



Environmental Pillar
OF SOCIAL PARTNERSHIP

Environmental Pillar of Social Partnership

Briefing Paper 6
Proposals for the Budget 2011



Environmental Pillar of Social Partnership

Sustainability, the Future for Ireland

Proposals for placing the budget in the context
of sustainable development

12th Nov 2010

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“Economic decisions should only be taken when they have been placed in their environmental context”

Angel Gurría Secretary-General OECD¹

1. Summary

Ireland faces two major and interlinked crises, firstly an environmental one and secondly an economic one. Whilst it is clear that a very serious economic crisis is upon us, with sadly many thousands of people unemployed, the consequences of rapid climate change and general environmental degradation are likely to be far worse, and without better decision-making now, major long term costs will be incurred.

It is essential then that in dealing with the economic crisis the government applies the principles of sustainable development as described in Agenda 21 in all its decision-making. No decision should be made without first assessing the environmental consequences of that action. This should be done using the processes of Strategic Environmental Assessment laid down in the EU Directive 2001/42/EC even where it is not required under the Directive, or using the Regulatory Impact Analysis processes. Whichever route is taken it should be a participatory process as provided for in the Aarhus Convention.

This submission recommends ways of broadening the tax base and using the limited financial resources in a way that focuses on long term sustainability, whilst creating employment and stimulating the economy in the short term.

Our economy needs to focus strongly on creating resilience to the outside forces of global change. In this context our government structures must support sustainable management of our natural resources to strengthen food and energy security, to mitigate the impacts of climate change and to ensure ‘eco-system services’ that provide public benefit are not further degraded. Fundamental to this is the need to employ for example land use grants to promote carbon sequestration, sustainable forestry and farming, flood mitigation and indigenous food production. Protecting our terrestrial and marine natural infrastructure is a legal requirement. In fulfilling this requirement jobs will be created, imports reduced, energy saved, and the economy strengthened for both the long and short term.

It is the position of the Environmental Pillar that as decisions are made by government on the provisions for the Budget each decision must take into account the issues of sustainability alluded to above and described in more detail in the body of the submission.

This submission was developed using the Environmental Pillar processes but is not necessarily the policy of each member group in the pillar.

¹ Speaking at the Launch of the “OECD Environmental Performance Reviews- Ireland – Conclusions and Recommendations”, in Trinity College, Dublin 4th November, 2009

2. Introduction

The Environmental Pillar recognises the great difficulties facing the Government in developing this budget and urges the Government to think globally and long term as well as locally and short term. It is the Environmental Pillar position that there are two crises facing the country, one the economic and the other the environmental. In considering one it is essential to include the other.

All financial decisions need to take into account that over many millennia our society grew out of the environmental context on which it is entirely reliant, and that our financial system grew out of and should be subservient to our whole society. Further, it is the environmental services that provide the essentials for human society in the form of clean water, good soils, clean air, and it is the uncontrolled exploitation and degradation of these services that has created this overriding environmental crisis that we all now face. The framing of the Budget should reflect the wisdom of the multi-faceted analysis that led to the formulation of the model of Agenda 21 in 1992².

Taking this into account it is essential that in the context of the rapidly accelerating environmental crises, caused in major part by anthropogenic climate change, none of the provisions of the Budget are acted upon without a proper Strategic Environmental Assessment (SEA),³ or full Regulatory Impact Analysis⁴ being carried out on each of the relevant provisions.

3. Context

The near collapse of the world economy and Ireland's particular condition within it present profound and immediate challenges both to the Irish Government and the Irish people. In addition, with our national focus on crisis management we are failing to engage with the near-to-medium term risks of an energy-induced systemic crisis that will dwarf the current economic crisis in both consequences and complexity. In the meantime, the risks associated with climate change are rising, and at the same time our effort to manage those risks is under increasing strain. These are then the two crises facing the government.

This submission attempts to address these looming and overarching risks to our future as a stable society with a functioning economy based on sustainable practice⁵. This requires a deep-rooted understanding that the concept of an unrestricted growth economy is what

² Agenda 21 addresses the critical issues we face as a global community: continuing damage to ecosystems, the worsening of poverty, hunger and ill health, increasing world population and illiteracy. Agenda 21 is composed of 40 chapters that identify each challenge and propose simple realistic solutions towards sustainable development which is defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs.

