

EEAC series
Background study no. 2 (2005)

Sustaining Sustainability

a benchmark study on national strategies towards
sustainable development and the impact of councils
in nine EU member states



EEAC
the network of
European Environment and
Sustainable Development
Advisory Councils

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commissioned by the EEAC Working Group Sustainable Development
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Executive Summary

Sustaining Sustainability is an inside story on the state of the art of national strategies for sustainable development in nine EU member states, with a particular focus on the role of national councils for sustainable development (SDC) in producing and implementing SD strategies (SDS). Such councils have been created by national governments, stimulated by the Agenda 21, with the purpose of fostering dialogue for SD among stakeholders, and between stakeholders and government, as well as monitoring progress and encouraging initiatives. The study was financed by the participating councils and supported by EEAC, the European network of advisory councils for environment and sustainable development. All 6 countries in the European Union with a well-established SDC participated (B, D, FIN, IRE, P, UK), plus three countries with environment or other councils engaged in the SD agenda (HUN, NL, S). 7 countries have a SDS and one is currently developing one; some have already seen at least one revision phase. With an in-depth approach the study attempts to look behind the curtains of SD processes.

THE GOVERNANCE DIMENSION

Most striking, though not surprising, is the underlying governance dimension that turns out to be of greatest relevance for SD policies. In other words, the processes themselves need most attention: Moving towards sustainable development is a process, and most countries meanwhile characterise it as a “learning” process. Such an insight in a way is already a result of “learning” that SD strategies cannot be implemented like a “plan”, but need flexible approaches on the government side with at the same time firm and accountable objectives, and ideally also quantitative targets.

IMPROVING HORIZONTAL AND VERTICAL COORDINATION AND INTEGRATION

Moving towards such a leadership attitude requires significant adjustments in sectorally organised governments: the need of mechanisms for coordination and improving policy coherence must not be underestimated. This also applies to vertical linkages to the regional and local level. So far this has only been a focus in Scandinavian countries, which have a strong overall “bottom-up approach”. Belgium and the UK, with (quasi-)federal structures, have paid some attention to the regional level. Several countries have chosen leadership and coordination by the Prime Minister in order to enhance commitment in the individual Ministries, with the Ministry for Environment typically maintaining the role of a driving force. Coordination on the “highest” level is considered as beneficial for progress and policy coherence, given a certain degree of dedication.

FOSTERING OWNERSHIP, TRANSPARENCY AND INVOLVEMENT

At the same time SD strategies need to foster ownership, actions and commitment in all parts of society. Local authorities and initiatives play an

important role in this respect, and with respect to building and implementing a SDS the messages and influences should find both ways, “up” and “down”. Though most participating countries have realised that stimulating civil society, interest groups and the private sector is one key success factor, efforts still need to be intensified, and potentials for state incentives, including financial ones, should be considered. The North-Western political culture of governments being amenable to dialogue and involvement of civil society (in rather corporatist settings with a stakeholder focus) has spread across Europe at least as an accepted approach. In some countries though the doors have only opened a foot, with still deficient information flow and consultation mechanisms. These situations typically correlate with a relatively low degree of self-organisation of civil society. In such cases government support would be helpful.

SD COUNCILS AS VALUABLE MECHANISMS

SD councils are a specific mechanism for fostering dialogue among different stakeholders, which has the potential for innovative approaches and solutions, and for achieving (unexpected) agreements. With their rather unique position of being established by governments, but being independent in their deliberations, they provide a potential for bridging the often perceived gap between government and non-governmental actors, and for transporting collective views and knowledge of civil society to the government. With the exception of one or two countries the results of this study suggest that the independent, deliberative type of SDC is preferable over a government-led and/or very representational one: such a setting is more supportive for opening minds and horizons, as a prerequisite for innovation. All examined councils are valued both by government and stakeholders, and have a record of accomplishments, mostly including: with some success in having guarded the holistic view, the wider influence of councils’ discussions, thinking and results into the council members’ organizations, innovative approaches in communication and encouraging activities of civil society, and achievements in selected policy fields.

REVIEWS OF SD STRATEGIES

The reviews of national SD strategies are in many cases not performed in a transparent and systematic way, which applies both to monitoring progress and revising priority fields. For the former in most cases a set of indicators is so far missing. In a comparative view national SD strategies present a puzzle of issues, targets and indicators, but this does at least show progress across a broad range. An in-depth comparative analysis of national priority fields, targets and indicators is needed. At the same time this situation of variety shows that quantity does not automatically translate into quality. This result underlines the importance of having a high-quality process for identifying priority areas.

BALANCING THREE GOVERNANCE DIMENSIONS

All in all, the complex, overarching, holistic SD policy needs to find a balance between ‘poles’ (extremes) in key governance dimensions. It needs both leadership and ownership, both bottom-up and top-down, both firmness and flexibility, which could be translated as “planning” and “learning”. All of these have their own pitfalls: Ownership and bottom-up must not mean “anything goes”, without a vision and objectives for SD, broken down to concrete measures; emphasising bottom-up must not be an excuse for “business as usual” on the government side; flexibility and ‘learning’ must not lead to arbitrariness, which would undermine accountability. Nevertheless, patience and stamina are required to live through some inevitable aspects of muddling-through. Naturally, each country has a different starting point on the line between the ‘poles’ of each dimension: Given that in some way a balance between the two ends of the spectrum is needed, each country would be well advised to move towards the other end in its future emphasis.

LINK OF NATIONAL SD STRATEGIES TO THE EU SDS AND EU POLICIES

This is even more challenging in the existing multi-level situation: The link of national SD strategies and the EU SDS is currently very loose, or rather: these levels so far have tended to ignore each other (the main exception is Belgium). The European Commission has not looked into national SD strategies when preparing the proposal for Gothenburg, and the survey performed in the beginning of 2004 can only be seen as a starting point. National governments and other actors on the other hand have so far focused mainly on the national dimension: partly for the obvious reason that most national SD strategies were prepared earlier than the EU SDS. But even then in the review of the national SDS the EU strategy is at a maximum just mentioned. Partly it is understandable to concentrate on national matters first, as a way of self-finding, i.e. reflecting on an appropriate approach for SD policies and eventually pouring this into a strategy with a vision, priority fields, objectives and measures. Nevertheless, on the broader side it would have been useful to consider the approach and objectives of the EU and it still would be.

LESSONS TO LEARN FOR THE EUROPEAN LEVEL

From the national level it can be extrapolated: The Commission itself should be much more aware of the governance dimension of SD. Particularly the horizontal coordination has been neglected so far, and the normal styles of cooperation between DGs seem to be not feasible for the SD endeavour. Impact Assessment may be a helpful instrument for increasing policy coherence if designed, according to its procedural character, so as to foster dialogue for improving the potentials of convergence rather than using it as a technocratic tool for modelling only. Also leadership is lacking, and hence a lead coordination of the President and the Secretariat General that is taken seriously, including the provision of enough capacity, would be required. The link of the Lisbon and the SD strategy has to be made more clear. Objectives should be underpinned with quantitative targets. In contrast to

shifts in attitudes in the member states towards more ‘learning’, the Agenda 21 approach of capacity building, ownership and civil society engagement on all levels seems to be not taken up at the European level. Stakeholder consultation so far has been conducted in a rather old-fashioned way that does not stimulate controversial and productive dialogue.

KEY POLICY FIELDS

Reflections on policy fields particularly difficult to make progress in, and requests for EU action in key fields, reveal that the national room for manoeuvre is small. Pressing highlights are climate change and energy policy, transport, and the overall demand for more EU funding in Research & Development.

FUTURE CHALLENGES

For the future a lot remains to do:

- Scrutinising the results of the Commission's 2004 survey on national SD strategies; continuing and deepening this examination.
 - Performing comparative research on:
 - national targets and indicators in place, and the way they are linked and used for monitoring progress, including conditional targets that might be an interesting instrument to better link the national and the EU dimension;
 - different ways of stakeholder consultation and participation;
 - the relation of government programs and SD strategies, and the role of Parliaments with respect to the long-term perspective;
 - the role of social-economic partners for SD processes, and their relationship to SDS and civil society organizations (“other stakeholders”);
 - potentials for improving vertical coordination and integration.
- Overall, the 7th Research Framework Program needs to put innovation into the framework of SD; given the important governance dimension, the share of social sciences has so far been much too low.
- Capacity building:
 - conducting a series of events (“SD marathon”) through all EU member states for discussing the EU SDS and stimulating national actors;
 - supporting existing national SD councils in dealing more with the European dimension.
 - Promoting the establishment of national SD councils to operate in an independent manner.
 - Establishing a permanent sounding board for systematically feeding ideas and actions on the national level into the EU SDS.

The initiative of the national SD councils participating in this study, and their cooperation in the framework of EEAC, should be welcomed as an indicator that after a phase of self-orientation both learning from each other and better linking the EU and national level is taken seriously.

I Introduction

The study examines experiences in developing and implementing SD Strategies in nine EU member states and the role of national SD councils in assisting this. SD councils have access to political institutions and to wider society to mobilise opinion and to stimulate action. The study focuses on the experiences of the councils. It analyses their role in advising on national strategies and reflects on the criteria for success and failure the national councils themselves set to foster and monitor SD strategies. It further asks which patterns of recommendations and communication efforts turned out to make the most difference.

As a starting point, the study has taken stock of information already gathered by former meetings on SD Strategies, held in The Hague 2002 and Vienna 2003¹, as well as later on the Kinsale conference (April 2004, Ireland)². Also, in spring 2004 the European Commission published a survey on national SDS, which was partly useful as background information.³ The EEAC⁴ study compiles and compares national experience and identifies lessons of practice that may be helpful both at national and European level. Exploring best practice examples as well as obstacles and difficulties, with the aim of learning from each other regarding both governance/processes and policy fields, requires at least some insight into the broader political and administrative framework of a country to enable mutual understanding. The study highlights some features that seemed to be important in this respect, e.g. the differences along the line majority/competition- versus consensus-style of democracy (which affects horizontal coordination in government), centralist versus decentral/federal structure (which affects vertical coordination), and corporatist versus pluralist background, which influences the style of interest group involvement and also the status and work-style of a SD council.⁵

Participating councils and the EEAC jointly financed the study.

Background and key questions

Agenda 21 set the framework for national SD strategies, widening environmental policies and adding principles and issues such as equity, poverty reduction, as well as framing the economy-ecology conflict. European

¹ Dutch Ministry of Housing, Spatial Planning and the Environment (VROM, 2002); Austrian Federal Ministry for Agriculture, Forestry, Environment and Water Management (Das Lebensministerium, 2003), www.nachhaltigkeit.at/reportagen.php3?month=5&year=2003.

² www.comharconference2004.ie.

³ European Commission Staff Working Paper (2004).

⁴ European Environment and Sustainable Development Advisory Councils. www.eeac-network.org.

