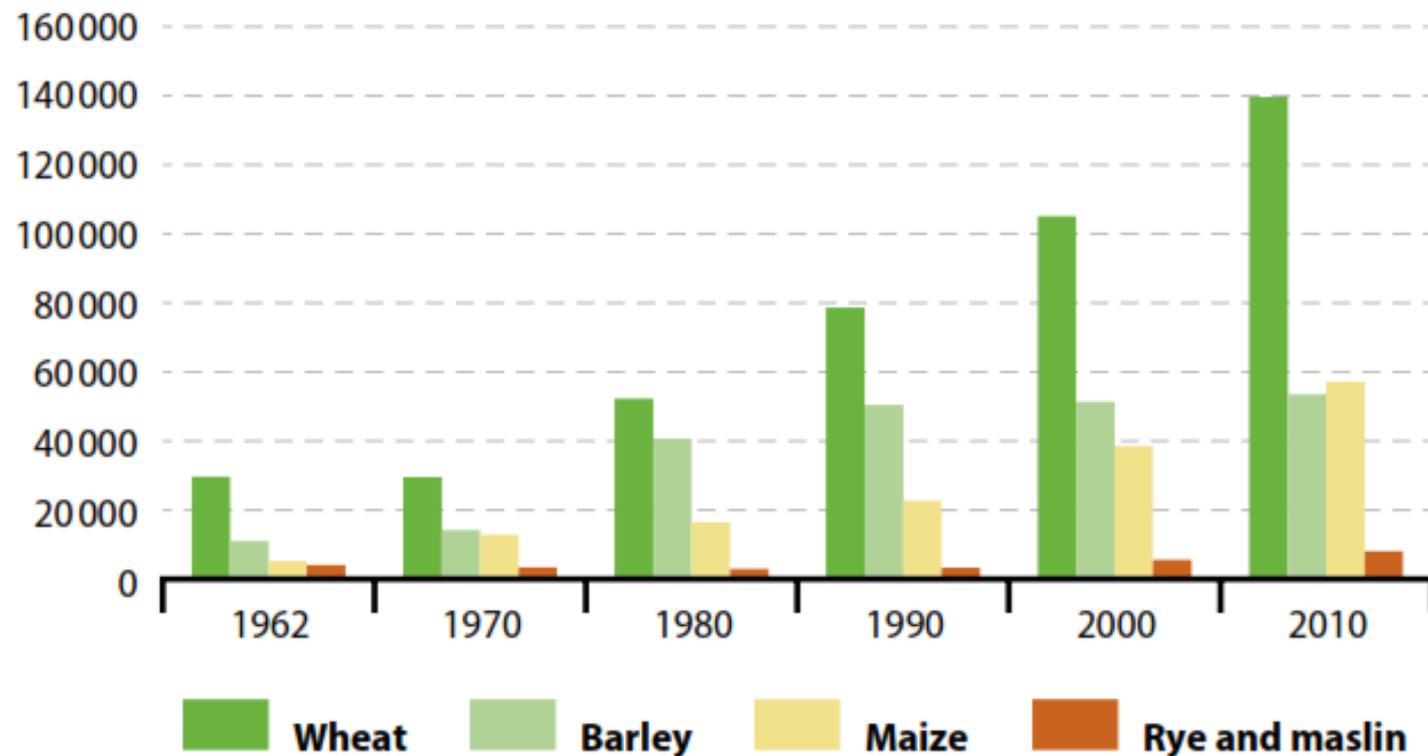
- The more farmers produced the more they were subsidised.
- High surpluses (milk and wine lakes, butter mountains)
- During the first years of the EU's existence the CAP represented a significant proportion of budget expenditure, over two-thirds on occasions.

Present

- Today's CAP is demand driven
- The vast majority of aid to farmers is paid independently of how much they produce. Under the new system farmers still receive direct income payments to maintain income stability.
- Farmers have to respect environmental, food safety, phytosanitary and animal welfare standards.
- Today the CAP still absorbs more than two-fifths of the EU budget.
- The CAP increasingly helps farmers to strengthen their bargaining position vis-à-vis other players in the food chain.

Crop production

Figure 2: EC / EU ⁽¹⁾ harvested production of main cereals, 1962-2010
(1 000 tonnes)



⁽¹⁾ EC/EU: aggregate calculated for the countries being Member States in the reference year.

Source: Eurostat (online data code: [apro_cpp_crop](#));



Main objectives

- General targets:
 - ensuring a stable supply of affordable and safe food for its population;
 - providing a reasonable standard of living for EU farmers, while allowing the agriculture industry to modernise and develop;
 - ensuring that farming could continue in all regions of the EU.
- Real targets of CAP:
 - improving the quality of Europe's food;
 - guaranteeing food safety;
 - looking after the well-being of rural society;
 - ensuring that the environment is protected for future generations;
 - providing better animal health and welfare conditions;
 - doing all this at minimal cost to the EU budget (which is funded mainly by taxpayers, i.e. ordinary citizens).



Tools

- Prices:
 - Target price
 - Minimum prices
 - Intervention price
 - World price
- Import tariffs
- Export subsidies
- Quotas
- Direct subsidy payments
- Regulations

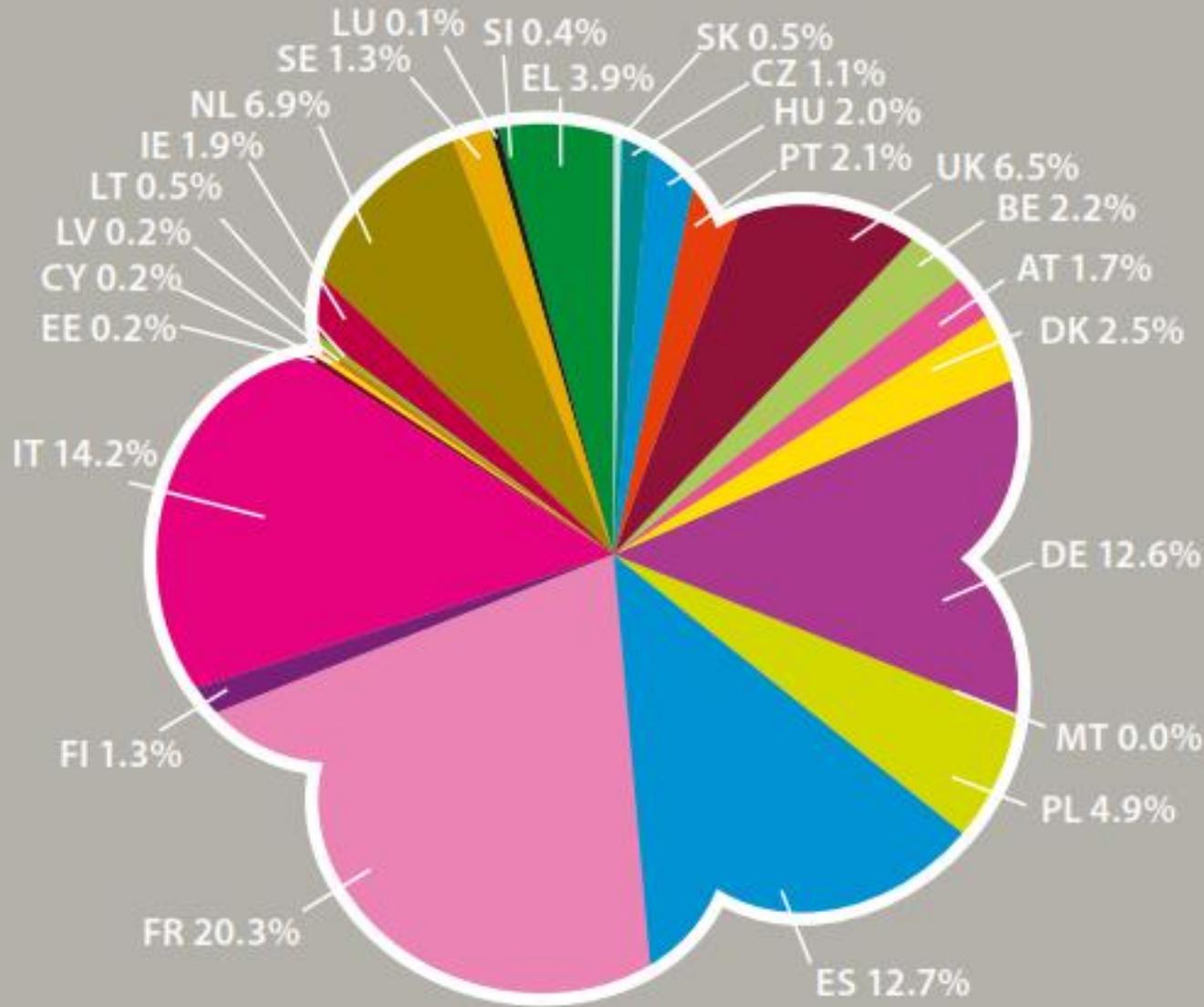


EU's food safety strategy

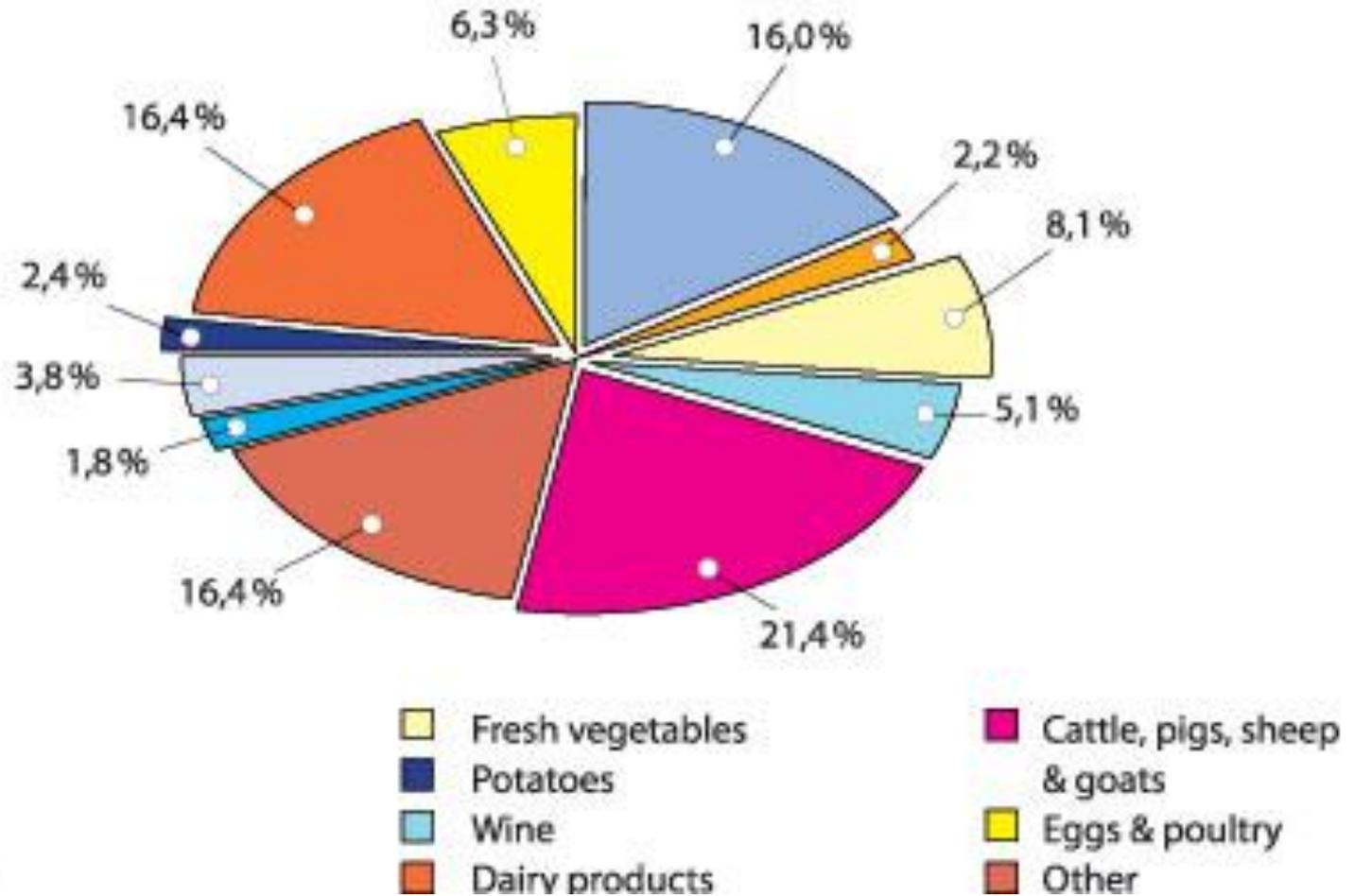
- rules on the safety of food and animal feed;
- independent and publicly available scientific advice;
- action to enforce the rules and control the processes;
- recognition of the consumer's right to make choices based on complete information about where food has come from and what it contains.