³ As provided for under EU Law, the Aarhus Convention and the Convention on Biodiversity COP 6 Decision VI/7

⁴ http://www.betterregulation.ie/eng/Revised_RIA_Guidelines.pdf

⁵ Sustainable development maintains a delicate balance between the need to improve quality of life and wellbeing on the one hand, whilst preserving the natural resources and ecosystems on which future generations depend.

has got us into this predicament, and only by moving to a sustainable model based on an ecosystem management approach⁶ can we have hope for the future. You cannot fix a problem using the very tools that caused the problem in the first place.

3.1. The Fundamentals of a Sustainable Economy

Short term measures to stabilise the economy by perpetuating the current global economic model are failing due to an inherent fault in this model. This can be summarised as follows:

- The current economic model is one in which finance is based on debt and interest payment on this debt.
- Servicing this debt requires a continuous expansion or growth of the economy.
- All economic activity is ultimately based on extraction and manipulation of natural resources for raw materials and energy.
- Since we live on a finite planet with finite resources, infinite growth that surpasses the resources of a finite planet cannot be maintained and it is therefore a matter of 'when' and not 'if' the current model fails. A model based on unrestricted economic growth that relies on the depletion of our natural capital and threatens our ecosystem services⁷ is just not sustainable. Radical times require radical solutions and the Environmental Pillar urges the Government to place the decisions regarding any implementation of the McCarthy Report into a global systemic perspective.

3.2. Resilience

Our economy needs to focus strongly on creating resilience to outside forces of global change. In this context our government structures must support sustainable management of our natural resources to strengthen food and energy security and mitigate the impacts of climate change. Fundamental to this is the need to employ for example land use grants to promote carbon sequestration, sustainable forestry and farming, flood mitigation and indigenous food production, and integrate protection of natural infrastructure into all policy areas. Investing in the protection of our terrestrial and marine biodiversity is a legal requirement and will help protect public benefits provided by natural infrastructure, will create jobs, reduce imports, save energy, and strengthen the economy for both the long and short term. A resilient natural infrastructure will ensure the protection of public benefits. The environmental objectives

⁶ An Approach to natural resource management which aims to sustain ecosystems to meet both ecological and human needs into the future.

⁷ The benefits people obtain from ecosystems. These include provisioning services such as food and water; regulating services such as flood and disease control; cultural services such as spiritual, recreational, and cultural benefits; and supporting services such as nutrient cycling that maintain the conditions for life on Earth.

of sectoral policy and reform of the Common Agricultural Policy and review of the Common Fisheries Policy as well as the Marine Strategy Framework Directive will also require us to take the protection of natural systems more seriously.

3.3. Objectives

This submission proposes measures to be included in the provisions of the Budget in the light of the above. Both short term and long term proposals are presented. Some of them will require a good deal of practical preparation and others much less. The overall objective is to present realistic alternative models to our current disastrous way of running our economy. The development of these models will require the Social Partners working together with Government and the wider society. In some cases the models are not fully formed but are intended to initiate the debate, in others all that is required is the political will to implement them.

3.3.1. Common Purpose

The Pillar recognises that in times of increasing social stress there is need for policy that cultivates social cohesion and common purpose through fairness and transparency. There is an understanding here that whilst economic stability is essential, the development of sustainable communities where people have a good quality of life should be the central aim of the policy.

3.3.2. Security

Any actions taken in the context of the Budget must aim to support human security in all its facets, including environmental, physical and economic. A creative vibrant society needs all these aspects to be protected.

3.3.3. Realism about Ecological Limits

Any actions taken in the context of the Budget must take into account the fact that human welfare, the economy and civilisation, are on the cusp of major change arising from the unsustainable use of environmental resources. The need to take an 'eco-system' approach to natural resource management is a crucial part of addressing this.

4. Proposed Measures

The measures below are proposed as part of an integrated whole, with crossover checks and balances between the different mechanisms. In order for government to act sensibly it needs to do so in the context of a fully operational National Sustainable Development Strategy⁸ *“with the introduction of targets, indicators and monitoring mechanisms, and assure consistency between it and existing sectoral policy frameworks” OECD⁹*. In order for the NSDS to be given the overarching priority that it needs the responsibility for the implementation of this strategy should lie with the Taoiseach.