⁵ The limited and not fully systematic analysis of these aspects partly led to differences in assessment: e.g. Germany is categorised by scholars (Hague et al., 1998, Lijphart and Crepaz, 1991; Lijphart, 1999) as a country with a strong corporatist tradition, whereas the impressions gained were different. For Belgium the assessment was identical, the Netherlands gave a more corporatist impression than typically assessed. The biggest contrast occurred in Sweden, which ranges high in the corporatist ranking of international comparisons, whereas this study did not identify this, maybe because other factors, such as strong consensus-style of government and a bottom-up approach, outweigh this.

governments approved Agenda 21 and started to introduce SD policies. Such policies cannot be dealt with by regulatory interventions only, but require a wider set of approaches including the involvement of civil society. Many European countries have therefore established national councils for sustainable development (SDCs) as part of national mechanisms for developing and implementing SD strategies and policies, as recommended in Agenda 21 (chapters 8 and 37). During the last four years SDCs have networked within the framework of EEAC. The common notion has evolved that

- exchange of information on how best to foster national SD processes is very helpful,
- capacity building for SD in Europe has only started,
- Europe's asset is the variety of approaches and experiences on national level, but so far advantage has not been taken of this knowledge,
- adding up (national) parts would lead to more than the sum.

The EEAC Working Group for Sustainable Development therefore decided to explore national experiences and record this knowledge by conducting this benchmark study, addressing the following key questions:

- 1 What are the horizontal and vertical coordination mechanisms of national governments for SD and who has the lead? (ch. A.1)
- 2 What is the role of non-governmental actors and the role of national SD councils, both as link between civil-society and government, and as agenda setter etc.? (ch. A.2 and 3)
- 3 Which policy fields are of national importance, and which ones are most difficult to make progress in? What are best practice examples? (ch. B and D.3)
- 4 What has been the impact of the EU-SDS and the Lisbon process, and (other) international strategies and goals? (ch. C)
- 5 What are national SD councils doing to improve the link between national SD strategies and the EU SDS? (ch. C.2 and D)

Methodology and scope

- Qualitative research based on in-depth interviews with key players in the participating countries;
- All countries with an established and functioning SD council participated: **Germany, UK, Belgium, Finland, Ireland, Portugal**, as well as the **Netherlands, Sweden and Hungary**, where environment councils are engaged in the SD agenda. The councils are:
 - Belgian Federal Council for Sustainable Development (FRDO-CFDD),
 - Finnish National Commission for Sustainable Development (FNCS),
 - German Council for Sustainable Development (RNE),
 - Hungarian Environment Council (OKT),
 - Irish Sustainable Development Partnership (Comhar),
 - Dutch Advisory Council for Research in Spatial Planning, Environment and Nature (RMNO),

- Portuguese Council for Environment and Sustainable Development (CNADS),
- Swedish Environment Council (MVB),
- UK Sustainable Development Commission (SDC), and English Nature.

Statements of the interviews were mostly reflected upon on the basis of key material provided in the participating countries (the SDS itself and/or other relevant policy documents). In order to better explain variables deriving from the wider political framework, which were often addressed in the interviews, some comparative literature on political systems and culture in European countries was also used.

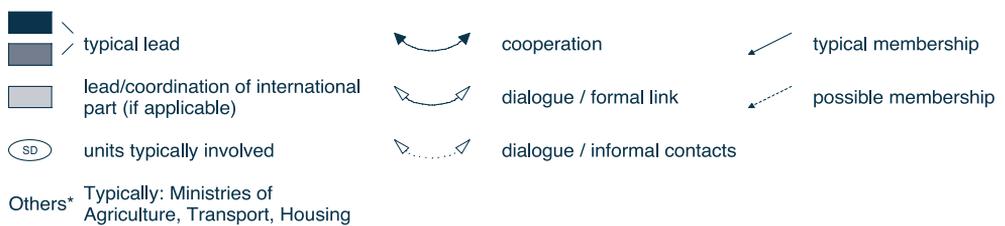
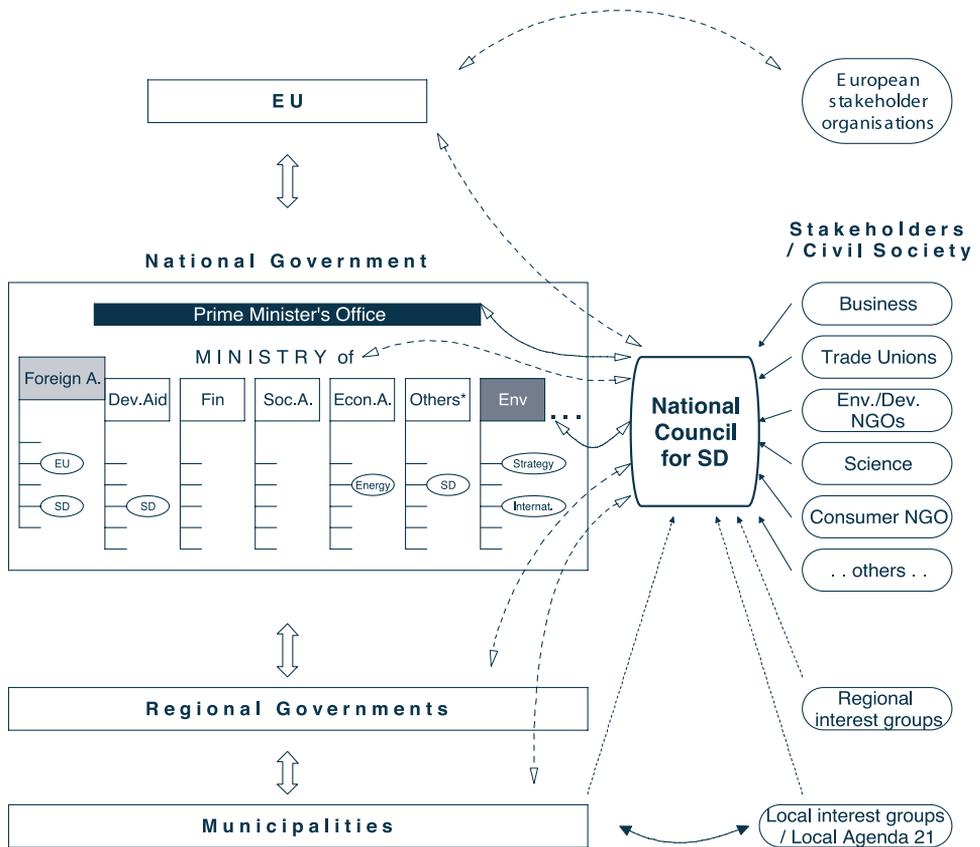
Figure 1 shows the main lines that were explored in the study, which at the same time represent the typical actors, communication and coordination structure for SD policies.

SD councils in other countries?

1 'Old' member states:

- There is no SD (or other) council in Greece, Denmark, Italy and Luxemburg:
 - Greece established a SD council in 2002, which never started to work; it has though a National Centre for Environment and Sustainable Development with policy advisory functions;
 - Denmark used to have an active Environment Council, which was dissolved in 2002 by a new government;
 - Italy used to have an Environment Council, which seems to not have worked;
 - Luxemburg has started to establish a SD Council (end of 2004).
- Spain is currently re-establishing its Environment Council CAMA (stakeholder composition); on the regional level there is a SD council in Catalonia.
- Austria in 2003 established a 'Forum for SD' which has since then been in a process of setting up working procedures and its work plan.
- France used to have a SD council (French SD Council, CFDD), whose term was not prolonged when it came to an end in May 2003; a new SD council was established in January 2003 (National SD Council, CNDD), which is though more of a 'convention' than a 'council', as it has around 90 members. It completed its task of reviewing the draft SDS from May 2002 by June 2003.

Figure 1: Multi-level and multi-actor relations for the preparation and implementation of national SD strategies



2 ‘New’ member states:

Attempts at establishing SDCs, or environment councils, have apparently been undertaken in several, or even most new MS. All SDCs though are government-led and often government dominates in membership, and the council’s task is to coordinate or assist in coordination of government policy. Some of the councils have only worked temporarily and some seem to have not really started working⁶:

- The only country with a more or less continuously working council seems to be Estonia (since 1996): It follows the Finnish model with the PM chairing, and has roughly four times per year a hearing type meeting;
- the Latvian SDC ceased with the WSSD in 2002; in Lithuania a Council for Economy is now responsible for SD (no further information);
- Slovak Republic: a SDC was established in 1999 (Deputy PM chairing), but as no information on activities could be gathered, it is doubtful whether this council ever worked;
- Poland established a council in 2003: no information on activity could be gathered;
- Czech Republic: In a second attempt a council was established in 2003 and seems to work (information on its work plan is available);
- Slovenia: a new council for SD was established in 2004; some contacts exist;
- Malta established a council in 2002 and is currently (2004) developing a SDS;
- Cyprus: no information so far.

If there is no SD council or other mechanism in place it often means that the SD strategy, if one exists, has not advanced or is not implemented and/or there is no SD process going on.⁷

SD “strategy” or “plan”?

Since Agenda 21 the term SD strategies has been commonly used for that programmatic document laying out the overarching vision, goals, objectives, policy priorities, and mostly also measures and action for SD. In some countries though there is ongoing debate on what a SD strategy is, in contrast to e.g. a SD Action Plan (e.g. The Netherlands). In other cases there is a SD strategy, and in addition a “plan of implementation”, with the former covering the more strategic elements and the latter the measures and resources (Portugal). In Belgium the document containing the range of these aspects mentioned is called SD Plan, whereas strategy is used for the entire approach of a policy cycle with strategy, progress reports, reviews etc. (cf. also ch. A.1.3).

Despite these differences, this study uses the term “SD strategy” as outlined in the first place. The overall approach and process is called “SD process”.

⁶ or: because they are established with a composition of almost only government, they operate not fully transparently, and therefore it seems as if they don’t work.

⁷ The findings of the Commission’s survey from early 2004 hence cannot be confirmed (European Commission Staff Working Paper, 2004, p. 7-8).

Table 1: SDS adoption, review and SDC establishment (by order of first adoption of SDS or comparable policy)

| | SD STRATEGY FROM | SDS REVIEW | SDC ESTABLISHED |
|--------------------|--|---|---|
| UK | | | |
| | 1994 SDS 1999 2 nd SDS | 2004 | 2000 (succeeding a Panel + Roundtable for SD, since 1994) |
| Finland | | | |
| | (1990 report, 1995 report) 1998 SDS | 2003 (progress report; full revision considered for 2005) | 1993 |
| Sweden | | | |
| | 1994-98 "green Sweden" 1999: Env. Quality Objectives 2002 SDS | 2004 | Environment council from 1968; SD consultation mechanism for LA 21 |
| Ireland | | | |
| | 1997 | 2002 | 1999 |
| Belgium | | | |
| | 2000 | 2003/04 | 1993 (reinforced legal basis in 1997) |
| Germany | | | |
| | 2002 | 2004/05 | 2001 |
| Netherlands | | | |
| | NEPs: 1989, 1993, 1997, 2001 2002/03 SD Action Program | - | no SD council, other councils engaged in SD: RMNO, SER, (VROM-raad), (RLG) |
| Portugal | | | |
| | <i>(NEP 1995) SDS draft 2002; revision 2003, new draft July 2004</i> | - | 1998 |
| Hungary | | | |
| | <i>(NEP 1997, NEP-II 2003) PM commitment / government decision to produce a draft SDS by the end of 2004. Postponed again to 2005/06</i> | - | <i>(governmental NCSD 1993-2002); Environment council OKT (stakeholder type) since 1995 SD council is aimed at in 2004</i> |

Italic: no SDS yet in place

Bold: strong connection

II Key findings: Comparative analysis of nine EU member states

A Actors and Processes

As introduced above, and confirmed by existing national experiences, moving towards SD policies requires considerable re-thinking and changes in governance styles. Such shifts cannot be introduced top-down; they require time for developing both within government and society. Establishing high quality processes for SD is hence of paramount importance, and moving towards SD is largely characterised as a “learning process”.