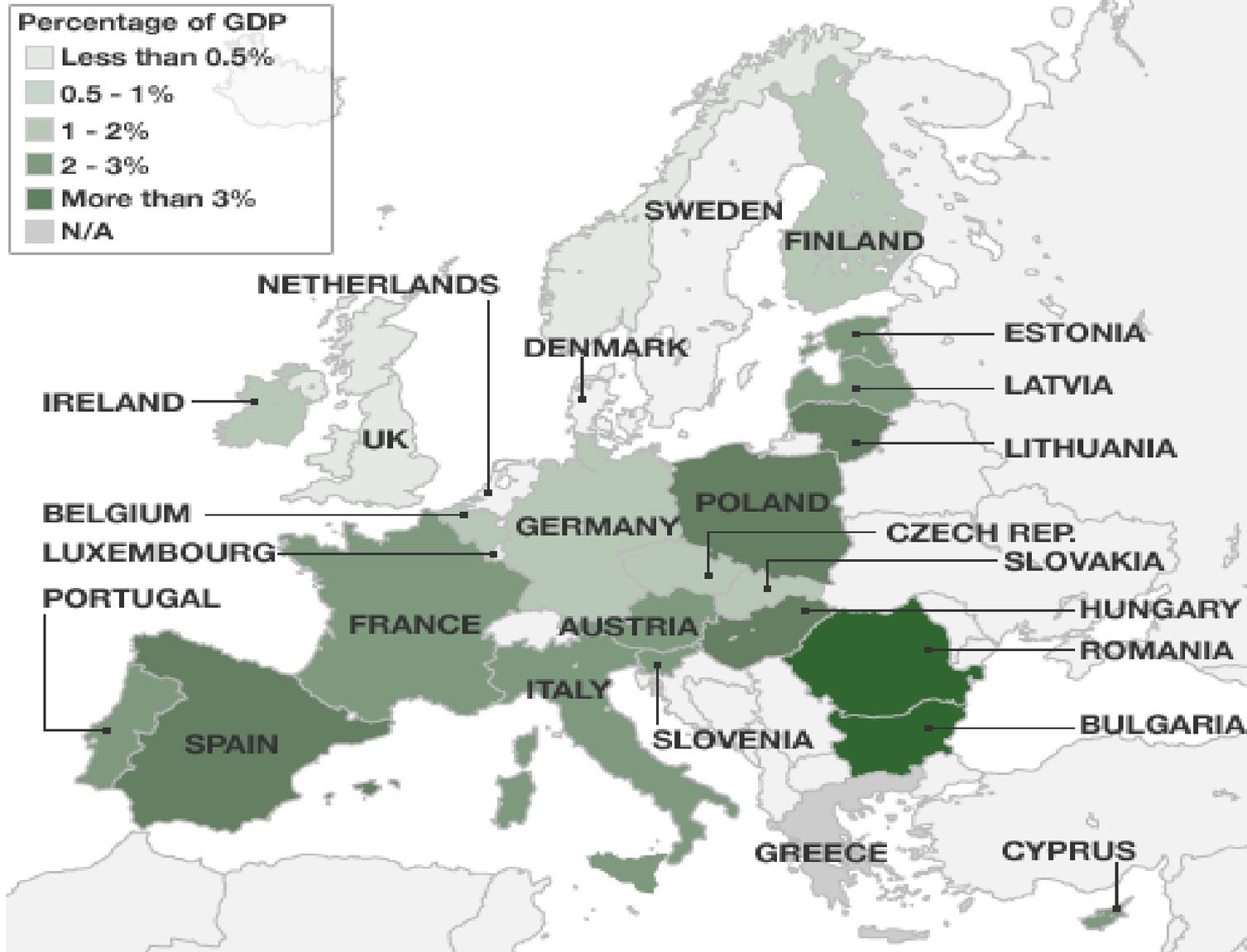
SHARE (%) IN EU AGRICULTURE (2005)



MAIN EU AGRICULTURAL PRODUCTS (% share of production by value – 2005)



Importance of agriculture in the economy

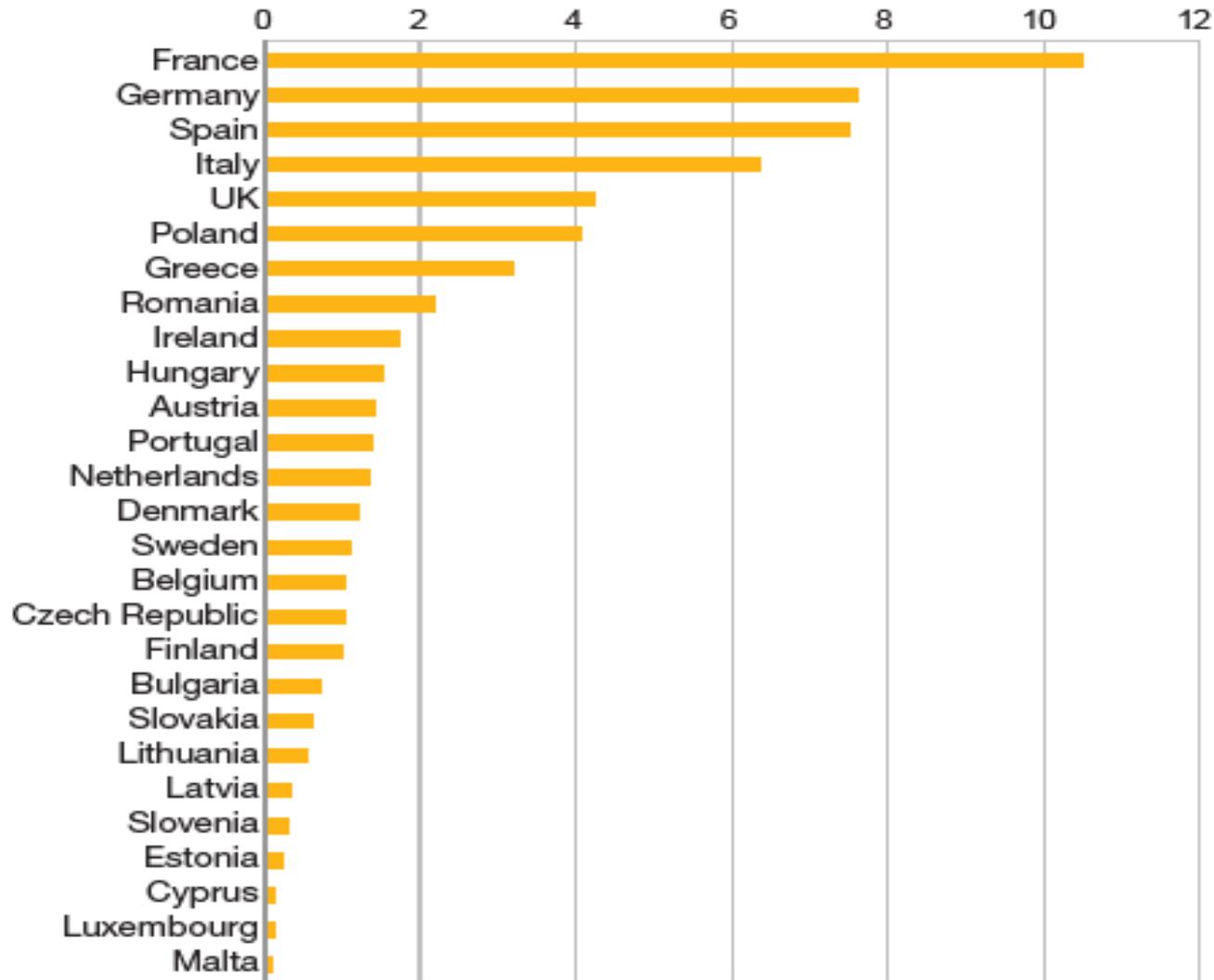


Source: European Commission



Total CAP allocations in 2009 (including sugar restructuring fund)

Euros (billions)



CAP combined total: 59.8bn euros

Source: European Commission



Reforms

- 1962. The common agricultural policy is born. The CAP is foreseen as a common policy, with the objectives to provide affordable food for EU citizens and a fair standard of living for farmers.
- 1968. Mansholt Plan
 - provide financial incentives to encourage about half of the farming population to leave the sector during the 1970s and to take at least five million hectares of land out of production.
- 1984. Production quotas in the milk sector were introduced. Farms become so productive that they grow more food than needed. The surpluses are stored and lead to ‘food mountains’. Several measures are introduced to bring production levels closer to what the market needs
- 1988. arable farmers have been given money if they "set-aside" from production part of their land.
- 1990
 - reduce the gap between EU prices and world prices
 - reduced the usage of export subsidies



- 1992. The CAP shifts from market support to producer support. Price support is scaled down, and replaced with direct aid payments to farmers. They are encouraged to be more environmentally-friendly. The reform coincides with the 1992 Rio Earth Summit which launches the principle of sustainable development → MacSharry reforms:
 - significant reductions in the level of institutional prices for cereals and beef.
 - In compensation for these cutbacks in price support, farmers were given direct payments ("cheques in the post") per head of livestock and hectare under crops, more-or-less up to a maximum of their pre-reform quantities.
- Agenda 2000.: extended MacSherry's reform.
 - The Rural development become 2nd Pillar.
 - divided the CAP into two 'Pillars': production support and rural development. Several rural development measures were introduced including diversification, setting up producer groups and support for young farmers. Agri-environment schemes became compulsory for every Member State.



- 2003. Other reforms.
 - Single farm payments.
 - The CAP provides income support. A new CAP reform cuts the link between subsidies and production. Farmers now receive an income support payment, on condition that they look after the farmland and fulfil environmental, animal welfare and food safety standards
- 2011. A new CAP reform proposal seeks to strengthen the competitiveness of the agricultural sector, promote innovation, combat climate change and support jobs and growth in rural areas.



Historical development of the CAP

Productivity

Competitiveness

Sustainability

The Early Years

The Crisis Years

The 1992 Reform

Agenda 2000

CAP reform 2003

CAP Health Check 2008

Food security
Improving productivity
Market stabilisation
Product support

Over production
Exploding expenditure
International friction
Structural measures

Reduced surpluses
Environment
Income stabilisation
Budget stabilisation

Deepening the reform process
Competitiveness
Rural development

Market orientation
Consumer concerns
Rural development
Environment
Simplification
WTO compatibility

Reinforcing 2003 reform
New challenges
Risk management

The path of CAP expenditure by calendar year (in current prices)

