



WWF

ANNUAL
REPORT

EU

2010

Make Space for Nature

Giving a Voice to Nature in the European Union



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Tony Long at the WWF Make Space for Nature conference in Brussels - March 2010

FOREWORD

The economic and financial turmoil over the last few years has left its mark on the conservation movement.

Political priorities understandably shifted elsewhere. But the setback appears to have been temporary. A newly emerging political and potentially progressive agenda built around green economy, resource efficiency and safeguarding natural capital is gaining ground just as environmental challenges are becoming better understood - and more urgent.

What are these challenges? The over-reliance of governments around the world on narrow, economic measurements like Gross Domestic Product (GDP) as a measure of growth and well-being have led them to largely ignore the costs of pollution and natural resource depletion. So blind have they been to the links between environment and economy, and even public health, that in many cases the information on how much and how fast resources are being used up simply has not been collected. And just as we realise we need to collect new and different sorts of data, long-established environmental institutions that could do this job are being disbanded or weakened in the face of budgetary cuts.

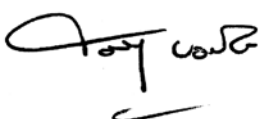
But as the pages in this annual report show, new opportunities are also created. The Cancun climate change talks at the end of the year ended on a positive note and put new wind in the sails of international cooperation to mitigate climate change.

European leaders pledged last March to “...halt the loss of biodiversity...in the EU by 2020.... and contribute to averting global biodiversity loss.” WWF joined this battle under the banner of Make Space for Nature. The outcome was that the Nagoya Conference on Biodiversity in October produced some tangible results for nature and showed that international conventions still have an important role to play in securing political agreements for protecting the environment.

Making space and being the voice for nature at EU level is precisely what will be our highest priority in this 50th anniversary year for WWF in 2011. Some huge overhauls of EU policies are looming on the horizon, such as the revision of the Common Fisheries Policy and the setting of new budget priorities for the 2014-2020 period. In other words, the next EU budget coincides with precisely the period when the EU must meet its 2020 energy, climate and biodiversity targets. The stakes could not be higher for the EU's credibility to its own citizens and internationally.

All of these initiatives will take place under the banner of what the European Union is calling “smart, sustainable and inclusive growth” for the next decade. WWF's job is to ensure these words have real meaning and are followed up with real passion, just as they did when WWF was launched 50 years ago. Please join us with your own personal commitment to Make Space for Nature in EU policy.

Tony Long
Director, WWF European Policy Office





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BIODIVERSITY

2010 was not only the UN International Year of Biodiversity, intended to

raise awareness of the rapid global decline of habitats and species – it was also the year by which the EU had pledged to halt biodiversity loss, a target which was not achieved.

65% + 52%

European biodiversity is fragile with 65% of habitats and 52% of species under threat.

Knowing that the EU 2010 target would not be met, WWF's European Policy Office developed a campaign called 'Make Space for Nature', which demanded an ambitious vision and targets to preserve biodiversity for the next 10 years and until 2050. A WWF European biodiversity team was created in September 2009, including representatives of all Member States in which WWF has a presence; and it was during the EU Biodiversity Conference in Madrid in January 2010, that WWF's demands for a vision and target were taken up.

Janez Potočnik,
EU Environment
Commissioner and Damien
Vincent, CEO of WWF
Belgium, in the WWF
Biodiversity Bubble during
Green Week 2010



On 2 March 2010, WWF organised the high-level 'Make Space for Nature' event to profile the importance of biodiversity at EU level and urge decision makers to ask member states to adopt the most ambitious biodiversity target. Moreover, the need to include biodiversity conservation as a key priority in the future EU economic strategy, EU2020, was also highlighted. This request was followed up in Member States through the WWF network, who worked hard at putting pressure on their politicians and national governments.

In the March European Council, the most ambitious biodiversity target was approved by Heads of State and Government, which means that for the next ten years the EU strongly commits itself to further decrease the loss of biodiversity – marking a big success for WWF. Also despite biodiversity not being added as a key priority within the EU2020 strategy, it was added within one of the seven pillars under 'resource efficiency', a point which was not present in the first drafts of the strategy.

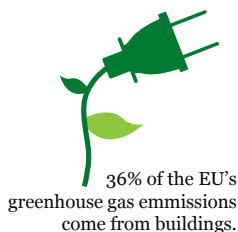
These successes set an example at international level for other parties under the Convention on Biological Diversity (CBD) that decided a new global target in October 2010 at the tenth meeting of the Conference of the Parties (COP10) in Nagoya, Japan. WWF also supported the EU preparation for COP10, through work with the European Parliament and the Belgian EU Presidency, which resulted in an ambitious vision and target.