1 GOVERNMENT: SDS PROCESS, COORDINATION AND REVIEW

This chapter gives an overview of the state of national SD strategies, including review or revisions and the linkage to the establishment of the SD council (1.1). It describes the horizontal coordination mechanism on the government side (1.2), including the links to the SD council if applicable. It shows how reviews are undertaken and the role of indicators, objectives and targets for that, and discusses attempts made to establish and maintain a long-term perspective, including the role of Parliament (1.3). It finally looks at attempts at vertical coordination, i.e. the link to the local and regional levels, and whether there is a more bottom-up or top-down approach. Vertical coordination towards the EU is addressed in Chapter C.

1.1 SD STRATEGIES’ DEVELOPMENT

Table 1 confirms the common perception that UK, Finland and Sweden are forerunner countries in SD policies, with the UK as the first country with an ‘explicit’ SD strategy also having promoted this instrument internationally. With its clear and regular review system it is the only country currently revising its SDS for the 2nd time. Finland and Sweden have seen early committed policies for environmental, or ecological, sustainability, but only relatively late a SD strategy.

The Netherlands have also been a forerunner in environmental policies, and especially National Environmental Plans (‘NEP’), which in a way has caused problems for moving towards a SDS.⁸

Ireland prepared a SD strategy relatively early with a focus on environmental integration, which has been continued to date as the (environmental) impacts of the strong economic growth of the 1990s need ongoing emphasis. Belgium together with Finland and UK was the first country to establish a SD council, but it took quite a while and one restructuring phase to reinforce its status and establish a full architecture for the preparation of a SDS.

⁸ Partly this has been caused by a wide-spread attitude that the NEPs could be considered as SDS (with the flavour “we are doing all this anyhow”), and partly further development has been slowed down by a new government starting 2002, what was felt as a political earthquake.

Table 2: Government: lead responsibility and horizontal coordination mechanisms

| | LEAD RESPONSIBILITY | SDS ENDORSED BY | COORDINATION MECHANISMS |
|-----------------|---|--|---|
| Germany | | | |
| | PM office (chancellery) | Cabinet | Green Cabinet (supported by respective State Secretaries or senior civil servants) |
| Sweden | | | |
| | PM (office) / MinE | Government and Parliament | Coordination Unit in PM office established early 2004 (previously: MinE leading a “delegation of Ministers”) |
| Portugal | | | |
| | <i>PM office, technical support MinE</i> | <i>Aimed: Government and Parliament</i> | <i>Previously: lead MinE; changed in 2003; future plan: “Strategic Mission Unit” in PM office</i> |
| Finland | | | |
| | PM (for SDC), otherwise MinE | “Council of State” (Cabinet with President) | Permanent network of civil servants of Ministries (led by MinE) |
| Belgium | | | |
| | State Secretary for SD under the Minister for Budget (and ICDO) | Federal Government (note: gov./coalition agreement has support of Parliament, SDS not) | Architecture: <ul style="list-style-type: none"> - ICDO (Interdepartmental Commission SD, responsible for drafting), - TFSD (Task Force SD, responsible for reviewing), - FRDO-CFDD (SDC, responsible for advice), - since 2002 also: a horizontal unit “PODDO” overseeing implementation in Ministries and supporting ICDO, as well as - “SD cells” within Ministries (both: the administrative part of Ministries; as opposed to the political part [the cabinets], which is now part of ICDO) |
| Hungary | | | |
| | <i>MinE, PM participating</i> | <i>Aimed: Parliament</i> | <i>Government decision only since March 2004; not yet in place</i> |
| Ireland | | | |
| | MinE | Government | Environmental network of government departments (lead by MinE) |



Remarkably, Belgium passed a law for SD, which covers the institutional framework and the provisions for the SDS.

The connection between the establishment of a SD council and the decision to prepare a SDS is particularly strong in Germany and UK. In other countries the connection has been made (more) explicit over time.

IF NO SDS (YET): WHY NOT?

Portugal: Regarding the time of establishment of a SD council Portugal ranges in the middle field, but preparing a SDS has seen challenges in several respects: The lead responsibility of the Ministry of Environment was not satisfactory, and moved later to the PM Office; tackling complexity has been a difficult process; the way of stakeholder consultation and planned process was not, or not clearly enough communicated. As a consequence of the deficiencies of earlier attempts, the PM early in 2004 called a team of external advisors to prepare a new draft, including a (by then not yet successful) identification of priority fields. In July 2004 a new draft was tabled, which is currently in the phase of stakeholder consultation, and approval by government and Parliament is expected in March 2005⁹.

Hungary: Some preparatory work for a SDS was done as input to the WSSD. There was an inter-departmental forum (with limited academia and stakeholder participation), operating on an ad-hoc basis from 1993 - 2002, which terminated after the WSSD. Since then it has been the aim to install a new SD Commission with broad stakeholder participation. This has not yet come into place. The recent government decision to produce a draft SDS by the end of 2004 might give new momentum.

OVERALL, PREPARING A SDS WAS TRIGGERED BY:

Rio: UK, Finland, Belgium (not successful, started then only five years later), Sweden (here: national commitments for ecological sustainability)

Rio + 5: Ireland

Rio + 10: Germany¹⁰, Netherlands (only partly successful), Portugal (first attempts 2002, finalization 2004), Hungary (not successful, new commitment for 2004, again postponed), Sweden (for first explicit national SD strategy)

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

With the concept of SD having its origin predominantly in environmental policies in most countries, the lead responsibility for a SDS has been given to the Minister for Environment: This applies to those countries that started early with SD policies and strategies.

PM LEAD: GERMANY, SWEDEN, PORTUGAL, (HUNGARY)

Germany is the only country - as a relative latecomer - that from the

⁹ NB: As change of government in 2004 has slowed down progress.

¹⁰ The first attempt was triggered by Rio+5, but failed.

Table 2: Government: lead responsibility and horizontal coordination mechanisms

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| Finland | | | |
| | PM (for SDC), otherwise MinE | “Council of State” (Cabinet with President) | Permanent network of civil servants of Ministries (led by MinE) |
| Belgium | | | |
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| Hungary | | | |
| | <i>MinE, PM participating</i> | <i>Aimed: Parliament</i> | <i>Government decision only since March 2004; not yet in place</i> |
| Ireland | | | |
| | MinE | Government | Environmental network of government departments (lead by MinE) |



| | LEAD RESPONSIBILITY | SDS ENDORSED BY | COORDINATION MECHANISMS |
|---------------------|--|-----------------|--|
| UK | | | |
| | MinE (SD unit) | PM | <ul style="list-style-type: none"> - Ministerial committee on the environment (ENV), - Cabinet sub-committee of green Ministers (ENV(G)): started informally in 1997, was upgraded to the current status following elections in 2001, both supported on the working level. |
| Netherlands* | | | |
| | MinE (Strategy Unit, national part) and Min. of Foreign Affairs (international part) | Government | <p>Several inter-ministerial coordination groups (civil servants):</p> <ul style="list-style-type: none"> - “CPO” for the national module (MinE lead), - Task Force SD for the international module, <p>as well as</p> <ul style="list-style-type: none"> - coordination group for “transition processes” (in 4 Ministries): approach for environmental integration laid out in the Env. Plan NEP 4 |

Italic: no SDS yet in place

* questioned whether the “SD Action Program” is a SDS

beginning placed the lead responsibility in the chancellery (the PM office), provided coordination capacity and installed a ‘green cabinet’ which is prepared for by a group of State Secretaries¹¹. This lead responsibility is considered as one of the key success factors for the SDS: Due to relatively strong individual Ministers there is an underlying tendency to give up agreed objectives of the SDS. The overarching ‘guidance competence’ of the chancellor has some potential to prevent that. It is also assessed as positive, for mutual reinforcement and implementing the strategy, that the SD council is as well linked to the (head of the) chancellery. Coordination between Ministries via the green cabinet is assessed positively, and on the working level mutual understanding has increased.

Sweden, and also Portugal, are powerful examples for a switch from a MinE lead to a PM lead: In **Portugal** the steering capacity of the MinE, particularly for setting priorities and strategy development, was considered as deficient and the need for political weight realised. Improving coordination between Ministries will remain a challenging task in the future. **Sweden** has a structurally favourable situation for policy integration, as the individual Ministers are comparably weak: there are only collective decisions (cabinet) - besides

¹¹ Top officials; UK term: “Permanent Secretary”.

day-to-day business; the Parliament is involved more often¹². Overall there is a cooperative style of policy making, but nevertheless it was realised that the commitment of other Ministries remained rather limited with a MinE lead. So, early in 2004 a coordination unit was established in the PM office, composed of civil servants from the most relevant Ministries, who used to have a cross-cutting and coordinating function already in their 'home'-Ministry. As is usual practice, the PM delegated responsibility to the MinE, though holding the overarching one.¹³

Hungary has also strongly aimed at a PM's lead responsibility, which was supported by the Environment Minister and the President of the Parliament, and advised by the Environment Council, but it was decided differently. This situation reveals one precondition for a PM's lead: It requires a certain degree of personal commitment, which was apparently not given in Hungary, and might in other countries take some time and/or the right person. Regarding coordination between Ministries the inter-departmental forum has likely laid a good ground for future cooperation mechanism for a SDS.

PARTIAL LEAD OF PM: FINLAND

Finland as an early country regarding SD in general has from the beginning given an additional key responsibility to the PM (chairing the SD council) in order to provide a direct link for all actors to the highest level, to give political weight for SD policies and to increase visibility. All reasons are considered as highly important, and the model as successful. On the operational level the responsibility though lies with the MinE, which is in Finland mainly not seen as creating a bias: there is an overall cooperation culture among Ministries and a 'network secretariat' for SD policies in place, though also here it has proven difficult to get other Ministries committed.

INDEPENDENT LEAD / STATE SECRETARY FOR SD RESPONSIBLE: BELGIUM

In **Belgium** there is a sophisticated architecture of shared and cooperative responsibility: The managing responsibility for the Inter-departmental Commission (ICDO, responsible for drafting) and the Task Force SD (responsible for reviewing) lies with an independent 'planning office'. The former has recently seen changes in order to make it more 'political': it now has members from the Ministers' cabinet, rather than civil servants from the administration. Additional cross-cutting mechanisms (elements of a matrix organisation) have been installed for improving the implementation of the SDS and supporting the ICDO. A PM lead is considered as a desirable solution, but the former Minister for Environment and Sustainable Development (widened remit) wished to keep the responsibility. This reveals another prerequisite for a lead at the higher level: the Minister for Environment needs to stand behind such a decision. In 2004 the post of a State Secretary for SD

¹² besides proposed bills government also issues communications on policies, on which the Parliament may comment.