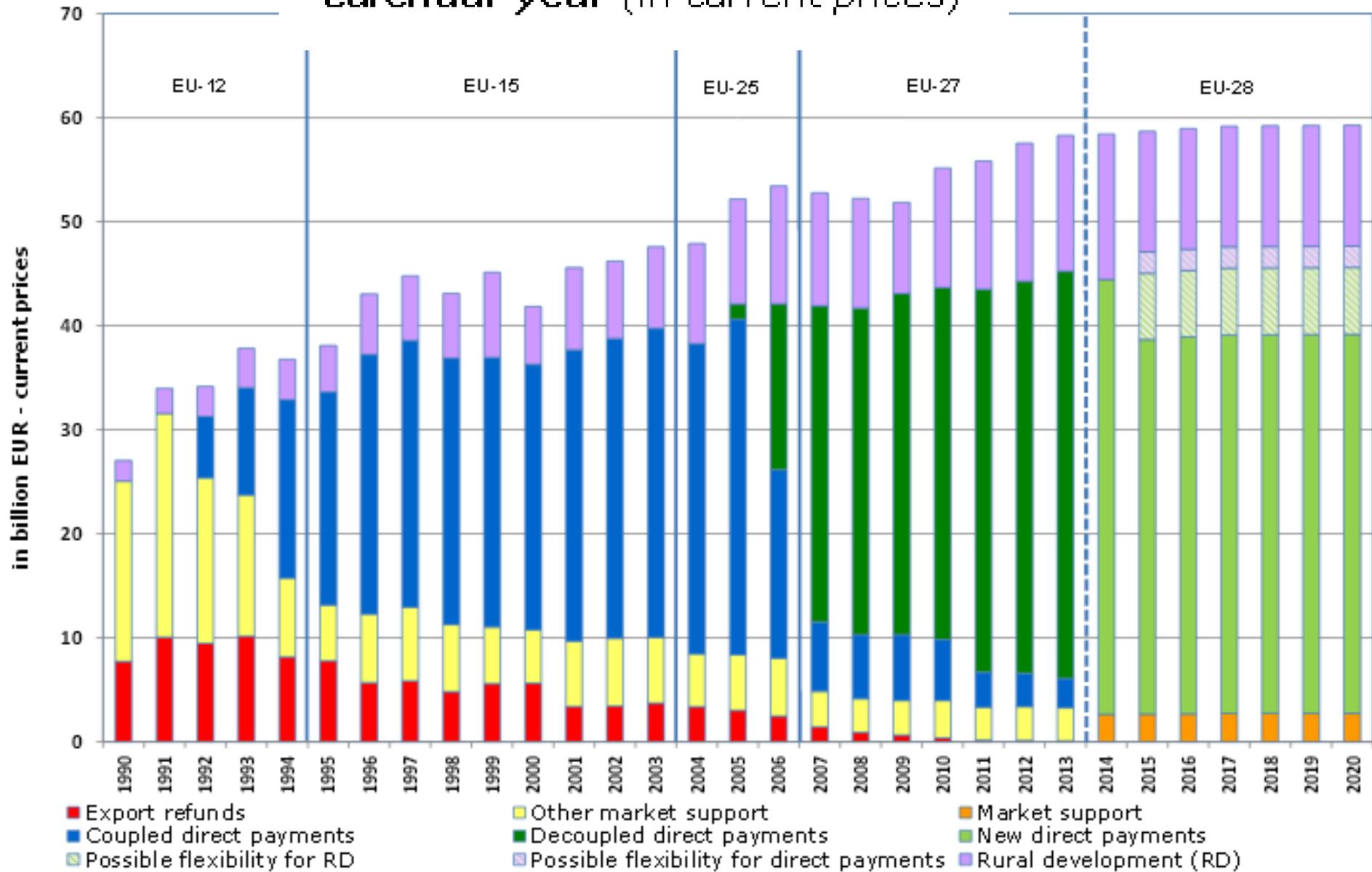
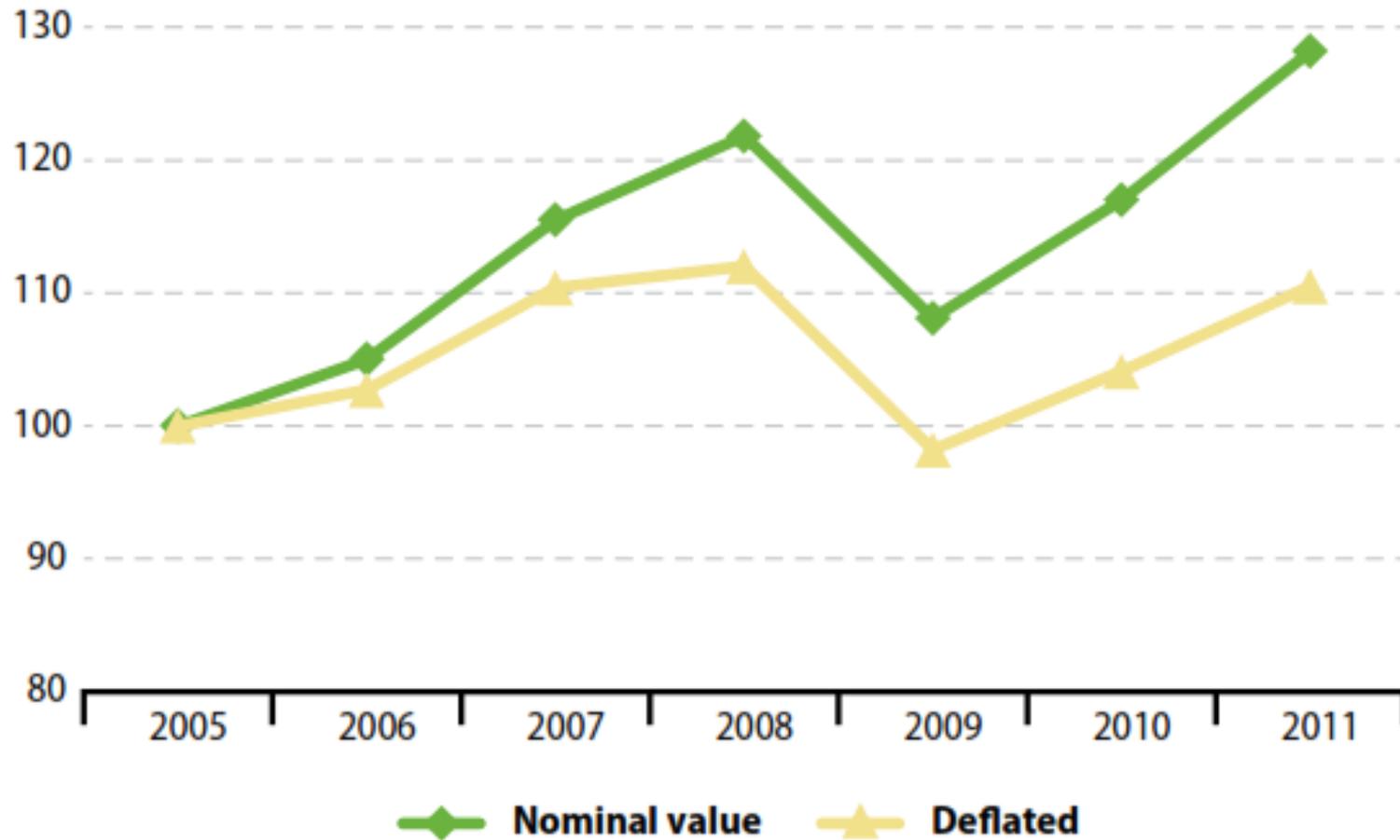


Figure 2.5.1: EU-27 output price indices of agricultural goods, 2005-2011
(2005 = 100)



Source: Eurostat (online data code: [apri_pi05_outa](#))



Rural Development Policy 2007-2013

- Topics:
 - Improving agricultural competitiveness.
 - Improving the environment and supporting land management and improving the quality of life.
 - Diversifying the economy in rural areas.
 - A fourth axis the "Leader axis", which is inspired by the experience of the Leader Community Initiative, aims at implementing local strategies for rural development through local public-private partnerships.



Rural Development - actions

- Training in new farming techniques and rural crafts
- Assisting young farmers to set up on farms
- Assisting older farmers to retire
- Modernising farm buildings and machines
- Assisting farmers to meet demanding EU standards, e.g. environmental, animal welfare and public health
- Helping establish food processing facilities on the farm so that farmers can earn more income from farm products by adding value to them
- Improving product quality and marketing of quality products
- Setting up of producer groups in the new Member States
- Support for farming in mountainous areas and other areas with handicaps
- Renovating villages and rural facilities
- Encouragement of tourism
- protection and conservation of rural heritage
- Agri-environment measures to improve the environment
- development strategies put in place by local action group.



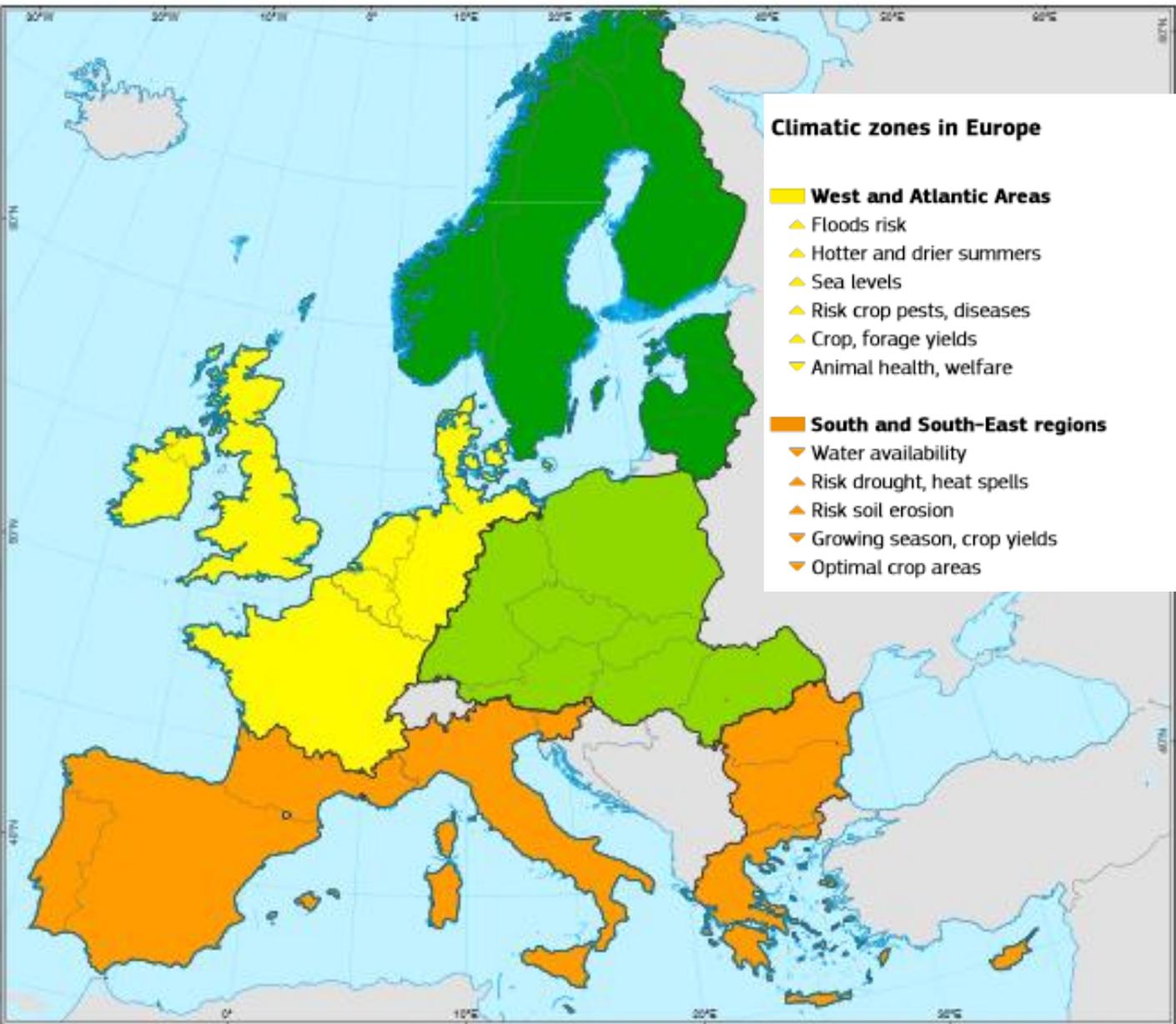
- The decision-making process differed from previous reforms, with the European Parliament for the first time acting as co-legislator with the Council.
- Integrated and holistic approach.
- Priorities:
 - Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas.
 - Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forests.
 - Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture.
 - Restoring, preserving and enhancing ecosystems related to agriculture and forestry.
 - Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors.
 - Promoting social inclusion, poverty reduction and economic development in rural areas.