CLIMATE CHANGE

Climate pressure

The United Nations Framework Convention of Climate Change (UNFCCC) meeting that took place in December 2009 in Copenhagen

attracted unprecedented attention. Although the outcome was disappointing, it left a door open for Cancun providing renewed hope. During the year, WWF's European Policy Office contributed to the global mobilisation of WWF experts. We argued for European leadership such as a move to 30% emissions reductions by 2020 unilaterally and insisted on coherence between targets and the commitment to avoid global warming over 2 degrees C.



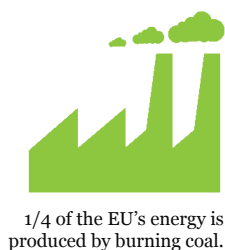
Energy efficiency

Curbing energy use is the most important part of a future energy system. In September 2009, the first step in a ban on incandescent light bulbs came into force, part of a broader wave of product standards that is already making an impact across a range of energy using products. Buildings, responsible for 40% of European energy use, were also the subject of a revised legislation, with the prospect nearly zero energy use for new buildings within a decade.

Emission Trading Scheme (ETS)

Revisions to Europe's cap and trade legislation are being implemented, with rules on carbon leakage and benchmarking under discussion. In the former case, we sought to see a limitation of the sectors to which free credits would be given, undermining the incentive the ETS provides. In the rather technical issue of benchmarking, WWF's advocacy of more dialogue on this issue led to its deeper consideration by stakeholders in cooperation with the Commission.

Coal



Our work on the power industry focused on the introduction of CO₂ emissions performance standards to limit the construction of standard coal power plants. This work involves amending the Industrial Emissions Directive to prevent old-fashioned big polluters being built in future. In support of this work, a database was developed of coal fired power plants in planning or construction phase around Europe, as well as a legal case against the development of a German power plant that was out of compliance with new laws around CO₂ capture and storage planning.

Bioenergy

We have been very active in the promotion of bioenergy sustainability standards under the new Renewable Energy Directive. This has involved research into, and positions on, indirect land use change and high nature value grasslands. We have also engaged in dialogues with NGOs and industry to drive the dialogue on this sensitive subject in Brussels.

OCEANS WATER & LAND

Seas

European fish stocks continue to be a cause for much concern with over 70% of assessed stocks in some areas being overfished. There are some trends in the right direction such as the early signs of a slow recovery of North Sea cod, but by and large fisheries management continues to fail to address the key issue of too many boats chasing too few fish.

70%



EU fish stocks have decreased by 70% due to overfishing.

In light of this, WWF welcomed the 2009 launch of the reform of the Common Fisheries Policy (CFP), Europe's main tool for managing fisheries. Following the consultation by the European Commission in 2009, work began on drafting revisions to the law and is scheduled to continue through 2012, with new legislation in place by 2013. This is a once in a decade opportunity to remedy some of the fundamental failings of the current policy, and is the central priority for WWF European Policy Office marine work over this period.

Whether you catch, buy, process or sell fish, you have a business interest in well-managed fisheries. So WWF has joined forces with some key industry players to promote a shared vision for the reform process. One such alliance launched in 2010 is between WWF and the EU Fish Processors' and Traders' Association, AIPCE-CEP, and Eurocommerce, which represents retail, wholesale and international trade interests in the EU. This powerful triad is calling for the CFP reform to deliver effective management which will allow European consumers to make a sustainable choice when buying fish, and give fishermen a chance to earn a sustainable living.



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50%

50% of EU wetlands have been lost to development.

Freshwater

The EU approved its landmark freshwater law – the Water Framework Directive – in 2000 which set in motion an ongoing water policy reform. In 2010, half of the EU Member States have met the deadline set by the directive and have adopted the management plans setting out specific objectives and actions necessary to restore EU's rivers, lakes and wetlands to ecological health by 2015.

WWF has actively contributed to the development of these plans in many river basins across the EU by, for example, demonstrating how floodplains can be restored along the Lower Danube, or how sustainable abstraction can be achieved in the UK's chalk rivers, or how efficient farming can help protect one of Europe's most important wetlands, the Doñana National Park in Spain. In Brussels, WWF continued to participate in the various implementing committees to ensure that the legislation is applied consistently in the EU Member States.

Unfortunately progress of the implementation of the Water Framework Directive is not uniform across the EU. River basin management plans need to become relevant planning instruments for energy, transport, and agriculture developments and should be made a central part of efforts to tackle lasting food security, public health, energy provision, biodiversity loss and climate challenges.

To increase awareness of water conservation from a young age, WWF launched a new children's animation, My Friend Boo, on the 22 March, during the UN's World Water Day: www.myfriendboo.com



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16-19%

In 2006, 16-19 per cent of wood imports in the European Union came from illegal sources.