¹³ A recent re-organisation of government (November 2004) broadened the MinE to "Ministry for Society Planning and Environment", with a (cabinet) Minister for each field. The former portfolio now also comprises sustainable development, i.e. the responsibility for SD moved to another Minister, but not to another Ministry. It remains to be seen how the relationship to the PM coordination unit will develop.

(and social economy) was (re-)established, now under the Minister for Budget and Public Enterprise. It will have to be seen how successful this model works. Overall, the highly developed architecture sees some overlapping in responsibility, which might not enhance guidance in the future, although it is expected that the change of membership in the ICDO will improve this. The picture gets even more intricate, when including the complicated federal structure and sharing of competences (cf. ch. A.1.4).

MINE LEAD: UK, IRELAND, NETHERLANDS

UK is one of the early countries regarding SD policies, and has retained the then typical lead of the MinE (here: Department for Environment, Food and Rural Affairs, DEFRA). The issue is not discussed pro-actively, and there is no particular reason given: The Minister for Environment was not mentioned as being against a move to the centre/higher level, which makes it most likely that the PM is not interested. There are two coordination mechanisms, one on the 'top level' of Ministers (the Ministerial Committee on the Environment, 'ENV'), and another on the working level (the Cabinet sub-committee of Green (Junior) Ministers, 'ENV(G)'¹⁴). Relevant Ministries have been asked to develop their 'own' SD 'strategies' or policies/measures, which so far has been followed by only a few ones, and also with varying evaluations. Also, some integration attempts have taken place, e.g. a greening the budget initiative with the Ministry of Finance.

In **Ireland** the lead of the MinE is partly perceived as deficient: So far it has been more or less appropriate as the SDS still focuses on environmental integration. But even in this situation it is difficult to get other departments committed. The 2002 update of the SDS is criticised for not having taken a more overarching approach. On the other hand, in case of a lead of the PM office (or the Ministry of Finance as key department) it is feared that a driving force would be missing. The 'small country' effect (government officials know each other; MinE used to be with transport, which is considered as having been beneficial for integration) is considered as beneficial for cooperation: For the 2002 review there was an 'environmental network' of Ministries at the senior level of officials, chaired by the MinE.

The Netherlands had a phase with the PM's lead responsibility, and the SDS preparation was coordinated by an inter-ministerial group; but the former was apparently done rather half-heartedly, and the latter was terminated by a new government, which also gave the lead responsibility to the State Secretary¹⁵ for Environment in the MinE (here: Ministry for Housing, Spatial Planning and Environment) in 2002. The National Environment Plan of 2001 introduced 'transition processes' in three key sectors (agriculture, energy, transport) and for biodiversity, which are also partly coordinated or supported by the MinE. Overall, there are coordination deficits, and the SDS is not taken fully seriously.

¹⁴ 'Junior Ministers' (or 'Secretaries of State') in the UK are not part of the cabinet. The ENV(G) mainly deals with measures within government (e.g. procurement, relationship of departments regarding SD), and not so much with policies.

¹⁵ The Dutch State Secretary is a "Junior Minister" in UK terminology, i.e. a Minister, who is not part of the cabinet. There is no cabinet-Minister for the Environment anymore in the Netherlands.

SUMMARISED ASSESSMENT

In all countries where there is no lead at the ‘higher’ level there are difficulties to get Ministries besides the traditionally engaged MinE committed; this even applies to countries with a more cooperative style of policy making (Finland, Sweden, and also Ireland), and even more strongly to those with a more competitive style (e.g. Germany, Belgium, UK: somewhat different). Greater political weight and visibility is an advantage of a PM lead, as is the power to keep other Ministries committed to e.g. objectives and targets. Countries with a MinE lead have more difficulties to overcome an environmental bias, whereas in countries with a lead at the higher level it has become more normal that SD is overarching, and the environment (Ministry) remains a strong driving force. Partly ongoing, partly already realised, it becomes apparent that the SD agenda is more than the sum of the parts, and hence better coordination of individual policies is only a starting point. For a SD council a PM lead is also favourable, as it is in such a situation also linked to the highest level, which gives more authority for its own work.

1.3 MONITORING, REVIEWING AND LONG-TERM PERSPECTIVE

The UK as the only country is currently undertaking a 2nd review; Ireland, Sweden, Finland and Belgium have had one review round (and Germany ongoing). Mostly the SDSs have an explicit ‘term’ and foresee a review at the end of the term. Responsibility for reviews lies with the before-mentioned lead mechanism (or shared, as in Belgium).

Sometimes reviews reconsider the priority fields (UK; in Germany and Sweden there is a ‘mid-term review’ with priorities already in place in the original SDS), but sometimes priorities are added, and the previous ones remain in place (without clear reasoning why or why not: Finland and Ireland), and sometimes a new strategy is prepared without reviewing the previous one (Belgium), which typically formally stays in place; the latter also applies to Ireland and Finland, and in Finland so far only a progress report was produced, with added priority fields, but a full revision is currently considered (cf. Table 3).

Indicators, targets and timetables

There is a variety of constellations regarding whether there are quantified targets (or only qualitative objectives) used, and whether there are indicators in place to measure progress.

Often the SDS itself does not contain targets, but they are developed in sectoral programs that are meant to underpin the SDS, but which themselves are not necessarily monitored in the SDS review.

The clearest system in this respect can be found in the UK, which also invented the famous traffic light classification¹⁶, with a sophisticated set of more than 130 indicators and 15 headline indicators across the SD dimensions. It seems to work well, and is considered as a pragmatic tool.

Experiences here are most likely valuable for other countries. Some indicators in the SDS have quantitative targets; other targets are only stated

¹⁶ Using ‘smileys’ for assessment of progress towards indicators: Green smiley faces 😊 are good, red gloomy faces ☹ bad, and amber inscrutable faces 😐 in between.

Table 3: SDS monitoring and review, - targets and indicators

| | QUANTIFIED TARGETS? | EVALUATION WITH INDICATORS? | REVISION OF PRIORITIES | UPDATE, (SLIGHT) SHIFT OF EMPHASIS | NEW SDS WITHOUT REVIEW |
|--------------------|---|--|---|---|----------------------------------|
| UK | | | | | |
| | ● | ● 130 core ind. 15 headline ind. | ● | | |
| Germany | | | | | |
| | ● (partly) | ● 21 indicators | ○ (2 nd set of priorities was already in place in 2002 SDS) | ○ (revised draft prior to progress report) | |
| Sweden | | | | | |
| | ○ (qualitative objectives, partly with quantitative targets) | ○ 30 - 70 indicators | ○ (new priority Fields were already part of the 1 st SDS) | ● | |
| Finland | | | | | |
| | (NB: reservations towards targets is currently reconsidered) | ○ some indicators in place, not used for progress report | | ○ (gap analysis and new priority fields added) | ○ (former SDS stays in place) |
| Ireland | | | | | |
| | (mostly EU + other internationally agreed targets; national targets: difficult) | no full set of indicators in place, some existing were used in 2002 review | | ● (former SDS stays in place) | |
| Belgium | | | | | |
| | (only EU + other internationally agreed targets; national targets: difficult) | no indicators in place | ○ (EU SDS priorities were adopted) | | ● (former SDS stays in place) |
| Netherlands | | | | | |
| | (only EU + other internationally agreed targets) | no indicators in place (expected end of 2005) | -- | -- | -- |

Note: In Hungary and Portugal no SDS is yet in place;

● Applies; ○ Partly applies; -- In the Netherlands the SD Action Program is not yet reviewed.

sectorally, in so-called ‘public service agreements (PSAs)’, committed to by an individual Ministry or sometimes jointly. Progress reports on the SDS list those PSAs in place, but do not link them to the indicators, and also do not measure progress against them. As no overview is provided it remains unclear whether individual Ministries’ measure progress in their “own” SD reports.

Germany follows this line with 21 key indicators across the SD dimensions in place, and quantified targets when felt feasible. The SDS evaluation report (November 2004) monitors progress towards all qualitative and quantitative objectives with indicators.¹⁷ It appears though not plausible that the government revised its priority fields without having measured progress towards the previous ones (cf. Table 3).

Sweden has a clear system of 15 Environmental Quality Objectives for 2020 (and some for public health), with 71 underpinning interim targets and actions, and partly indicators allocated to them. There is a systematic review in place (also using the traffic light method). The environmental objectives became part of the SDS, where in other priority areas there are objectives, but mostly not yet concrete targets (for health there are). Overall, the link between targets and indicators is not yet complete, and the number of indicators is under debate. For the SDS review 2004 indicators were not yet used.

UK, Germany and Sweden are the only countries that consider quantitative targets as a useful and/or powerful instrument; Portugal proposes such in its draft SDS¹⁸, and Hungary would find this also important.

Finland has just finalised a review of its set of indicators. The ones previously in place were not used for the progress report, and the lack of systematic objectives and underpinning quantitative targets is currently one reason for considering a full revision of the SDS.

As the SDS in **Ireland** does not have a systematic monitoring system, there are no general timetables. Strategies and policies developed in the framework of the SDS (or in reality independent from it, but referred to in the 2002 update document) typically have qualitative objectives, but rather few national quantitative targets. Some indicators were used for the 2002 update document, but there is no systematic approach yet.

Both the first SDS and the pre-draft for the new one in **Belgium** contain qualitative and partly quantitative objectives. Indicators are not in place yet. Most of the objectives are internationally agreed ones, and, as in Ireland and **the Netherlands**, it is stated that ‘external’ targets are politically easier to handle. This applies similarly to Finland, where there is a greater reservation towards targets in general. Finland and Belgium also tend to commit only to international targets that are considered as feasible for the country, and particularly in Finland an internationally binding target that challenges industry was heavily criticised. In The Netherlands it is aimed to develop indicators by the end of 2005.

¹⁷ *Experience with this first monitoring, and particularly how systematic is was done, could not be included in this study.*

¹⁸ *(July 2004), which is now under consultation.*

Review terms of the SDS

In most countries the review terms were not questioned, though the practice looks a bit different. In UK, Germany, Sweden and Belgium there are clear review terms (5, 2, 4 and 4 years respectively), and for the Dutch SD Action program a more or less annual progress report is foreseen. Belgium though in 2003 adopted a new SDS without reviewing the previous one, which was due to some difficulties in the architecture of responsibilities; the previous SDS was also considered overall as too fuzzy, and hence a new approach was chosen. Also, an incoming new government triggered an earlier start of the review, which was then produced without an ex-post evaluation of the previous one. In Finland and Ireland there are no official review terms, but progress reports were produced for the WSSD.

It seems unhelpful to the user when the previous SDS stays in place, particularly when no reference is made, in review/progress reports, to what exactly stays in place, where emphasis is shifted and why.

Long-term perspective of the SDS: link to government programmes and role of national Parliaments

In UK, Germany and Sweden, long-term targets are considered as a useful instrument, which is in line with the attitude towards targets in general. Sweden has the strongest set of environmental quality objectives with a 2020 time horizon, whereas UK has a long-term CO₂-reduction target (2050), and similarly Germany, which makes the national CO₂-target dependent on a EU target.