Climate change – Possible impacts on EU agriculture



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Climatic zones in Europe

West and Atlantic Areas

- ▲ Floods risk
- ▲ Hotter and drier summers
- ▲ Sea levels
- ▲ Risk crop pests, diseases
- ▲ Crop, forage yields
- ▼ Animal health, welfare

South and South-East regions

- ▼ Water availability
- ▲ Risk drought, heat spells
- ▲ Risk soil erosion
- ▼ Growing season, crop yields
- ▼ Optimal crop areas

Northern Areas

- ▼ Summer rainfall
- ▲ Winter storms, floods
- ▲ Length growing season, yields
- ▲ Suitable farmland
- ▲ Pests, diseases risks

Central Europe

- ▲ Winter rainfall, floods
- ▼ Summer rainfall
- ▲ Risk drought, water stress
- ▲ Soil erosion risk
- ▲ Yields, range of crops

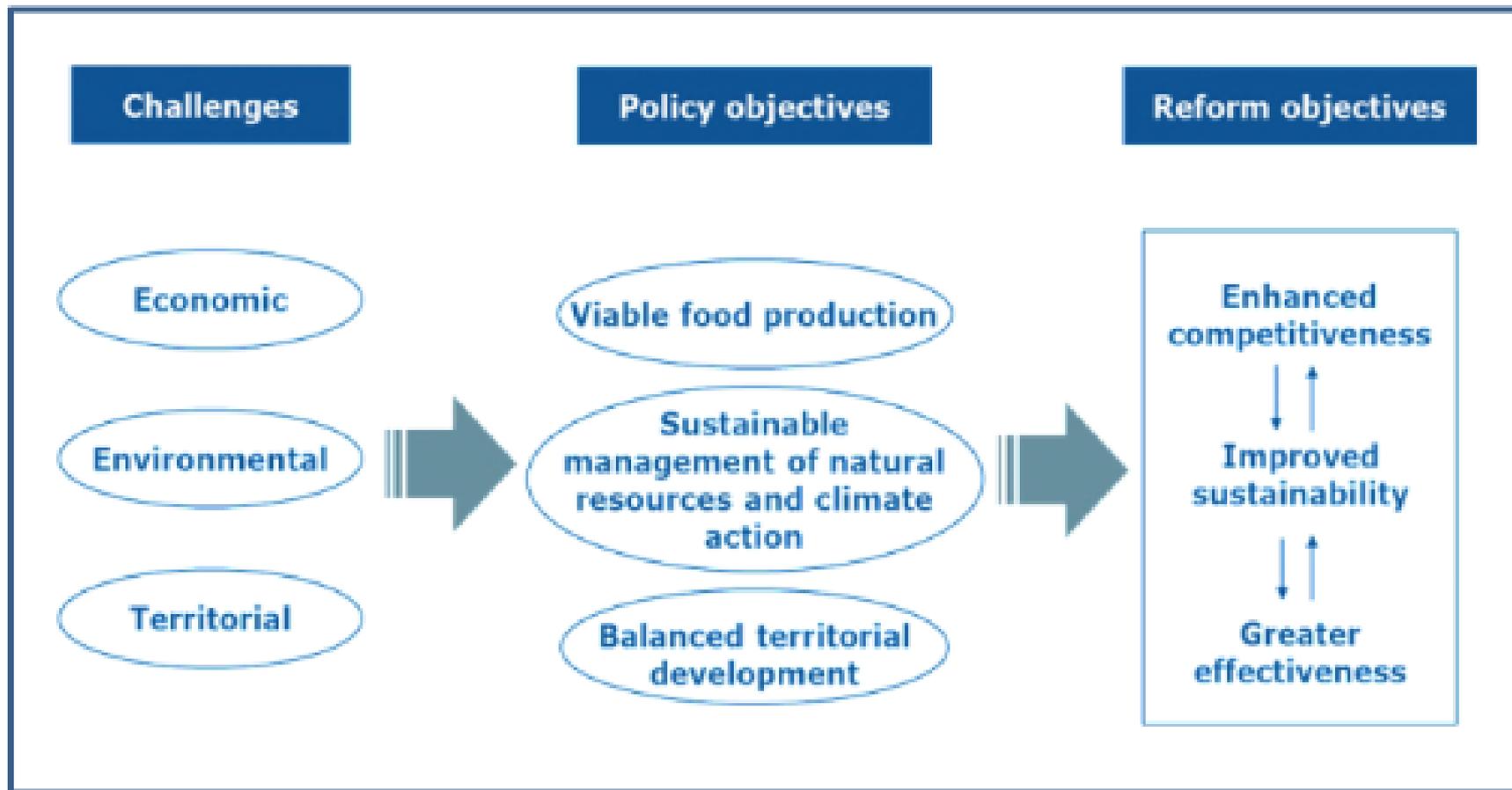


Pillars

- Economic
 - food security and globalisation,
 - a declining rate of productivity growth, price volatility,
 - pressures on production costs due to high input prices,
 - deteriorating position of farmers in the food supply chain.
- Environmental
 - relating to resource efficiency,
 - soil and water quality,
 - threats to habitats and biodiversity.
- Territorial
 - rural areas are faced with demographic, economic and social developments including depopulation and relocation of businesses.

Chart 1

The CAP post-2013: From challenges to reform objectives



Source: DG Agriculture and Rural Development.

MFF Ceiling 2014-2020 *(in billion EUR)*

	2014-2020 Ceiling <i>(Current Prices)</i>	2014-2020 Ceiling <i>(2011 Prices)</i>
Pillar 1	312,74	277,85
Pillar 2	95,58	84,94
Total CAP	408,31	362,79

Source: DG Agriculture and Rural Development



Problems

- EU agricultural tariffs and subsidies distort the economy.
- The CAP harms EU trade interests.
- The CAP is socially unfair.
- The CAP has a weak environmental record
- The CAP undermines global food security and the fight against poverty.
- The CAP is a burden on European integration.



Future – new goals

- be a living policy which reflects the needs and expectations of European society;
- promote a sustainable agriculture offering safe, quality products while protecting the environment and animal welfare;
- support the multifunctional role of farmers as suppliers of public goods to society;
- promote the growth and creation of jobs in rural areas;
- reinforce a competitive and innovative agricultural sector that can respond to the challenges of the world market
- be managed by simple and transparent rules.



Questions

- What did in the week of publication happened?
- Why was the GM potato developed?
- What are the problems of this potato?
- Mention some GM agricultural products!
- What does Barroso want to do?
- What are the advantages and disadvantages of GM foods?
- What does the assessment of GM foods include?
- How can be the EU's attitude to GM foods characterized?
- Who is the biggest producer?



Thanks for your attention!



Environmental policy of the EU

Prepared:

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Assistant lecturer



Questions

- What are the potential results of climate change?
- What can we do against it?
- What kind of campaign does the EU make?
- What kind of problems do the Venice people have to face?
- What is the target of the EU after the Kyoto Protocol?
- What can the pupils do for the environment?



Basic of the environmentalism

- The man is both biological and social creature
- Growth vs. Development?
- Well-being vs. Welfare?
- The environmental management:
 - Multidisciplinary science
 - It is characterized by complexity.
 - Global and long-term approachment.



Global problems

- War and peace...
- Overpopulation
 - Urbanization
 - 3 phase of the population growth
- Food shortage (food crisis) in many region
 - 3 phase of the ecological crisis
- Material and energy crisis
- Environmental crisis

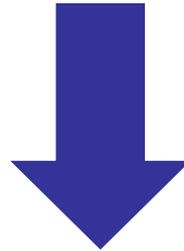


Global problems

- Richard Smalley: Top Ten Problems Facing Humanity Over the Next 50 Years
 - Energy
 - Water
 - Food
 - Environment
 - Poverty
 - Terrorism& War
 - Disease
 - Education
 - Democracy
 - Population
- UNEP: GEO-reports (Global environmental outlook) (GEO5-Video!)

Environmental crisis

- Global climate change
- Greenhouse gas emissions: CO₂, N₂O, CFC-gases.
- Acid rains.
- Ozone hole.
- Species' extinction



Environmental problems mean global risks and uncertainty.