4.1. Taxation

In general what is needed is a shift from taxes on income and profits to tax on consumption of natural resources. Where taxes are applied they must be progressive and just. Any new taxation should not be based on cyclical sectors of the economy that leave the exchequer vulnerable. The OECD recommends the phasing out of all environmentally harmful subsidies, and *“the replacement of some current taxes with appropriate environmentally related fiscal measures in the framework of a comprehensive environmental tax reform.”*

The proposals contained here should be seen in the context of the Pillar response to the McCarthy Report¹⁰

4.1.1. Tax and Share

This mechanism involves taxing carbon entering the country, and is taxation neutral dividing the income two ways, a percentage going to each of:

- A flat level dividend to every person in the state
- Investing in the transition to a low carbon economy

This system rewards those that use the least carbon, is largely beneficial to urban dwellers and promotes public transport use. It is easy to administer as there are only a small number of energy importers, as is the distribution of a flat rate benefit. This will also help to achieve our climate change goals and reduce any requirements to pay for not meeting our Kyoto targets.

In the longer term as both the use and cost of carbon begin to rise, a national and gradually decreasing cap would be placed on the importation of carbon. This would have the effect of increasing energy efficiencies, promoting alternative

⁸ The National Sustainable Development Strategy was due for publication over two years ago. The IEN Submission on this is available at. http://www.iem.ie/wp/wp-content/uploads/2008/02/eengocf_nsds_final.pdf [accessed 10/11/2009]

⁹ OECD Environmental Performance Reviews- Ireland – Conclusions and Recommendations, Nov 2009, page 16.

¹⁰ <http://www.environmentalpillar.ie/?p=279> [Accessed 10/11/2009]

energy systems and through the “cap and share”¹¹ mechanism protecting the fuel poor and rewarding those that reduce their use of fossil fuels.

The sharing of the income from both ‘tax and share’ and ‘cap and share’ will enable a buy in of the public to the higher fuel prices that would result. As low carbon users tend to be poorer it is very likely that they will spend the revenue straight back into the economy.

4.1.2. Land Value Tax

The introduction of an annual Land Value Tax (LVT) at the earliest opportunity is essential to the long-term well-being and control of our land usage. It is also a revenue resource that is fair, transparent and reliable. It will however require considerable research to set up a register of land ownership, and so would have a lead in time of about one year, given the political will.¹²

The Environmental Pillar fully supports the merging of Ordnance Survey Ireland, the Valuation Office and the Property Registration Authority. This should help speed the development of a proper cadastre and GIS boundary registration system for Ireland. It is important that spatial information gathered over generations is recognized as a common good and not commercialised. Reforms must ensure that up-to-date Ordnance Survey maps, property ownership, market prices and valuation information is publicly available and easily searchable at an affordable cost

4.1.3. Taxation of Environmental “Bads”

The acceptance of taxation for carbon emissions sets the scene for the introduction of a range of taxation measures that will lead ultimately to serious savings for society and improvements in the quality of life, as well as the creation of a revenue stream for government. These should include taxes on:

- All products that cannot be fully and easily recycled.
- Pollutants emitted from industrial facilities and on emissions from mobile telephone masts. This may reduce long term health costs.
- PVC, polystyrene and plastic in food packaging as these all have serious health implications as endocrine disruptors.
- toxic chemicals, including pesticides and herbicides
- All one-way drinks containers. This would encourage a shift to long-life reusable containers.
- Excessive packaging of products. This will be a difficult measure to put in place but one that merits attention at the EU level.
- All food additives that have little or no food value but are known to cause obesity and other medical conditions.

¹¹ <http://www.feasta.org/documents/energy/Cap-and-Share-May08-summary.htm>

¹² A cadastre (register of the extent, value and ownership of land) should be immediately developed as required by the UN CSD 16 and the EU INSPIRE Directive. All property should be registered according to fixed GIS locations; all transactions notified to a central resource; inputted into real time land value map to assist market functioning, prevent fraud, planning corruption and establish the basis for annual land value taxes.

- A super levy on any recyclable waste sent to landfill or incinerator plants.
- Aviation and dirty marine fuels
- Detergents and household cleaners with greater than 3% phosphate content

It is essential that we initiate more stringent polluter pays policies across the whole economy. It will broaden the tax base, help put the public finances on sound footing for the longer term, and begin the process of shifting taxation from goods (such as paid work) to bads (such as resource use and pollution). Just how much has the 'pig crisis' cost the country in cash and reputation?

4.1.4. Water Service Charges

These are essential to fund the necessary infrastructure work on water services as well as to curtail the levels of wastage. There should be no charge for per-capita consumption below a certain cut-off, and then progressive charging above that level. It costs the taxpayer €650 per year to supply each one of us with potable water¹³. This proposal is in line with the recent OECD recommendations.¹⁴ It is estimated that between 40-50% of all drinking water is unaccounted for through leakage and illegal use. This water costs the state €1,000,000,000 per annum to produce. Local Authorities need this money to provide for the present and to prepare for the uncertainties of future water supplies in rapidly changing climatic conditions, and to implement the Water Framework Directive.

