



Modelling Opportunities And Limits For
Restructuring Europe Towards Sustainability
www.mosus.net



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WORKSHOP

Brussels
13th December 2005, 10h00

Is Europe Sustainable?

> AGENDA

Presentation of MOSUS results: Policy recommendations for the implementation of a Sustainable Development Strategy

Chair: Pierre Valette

10H00 Opening and welcome, by Pierre Valette/Ger Klaassen (European Commission, DG Research)

10H15 GINFORS model/methodology summary, by Bernd Meyer (GWS)

10H45 Discussion

11H15 *Coffee break*

11H45 Scenario assumptions, by Kurt Kratena (WIFO)

12H15 Discussion

12H45 *Lunch*

Chair: Bernd Meyer

14H15 Results and evaluation, by Günther Fischer (IIASA)

14H45 Discussion

15H15 *Coffee break*

15H45 Policy recommendations, by Fritz Hinterberger (SERI)

16H15 Discussion

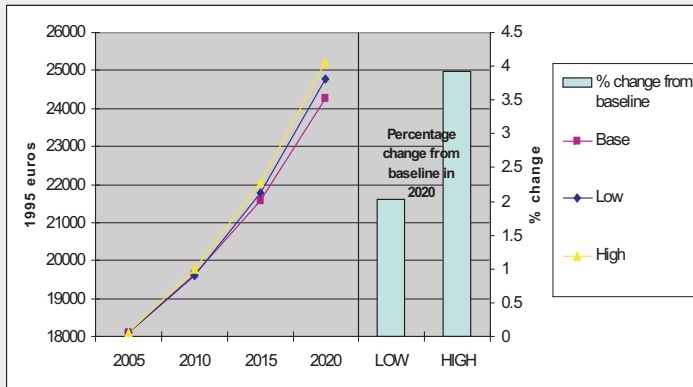
16H45 Closing

At EARTO
EUROPEAN ASSOCIATION OF RESEARCH AND TECHNOLOGY ORGANISATIONS
RUE DU LUXEMBOURG 3, B-1000 BRUSSELS, BELGIUM
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MOSUS coordination: IIASA International Institute for Applied Systems Analysis, Vienna, Austria - Prof. L. Hordijk, riley@iiasa.ac.at / MOSUS partners: GWS Gesellschaft fuer wirtschaftliche StrukturforshungmbH, Osnabrueck, Germany - Prof. Dr. B. Meyer, meyer@gws-os.de / SERI Sustainable Europe Research Institute, Vienna, Austria - Dr. F. Hinterberger, fritz.hinterberger@seri.at / CUP Centrum pro otazky zivotniho prostredi, Universita Karlova v Praze, Prague, Czech Republic - Prof. B. Moldan, bedrich.moldan@czp.cuni.cz / LSE London School of Economics and Political Science, London, United Kingdom - Prof. D. K. Jones, D.K.Jones@lse.ac.uk / WIFO Oesterreichische Institut fuer Wirtschaftsforschung, Vienna, Austria - Prof. Dr. H. Kramer, Helmut.Kramer@wifo.ac.at / ISD Institute for Sustainable Development, Warsaw, Poland - Dr. A. Kassenberg, a.kassenberg@ine-isd.org.pl / INETI-CENDES Instituto Nacional de Engenharia, Tecnologia e Inovação Centro para o Desenvolvimento Empresarial Sustentável, Lisbon, Portugal Eng. Rui Frazão, rui.frazao@ineti.pt / TAES Chair of Theory and Analysis of Economic Systems, University of Lodz, Lodz, Poland - Prof. P. Daranowski, rektorat@krysia.uni.lodz.pl / CICERO Center for International Climate and Environmental Research, Oslo, Norway - Dr. K.H. Alfsen, knut.alfsen@cicero.uio.no / CISEP Centro de Investigação sobre Economia Portuguesa, Lisbon, Portugal Prof. Dr. Victor Martins, vicmart@iseg.utl.pt / CIES Centro de Investigação e Estudos de Sociologia, Lisbon, Portugal Prof. Graça Joaquim, gjoaquim@netcabo.pt