Figure 2.3 Temperature change over the 20th century

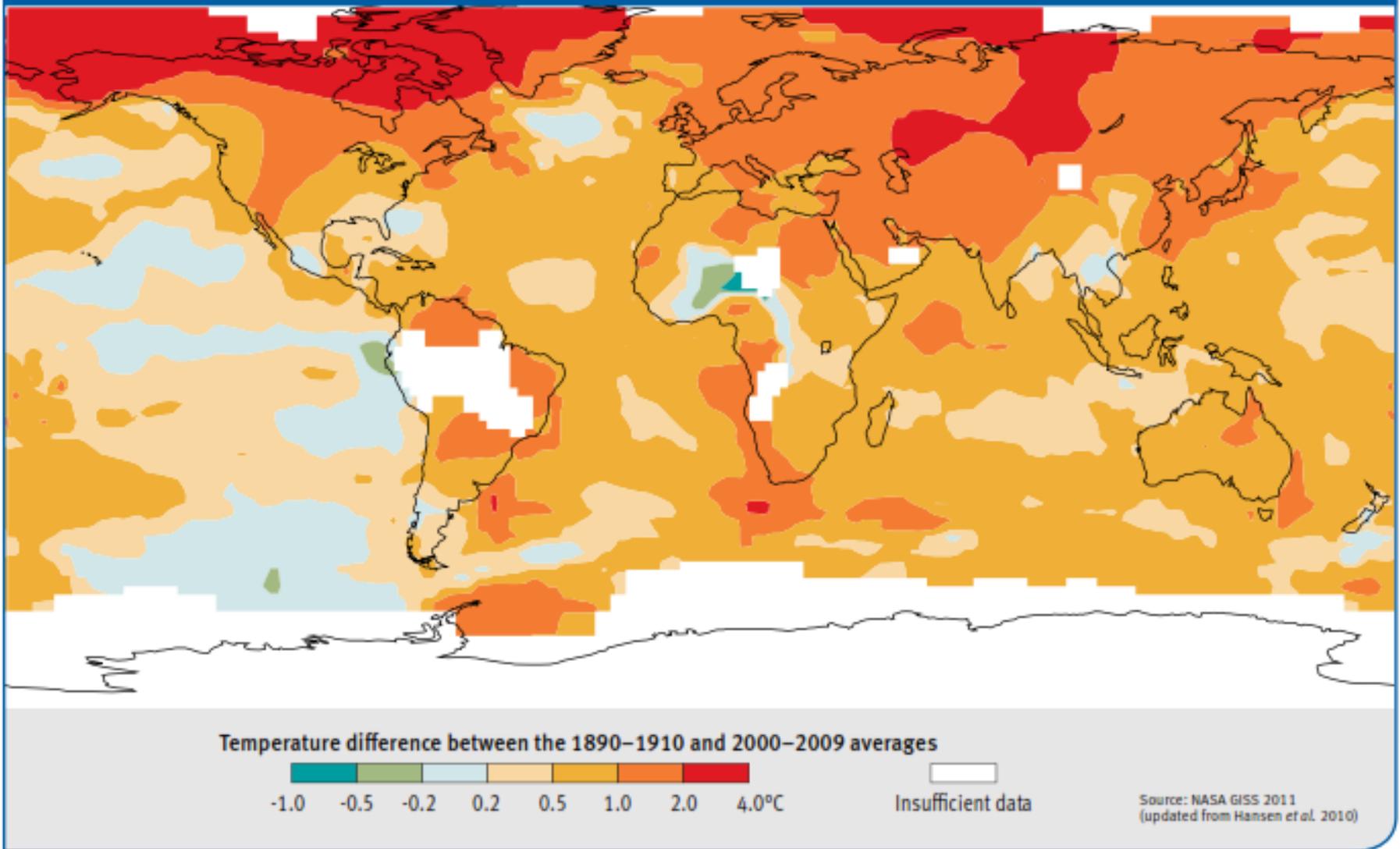
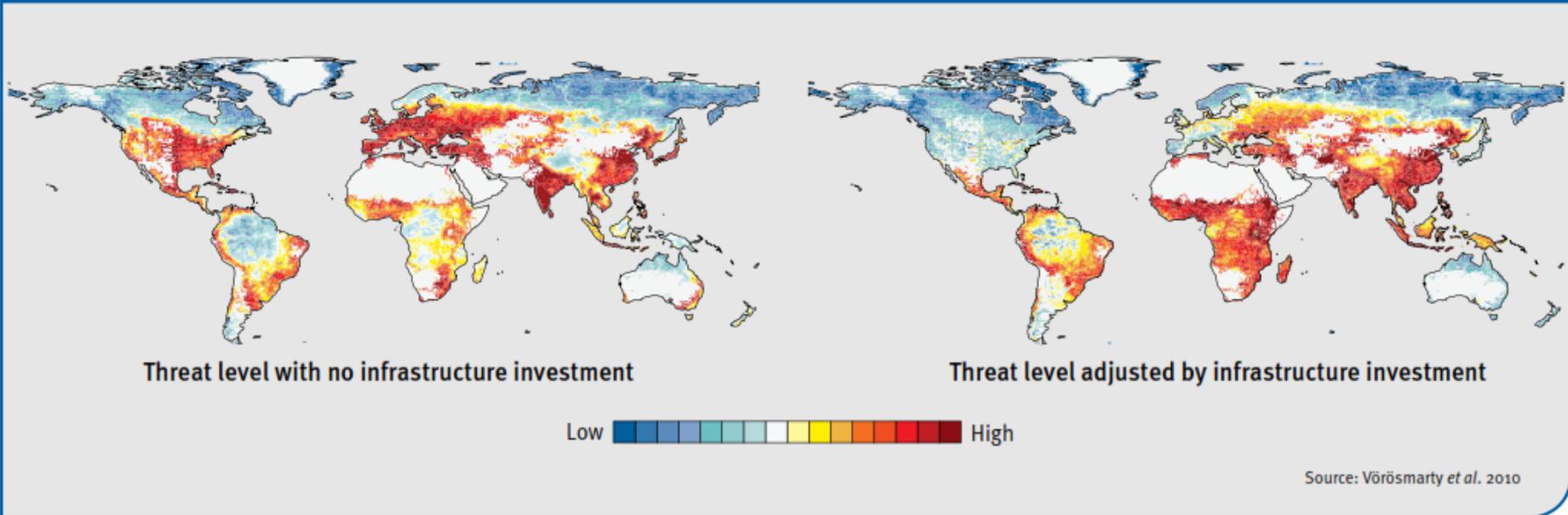
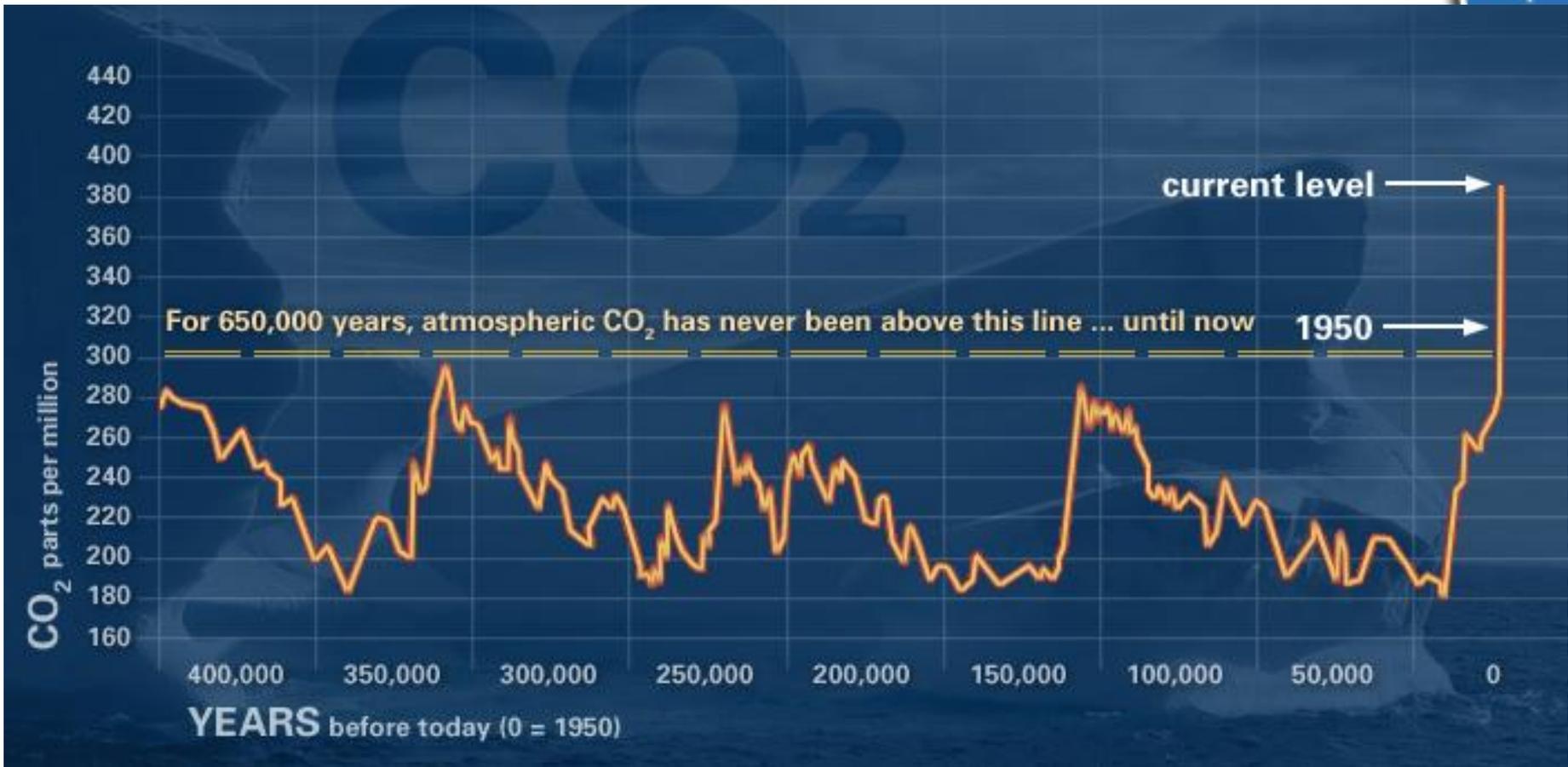
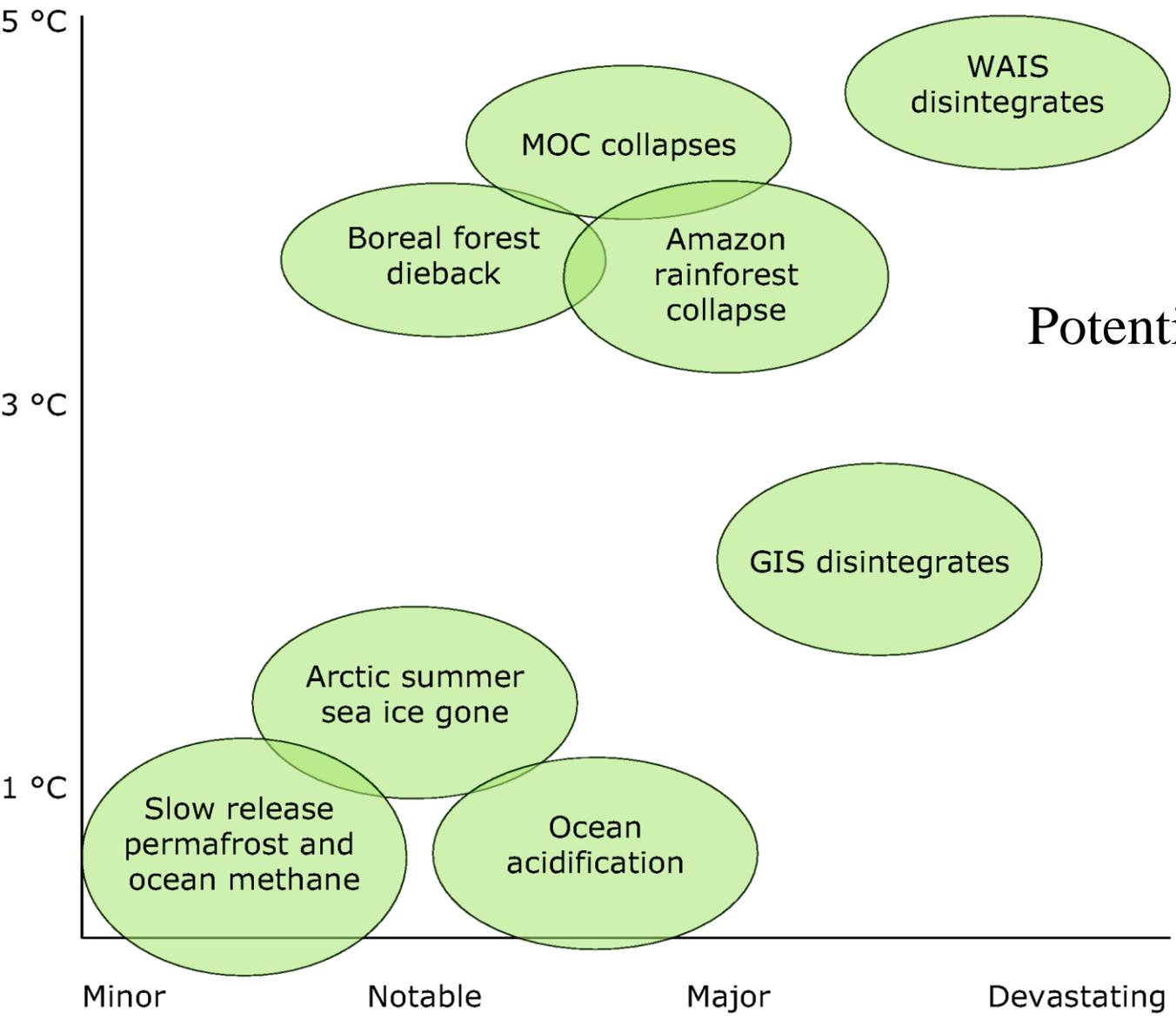


Figure 4.14 Threats to water security with and without infrastructure investment, 2000