4.1.5. Tax Relief Schemes

Tax relief should only be given for investments that prepare for a low-carbon, low-energy future, and that don't create social inequity. Tax relief on donations to charities should be maintained.

4.1.6. Hypothecation of Environmental Taxation Revenue

Revenues from taxation on resource use and environmental bads must be pledged for activities that protect and enhance the environment in the same way that the plastic bag tax and the land fill levies are at present in the Environment Fund. Apart from the current role of this fund, this taxation should be used to promote activities that build resilience against the impacts of climate change and promote activities that lead to reductions in pollution in general and greenhouse gases in particular. Drinking water is referred to above, but there is also the need to, for example, deal with the problem of some 400,000 septic tanks that are polluting our drinking water supplies. This is a massive and potentially very costly challenge facing the state, and one that if not faced up to will see Ireland facing large fines under both the Water Framework and Groundwater Directives.

¹³ Sue Scott. ESRI. Presentation Liberty Hall 10th January 2009.

¹⁴ OECD Environmental Performance Reviews- Ireland – Conclusions and Recommendations, Nov 2009, page 11.

4.2. Smart Spending

Smart spending means using limited resources to produce maximum effects, 'more bang for your buck'. To this end it is important to focus on the problems facing the country both short and long term. So for example if cutting jobs in the NPWS for example means that Ireland is taken to the European Court of Justice for not fulfilling its legal commitments, then clearly that is not smart. If however local authorities are able to provide better services by pooling their resources and cutting down on the duplication of management then this is clearly smart. In considering smart spending sustainable development is at the core of the proposals that follow.

4.2.1. Rationalising the Public Services and Semi-State Bodies

There is a clear need for rationalisation of the public services; however there should be no cutting of jobs without the necessary analysis of current structures and operational practice and the future needs of society. The proposal in the programme for government to create regional centres for the provision of local government services in for example planning and environment should be assessed and pursued immediately.

The Environmental Pillar proposes a system of local government based on 6 Regional or City Region authorities primarily responsible for land use and transport with the remit to grant outline planning permissions and zone land for development where necessary. Full time paid members (approx 25 in each authority except Dublin which would have 60 members) would be drawn from County Councils and public community organisations.¹⁵

Consolidation of existing agencies must be accompanied by greater transparency and accountability as required by the Aarhus Convention. A Whistle-blowers Charter must be part of the re-organisation outcome.

4.2.1.1. Environment, Heritage and Local Government

There should be no reduction in capacity for environmental and ecological expertise - it important that the Biodiversity Unit within the Department is retained along with its support staff.

There are on-going, additional proposed incentives to reduce personnel which will exacerbate existing capacity difficulties within the National Parks and Wildlife (NPWS) in particular. The capacity is already inadequate, as is illustrated by the rulings of the European Court of Justice. The role of the NPWS is crucial in delivering Ireland's commitments regarding the EU Habitats and Birds Directives, and in the wider monitoring and protection of the environment. The NPWS is already under-funded and struggling to fulfil its role and further

¹⁵ More details of these proposals are to accessed in the Pillar Submission on the McCarthy Report. P.16-18 <http://www.environmentalpillar.ie/?p=279> [Accessed 10/11/2009]

reductions are therefore to be resisted. The capacity should be built upon, not reduced, particularly given that the organisation has been starved of resources over a 30 year period.

Given the increased emphasis in European directives for ecological or ecosystem approaches (for example the Marine Framework Strategy Directive, Water Framework Directive etc) and the impending ECJ fines (re the EU Habitats and Birds Directives), will also need for ecological expertise within other departments and competent authorities, via NPWS or provided in-house.

4.2.1.2. Agriculture Fisheries and Food

In the light of the proposals regarding the review of forestry in the "Renewed Programme for Government", the proposal to cut capital spending on forestry must be strongly resisted. The native tree industry will be decimated if the 80% cut is implemented. A very small cut in the road building budget of €80million would go a long way to keeping our forestry industry alive, and provide jobs both now and in the future.

The Environmental Pillar broadly supports rationalization of agencies and of office locations in this sector, however at this time there should be no disposal of land/property holdings owned by the State Agencies.