> SOME RESULTS



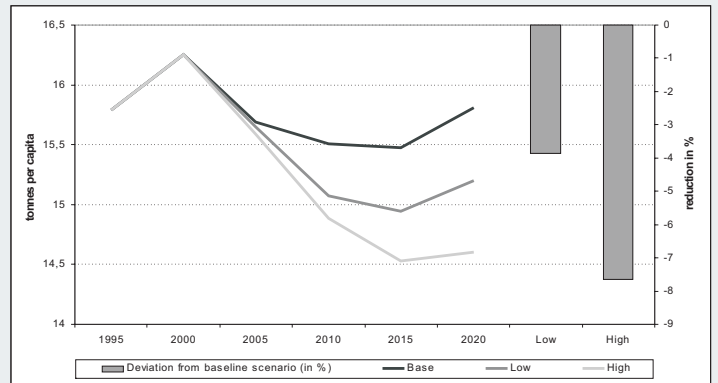
Real GDP per capita in EU-25

Economic evaluation

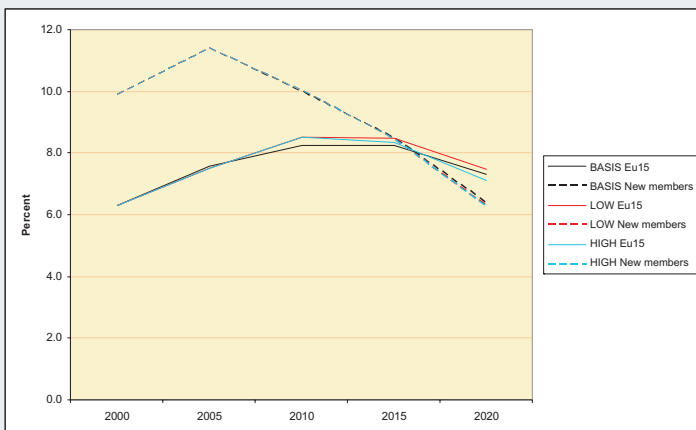
While real GDP per capita rises at an increasing rate in the baseline scenario, it grows even more quickly in the low and high scenarios, reaching a maximum of €25224 in the high scenario in 2020. Real GDP per capita is around 2% higher than the baseline in the low scenario in 2020, and 3.9% higher than the baseline in the high scenario. Clearly, the package of sustainability policies simulated with GINFORS is beneficial from the perspective of economic growth. Furthermore, there are clear benefits to implementing these policies fully, as the increase in GDP brought by the high scenario relative to the low scenario demonstrates. It is the *Aachen scenario*, in which Member State governments introduce an information and consulting programme to increase material efficiency in the manufacturing sector, that drives this result, exerting a strong positive effect on growth through productivity gains that drive prices down and increase profit margins.

Environmental evaluation

The implementation of the package of six sustainability policy measures applied in the low and high sustainability scenarios resulted in a reduction of domestic material extraction (both absolute numbers and per capita) for all European countries and significantly increased the resource (and energy) productivity of the European economies. However, aggregated impacts of the policy measures on material extraction differ considerably between the European countries, due to a large number of factors determining the outcomes of particular policy instruments. These include the level and composition of past material extraction and energy use as well as (changes in) industrial structures, investment and trade.



Used domestic material extraction per capita, three scenarios, EU-25



Percent unemployed in EU15 and in the new member countries

Social evaluation

According to the economic and the environmental evaluations, possible conflicts between sustainability criteria for social conditions, environmental targets and economic growth do not seem to be problematic. On the contrary, economic growth for the total EU increases from the base scenario to the low sustainability scenario and from the low to the high sustainability scenario. More income is therefore generated, and the demand for labour increases, and leads to a reduction in unemployment. This requires, however, more rapid structural change, which puts a stronger pressure on the employee's ability to adapt in the labour market.