In Belgium there are thoughts on the need to have a long-term, 10-20 years, SDS underpinned by ones with 4-year terms, linked to the government terms. Also in Portugal the longer time horizon of 2015 is now proposed for the new SDS (cf. draft SDS 2004). In those two countries, as well as in Hungary, it is a strong issue how to establish or maintain a long-term perspective: In all three cases the SDS is rather strongly bound to government programs, which also more or less applies to other countries, but there the political culture seems to be more of a kind that does not easily allow dismantling of overarching programs such as a SDS by a new government. An influencing factor of course is whether there have been government changes during the past decade, and whether there is rather a consensus- or majority-style of democracy: the former applies to the Scandinavian countries and the Netherlands¹⁹, and the latter in the other countries. The former tends also to be related to having (broader) coalition, or even minority governments, where then also the Parliament tends to be more involved in the SD strategy (this applies particularly in Sweden). Hungary and Portugal both aim at endorsement of the SDS by the Parliament in order to achieve more continuity for it.

The status of a SDS vis-à-vis a government program is a strong issue in Belgium: At the most one can imagine the framework setting part of an SDS to be more long-term than a government term. It is considered as normal that, with the entrance of a new government, the measures, or the entire strategy, are reviewed and revised.

¹⁹ though in the Netherlands has been facing a decrease in importance of the famous 'Polder model' after a new government came in 2002

Standing committees in Parliament, typically the environment committee (in Finland also the ‘Committee for the future’), partly deal with the SD strategy, but as these committees typically follow the sectoral organisation of government they also face the overarching challenge. In Ireland there used to be a Parliament Committee for SD, which was re-placed by the Committee on Environment, Heritage and Local Government in 2002²⁰. In Germany very recently one was established: It bears a different name than the standing committees, expressing its different character. In UK the Parliament established an Environmental Audit Committee (EAC), which also considers how government policies are contributing to SD and audits its performance against related targets. Sweden has a long tradition for an extensive system of ‘comitology’, which is even called ‘the core of Swedish politics’; i.e. for broader and more fundamental policies government establishes special committees with Parliamentarian, expert and stakeholder composition. For the SDS though such a committee was not established²¹.

Approach for SD strategies

There seems to be a country-specific understanding of what a ‘strategy’ is, which influences the approach to developing and implementing a SDS, in the range from ‘planning’ to ‘learning’²² and its degree of detail. For instance, the use of indicators, targets and timetables in a way can be seen as an indication of a more ‘planning’ approach, which might be too much ‘top-down’ and/or might lack a strategic framework, typically when there are only sectoral targets which are not well linked to overarching goals and objectives. The more framework-type SDS might represent the ‘learning’ approach, but may also indicate a rather weak will for implementation, particularly when it lacks underpinning and well linked objectives/targets and measures. A strong ‘learning’ approach is typically linked with emphasising “bottom-up”, and a focus on creating ownership among all societal actors (cf. also ch. A.2), which is most dominant in **Finland**. This example also reveals that an emphasis on one end of the spectrum falls short at least over time: Finland is now considering revising its SDS in order to establish clearer objectives and targets, and link them more systematically with measures. **Sweden** similarly emphasises bottom-up and the local level, and can be overall characterised as a well-balanced mix of ‘planning’, with strong targets and long-term timetables, and flexibility, in terms of SDS as a ‘living document’. Also, a link to actions is in place, at least for the 15 Environmental Quality Objectives for 2020, with underpinning interim targets and actions. Also the **UK** approach for SD seems a good balance between planning and flexibility, with an emphasis on systematic follow-up of progress via the 15 headline indicators. The flexibility portion is reflected in a high number of different approaches from many actors throughout all levels of government and society. The contribution of different government departments though falls short in monitoring, and progress is e.g. not measured in the SDS progress reports.

²⁰ Thus a “re-sectoralization”, following the lead responsibility of the MinE for the SDS.

²¹ Partly because there was already one dealing with “Agenda 21 and Habitat”, whose task was finalised with the WSSD. It had proposed that a “Forum for SD” should be established, which is now taken up by government; but this will not be a ‘mixed-Parliamentarian committee’.

²² Cf. also Steurer and Martinuzzi (2004).

In **Ireland** the monitoring system is not systematic, the priority fields are not structured in a convincing architecture, and also only few quantitative targets are in place, which altogether suggests that the approach is rather too loose. In **the Netherlands** there is the specific situation that the SD Action program does not play a significant role, and represents rather a compilation of what is going on anyhow. The National Environment Plan in place has qualitative long-term objectives, and the “transition processes” based on this plan are inherently considered as learning processes. Overall, an architecture and strategic approach is missing.

A rather traditional, and also state-centred, ‘planning’ attitude is found in **Portugal**, where the previous National Environment Plan was not significantly implemented. For the SDS there is a two-step approach with the strategy itself (“ENDS”) as a framework document with priorities and objectives, and a subsequent ‘plan of implementation’ (“PI-ENDS”) with measures. In **Hungary** it is also assessed that developing a SDS would focus on producing a document, which may well lack means for implementation. The previous National Environment Plan was largely driven by EU accession, but implementation fell short because insufficient resources were allocated and no institutional mechanism was established.

Belgium also has a planning tradition with e.g. a government agency called “Bureau du Plan”, which is responsible for forecasts on the economic situation, and other policy fields. The SDS approach is largely perceived as a learning process, with an emphasis indeed on ‘getting the process right’. The term “strategy” is used for the general approach (as policy cycle), whereas the 4-year term document is called “SD plan” (cf. ch. Introduction). It is aimed to improve the rather deficient architecture of priorities, objectives and targets in the new SDS (2004/05).

In **Germany** the original approach of the government was considered as too much state-/government-centred, with a national focus and rather traditional ‘planning’ attitude. It succeeded then to shift the SDS towards more attention to societal ownership and the international dimension, and to introduce the use of (quantitative) objectives, indicators and timetables. Overall, a realisation probably has started that SD is a learning process.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

In almost no country is there a systematic link between the national and the regional or local levels, and the national SDS represents to only a very limited extent a framework for regional or local ones. Not surprisingly it is a stronger issue in federal (or quasi-federal) countries:

- In Belgium the regions have not yet formulated SD strategies; the regions are represented in the Inter-departmental Coordination Group (ICDO) responsible for the federal SDS, and recently a new Working Group has been established with the task of working towards a national SDS (i.e. a joint/combined federal and regional one).

Table 4: Link to the regional and local level (in the order of strongest regional/local level)

| | LEVEL | VERTICAL COORDINATION MECHANISMS |
|-------------------------------------|---|---|
| Finland | | |
| | Regional (admin.) | 5 (state) provincial administrations; 13 regional environmental centres (under the MinE) |
| | Local | No “streamlining” in the sense of framework setting: all stakeholders are involved and are asked for ownership and own action; achievement of coherence through consultation / learning processes |
| Sweden | | |
| | Regional | No independent regional level, but regional government authorities, which were consulted for the SDS 2002 |
| | Local | Bottom-up approach: LA 21 plays a strong role (and came first), one third have their own SD action plan; national SDS is seen as a background paper |
| UK (3 devolved governments)* | | |
| | Devolved Governments | Have their own SD policies or strategies (Wales: November 2000, Scotland: April 2002, Northern Ireland: to be published in 2004); review of “national” SDS has tried to link with devolved SDSs |
| | Regional Development Agencies (RDA, admin.) | RDAs develop their Regional SD Frameworks, combining regional and national priorities (evaluation would be necessary) |
| | Local | LA 21 was strong after 1992, then slowed down, now again demand for “communities strategies” (Local Government Act of 2000), but the link to national SDS is not as much as would be desirable |
| Belgium (federal) | | |
| | Regional (Regions) | Ongoing discussion about federal competence: rather tense relation to regional level seems to improve: regions have not completed their own SDSs, and it is aimed to move towards a “national” SDS effective for both federal level and the regions |
| | Local | Some links between the regional and local level with social and environmental programmes, none between the federal (only SDS so far) and the local one. LA 21 processes do not play an important role |



| | LEVEL | VERTICAL COORDINATION MECHANISMS |
|---------------------------|--|---|
| Germany (federal)* | | |
| | Regional (Laender) | As SDS mainly addresses fields with federal competence, no formal consultation mechanism is established. The Laender were consulted for national SDS, but little response; will face implementation problems in policy fields where federal competence is more limited than in others. Laender are encouraged to develop own SDSs |
| | Local | LA 21 initiatives exist broadly; the link to the national SDS is considered as not sufficient |
| Ireland | | |
| | Regional (admin.) | Regional authorities are responsible for the regionalisation of the SDS and shall develop regional programmes, which has not happened yet |
| | Local | Local authorities were asked in 1997 to start LA 21 processes, but the results have been very limited; national actors feel that the national SDS does not function sufficiently as a framework; problems with land use planning system |
| Netherlands | | |
| | Regional (provinces) | 12 provinces [no information gathered] |
| | Local | LA 21 used to be more important than nowadays; still many "green" municipalities (also involved in government project for CSR); very weak links between the levels, at least not in the framework of the SD Action program |
| Portugal | | |
| | <i>Regional (admin.) plus two autonomous regions</i> | <i>(In the other 5 regions there is no significant level of administration)</i> |
| | <i>Local</i> | <i>"Environmental Plans" organized by municipalities; very few LA 21 initiatives (in general no bottom-up approaches); link of national level to local almost not existing; significant tension about budget distribution</i> |
| Hungary | | |
| | <i>Regional (admin.)</i> | <i>No SD activities; regional administrations deal with project-related problems in the environment field</i> |
| | <i>Local</i> | <i>No LA 21 initiatives</i> |

italic: no SDS (yet)

* UK and Germany use the term "national" SDS, which in Germany is a "federal" one; in the UK there is a situation of 'assymetric devolution', with Wales, Scotland and Northern Ireland as devolved governments (but no federal system); in Belgium the difference is an important issue, and a "national" SDS, as it is aimed to develop, would be also endorsed by the regions.

- In the federal Germany the ‘Laender’ were consulted for the national SDS, but with only little response. Improving this link will be a challenge for the future, as the SDS will face quite some implementation problems in policy fields where federal competence is more limited than in others (e.g. the target of reducing land use and consumption for construction).
- The UK has undertaken quite some efforts in the course of its current SDS review to link the national strategy with ones previously developed, or being developed, in the devolved regions (Wales, Scotland, Northern Ireland).

The other countries typically have a regional level of government administration, but only in Sweden has this been involved in the preparation of the national SDS. Sweden and Finland are the two countries that most consider the regional, and especially the local level as important, which is in line with their overall bottom-up approach. In Finland this is represented to the highest extent, and around 80% of the municipalities have Local Agenda 21 processes installed. Also in Sweden LA 21 processes have traditionally been supported and fostered, including a significant government grant in the 1990s, which is considered as very successful. The preparation of the national SDS though was more government centred. In both countries the bottom-up approach also reflected a generally high extent of stakeholder involvement (cf. ch. A.2). LA 21 processes also take place to significant extents in UK and Germany: in the UK activities have slowed down since the late 1990s but SD may be refreshed by the legal requirement to develop “community strategies”. In both countries the link to the national SDS is considered as deficient, but in UK more emphasis has been put on improvement than in Germany so far. Here the federal government since 2001 has been financing two small agencies with the task to facilitating the exchange of experience between LA 21 initiatives.