Forests

WWF has been pressing for stronger EU policies to tackle the problem of illegal logging and the trade of illegal wood within Europe for years. The issue has been on the EU agenda since the adoption of the EU Action Plan on Forest Law Enforcement and Governance (FLEGT) in 2003. As one of the world's largest importer of wood and wood products, the EU has the responsibility to help stop illegal logging.

The action plan set up a set of activities, including a framework for voluntary partnership agreements (VPA) to cover trade in timber products with exporting countries that do face problems with illegal logging. However, it became clear that the measures in the EU FLEGT Action Plan need to be backed up by stronger regulatory measures covering a wider range of wood products and countries.

The European Commission presented a proposal for a regulation that would address the trade in illegal timber and timber products in 2008. In response to this, WWF European Policy Office developed a campaign on illegal logging, together with several countries in the WWF network. After hard and difficult debates, the European Institutions reached a political agreement on 16 June 2010 and the EU timber regulation entered into force on 2 December 2010. The adoption of the law is a big step in the fight against illegal timber, however the effectiveness of the foreseen legislation still needs to be seen when it will be implemented.



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SUSTAINABLE CONSUMPTION & PRODUCTION

1 IN 5

In several EU countries 1 in 5 young men suffer impaired fertility due to exposure to hormone disrupting chemicals.

candidate list meanwhile contains 46 hazardous substances (December 2010), and the legal approach for identifying PBT chemicals has been improved by EU countries and the Commission in September 2010.

One important milestone in December 2009 was the adoption of Council conclusions which stressed the need to address combination effects from chemical mixtures in all relevant EU policies. The “chemical cocktail” issue has been on WWF’s agenda for a while and we are continuing to contribute to further developments and practical applications.

Chemicals

WWF has continued its long-standing efforts to enhance human health and wildlife protection from hazardous chemicals by using and improving the provisions of the European chemicals law – REACH. WWF is an active participant in the Member State committee of the European Chemicals Agency (ECHA) advocating stricter controls for substances of very high concern such as persistent, bioaccumulative and toxic (PBT) chemicals as well as hormone disrupters. The REACH



© ANDREW KERR / WWF-CANON



Living Planet Report 2010:
20 EU members states are in ecological debt.

European Ecological Footprint

WWF has a long history of promoting indicators to monitor the state of the natural environment. In October 2010, we helped to launch WWF’s flagship product, the Living Planet Report, across the European Union, which focused on the footprint of the EU and individual Member States. WWF is also cooperating with a Brussels-based trade association, the Alliance of Beverage Cartons and the Environment (ACE), to see how ecological footprint indicators might be combined with life-cycle assessment methodologies to improve sustainability in the forest and paper sectors.

EU BUDGET

WWF European Policy Office took a strategic decision to start working on the EU Budget reform in 2010, leading up to a campaign in 2012. The next seven-year European budget, the Financial Perspective 2014-2020, provides

a huge opportunity to take action, to create more transparency and ensure that expenditures are not environmentally harmful.



EU citizens pay an average of 270€ per year for a budget that is not delivering what it should – public goods.

The budget has the ability to put the money where it is needed most, serve European public interest and deeply transform Europe by providing long-term stability and prosperity. Reforming the EU budget is an essential part of a successful European response to the economic and financial crisis. Europe and European countries must not repeat the recent mistakes of bail out plans and recovery packages to save the banks and keep the 'business as usual' economy turning. Thousands of these billion euros investments potentially risk exacerbating the existing ecological crisis.

EU citizens, business and industry are more environmentally aware than ever before and are taking action to make their lives and practices more sustainable. It is now up to the European Institutions to follow suit and build a Europe for the future and a stronger resilient economy. The first step is moving towards a sustainable EU budget; and the very first WWF success has been to put environment high on the agenda of the Common Agricultural Policy (CAP) reform, which is the biggest and most controversial part of the EU budget.



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EU EXTERNAL RELATIONS



The EU provides aid to 120 developing countries.

Development Aid

The European Union is the world's largest donor of development assistance represented in 120 developing countries. The EU offices in these countries are increasingly at the frontline of the disbursement of development funds so the quality of the understanding of their interplay between environment and development is critical.

WWF is working to place environmental thinking, awareness and action much more centrally in development cooperation policies and programmes. In 2010 at the High Level Summit to review progress on the UN Millennium Development Goals, WWF called for greater attention to be paid to Goal 7 on environmental sustainability. Progress on poverty eradication and human development will not be possible in the face of environmental degradation and the loss of natural resources.



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Neighbourhood Policy

WWF has been working to influence the EU's Neighbourhood Policy (ENP) and the Enlargement Policy affecting the countries of the Mediterranean Basin, the Caucasus, the Danube-Carpathian area, the Western Balkans and Turkey. In close cooperation with our field offices and partners we have contributed to enhance public participation and to promote increased protection of natural resources and sustainable development in EU programmes and funding mechanisms.