Coillte lands and forestry are a huge asset to this country, especially in terms of: meeting future domestic timber needs; providing future valuable state carbon stores and sequestration; provision of valuable ecosystem services and climate change adaptation; and recreation and amenity. The Environmental Pillar will strongly oppose any attempts to privatise Coillte or its landholdings. The businesses trading under Coillte umbrella are quite a different matter and could be sold as businesses as the case for public ownership is not convincing.

An alternative to disposal of Coillte lands would be leasing the state forests to a variety of concessionaires, including individual forest workers, local authorities, community groups and commercial operators and this would open up the sector to competition - with strict covenants on sustainable management, protection and report back. This would also allow for the development of local industries and renewable fuel supplies. Leasing is cheaper for new users of such property than purchasing, and releases more funds for productive capacity, as well as providing the state with a long-term income stream.

The lands would retain current public amenity and access. The terms of the lease would be 'Sustainable Forest Management' (SFM) as agreed between the Forest Service (the regulator) and the various stakeholders. This would require the creation of a new Sustainable Forestry Management Act that reflects the aims of SFM as proposed by the forest principles attached to Rio which was agreed and signed up to by Ireland 1992. The EU Forest Funding is based on these same forest principles. Leasing would generate revenue for the

exchequer, set at a rate that covers the cost of lease management plus a return on the underlying land value.

Other possible benefits of there being a diversity of lease holders include:

- Economic: the development of a competitive market for timber supply.
- Social: more micro management, leading to increased rural economic activity.
- Opportunities for younger foresters to 'life cycle' with sites
- Ecological: more structural and species diversity.
- Strengthen the human<>tree-cover bond and culture.

This would need simple supports in training: a one year Tree cover/Forestry Cert similar to the farming Green Cert. In tandem qualified Forest operators need an upgrade to a par with Farmers in relation to grant and premium entitlements and the hiring of casual labour, in order to attract people into the sector and to add to the viability of leasing public lands.

Native tree planting as part of flood prevention and small-scale coppicing of existing woodlands can provide both employment and local fuel resources.

Loss of agri-environment scheme funding-

Previous submissions made regarding the loss of funding in this area and proposals for a new agri-environment fund are to be found at:

<http://www.environmentalpillar.ie/?p=272> along with submissions regarding the RDP. These submissions are to be seen as an integral part of this submission. The structure of a new scheme, developed in consultation with environmental NGOs that is capable of meeting the varied objectives and challenges of agri-environment schemes is outlined in our previous submission which is a useful starting point for developing this process, to benefit the environment, farmers and rural communities in Ireland.

The Environmental Pillar agrees with the McCarthy Report that "the operation of the TB and Brucellosis Eradication Schemes be reviewed for efficiency and effectiveness".

It is very important that regulatory obstacles to new activities bringing green jobs and income be fully justified. For example regulations governing anaerobic digestion in rural areas are seriously unbalanced relative to other EU member states. The regulatory environment is tailored to large-scale urban-based organic waste facilities, which bring unrecognised negative impacts of their own. Regulations and planning guidelines that foster rural anaerobic digestors, as per Teagasc recommendations, are all that is needed to inject millions of euro of private investment into rural areas. The same issues are preventing the development of appropriate scale rural systems, such as pyrolysis, to process dry organic waste.

4.2.2. Special Emergency Employment Scheme

This scheme is designed to maintain employment, support employers, reduce the numbers of unemployed, keep money in circulation and raise the self-confidence of the public.

This plan could be offered to both existing employers and new start-ups. To register for the scheme an employer must declare how many employees he/she currently has (backed up by PRSI payments records). On condition that he/she agrees to continue to employ the registered number of employees for the duration of the scheme, the employer becomes entitled to employ new special scheme employees (SSEs).

These SSEs receive a pro-rata wage (satisfying trade union standards and watchdogs) which is sourced 50% from Government and 50% from the employer. A cap should be placed on the Government contribution in order to not exceed 75% of average un-employment contribution. This figure is then to be matched by employer and the pro-rata number of hours to be worked to be agreed.

Employer's PRSI arrangements for SSEs would be paid pro-rata.

The scheme is designed to offer an attractive, opportunity for employers to increase their workforces thus reducing numbers on the unemployment register. The scheme should be kept simple and user-friendly, introduced rapidly and reviewed after 18 months.