In Ireland a request of the government (in 1997 already) that local authorities should establish LA 21 was not followed very much, and there is criticism that the government funded this intention poorly. LA 21 Guidelines, issued by MinE in 2001, pointed to new opportunities, but implementation has remained low. In general Ireland is characterised as being rather centralised. The local authorities though adopt local development plans, and there is no regular system of checks or approval by a higher level, which has caused problems of implementing national (planning) strategies and its SD elements.²³

In the Netherlands there are still several municipalities, and also a few provinces, rather committed to environmental policies, but the association of local municipalities states that SD is not a priority issue anymore. This picture reflects the overall relatively weak commitment to a SD strategy and policies in the Netherlands. Regarding the SD Action plan there are no links between the levels, but based on other government programs, e.g. the transition processes and the ‘sustainable business’ initiative, projects are going on.

Both in Hungary and in Portugal there are almost no LA 21 initiatives. Both countries are also rather centralised. In Portugal the regional level, besides the autonomous regions, plays a very small role, and there are significant tensions between the central government and municipalities regarding budget distribution. Particularly threatening for SD policies is the fact that the main income for local authorities stems from a building tax, which leads to the issuance of too many building permits and hence an uncontrolled development sprawl, particularly at the coast. In Hungary regional and local authorities are so far mainly dealing with project-related problems, e.g. the location of waste incineration plants.

2 NON-GOVERNMENTAL ACTORS

Since Agenda 21 for SD policies, and in general in “modern” democracies, the involvement of non-governmental actors, referred to as ‘stakeholders’ and/or ‘civil society’²⁴, is considered as important in order to create ownership and hence improve the implementation of policies and/or strategies. The role of non-governmental actors in SD processes does not differ from their role in policy-making or program development in general. Variables in this respect are

- a the attitude of government towards stakeholder involvement/consultation,
- b the degree to which civil society is organised,
- c the degree of corporatist tradition of a country, i.e. how strongly the social-economic partnerships are organised and influential.

All three aspects often have mutual interdependencies. For example, a strong corporatist tradition might hamper other civil society organisations from getting established and heard; the more civil society is organised, the more governments are open for dialogue. Table 5 gives an overview of these variables.

Governments’ attitude towards stakeholder consultation and/or involvement ranges from fairly “closed shop”, which also causes deficient information flow, to a situation where stakeholder consultation is very “normal” and conducted on a regular basis with different styles and means (cf. ch. A.2.2 below). Governments are most reluctant to dialogue in Hungary and Portugal, and in both countries the information flow from Ministries to non-governmental actors is criticised as deficient. In both countries this situation also correlates with a rather low degree of organisation of civil society, and also more or less the social partners²⁵. It is though a positive indicator that, in both countries, the government has established an independent stakeholder council as a means of improving the link to non-governmental

²⁴ *The former having more the notion of an interest or lobby group (mostly well organised and fairly powerful, which includes the traditional stakeholders of the social partners), whereas the latter rather refers to a grassroots type of movement (which might then also become well organised and powerful, and might represent a specific interest or more a ‘common interest’ of e.g. a region).*

²⁵ *The latter does not apply to trade unions in Portugal; on the business side it seems that rather individual companies have strong lines into government, whereas the business associations, which represent small and medium sized companies, do not.*

actors (cf. ch. A.3 below).²⁶ In the other countries governments' attitude is - at least at present - rather open, including towards 'younger' types of civil society organizations. The Scandinavian countries and the UK lead the range, the former having a strong bottom-up approach for policy-making and the UK and Finland with a strong tradition for self-organisation of society. In Sweden there is a system of numerous committees for certain policy questions, composed of government/parliament and non-governmental actors, which is even called the "core of Swedish politics". Belgium, Ireland and the Netherlands have a corporatist tradition, which is also reflected in institutionalised social partnerships (in the form of a social-economic council, cf. ch. A.3.2 below), which has caused some difficulties in involving other civil society organisations in SD policies in the former two countries²⁷. Germany is also typically characterised as corporatist, but the strong development of other civil society organisations since the 1970s has meanwhile led to broader involvement and consultation. The latter also applies to Belgium and the Netherlands (and of course also to Finland, Sweden and the UK). Overall, the degree of stakeholder involvement to some extent also reflects how much the attitude towards SD strategies lies at the state-centred end of the spectrum, or at the ownership end. Finland has the strongest emphasis on the bottom-up approach as key for creating ownership, followed by Sweden, where the local level is considered as very important, and a government initiative for funding local SD projects is assessed as being a key success factor. In contrast, Portugal and Hungary have a quite state-centred political culture, and all other countries lie in between.

2.1 CORPORATE SOCIAL RESPONSIBILITY

Besides the LA 21 initiatives, dealt with in chapter 1.4, the most important other framework for SD on the non-governmental side is the Corporate Social Responsibility (CSR) approach of the business sector.

Where it plays a role the concept of CSR is considered as implementing SD on the company level, with a focus on either the social (and global) dimension (Belgium), or environmental sustainability (Finland), or a combination of both (Germany). In the UK there is a long history of engaging business, including advice to small firms, on environmental issues; more recently the focus has broadened to include social issues (the 'triple bottom line').

In Finland and Germany, and partly the Netherlands, CSR plays the strongest role, followed by Sweden, Belgium, and Ireland evolving. In Portugal the concept is only taken up in some exceptional cases, and in Hungary it does not play a role. In each country it tends to be individual companies that are engaged, and almost only the larger ones. Among those there are front-

²⁶ As distinct from other countries, including many of the new member states, which tend to have a government led and/or dominated SD council, if they have one at all (cf. Introduction).

²⁷ In Belgium the development towards broader involvement seems more advanced now. In Ireland the problem seems to lie more in the fact that civil society is less organised (social NGOs are rather well organised and have access to government committees, whereas environmental NGOs appear more ragged). The Netherlands have a strong social-economic council, but both the rather consensus-style of policy-making, and civil society organisations (particularly environmental groups) being well organised and high in numbers, have led to broad involvement of the whole range of non-governmental actors.

Table 5: Variables influencing the role of non-governmental actors (in nine EU countries)

| | ATTITUDE OF GOVERNMENT: OPEN | BOTTOM-UP APPROACH | CORPORATIST TRADITION | SOCIAL-ECONOMIC COUNCIL | HIGH DEGREE OF ORGANISATION OF CIVIL SOCIETY |
|--------------------|------------------------------|--------------------|-----------------------|-------------------------|--|
| Finland | ● | ● | | | ● |
| Sweden | ● | ● | | | ● |
| UK | ● | ● | | | ● |
| Netherlands | ○ | | ● | ● | ● |
| Belgium | ● | | ● | ● | ● |
| Germany | ○ | | ○ | | ● |
| Ireland | ● | | ● | ● | |
| Portugal | | | | ● | |
| Hungary | | | | | |

● Applies; ○ Applies to a lesser extent / variable has changed or changes / not so significant; no bullet: The opposite tends to apply

running multi-nationals like in the Netherlands, where also the finance sector is very active. Only in Finland and Germany it was the Industry/Employers' Federation getting committed: In the former case in 1995 with issuing a strategic policy called "Know-how partnership and eco-competitiveness" and in Germany with initiating "Econsense" (2000), a Forum for SD, which was joined by 19 multi-nationals, as a centre of competence for experience and knowledge, an opinion former and a platform for dialogue between business, politics and society. In Belgium there is a social label, a "Business and Society Network" and also a 'popular' website for SD, which also covers business and SD. In Ireland recently a non-profit organisation "Business in the Community - Ireland" was founded as service for business regarding CSR Policy & Practice Development, Employer Supported Volunteering and Educational Partnerships, which is so far supported by 21 major companies. The Swedish government established the Swedish Environmental Technology Centre, which is meant to advise small and medium sized companies.

2.2 STAKEHOLDER CONSULTATION

The means and degree of stakeholder consultation for the SD strategy tend to follow the degree of stakeholder involvement as outlined above. In Sweden though, consultation for the SDS is considered as having been too short; at least the first SDS 2002 is regarded as rather a government document only, and a more pro-active approach for fostering learning and ownership is missing. The consultation of the 2004 SDS revision was done (only) via internet.

When preparing for the SDS in 1998 the Finnish government asked stakeholders in 1998 to develop their own SD strategies, which was largely followed, and conducted in a dialogue process with government.²⁸ The intensive consultation process for the revision in 2002/2003 overall receives better credits.

Satisfaction with stakeholder consultation for the SDS is expressed in Finland, Germany and UK, followed by Sweden, and partly Belgium and Ireland; such assessments are naturally influenced by the level and style of what is common and hence expected. With this background, and similarly to Sweden, the consultation for the Dutch SD Action Program is criticised: In the Netherlands the situation was a bit unfortunate, because stakeholders had just before been involved in intensive consultation on the National Environment Plan, and hence some exhaustion had occurred. Stakeholders also became inactive, because the SD Action program was largely considered as unambitious, with not much belief in the potential for change.

Belgium conducted the most transparent process regarding how input was considered and included: Contributions to the draft SDS 2000 led to around 30% changes in the text, which was published with track changes on the website. Nevertheless stakeholders did not feel involved in this first SDS, as it was mainly government oriented and lacking focus. In Germany the SD council conducted a successful dialogue process on sustainability and society, results of which will be included in the SDS review 2004, which is also the first time that a federal government policy paper takes up civil society contributions.

Means of consultation are typically inviting comments via the internet, and holding conferences or hearings. Consultation via internet only is partly criticised, particularly when no feedback is given (e.g. Sweden). The method of using indicators for SDS reviews and progress reports is assessed as highly useful, where it has been introduced in a systematic way (forerunner: UK).

In Ireland and UK there were also campaigns for raising environmental awareness and both were evaluated positively. Ireland's Environmental Information Service (ENFO), placed in the tourist centre of Dublin, has also attracted public interest.

In many countries SD councils undertake efforts to increase awareness, debate and ownership of civil society (cf. following chapter A.3 and D.1).

²⁸ The stakeholder strategies were apparently more influenced by the government concepts than the other way round.

3 SD AND OTHER COUNCILS

From the participating countries there are six with a well-established and functioning SD council: Belgium, Finland, Germany, Ireland, Portugal, UK. With the exception of the Finnish FNCSD they share similar roles, functions, and mainly also work-style: They are meant to provide a link between government and stakeholders, foster dialogue of stakeholders 'among each other', operate as or develop a deliberative style, and increase the visibility of the SD concept. With this think-tank format the members are typically asked to act on the basis of their expert and stakeholder background, and not to negotiate the positions of their home organisations. The Belgian FRDO-CFDD has the most representational character, and has moved over time from a negotiation to a more deliberative style.

The FNCSD in contrast is a platform for dialogue between government and stakeholders, and provides an opportunity for stakeholders to directly address the Prime Minister and other key Ministers. In the case of the other councils this dialogue with government mainly comes on top of the council's work, i.e. collective advice or recommendations for e.g. agenda setting are discussed with government, whereas in the Finnish case stakeholders tend to represent their organisation, though some dialogue among stakeholders also takes place.

