Many environmental challenges are cross border and require international collaboration.

The environmental challenges are growing, and the political response to these challenges needs to reflect this.

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The EU and the environment

Most of the discussions about the upcoming referendum on the UK’s membership of the European Union (EU) have focused on issues like trade, business or immigration. But another crucial question is about the environmental consequences of the vote.

What impact would remaining in or leaving the EU have on our countryside and seas, rivers, beaches, woodlands, birds and all the other wildlife we love and cherish? What would the impact be on our air, food, water and climate? And how would a UK exit affect the delivery of environmental policy across the rest of the EU?

The Institute for European Environmental Policy’s (IEEP) report, The EU, the environment and potential consequences of a UK departure from the Union, commissioned by our three organisations, has examined the EU’s track record on the environment – what has been done well, and what less well – and how things could change if the UK were to leave the EU. This document is a summary of that report.

It also looks at different UK exit scenarios and considers the arrangements that would need to be established to maintain some of the existing environmental protection provided by EU membership.

Given the significance of the contributions they make to the overall EU budget, and their impact on wildlife and the environment, the report focuses on two industries in particular – agriculture and fishing – and explores the likely effects, positive and negative, if current EU policies no longer applied to those sectors in the UK.

The EU’s environmental history

Nature does not respect national boundaries. Neither do the threats faced by nature. European environmental legislation works on the principle that our shared wildlife and environment can be protected more effectively through comprehensive international agreements for nature conservation. These are critical and must be complemented by a robust and enforceable governance framework to ensure common environmental standards.

The environment has become an increasingly important concern for the EU over recent years. The environmental measures introduced by the EU have been the result of rigorous, detailed negotiations, balancing the interests of all Member States, including the UK.

This process has had the effect of making the agreed measures more stable, so they stand the test of time – which gives public authorities and private investors the confidence to plan ahead.

The EU now leads the world in environmental standards-setting and law-making – for instance on water quality and reducing greenhouse gas emissions. And the UK has played an important and influential role in this.

Shared EU standards – how and why they exist

UK and EU environmental legislation has become increasingly integrated over the past four decades – so leaving the EU would present UK law-makers with a huge challenge in terms of rewriting decades of complex environmental laws.

EU environmental legislation has been driven by the single market requiring common rules for products and services – for instance, individual countries cannot distort competition by lowering their environmental standards. This is beneficial to both the environment and business. Furthermore, growing public awareness of environmental issues has led to pressure for, among other things, more efficient water-heating systems, less polluting cars and fewer toxic chemicals in household products.

Rising standards, often resisted initially by industry, have created new markets, new business opportunities and new jobs.
The EU’s environmental record

So what has EU legislation done for the environment? Some of its main contributions over the years include:

- Achieving a substantial decline in industrial sources of air and water pollution — although there’s further to go, particularly in improving urban air quality and tackling water pollution from farming.
- Reducing greenhouse gas emissions and promoting rapid growth in renewable energy.
- A significant and extensive system for protecting wildlife and wild places — most notably through the Birds and Habitats Directives — that has helped to slow the loss of some habitats and species and invest resources in nature conservation. However, wildlife is still under significant pressure across Europe and much more needs to be done.
- Transforming waste management — increasing recycling rates and encouraging the first steps towards a more circular economy.
- Creating a thorough system for reviewing chemicals, and withdrawing many toxic substances from use.
- Building a legislative framework to protect our seas from mounting pressures.

Significant concerns remain about some EU sectoral policies, most notably:

- The Common Agricultural Policy (CAP), which has been regarded for years as a major driver of damage to the environment through agricultural intensification and maintaining unsustainable practices in some marginal areas. Some reforms have been made to the CAP, but much more needs to be done.
- The Common Fisheries Policy (CFP), which has led to unsustainable exploitation of the marine environment and fisheries, though recent reforms are welcome, and should put it on a more sustainable footing.

The Birds and Habitats Directives have helped to slow the loss of some habitats and species and invest resources in nature conservation.
Exiting the EU – the environmental options

There are two distinctly different scenarios we could face if the UK leaves the EU.

**SCENARIO 1**

The UK leaves the EU but stays in the European Economic Area (EEA) or the European Free Trade Association (EFTA) and thereby retains access to the single market, following models similar to those in countries such as Norway or Switzerland.

- If we were a member of the EEA, many EU environmental laws would still be mandatory in the UK, but there would be exceptions - particularly the Birds Directive, the Habitats Directive and the Bathing Water Quality Directive - creating a clear risk that environmental protection could be weakened if certain areas of EU legislation were not transposed fully into UK law.
- The Common Agricultural Policy and Common Fisheries Policy would no longer apply to the UK.
- The UK would no longer have full representation in the EU institutions which shape the legislation by which it would be bound. Its role would be limited to the input and consultation of national experts in the preparation of relevant EU legislation.
- As a member of the EFTA, the UK would not be required to adopt the majority of EU environment law (except where such legislation is directly related to the single market). Yet, as with membership of the EEA, this model would mean no official UK representation in the EU institutions which shape that legislation. Further, it would not even provide the opportunity for the input or consultation afforded to national experts of EEA countries.
- UK payments would reduce, but we’d still contribute substantially to the EU budget.

**SCENARIO 2**

The UK leaves the EU and sits as a completely independent State outside the EEA and EFTA agreements - and therefore outside the single market - negotiating separate bilateral agreements with the EU in the manner of any other country such as Japan or Australia.

- EU environmental legislation would no longer apply to the UK, except in relation to goods sold within the EU market. This would necessitate a more complex and less predictable process of negotiations with the EU.
- The UK would no longer be governed by EU environmental legislation, and could choose to weaken or strengthen its current laws.
- Recent UK government policy has tended to favour deregulation and competitiveness over environmental regulation, so leaving the EU would result (in the immediate term at least) in considerable uncertainty for wildlife, and for business investment in green infrastructure.