4.2.3. Promoting Social Capital

In order to provide opportunities for people who are unemployed, and so that society can avail of the enormous wealth of talent that they possess, there is an urgent need to change the rules regarding those receiving social welfare so that they can engage in activities that both benefit society and at the same time enable the individual to develop their skill sets and maintain their dignity as productive members of society. To this end, civil society not for profit bodies should be able to engage persons that are unemployed without any impact on that person's social welfare support, and with a bonus sufficient to cover additional costs to the individual. Further the civil society body should receive a nominal weekly payment to cover the costs to them of managing that engagement. This is also one way to *"promote broader participation by NGOs and relevant public organisations in the development and implementation of national and local development policies, programmes and projects."*¹⁶

Volunteering in Ireland is seriously underestimated, undervalued and disincentivised. Volunteerism by those in work or out of work should be encouraged and resourced. The development of community based cooperatives should be strongly supported. The negative impact of VAT on not for profit/community organisations should be removed.

¹⁶ OECD Environmental Performance Reviews- Ireland – Conclusions and Recommendations, Nov 2009, page 17.

4.2.4. Public Procurement

In Ireland, the total Government and public sector purchasing power is over €10 billion per year, which gives it great leverage to direct and affect the commercial marketplace. Each governmental department, in order to lead the way in sustainable development, should adopt green policies both within the departments and when tendering for commercial contracts. Because the purchasing power of the Irish government is so immense, green public procurement (GPP) can make a tremendous contribution in changing the public and commercial view towards a more sustainable method of production and consumption. Currently, procurement contracts are normally awarded to the bidder who scores the highest on certain variables set out by the governmental entity. Unfortunately, the environmental costs or savings are not calculated into this formula. The government must take a more sustainable position when putting out tender offers and consider the life cycle costs (LCC) of potential bidders. There is a misconception that green products and services are more expensive. However the results of the LCC analyses regarding price differences between green and non-green products illustrate that there is really no economic difference between the two approaches. The production, energy consumption, packaging, transportation and disposal costs must be considered, among other environmental factors, when analysing all competing tender bids. To achieve this, the criteria developed for ecolabels (European and national) should be synchronised with the public procurement process. Where there is a product generated under an accredited certification scheme rather than an ecolabel, these should also be considered. An example of such a certification scheme would be the Forest Stewardship Council (FSC) Certification Scheme for timber and timber products. Given the large volumes of stolen timber imported into Ireland it is essential that any timber or timber products used by local and national government is certified. The government has an incredible economic sway to 'move the market' towards more environmentally sound goods and services and towards a more sustainable commercial marketplace. Rigorous transparent and verifiable Due Diligence (DD) procedures must be set up by Irish timber traders/industry and supported by Government to ensure they do not feed in to the illegal-logging trade¹⁷.

The Green Procurement programme developed by the Swedish Government would be a good role model to start with¹⁸.

4.2.5. Increasing Overseas Development Aid

The Government has committed to contributing 0.7% of GDP to overseas aid by 2015 however currently it is still a long way off this. Countries that are going through harder times than Ireland need the Government to keep its commitment and not cut aid spending at this time. Indeed this budget should make provisions

¹⁷ The Central Point of Expertise on Timber Procurement (CPET) <http://www.proforest.net/cpet>

¹⁸ http://www.msr.se/en/green_procurement/Swedish-National-Action-plan-for-GPP/ [accessed 13/09/2009]

for its extra contributions to Developing Countries who will need financial support from Developed Nations to help them deal effectively with the emerging calamities due to GHG emissions and climate change. As part of the global moves to prevent climate change Ireland must keep its aid promise to the world's poorest and help them deal with catastrophes not of their own making. This will require that an even higher target be delivered on.

Innovative use of decommissioned Irish fishing vessels as training resources for developing countries should be considered.

4.2.6. Public Private Partnerships (PPPs)

There is a great lack of transparency in these "partnerships" and this problem needs to be addressed now. On-balance-sheet accounting should be an essential part of this, and there should be no securitisation of debt. There should be no passing off of debt to the public purse. We have seen in recent times the way in which these contracts can burden the state in the long term with the claw back arrangements on toll roads and potentially on the proposed incinerator at Poolbeg.

4.2.7. Rationalisation of the National Development Plan (NDP)

An immediate stop should be put to the rush to sign contracts on all NDP projects. A moratorium for re-evaluation should also be put on all projects that are not already underway.

The Government should commit to re-casting the National Development Plan to comprise a 'Green New Deal' development plan in line with Comhar's recent report and recommendations for a Green New Deal for Ireland. This means ensuring that *all prospective investments* in infrastructure are tested to ensure that they make a real contribution to economic, social and environmental sustainability, and these aspects are monitored as implementation and then operation proceed.