The Netherlands has a wide variety of advisory councils, which deal with the SD agenda from different angles, incl. a social-economic council (SER) with a SD Working Group. The government has so far opposed establishing a SD council (there are rather tendencies to cut down the number of advisory councils), but a high-level SD roundtable might come into place. The council participating in this study (RMNO) is charged with addressing knowledge and research questions in the fields of spatial planning, environment and nature, advises several Ministries²⁹, and is hence the one most engaged in the SD agenda. It has an expert composition comprising members from science and different societal groups.

Sweden has the oldest Environment Council (MVB) in Europe³⁰, which has been always engaged in the 'ecological sustainability' agenda of the country. It is a group of advisors to the Minister for Environment, who also chairs the council, with an emphasis on dialogue in its plenary meetings. Its working groups also give independent advice. With broadening up of the SD strategy, it will remain active in the more environment related questions, and there might also be more cooperation with other councils.

Hungary has as one of the first countries among the new member states established its Environment Council (OKT, in 1995) with a stakeholder composition (business, environmental NGOs and academia), and has been engaged in the development of SD policies for the country.

All councils participating in this study, besides the Finnish FNCSD, are considered as independent, i.e. they do not have government members or if so, then only as observers (and the Swedish MVB is also an exception)³¹.

²⁹ In contrast to the 'policy' councils, each of which advises one Ministry only.

³⁰ Established 1969; UK and Germany also did shortly after Sweden.

³¹ The Irish Comhar has one council member from MinE (out of 25).

They also have an independent secretariat, partly with staff seconded from the Ministry (Ireland, UK), and only the Finnish SD council is managed by MinE civil servants. Their tasks and setting are also reflected in their work style: They meet around monthly for one day, and they issue advice, recommendations and/or undertake projects for broader stakeholder or civil society involvement. Many councils have also developed new ways of engaging more directly with policy makers.

The Finnish dialogue platform in contrast meets around four times per year for two hours. This model is also used by SD councils emerging in new member states, most likely though for different reasons than in Finland.³²

3.1 ROLE AND FUNCTIONS OF ADVISORY (SD) COUNCILS

ROLE VIS-À-VIS THE SDS

As already shown in Table 1 the connection between the establishment of a SD council and the decision to prepare a SDS is particularly strong in Germany and UK (the same applies in Belgium after restructuring and the SD Act), and in Finland, Ireland and Portugal the councils have been allocated an explicit (advisory) role in the preparation and implementation of the SDS over time.

GENERAL FUNCTIONS

Table 6 shows the general functions of SD councils, with views typically shared by the council and government. The category 'applies to most SDCs' derives from councils in countries with a corporatist background and/or a traditionally strong social-economic council: (younger) SD councils here face some difficulties in overcoming e.g. the traditional negotiation style of the socio-economic partners (Belgium, partly Ireland; does not apply to the socio-economic council in the Netherlands).

The expert/environment councils have in the same way an advisory and agenda setting function, and also partly the multiplier function, but no explicit stakeholder/civil society component. The Finnish discussion platform model does not include the aim of consensus building among stakeholders, and has all aspects regarding the development of joint thinking to a lesser extent. The aspects of promoting SD policies are included in the same way as in the 'deliberative' model.

3.2 INTERNAL ASPECTS OF OPERATION

Styles of internal operation are important success factors for a SD (and other) council and they also reflect certain aspects of the political culture in the relationship of government to stakeholders, and the role of socio-

³² *The results of the European Commission Staff Working Paper (2004, p. 8-10) can hence not be confirmed: Stakeholders are not part of the governmental coordination mechanism as the Commission concludes for those councils that follow the Finnish model, because they come on top of the governmental mechanism, in the form of hearings/discussions. Table 3 also wrongly include Austria, Ireland and Portugal in the 'integrated' field (all have an independent SD council), and the Netherlands as having an independent SD council (they do not have one). The councils in Latvia and Lithuania have been terminated (cf. also ch. Introduction).*

Table 6: General functions of (SD) councils

| FUNCTION | APPLIES TO ALL SDCs | APPLIES TO MOST SDCs | ALSO APPLIES FOR EXPERT/ENV. COUNCILS | ALSO APPLIES TO THE FINNISH MODEL |
|---|---------------------|----------------------|---|-----------------------------------|
| Advisory board to the government, from a view point of civil society | ● | | ○ [less civil society point of view] | ○ |
| Reminder/watchdog for the holistic/integrated and long-term view | | ● | ● | ○ |
| Think-tank | | ● | ● | |
| Stakeholder/expert dialogue 'among each other', including that consensus building among the members should take place | ● | | | |
| Stakeholder members to take the views into their organisations | ● | | | ○ |
| Agenda setting and tackling difficult policy issues (unexpected agreements are appreciated), opinion former | ● | | ○ [no explicit stakeholder agreements] | ○ [no stakeholder agreements] |
| Fostering societal dialogue on SD policies by addressing multiplier parties | ● | | ○ | ● |
| Encourage and stimulate good practice | ● | | ○ | ● |

● Applies; ○ Applies to a lesser extent / variable has changed or changes / not so significant; no bullet: The opposite tends to apply

economic partners. One aspect is apparent in all the countries participating: The fact that a government did establish a council strongly suggests that external/stakeholder advice is valued.³³

COUNCIL MEMBERS OPERATE ON EQUAL FOOTING

This aspect firstly touches upon the question of the independence of a council: In most cases there are no members from government in the council

33 NB: The following aspects are not covered for Finland, as there is another model of SD council

(Germany, UK, Hungary), or if so, then only as observers, statutory or factual (Belgium, Ireland, Portugal, Netherlands).³⁴ Having no governmental members better provides for an atmosphere of free deliberation and for taking critical standpoints. On the other hand, having government observers may lead to better information flow, and possibly to more direct impact on government policy. Councils without government members/observers have regular dialogue with the responsible Ministry, and others.³⁵

The second variable ('double-hat' of council members) concerns the relationship of council members to their 'home'-organisation that nominated them or by which they were appointed: The council members do not 'represent' in a narrow sense this organisation; they operate and discuss as individual personalities on the basis of a plurality of ideas and a degree of trust given by their organisation (Germany, Hungary, Portugal, UK; also the Netherlands and Sweden). For the most part this has not caused problems. In countries with a more corporatist tradition the representational/negotiation style prevails, at least in the earlier phases of a council (Belgium, less: Ireland), but typically the aim is to overcome this over time.

Another variable in this respect is the degree of organization of civil society, which might cause unequal footing if 'traditional' stakeholders (employers, trade unions) are strong and 'modern' NGOs rather weak (e.g. Ireland). The latter also applies to Hungary and Portugal, but without the former being the case usually no problems occur in the council. In Belgium the former applies, but not the latter, and hence the challenge lies more on the institutional side:

RELATION TO AND ROLE OF SOCIO-ECONOMIC PARTNERS

Belgium, Ireland and the Netherlands traditionally, Portugal since the 1980s, have institutionalised socio-economic partnerships, - a social-economic council.³⁶ In Belgium this situation has caused tensions when the SDC was established, but has improved with the clearer allocation of tasks in the SD Act, and increased acknowledgement by and involvement of the socio-economic members over time. In Ireland there are no inter-institutional tensions, but the before-mentioned different footing of stakeholder groups. In the Netherlands the socio-economic council has more an advisory function, is itself engaged in the SD agenda and also invites environmental NGOs when preparing such advice. There is in general a tradition of equal footing.

RELATION TO GOVERNMENT DEPARTMENTS

The relation of a council to government departments might reflect the attitude of government towards stakeholder involvement (cf. ch. A.2): In most countries the relationship is characterised as open and constructive. In

³⁴ Exceptions are the Finnish FNCSD, with a different function, and the Swedish MVB, which is a group of (personal) advisors to the Minister for Environment, who chairs the council. It though has started to also elaborate independent advice in its working groups.

³⁵ In case of the Dutch RMNO having government members with observer status is meant to facilitate dialogue (council as 'sounding board') and has not caused problems so far. In case of the Belgian FRDO-CFDD this constellation is partly criticised.

³⁶ In other countries negotiations on wages and working conditions take place in a bilateral setting, with government as mediator.

Portugal and Hungary some obstacles in communication and information delivery from the Ministries still occur, which most likely is originated in the fact that the apparatus is not used to stakeholder involvement yet. Councils are appreciated in all countries, at least by the (Prime) Minister and higher levels of the Ministry.

3.3 ACHIEVEMENTS AND SUCCESS FACTORS OF SD COUNCILS

GOVERNMENTS' VIEW

- Valued as a stakeholder advisory body with high quality work; independent input is appreciated (partly: statements are considered intensely);
- it is beneficial that the SDC may address issues that are difficult for the government (partly: council triggered a certain government decision regarding the SDS, e.g. the use of indicators);
- challenges and encourages government;
- raising awareness for SD has been achieved for the “interested” public (reaching a wider public mostly goes beyond the scope and capacity of a SDC);
- (unexpected) agreements of stakeholders are particularly welcomed (a prominent case occurred in Germany on coal policy);
- certain successful initiatives that also give new impulses for sectoral Ministries (examples from Germany and UK);
- professional work of the secretariat, good cooperation with the government.

SDCs' VIEW

Similar to the government, plus some highlights:

- Significant contributions to the preparation, implementation and review of the SDSs;
- Improved stakeholder dialogue and input to policy formation processes;
- Having kept SD on the agenda (particularly mentioned in Finland);
- Some particular advice are regarded as e.g. outstandingly integrative (e.g. UK on energy policy);
- Influencing ambitious target setting (Germany e.g. conditional CO₂-reduction target, limiting land use for construction);
- Agenda setting and successful initiatives/stakeholder agreements in difficult policy fields (e.g. Germany: coal and land consumption; UK/Fin: sustainable production and consumption, including the recommendation that a separate panel should be established; Ireland: rural housing, carbon taxation; Sweden: Green Headline indicators included in Swedish Finance Plan, dialogues with business - construction, retail and transport sector -, resulting in voluntary agreements with government; Netherlands: putting sustainable tourism and North Sea on the agenda; Portugal: advice on hazardous waste);
- Initiatives and pilot projects for education (e.g. UK, Ireland, Germany, Sweden, the Netherlands);

- Innovative approaches and initiatives for communicating SD and creating ownership (besides organising conferences and similar events, which all councils do, e.g. Germany organising competitions in writing, advertisement and film for younger and elder people, initiating a talk-show series in the eve of the WSSD workshops with actors from art and culture on the relation of these ‘fields’ to SD);
- Pilot projects for fostering best practice and cooperating in their implementation (e.g. Germany: energy contracting for federal buildings, refurbishing of buildings with low energy standard, communication strategy for sustainable transport, info campaign on consumer choice, “fighting hunger with sustainable agriculture”; Sweden: a proposed centre for linking practitioners and researchers for ecological SD came into place);
- Organising (new) dialogue processes, increasing awareness and ownership in civil society (e.g. in Belgium a popularising website for SD under the auspices of the SD council has been developed; in Germany the council conducted a successful dialogue process “society and SD”; Netherlands: “RMNO Cafés” on different issues related to SD).