CO₂ concentrate in the air





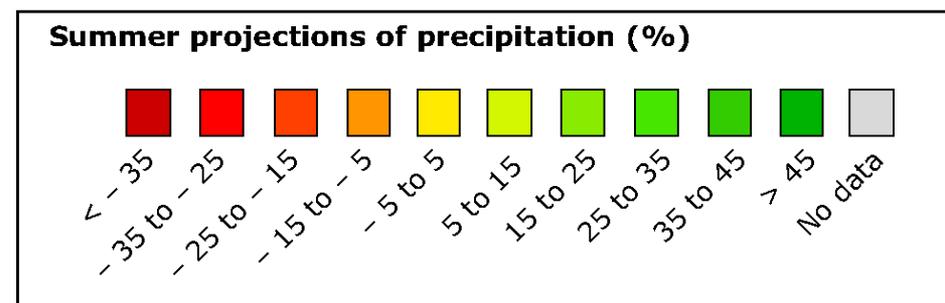
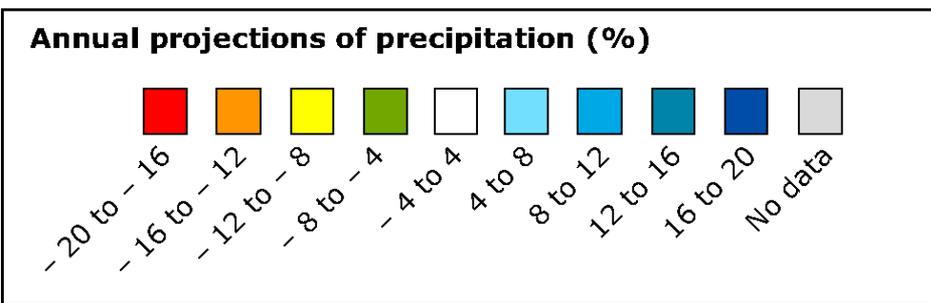
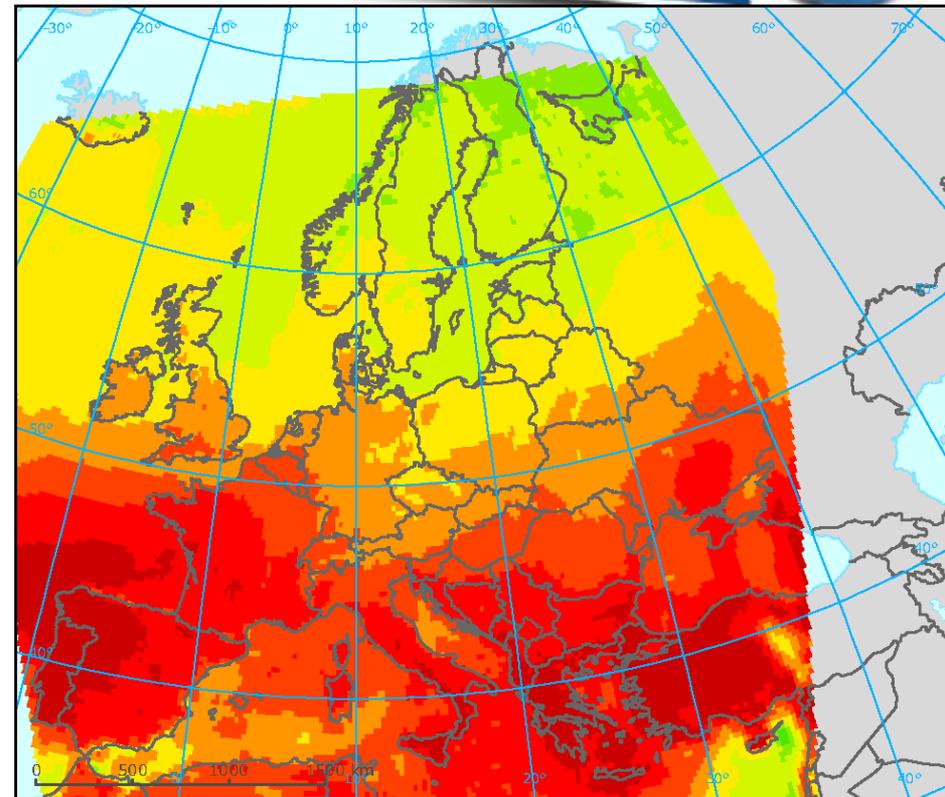
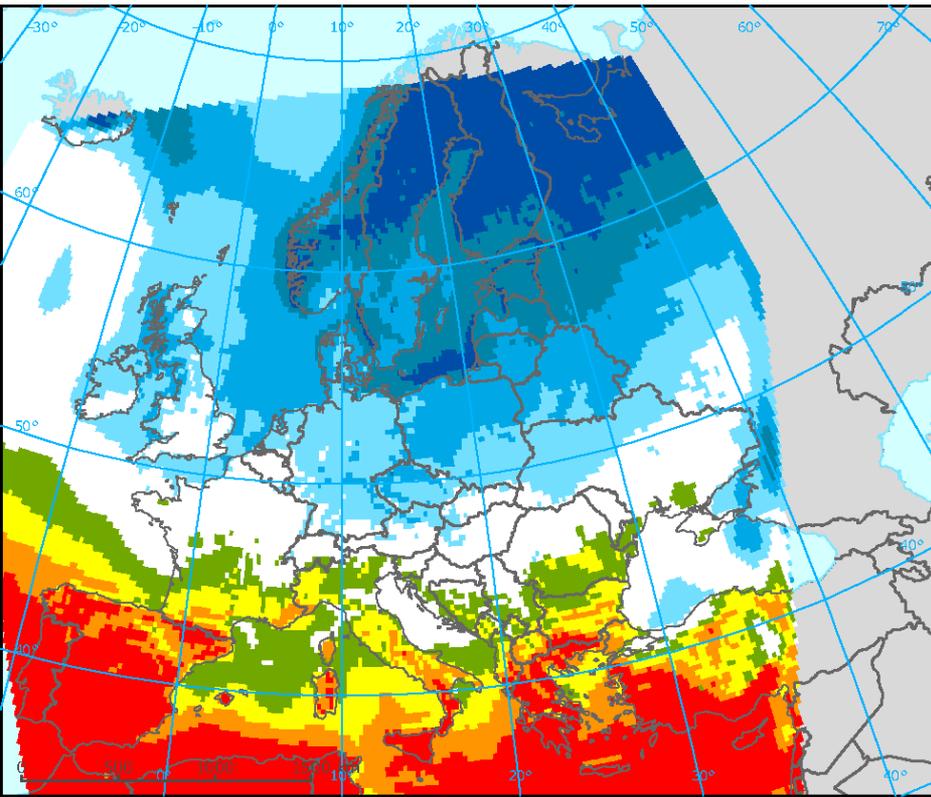
Potential results of climate change

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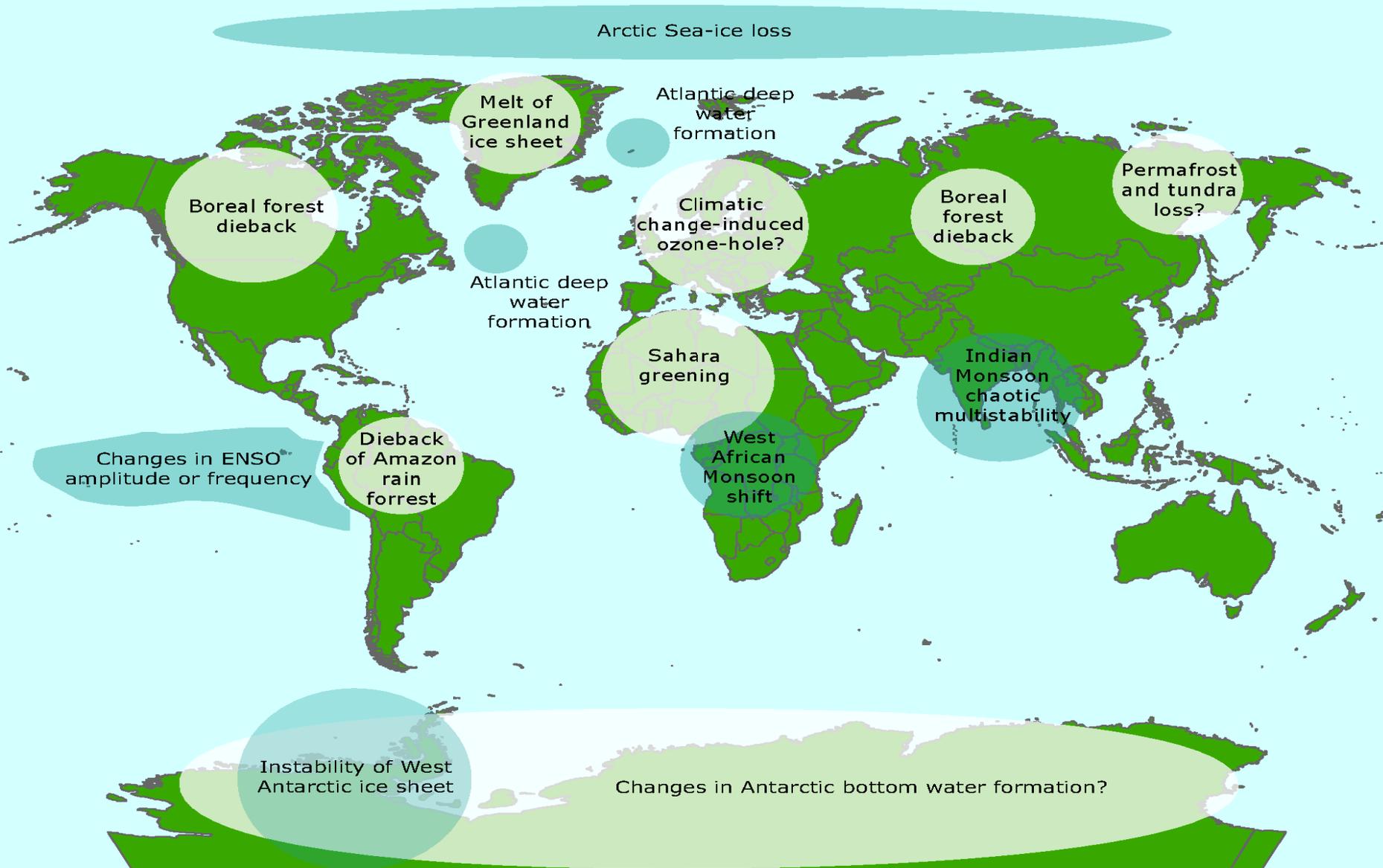
GIS: Greenland ice sheet
WAIS: West Antarctic ice sheet
MOC: North Atlantic Meridional overturning circulation

Source: www.eea.europa.eu

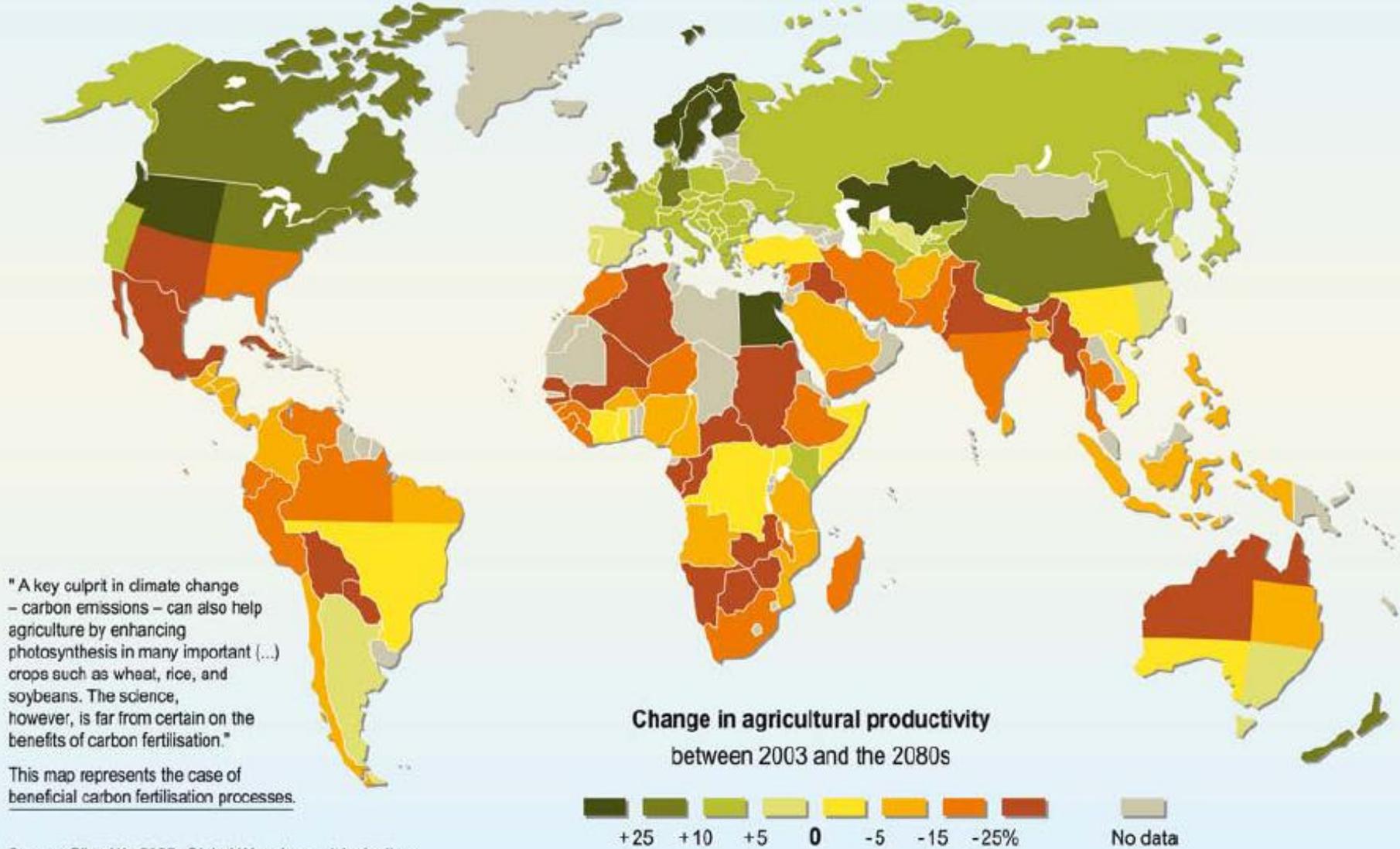
Potential results of climate change II.



Potential results of climate change III.



Potential results of climate change to the agricultural lands



Source: Cline W., 2007, *Global Warming and Agriculture*.

