15 March 2017

Dear Graeme,

**ENVIRONMENT COUNCIL: 28 FEBRUARY 2017**

I am writing to provide you with a report on the outcomes of the EU Environment Council meeting which I attended in Brussels on 28 February 2017. The meeting, the first Environment Council under the Maltese Presidency, was focused on a mixture of environment and climate change matters, with particular emphasis on the review of the Emissions Trading Scheme. For Climate change items the UK delegation was represented by Nick Hurd, Minister of State for Climate Change and Industry and for environment items by Thérèse Coffey, Parliamentary Under Secretary of State for the Environment and Rural Life Opportunities

I have attached a brief note summarising the main discussions that took place in the Council for the interest of the Committee. I am copying this letter to the Convener of the European and External Relations Committee for information.

ROSEANNA CUNNINGHAM
ENVIRONMENT COUNCIL REPORT: 28 FEBRUARY 2017

SUMMARY OF KEY OUTCOMES

Review of Emission Trading Scheme
The Council agreed on a general approach for the review of the emission trading system (ETS). This will allow for negotiations to begin with the European Parliament towards reaching an agreement on the final text and subsequent implementation. With the EU ETS acting as a core part of the EU’s tool to reduce greenhouse gas emissions, the review will contribute to the EU’s goal of cutting its emissions by at least 40% by 2030 and acts as an important part of fulfilling the EU’s commitment under the Paris Agreement on climate change.

I met with the UK delegation before Council began, where I expressed the Scottish position that a strengthened and better functioning ETS is a key aspiration for the outcome of the EU negotiation. With the contribution to our ambitious climate change targets from industry delivered primarily from the ETS, I also stressed that it is imperative that the UK Government continues to engage with the Scottish Government on the future of the ETS post-Brexit.

2030 Agenda for Sustainable Development
Ministers discussed the implementation of the 2030 Agenda for Sustainable Development and the implications for EU environmental policy. A common theme was the importance of mainstreaming sustainable development in all policy areas and to promote policy coherence. Ministers also highlighted how environmental policies can contribute to the sustainable development goals (SDGs), for instance, through the circular economy, the protection of biodiversity, resource efficiency or better air and water quality. The Council is expected to adopt conclusions on the implementation of the 2030 agenda at its meeting on General Affairs on 20 June 2017. This exchange of views by the environment ministers will contribute to the preparation of these conclusions.

European semester and the environmental implementation review
Ministers exchanged views on the environmental implementation review, a tool to address implementation gaps on environmental legislation and policy recently launched by the Commission in February 2017.

During the debate ministers welcomed references to key environmental elements in the 2017 Annual Growth Survey (AGS), namely sustainable and climate related investment and the transition towards a low-carbon and circular economy. They highlighted these elements can contribute to the creation of jobs and to economic growth.

However, some ministers regretted environmental and sustainability aspects are still not given a more prominent role in the AGS, which they consider leaves out a number of key issues, such as resource efficiency, green economy, green jobs, sustainable innovation, synergies between green and blue economy and green financing.

In the margins of the Council I also had a bilateral with Minister Coffey where we discussed the circular economy package. I also reiterated the Scottish Government position that we remain committed to maintaining, protecting and enhancing our environment and it is therefore crucial that the environment and climate change are part of the consideration within the UK Government’s position on Brexit negotiations and in future trade arrangements.

I highlighted that a healthy natural environment is critical to our economy, our health, our landscape and our way of life. Therefore it is vital that the environment and climate change have sufficient space to be fully considered within the UK Government’s position within the Brexit negotiations.

The next Environment Council will be held in Luxembourg on the 19 June 2017.