It is proposed here that the NDP be reviewed and subjected to strenuous cost benefit analyses that include carbon accounting, and that rationalisation of the plan takes place based on a set of transparent sustainability criteria. These criteria should include:

- Transparent cost-benefit analyses including the carbon and ecological footprint
- Full compliance with:
 - environmental and planning law (including independent, rigorous and effective Environmental Impact Assessments and Strategic Environmental Assessments) and
 - international conventions including the Convention on Biological Diversity and the Stockholm Persistent Organic Pollutants.
- All projects must be considered and implemented in accordance with the ecosystem management approach.

- All projects related to non-viable settlements should be abandoned.

Examples of where these criteria might result in substantial economic savings might include major road projects, incinerators and Metro North.

In addition to meeting these above criteria, the NDP needs to be reprioritised to focus on the building of sustainable communities through investment in renewables, next-generation broadband, green infrastructure, sustainable planning.

4.2.8. End Water Fluoridation

Stopping water fluoridation would produce savings of €3million per year in import cost of fluoride chemical and an estimated €33 million per year savings in other operating and capital costs. These savings are contingent on ending fluoridation in 360 drinking-water treatment plants.

4.2.9. Making Travel and Subsistence Allowances Sustainable

Where feasible travel reimbursements should be at public transport rates, and where private vehicles have to be used the rates should decrease with increased carbon emissions, the opposite to the current arrangements, with the current rate for the smallest car being the top rate of reimbursement.

Regarding travel and subsistence for both public servants and public representatives the following should be enforced:

- Private car travel and expenses (public transport and/or taxis obligatory unless not possible)
- Claimable travel on government business inside Ireland by plane and helicopter.
- Government or public representative make-up, hairdressing, clothing expenses, etc.
- Private use of vehicles provided for work - better enforcement of benefit-in-kind regulations.

The following should also be enforced: Agency-booked international air travel and accommodation for government representatives and civil servants i.e. internet booking at cheapest available rate only); Economy class allowed only.

4.2.10. Sustainable Food Procurement

The promotion of the Irish sustainable food sector is essential not only as an immediate economic stimulus, but also to act as a first step in addressing Ireland's very poor food security. Climate change and peak oil are growing challenges to our ability to feed ourselves.

4.2.11. Air Travel

All subsidies for air travel should be ended immediately.

4.2.12. National Biodiversity Plan

Adequate resources must be provided for the completion, publication and implementation of a National Biodiversity Plan¹⁹, which defines the needs of our natural environment. The Plan must incorporate the different functions and value of ecosystem goods and services in the actions prescribed in it.

Biodiversity and climate change policies should be integrated within the National Climate Change Strategy²⁰.

4.3. Capital Expenditure

Capital expenditure over the coming years should have four main functions:

- Reducing Green House Gas emissions and building resilience to Climate Change
- Stimulating the economy
- Creating employment in the Smart Green Economy with a concentration on unemployment black spots
- Implementation of the Water Framework Directive

In the light of these complementary aims there should be no further government capital investment in roads, car scrappage schemes or airports.

Capital Investment from Government should be focused on the following

4.3.1. Public Transport

The Government must be guided by its chief policy document: "Smarter Travel: A New Transport Policy for Ireland 2009 - 2020". Investment in quality bus corridors, inter-city rail, and massive improvement in the conditions for cycling (in line with the hierarchy of measures set out on pages 18 - 20 of the recently published National Cycle Policy Framework) should be the focus for transport expenditure over the coming years. Rural public transport should be supported and improved to reduce the reliance on the car, and to reduce social exclusion.

¹⁹ Along with other measures to define and achieve environmental objectives across all sectors, this plan is needed to address the ruling of the European Court of Justice of December 2007 against Ireland for failure to implement the Birds and Habitats Directives. Case no C418-04

²⁰ <http://www.environ.ie/en/Environment/Atmosphere/ClimateChange/NationalClimateChangeStrategy/>

4.3.2. Massive Investment in retro fitting Home Insulation

It is estimated that some one million Houses in Ireland are in need of upgrading to reach the BER standard A rating. Following the outline below, retrofitting these houses would:

- create employment in the depressed building industry,
- address one of the underlying issues of fuel poverty,
- dramatically reduce greenhouse gas emissions
- and increase tax receipts
- boost the wool industry, at present in dire straits, by promoting wool insulation as part of this package

UK figures estimate an average cost of £25,000 per house for a full retrofit. Assuming a similar figure for Ireland, we are looking at a total of €25 billion at today's prices.