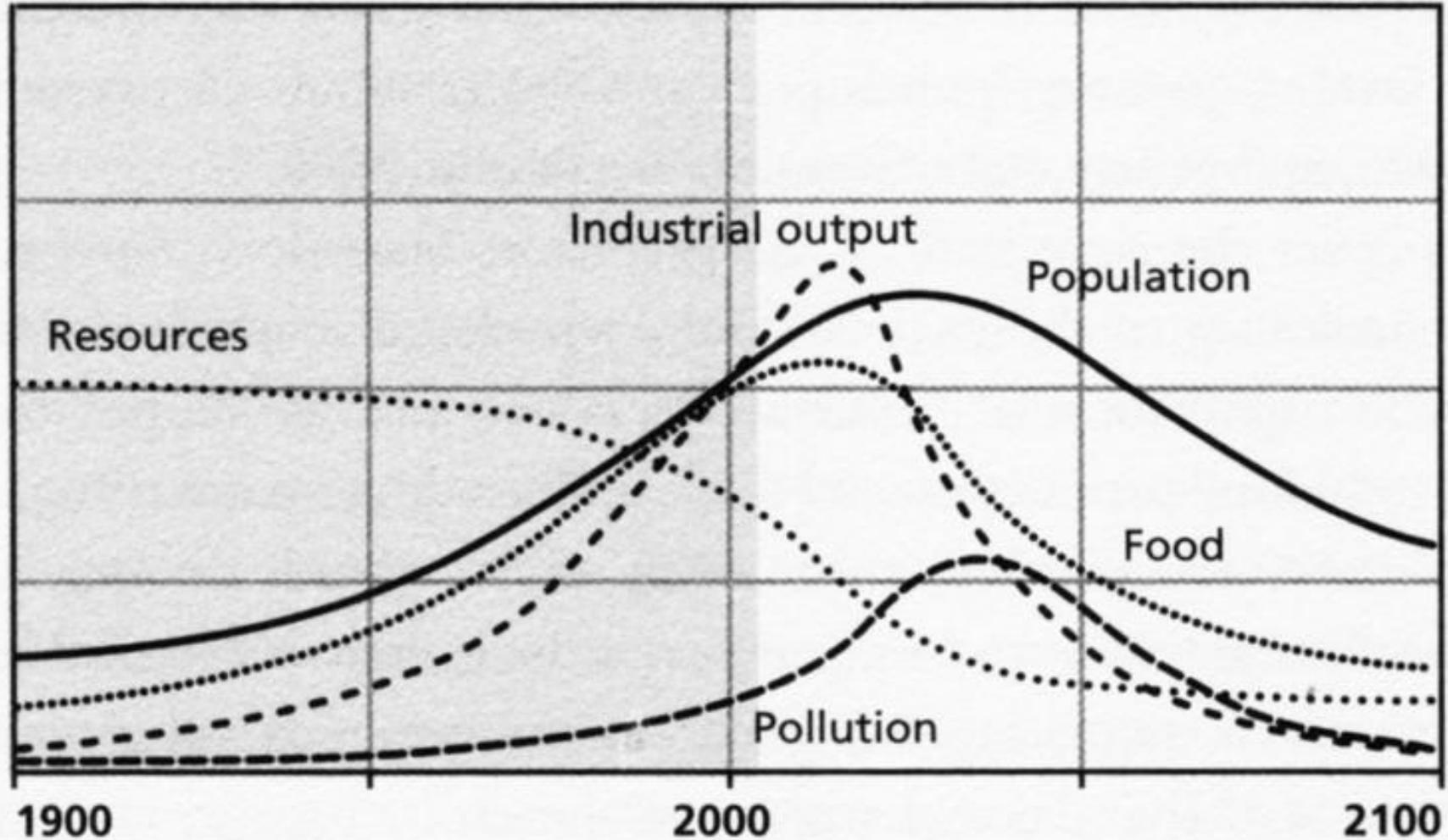


History of the environmentalism

- 1962. *Silent Spring* by American biologist Rachel Carson was published.
→ The resulting public concern led to the creation of the United States Environmental Protection Agency in 1970 which subsequently banned the agricultural use of DDT in the US in 1972.
- 1968. United Nations Biosphere Conference encourages the idea of a larger general UN conference on the environment, scheduled for Stockholm in 1972.
- 1968. Club of Rome founded (Aurelio Peccei).
- 1972. The Conference on the Human Environment, held in Stockholm, Sweden 5 to 16 June, the first of a series of world environmental conferences.
- 1972. The Club of Rome publishes its report *Limits to Growth*, which has sold 30 million copies in more than 30 translations, making it the best selling environmental book in world history.

D. Meadow: Limited growth

State of the World



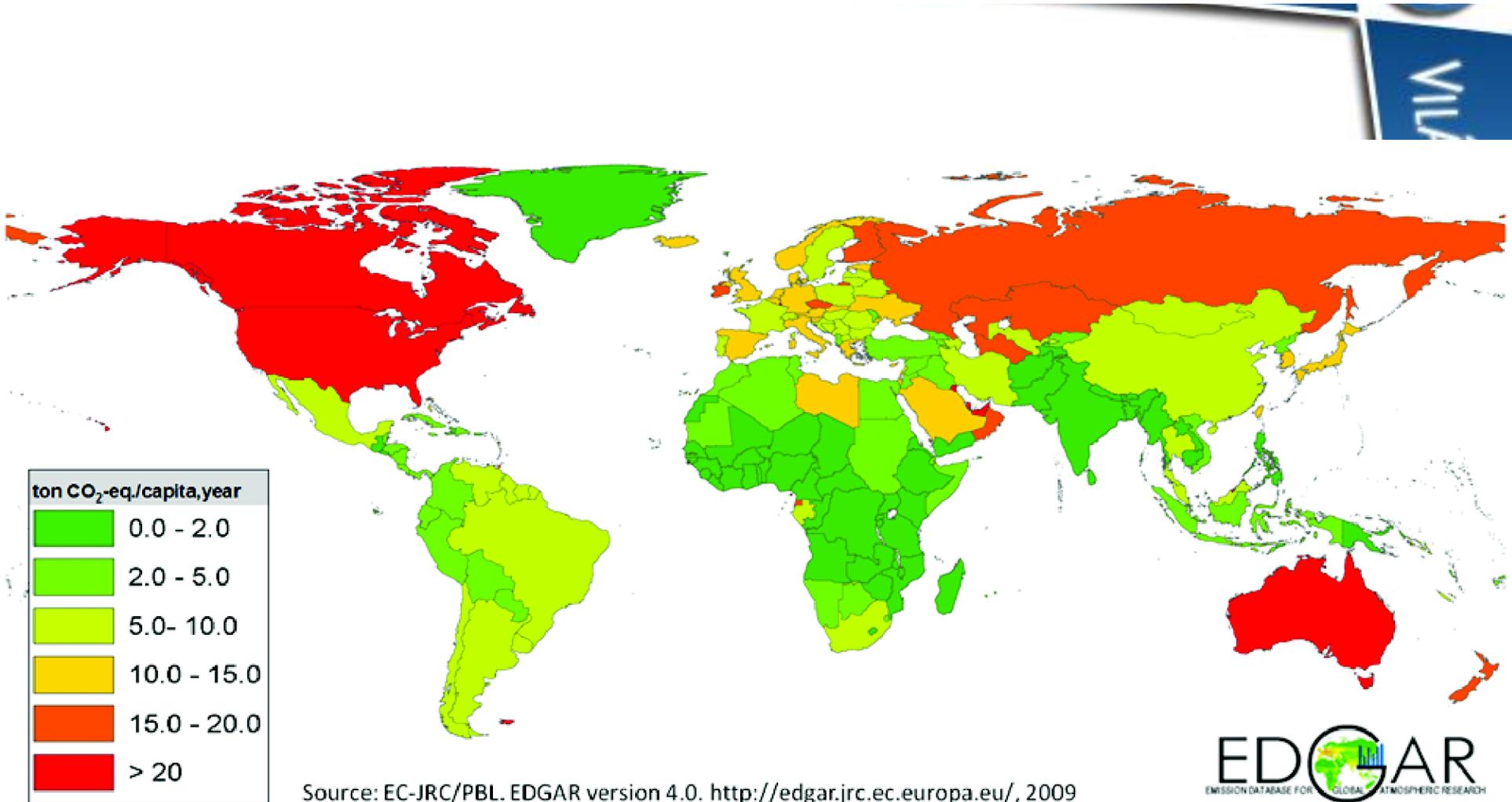


- Accidents: 1984. Bhopal; 1986. Chernobyl
- 1987. Brundtland report. („Our common future”)
 - Sustainable development is the kind of development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
- 1990. Bergen conference - **two key principles.**
- 1992. Rio de Janeiro (The **United Nations Conference on Environment and Development**)
 - AGENDA 21
 - Earth Charter
 - The Convention on Biological Diversity
 - An important achievement was an agreement on the Climate Change Convention which in turn led to the Kyoto Protocol.



- 1997. — The Kyoto Protocol was negotiated in Kyoto, Japan in December. It is actually an amendment to the United Nations Framework Convention on Climate Change (UNFCCC). Countries that ratify this protocol commit to reduce their emissions of carbon dioxide and five other greenhouse gases (it was not accepted by USA, China, India).
- 2002 — Earth Summit, held in Johannesburg a United Nations conference.
- 2009. Copenhagen UN Climate Conference

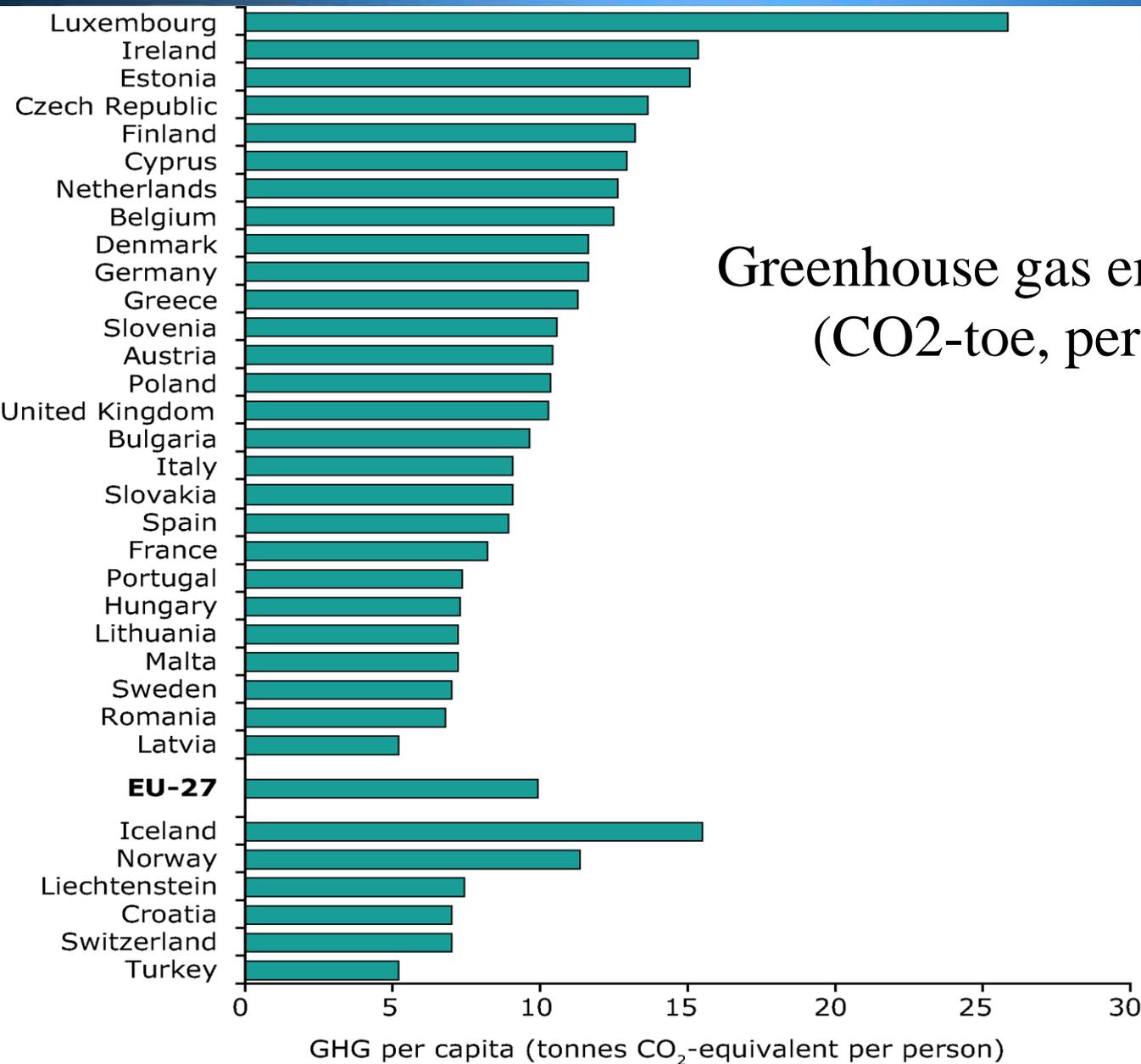
Greenhouse gas emission per capita in the world (2005, ton CO₂-eq/capita)