Both these scenarios raise complex issues, with a balance of potential advantages and disadvantages – all dependent on how a future UK government would act.
EU Exit – key policy areas

Let’s look at three key areas of environmental policy – agriculture, fisheries and biodiversity - and how they might be affected by a UK exit.

EU Common Agricultural Policy (CAP)

The CAP has historically been a force for maintaining farming production in Europe. This has created significant negative pressures on the environment. Intensification of agriculture is the number one long term driver of decline in populations of UK species.

A series of CAP reforms and reductions in production-linked subsidies have reduced some of the harmful impacts, and a small but significant proportion of the budget does go towards important environmental measures. But the CAP remains a highly inefficient policy, and continues to absorb almost 40 per cent of the EU budget; there’s a long way to go to reach a truly ‘green’ agriculture policy for the EU.

Given the well-publicised flaws of the CAP, would our environment be better served by a nationally-determined agricultural policy? How would governments allocate the £21bn of UK funding currently spent under the CAP for the 2014-2020 period? The answers are far from clear. There would certainly be significant risks, as well as some opportunities.

There are big questions over whether a future UK government would maintain funding for the rural environment, as well as agriculture, and how willing governments would be to impose environmental obligations on a sector that was competing with heavily subsidised EU counterparts.

EU Common Fisheries Policy (CFP)

The CFP was for years widely regarded as an unsustainable policy, but has recently undergone a widely welcomed set of reforms, in which the UK played an important role. The CFP’s new environmental principles should help improve fisheries management, though it’s still too early to assess their impact.

The IEEP report makes clear that placing blame for the decline of British fishing squarely on the CFP is wrong, and we cannot assume that fisheries management problems would be resolved by the UK acting independently.

UK fisheries would still be strongly influenced by EU decisions anyway – but in the event of the UK leaving those decisions would be taken without the UK’s largely pro-environment voice, views and votes.

The UK would also need to negotiate extensively to reach new international fishing and trade agreements with other countries, inside and outside the EU – as well as domestically with our own devolved governments.

The Birds and Habitats Directives

The EU has developed a nature conservation policy framework that is comprehensive and ambitious compared with many other parts of the world. It has been a driving force for establishing and strengthening nature conservation measures in the UK. It is important that both sides set out how these will be maintained and strengthened under their preferred scenario.

At the heart of the EU nature conservation policy lie the Birds and Habitats Directives. These directives provide general protection of wildlife in the EU, in particular through the protection of sites that are of specific importance for certain species and habitats. The IEEP report is clear - and evidence submitted to the European Commission’s recent “Fitness Check” of the directives overwhelmingly demonstrates - that the nature directives have considerably increased the level of protection for biodiversity across Europe compared to the policies that were in place in most Member States prior to their adoption. Despite these measures, biodiversity still remains under acute pressure and there is widespread consensus that full implementation of the EU nature directives, as well as the introduction of further measures, is needed to halt the loss of biodiversity.

In all of the exit scenarios presented to the UK the Birds and Habitats Directives would no longer apply. Any future UK governments would therefore need to decide to deal with nature conservation policy without the comprehensive framework of European legislation we have relied on for the past 25 years. Consequently, the potential exit scenarios present significant levels of uncertainty and risk for wildlife.
Overview and conclusions

The report does make a few things clear:

1. Many environmental challenges are cross border and require international collaboration.
2. Membership of the EU and, through this, implementation of its environmental regulations has generally had a significant and positive impact on the environment in the UK, even though some EU sectoral policies have undermined environmental objectives.
3. The environmental challenges we face are growing, and the political response to these challenges needs to reflect this.
4. Leaving the EU would create identifiable and substantial risks to the UK’s future environmental ambitions.
5. The uncertainty and confusion caused by the UK exiting the EU would itself be harmful at least in the immediate to medium-term, both for environmental standards and essential green investment. The long-term outlook is very uncertain.

In short, the report concludes that Britain’s membership of the EU has, on balance, delivered benefits for our natural environment that would be hard to replicate if we left.

Whatever the future of the UK’s relationship with the EU, we must continue to build on the solid foundation that decades of environmental legislation have given us and avoid weakening protection for, or investment in, our precious natural resources and wildlife at all costs. To do otherwise would not be in our national interest.


Key questions

for campaigners on both sides of the in-out EU debate

1. Protecting nature – existing EU legislation on species and habitats is widely recognised as setting (trans-boundary) standards for nature protection that are essential for halting and reversing declines. Yet a recent review of the relevant legislation says we should do more to implement the laws. How will you make sure that such standards are maintained and that protection is enhanced?
2. Climate change and energy – greenhouse gas emissions have declined and renewable energy increased through actions taken by the UK, EU and globally. It’s vital the UK keeps a strong, influential global voice in this crucial area. How would you plan to exercise international leadership in the future?
3. Pollution, air quality and recycling – our air, water and soil quality has improved over recent decades thanks to EU regulation. How would you make sure the UK remains active in setting standards nationally and across borders?
4. Farming – Agriculture has been identified as one of the greatest pressures on nature, with some farming methods and financial subsidies putting huge pressure on the environment across the EU. What is your vision for a more environmentally responsible future for agriculture here in the UK?
5. Fishing – despite legislation to protect the marine environment and the recent reforms to EU fisheries policies, our seas and some important fish species are still under substantial pressure. How would you protect our sea life and help our fish stocks recover?
6. Sustaining natural capital – environmental regulations play an important role in protecting the natural capital assets upon which our well-being and prosperity ultimately depend. How would you work to ensure that such regulations are designed and implemented in a way that supports progressive businesses by keeping standards high and avoiding any unnecessary costs?