Over the past year WWF was involved in key EU initiatives in the Black Sea, Western Balkans and the Mediterranean regions. In particular WWF developed 'Heliosthana', using the scenario of a virtual Mediterranean country to provide a vision for the Mediterranean Solar Plan of the Union for the Mediterranean (UfM), by highlighting seven steps towards sustainable energy.

OUR DONORS

Financing the planet's future

Our planet is at a critical crossroads. Human activity is no longer in harmony with nature. Today we are not only harming

the world around us but our well-being too. As the scale and urgency of global environmental challenges we face escalate, we have to raise our game to meet them - and quickly.

Our work depends on the strong and lasting relationships with our supporters and partners

The work we do to conserve endangered species, safeguard threatened habitats and address global environmental threats would not be possible without building strong and lasting relationships with our supporters and other partners.

We couldn't achieve a fraction of what we do without the loyalty, generosity and personal involvement of our donors – from foundations that fund major projects to individuals who give what they can to support our work – we thank every one of you.

- ACE - The Alliance for Beverage Cartons and the Environment: www.beveragecarton.eu
- The European Climate Foundation: www.europeanclimate.org
- The European Commission: <http://ec.europa.eu>
- The Oak Foundation: www.oakfnd.org
- WWF National offices www.panda.org

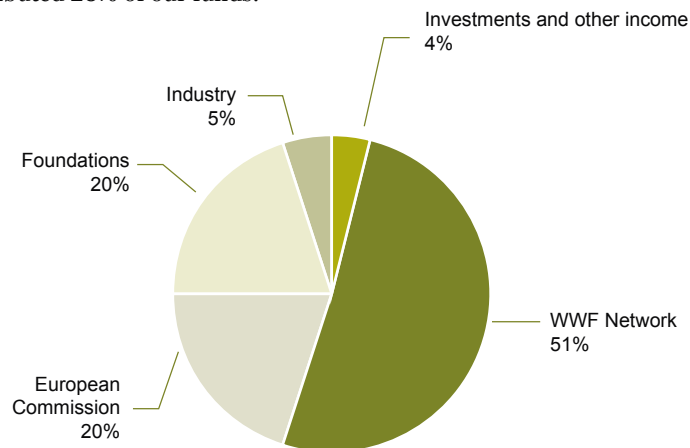


WWF EUROPEAN POLICY OFFICE BUDGET FY2010

The WWF-EPO financial year runs from July 2009 to June 2010 and during this period we had an income of € 3.3 million and expenditures of € 3.3 million.

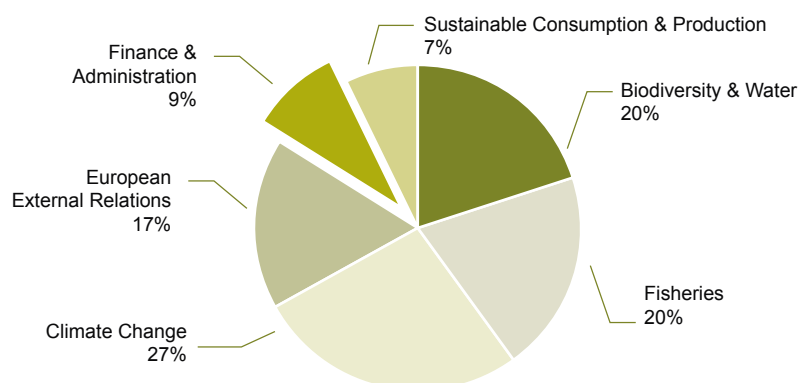
Income by Donor Type - Total €3.3 million¹

The WWF network was the largest funder contributing 51% of our funds. The largest single donor outside the WWF network was the European Commission who contributed 20% of our funds.



Where the Money is Spent²

The WWF European Policy Office spent 91% of its budget on programme related work, 9% was spent on administration. The largest projects were related to Climate Change, Fisheries and Biodiversity.



¹ Due to International Programmes hosted at WWF-EPO, this differs from the official audited statements which show an income of €5 million and €5.2 million expenditure.

² This includes communication work done on behalf of the programmes, and overheads directly charged to projects.

WWF in Europe

100%
RECYCLED



1989

WWF European Policy Office
was founded in Brussels in
1989.

80%

The EU decides up to 80% of
all environmental policies in
Europe.



20

WWF is present in 20
countries in Europe.

+3.5M

WWF has over 3.5 million
supporters in Europe.



Why we are here

To stop the degradation of the planet's natural environment and
to build a future in which humans live in harmony with nature.

www.wwf.eu

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