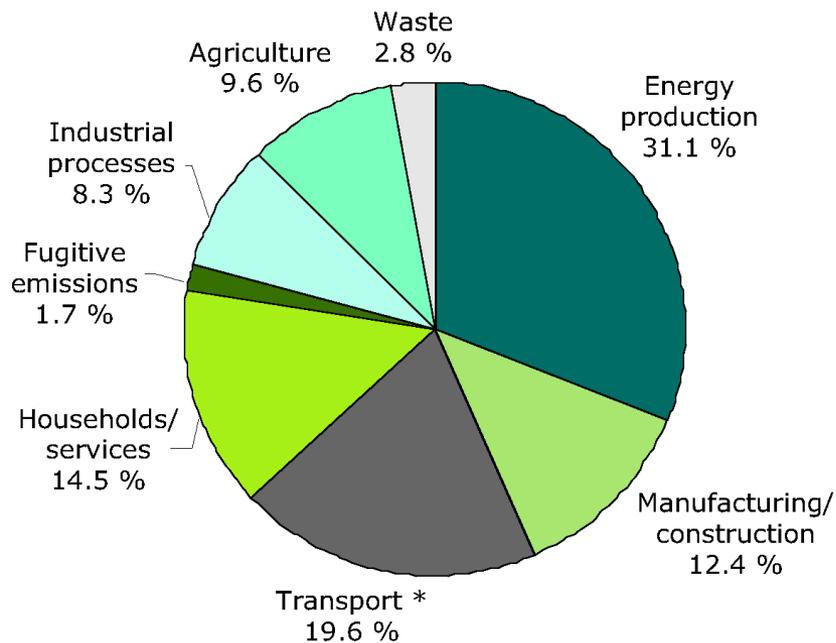
MIL

Greenhouse gas emission in the EU (CO₂-toe, per capita, 2009)



GIONÁLIS GAZDASÁGTAN INTÉZET

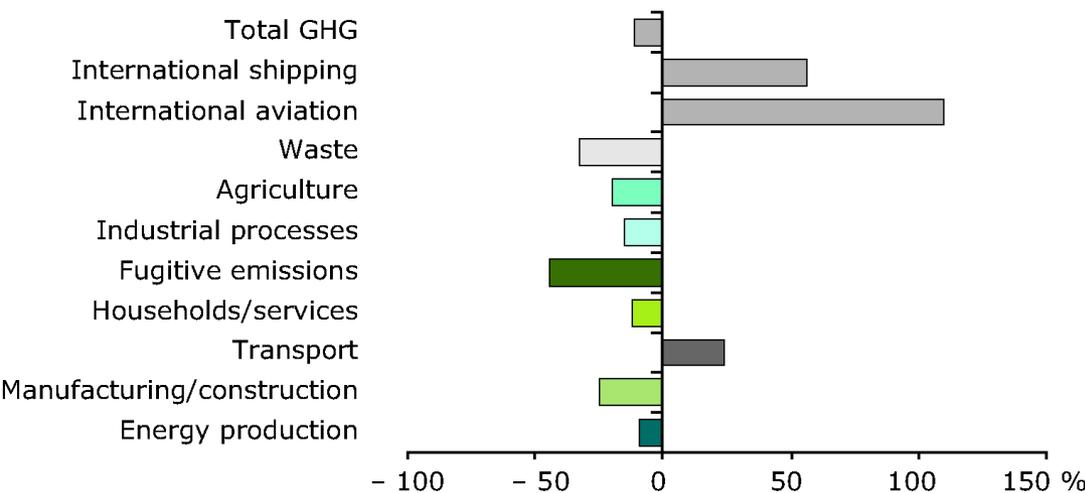
Total greenhouse gas emissions by sector in EU-27, 2008



The greenhouse gas emission by sectors (EU-27, %, 2008)

* Excludes international aviation and shipping (6 % of total GHG emissions)

Changes 1990–2008



Source: www.eea.europa.eu



History of the environmental policy in the EU

- Starting in 1967 with the Directive for harmonised classification and the labelling of dangerous chemicals.
- Environmental protection objectives and principles were finally given their own chapter in 1987.
- In spite of that → environmental protection largely happens at national level.
- EU sets minimum standards → then leave it up to Member States on how to achieve them.
- National environmental politics change quite frequently, with changes in government, but the EU has provided continuity.
- 2005. the Commission itself notes “the worsening of unsustainable trends, notably, the growing pressure on natural resources, biodiversity and the climate...” and that environmental policy integration “has been limited so far”.



History - corestones

- An idealistic start 1973 – 1982
 - On the basis of European Council commitments in 1972 to establish a Community environmental policy, the first EAP was decided upon in November 1973.
 - most important objectives were:
 - the prevention, reduction and containment of environmental damage
 - the conservation of an ecological equilibrium
 - the rational use of natural resources
 - The Second EAP (1977 – 1981) was essentially a follow up to the first in terms of approach and objective, with simply a greater range of problems to be dealt with.



- Towards the Internal Market 1982 – 1987
 - The Third EAP (1982 – 1986) and partially the Fourth (1987 - 1992) reflect a considerable change in policy approach, being much more closely related to the completion of the Internal Market than their predecessors.
 - Environmental emissions standards needed to be harmonised to avoid distortions to industry competitiveness.
 - Product regulations had to be harmonised to avoid non-tariff barriers emanating from different national product norms.
 - The third EAP emphasised the economic benefits.
 - Strong German pressure!



- Towards environmental policy integration 1987 – 1992 (the Fourth EAP)
 - Harmonisation of environmental standards.
 - Integrated and sectoral approach.
 - Number of external factors:
 - Among the most important were the emergence of new global threats (1),
 - The respective preparations for the UNCED conference in 1992 (2),
 - the wider support for economic instruments (3)
 - a new wave of environmentalism in Europe (4).



- Roll-Back 1992 – 1995
 - 5th EAP (1992-1999):
 - The principal aim of sustainable development .
 - Reference to the sectoral approach, which integrates an environmental dimension into the most polluting sectors (transport, energy, agriculture, etc.), and the limits of old end-of-pipe approaches. Instead, the action programme proposed structural change in favour of public transport, energy efficiency and waste prevention.
 - The emphasis on new instruments, especially on market-oriented instruments such as fiscal incentives or voluntary instruments.
 - The new consensus-oriented approach taking into account the crucial role of non-governmental protagonists and local/regional authorities to represent the general interest of the environment.
 - The setting of medium and long-term objectives.



- 1997 -2003: The last wave of environmental regulation?
 - The Commission shifted from its previous top-down approach and its instrumental focus of environmental policy integration towards a broader and less committed approach: basically sectoral Council formations were asked to identify the key problems of their sectors, to define objectives and to formulate activities in order to meet the objectives.
 - New target oriented legislation, setting maximum national emission ceilings for key pollutants, but leaving member states the freedom to choose how to achieve necessary reductions.
 - Furthermore policy preparation at EU level became much more participatory, inviting environmental NGOs to play a role in committees, expert networks and numerous consultation processes.
- The 6th EAP and the Thematic Strategies



- The main priorities today are: protecting endangered species and habitats and using natural resources more efficiently – goals that also help the economy by fostering innovation and enterprise.
- Guidelines:
 - Biodiversity
 - Using resources efficiently
 - Water
 - Air
 - Waste
 - Funding a greener EU



Green papers

- 2013 - A 2030 framework for climate and energy policies
- 2010- EU development policy in support of inclusive growth and sustainable development
- 2007 - Adapting to climate change in Europe – options for EU action
- 2006 - A European Strategy for Sustainable, Competitive and Secure Energy
- 2000 - Environmental issues of PVC
- 2000 - Green Paper on greenhouse gas emissions trading within the European Union
- 1996 - Communication from the Commission - Energy for the Future: Renewable Sources of Energy - Green Paper for a Community Strategy
- 1992 - Green Paper on the impact of transport on the environment - A Community strategy for "sustainable mobility"



White papers

- 2009 - White Paper - Adapting to climate change: Towards a European framework for action
- 2000 - White Paper on Environmental Liability



Main fields of the EU's Environmental Policies

- Tackling climate change
General framework policy, Kyoto protocol, Reduction of greenhouse emissions,, Energy, Transport, Enterprises, Agriculture, Innovation
- General provisions
Action programmes, Principles, Instruments, Application and control
- Sustainable development
Sustainable development strategy, Integration of environmental policy
- Waste management
Prevention and recycling of waste, Specific waste, Dangerous waste, Radioactive waste
- Air pollution
Air quality, Atmospheric pollutants, Transport, Industry



- Water protection and management
Water usage, Marine pollution, Inland waters, Discharge of substances
- Protection of nature and biodiversity
Biodiversity, Flora and fauna, Forests, Genetically modified organisms
- Soil protection
Management of specific soil types, Discharge of substances, Activities leading to specific risk
- Civil protection
Civil protection measures: their mechanism and financing, Environmental accidents
- Noise pollution
Noise management, Specific sources of noise pollution
- Environment: cooperation with third countries
Enlargement, Cooperation with third countries, International conventions



The Sixth Environment Action Programme

- The Sixth Environment Action Programme of the European Community entitled "Environment 2010: Our Future, Our Choice" covers the period from 22 July 2002 to 21 July 2012. The programme is based on the Fifth Environment Action Programme, which covered the period 1992-2000, and on the decision regarding its review.
- The Communication proposes five main avenues for strategic action:
 - improving the implementation of existing legislation;
 - integrating environmental concerns into other policies;
 - working in partnership with business;
 - empowering citizens and changing their behaviour;
 - taking account of the environment in land-use planning and management.
- Holistic and integrated approaches promise to tackle and balance everything with everything at the same time.



Soft parts of the environmental policy

- European eco-label,
 - the Environmental management and audit system (EMAS),
 - technical standardisation,
 - voluntary agreements.
- These instruments suffer from the weakness that they leave all freedom to business to decide and little obligation to deliver.
- For the time being the only promising instrument is public procurement which allows the public sector to ask for high environmental performance of their purchases and thus to create outlets for eco-products.



Attacks – deficiencies of the policy

- These days attacks on environmental legislation as being bureaucratic, disproportionately costly and reducing business competitiveness (vis-a-vis China) is largely based on populism rather than driven by a careful analysis.
- Indeed Europe's environmental legislation has grown piece by piece and resulted in a respectable and sometimes complex body of legislation.
- But there is no empiric evidence of negative impacts on economy and, compared to EU's internal market, agriculture policies and national fiscal and subsidy policies, environmental legislation is rather simple.
- Nevertheless, enforcement and application of these laws is very poor partly because of their devolved character, because environment does not have its own voice or standing in courts.



Tasks – Challenges of the future

- Today's main economic drivers are labour costs, while costs of natural resource use is marginal.
- A substantial shift of taxes on labour to natural resource use is necessary.
- Environmentally harmful subsidies must be abolished.
- Such measures have the potential to achieve an absolute decoupling of environmental damage from economic growth and at the same time provide higher employment.
- The effectiveness of the policy is unsure, as the political compromise reached is rather weak with many loopholes – falling even behind some existing national systems. Its success at the end depends on whether the national application ensures that the polluter will have to pay environmental damage in practice, which means that financial guarantees are established and no permit defence is allowed.



Questions

- Name the biggest problems of the World!
- How did the carbon price change between 2011 and 2013?
- How did the European Commission want to reform the system? What was the result of the vote in the EP?
- What is the main source of the problems? Why does the publisher says: „The trouble is that neither the parliamentary committee nor the Commission can do anything”?
- Which countries did the EU ETS follow in the last years?
- How would like China to eliminate the high price fluctuation?
- What are the two main targets of EU climate policy?
- What are the main deficiencies of this policy?
- How has the environmental and climate policy of the USA and China changed in the last year?
- What can be the solution which can substitute the ETS in the long run in the EU?



Thanks for your attention!

Source: EU Environmental Policy Handbook
A Critical Analysis of EU Environmental Legislation
Making it accessible to environmentalists and decision makers; Editor:
Stefan Scheuer; EUROPEAN ENVIRONMENTAL BUREAU (EEB)