The proposal is to establish a system of rolling finance based on interest free loans to house owners to enable them to carry out the necessary work. The procedure would be as follows:

The net financial effect being that the cost of the retrofit has no impact on the current expenditure of the house owner. Indeed as energy prices rise there will be a net saving. The occupier of the house will have a more comfortable home which has a much increased resale value.

It is suggested here that a target of 40,000 houses a year would be an achievable target at an overall cost of €1 billion a year. Approximately €120 million would return to the government as VAT and perhaps another €100 million as income tax.

4.3.3. Broadband

The promotion of high quality broadband is essential to the smart economy, to promoting home working, and to reducing isolation for the growing population of "silver surfers".

4.3.4. Water Services

The need for massive investment in the infrastructure for the provision of potable water and the treatment of waste water is quite clear when the following facts are taken into account: the recent decision of the European Court of Justice on the lack of an inspection regime for the 440,000 septic tanks; the failure to implement the Urban Waste Water Directive; the fact that approximately 40% of all potable water is unaccounted for; the number of recent serious drinking water pollution incidents; and the increasing likelihood of water shortages in Dublin.

4.3.5. Tree-Cover

The €73million set aside to pay for the state's need to purchase carbon credits should be invested in planting tree-cover with the emphasis on continuous cover

management of our native species. Cutting funding for afforestation to the extent proposed in the government's capital review 2010, may contribute significantly to net deforestation from 2012 onwards, leading to Ireland's forests becoming net emitters of carbon dioxide by 2035 (www.coford.ie/iopen24/pub/ccn09-env09.pdf) and is therefore not smart.

4.3.6. Eco Tourism

Whilst the Irish climate is not ideal for many tourists, the development of community led eco-tourism destinations will provide alternatives for the Irish tourist and new dimensions for the overseas visitor. Many of these destinations can be built around existing activities, but many more can be used to highlight the importance of our biodiversity and heritage. These projects need to be based on real activities. Good examples include: IPCC Bog of Allen Nature Centre.; the Irish Seal Sanctuary's planned National Marine Conservation and Education Centre; the Irish Seed Savers seed nursery and orchard; The Whale and Dolphin centre; The Greenhouse; The Centre for Ecological Living; The Sustainable Forestry Education Centre; Sonairte; Tailor's Hall; and so on.

Taking marine eco-tourism as an example: this has the potential to trace Ireland's relationship with the marine environment throughout history, exploring physical places like the Martello towers and psychological spaces such as the role of the sea during the famine years. As an island nation, the sea is a rich resource for eco-tourism, combining conservation and education with the well-being of coastal communities. Eco-tourism has a social ethic as well as an environmental ethic, involving local people through volunteering, education, training and employment schemes while creating a tourism industry that will benefit the local and national economy.

4.3.7. Education

All academic institutions should be retrofitted so that they at least reach the BER A standard. This standard should be compulsory for all new buildings. New buildings should also incorporate water conservation and rainwater harvesting. A ramped up programme of school building should commence as soon as possible. Third level campuses must become the role models for the rest of society in terms of environmental governance and sustainable practice. Financial rewards should be put in place for this, as this will lead to long term savings.

4.3.8. Energy

The report of the International Energy Agency (IEA) World Energy Outlook 2009²¹ estimates up to €7 trillion will have to be spent globally on low-carbon technology and energy efficiency by 2030 if we are to avoid climate disaster. However, it also predicts global transport, building and industry energy costs will drop dramatically by 2030 if this investment is made.

²¹ http://www.iea.org/index_info.asp?id=854 [Accessed 11th Nov 2009]

To achieve a situation where increases in global mean temperatures are limited to 2°C, cumulative incremental investment of \$10.5 trillion is needed in low-carbon energy technologies and energy efficiency by 2030. In addition to avoiding severe climate change, this cost is largely offset by economic, health and energy-security benefits. Energy bills in transport, buildings and industry alone are reduced by \$8.6 trillion globally over the period 2010-2030. In this scenario in OECD countries the carbon price reaches \$50 per tonne of CO₂ in 2020 and \$110 in 2030.

In this context the Government must plan, facilitate and provide support for decentralised small scale energy production as the most stable system using as wide a range of technologies as possible. Where fossil fuels are still being used to increase their efficiency in energy production from less than 30% to around 80% they should only be in Combined Heat and Power (CHP) plants. CHP should be the norm for all electricity production based on combustion. There is also a clear need to remove the barriers that prevent small-scale energy producers from connecting to the grid, whilst providing financial incentives.

Similarly the need to switch to electric powered vehicles should be reflected in the budget provisions.

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