SUCCESS-FACTORS OF A SD COUNCIL

- Independence: no governmental members, or only as observers; council members should not represent their organisation but act as individual personality with the experience of their organisation as background;
- Try to develop an attitude of experimentation with open dialogue and enthusiasm (non-public meetings of the council, council members should participate as individual only; no voting, but consensus is aimed at);
- Avoid “theory-only” debates about dimensions of SD etc.; backfill debates by delivering “how to ...” recommendations;
- Engaging in overarching strategic discussions and underpin those with deeper looks into specific themes through working groups;
- Gaining acknowledgement of the government and the wider political community through quality of work, and getting to agreements between stakeholders; and this in turn supports the self-confidence of the council (and its members); also by long-term strategic thinking combined with ideas on short-term measures to be taken;
- Make sure that policy recommendations are delivered “au point” as windows of opportunity typically are small;
- Don’t do what other institutions (councils, think-tanks, government institutions) can do better;
- Strong chair and well-acknowledged personalities as council members; include members that have not been engaged in SD policies before (in corporatist settings: including academia is important);
- Reliable links into government (Finland only: PM chairing for political authority);

- Council linked to the PM (as the SDS preferably should): provides for more authority, attention and feed-back to the council; non-biased perception of the council (rather than being linked to one Ministry); it has the explicit and implicit freedom for discussion with any party;
- Provide budget for communication efforts;
- In some cases important: Getting involved in early phases of policy making or programming, rather than commenting on a decision that was already taken or a legal proposal that has already been produced;
- Link national views to global views; avoid a purely national perspective.

B Themes and scope: the momentum of SDS

The situation of a country in terms of economy, environment (and to a lesser extent, if playing a role at all, the social system) influences the scope of the SDS, which ranges from a rather environment focus to covering all dimensions.

- Ireland's 1997 SDS focused on environmental integration in 8 economic sectors. The 2002 update put a bit more emphasis on social policies, but a focus on the environment economy link remains (and the SDS is perceived as environmental policy).
- Finland and Sweden have been forerunners in ecological sustainability, and are moving towards an overarching approach, with Sweden having just revised their SDS in this respect (Finland is considering this for 2005).
- Portugal's earlier attempts were partly perceived as environmental biased; the new draft 2004 is clearly overarching.
- The Netherlands have not undertaken their own prioritization, but used the "WEHAB" themes³⁷, and added trade and CSR.
- Belgium, Germany and the UK have comprehensive strategies, with Belgium using the EU SDS priority fields (Commission's proposal May 2001).

Focusing on environmental integration was typical for the earlier stages of SD policies, and also reflects that environmental integration is a prerequisite for SD³⁸. In some cases it is because core environmental problems still need to be tackled (e.g. waste management in Ireland, sewage system in Hungary). Other countries though have moved towards an overarching approach, even if they do not rank very high in environmental performance (e.g. Portugal, Belgium).

In most cases discussion has moved to realising key dilemmas and challenges for SD: decoupling of economic growth from resource use, and hence the question of sustainable consumption and production (besides possibilities for technology advancement), and of the quality of growth.

Also already indicated above, and addressed in chapter D.2, problems difficult to tackle may have a structural cause that goes beyond what a SD strategy can tackle, e.g.:

- income of local municipalities in Portugal (mainly derives from building taxes, which leads to issuance of building permits by local authorities/city councils to an extent way beyond being sustainable, and causes urban sprawl);
- deficient land use planning system in Ireland (full competence of local authorities without control of the regional level) leads to zoning in non-desired way.

³⁷ *Water, Energy, Health, Agriculture, Biodiversity (selection made at the WSSD 2002).*

³⁸ *As it is also expressed in Art. 6 TEC.*

A SDS might, and should, identify such structural problems and try to develop new approaches.

In addition to the typical policy fields (cf. ch. D.3), national SDSs prioritise different issues due to their specific situation. The variety of issues covered by programs, targets and indicators shows the momentum of SDSs for keeping things moving.

An analysis of the national objectives and targets, and indicators related to them, is needed. A sound comparison would be useful, because different sets of issues covered by SD strategies are likely to disclose different overall concepts for SD policy as such. While environmental issues are clearly in the centre of SD strategies (and it is understood that they have been a major driving force for the SD process), it seems that there are some wide options for issues such as demographic change and the competitiveness of sustainable growth. At the time it is not yet fully understood how the quantity of issues translates into the quality of national SD policies. It is strongly recommended that in-depth research of this matter should be conducted as a follow-up of this study.

C Considerations and impacts of the EU SDS

1 CONSIDERATIONS AND IMPACTS OF THE EU SDS

Overall, and quite disillusioning, the EU SDS has so far not played a role, or only a marginal one, in any country besides Belgium (and partly Portugal and Sweden). In the same way the EU SDS has not considered national SD strategies: only at the beginning of 2004 the Commission conducted a brief survey, and intends to improve the linkage to national strategies when reviewing the EU one.

- Belgium has used the EU SDS priority fields for its new SDS (2004), mainly for political reasons (“handy”, anything externally is easier to agree upon in Belgium); the SD council also gave advice on the EU SDS review.
- Portugal considered it in its preparation for the draft SDS 2004 (third attempt for a SDS).
- The country of the Gothenburg summit considers its national SDS as a complement to the EU SDS, and the country wants to maintain its high profile in SD policies. The 2002 SDS does not refer explicitly to the EU SDS, but it was supposedly reflected as much as possible when drafting the eight core areas. The Swedish SDS is considered as taking a broader approach and going further than the EU SDS. The 2004 revised SDS lists the four priority fields of the EU SDS without comment, whereas the WSSD outcomes are considered as a basis, *inter alia*, for the national strategy.
- Ireland has used the 6th EAP, mainly because of the focus of its SDS on environmental integration.

In many cases it is obvious that the EU SDS could not be considered, because the national SDSs were prepared earlier (cf. Table 1: Belgium, Finland, Ireland, UK), but neither the ones later prepared (Germany, Portugal, The Netherlands, Sweden), nor the ones that have seen a review after Gothenburg (Germany, Finland, Ireland, Sweden, UK) considered or deliberated on the EU SDS. Finland is planning to look at it more intensely, when revising its SDS (which might happen in 2005), and is now also giving information on the EU SDS review. Reasons include a felt need to concentrate on national matters first, which applies to most countries (besides Belgium), and to a lesser extent that the EU SDS is not legally binding in contrast to environmental legislation. Attitudes towards the latter point seem to be somewhat mixed, and has been changing over time, with now the councils from Belgium, Germany, Ireland (cf. C.1 below) having given input to the EU SDS review.³⁹

But there are also, and may be dominant, soft factors influencing a general attitude towards Europe, which is then reflected in how programmatic policies and strategies are dealt with:

³⁹ *In general the UK, and for certain subjects also the Scandinavian countries seem to play a rather pro-active role at European level, whereas Portugal and also Germany appear rather reactive; Hungary has been busy with transposing the aquis communautaire, and is only now in a new situation.*

In general, Europe is mainly characterised as “far away” (besides: Belgium, and also less ‘far away’ in Hungary, Portugal, Ireland). EU policies are often perceived as alien, remote and abstract, and the decision-making processes as complicated, lacking transparency and/or democratic legitimacy. In cases when EU policies have overarching claims (e.g. Lisbon, Cardiff, EU SDS) it is often not trusted that those claims can be taken as real. In many countries it is stated that there is a cultural gap on the national side between civil servants responsible for EU matters (“coffee parties”, abstract “EU terminology”) and others. In some countries EU career prospects are perceived as unattractive: careers in public service are not advanced by “going Europe” (e.g. Germany, the Netherlands), whereas in other countries EU careers seem to be more fostered (e.g. UK).

Countries that did not yet have a national SDS by 2001 were triggered to prepare one by the commitment of the Gothenburg summit that all member states should prepare a SDS for the WSSD, and not by the fact that a EU SDS was endorsed.

Hence the EU is mainly not a driving force for national SD policies.

The Lisbon process is in general considered as more important than the EU SDS, which might partly be due to the current overall trend to focus on competitiveness, but there are also countries, which tend to ignore it (typically the bigger member states), whereas others consider themselves as forerunners (Finland, Sweden), which is also reflected in their high position in international ranking schemes⁴⁰.

2 SD COUNCILS: EUROPEAN AND INTERNATIONAL DIMENSION

The councils’ attitudes vis-à-vis the EU SDS are mainly congruent with those of their countries: Only the Belgian FRDO-CFDD, and partly the Portuguese CNADS have actively dealt with it. Nevertheless, on the councils’ side there is more awareness for the need of better linkage, which is also reflected in the activities of the councils in the SD working group of EEAC, and not least in participation in and funding of this study. The working group gave input to the review of the EU SDS, and three councils did individually (Belgium, Germany, Ireland). Regarding the attitude towards the EU the councils are in a way a mirror of society: Individual council members and/or the secretariat might raise awareness, whereas the majority of council members tend to have a reserved or reactive attitude as described above. In this way national SD councils may help in improving the linkages of national and the EU SDS in the future. So far this has to be considered as only at the very starting point of a learning process.

Councils also tend to face a statutory problem: It is their remit to give advice on national matters to their national governments, and though the influence of European policies (and strategies) is acknowledged also by governments (which are typically in favour of their councils’ European activities), in daily work under constant capacity constraints, such activities nevertheless tend

40 e.g. World Economic Forum (2004).

to fall under the table. One solution could be that the statutory remit of the councils should be extended.⁴¹

The councils are often more triggered by the international/UN dimension (Finland, Ireland, Sweden, also: Belgium, partly Germany and Portugal), and have been active in the WSSD (Belgium, Germany, Sweden; partly: UK, Portugal).

3 LISBON PROCESS: PREPARATION OF THE SPRING SUMMITS

The coordination of the Spring Summit is a good example of how the inclusion of the European dimension in national policies is organised on the government side, how national governments consider the EU SDS related to the Lisbon process, which is typically reflected in whether the Ministry of Environment is involved in the Spring Summit preparation or not, and whether there is a link to the national SDS.

The first point reveals in part the transition process of European integration: Originally the Ministries of Foreign Affairs (MinFA) have coordinated all EU affairs, but now the sectoral Ministries tend to deal with the European dimension of their individual policy fields. For overarching issues like the Lisbon process though the MinFAs often have maintained a certain coordination function, more or less in cooperation or shared competence with the PM office. Sole responsibility of the MinFA can be found in Finland (with approval of a Parliamentary Committee), Hungary, the Netherlands, Portugal, and UK; coordination by the PM office is done in Ireland, Sweden, and mixed responsibility exists in Germany (Ministry for Economic Affairs, MinFA, PM office). In Belgium there is a special committee of Director Generals, and inter-cabinet working groups coordinating the input of the eight Ministries involved.

The Ministries of Environment are in all cases involved in the government internal consultation and opinion forming for the Spring Summit.

The link to the national SDS is in all cases weak to non-existent: In the Ministries for Environment there are often two separate units, one for international and EU policy, and one for strategies including the SDS, and another unit might exist in the Ministry of Foreign Affairs. This applies mainly in the bigger member states and/or bigger Ministries (Germany, UK, the Netherlands).

No SD council besides the Belgian FRDO-CFDD has so far individually dealt with the Lisbon process.⁴²

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

In each country, the study asked which policy fields prompt people to favour EU activity (called 'upstream action') and which EU policy (planned or existing) has negative impacts on national policies in the framework of SD (called 'downstream impact'). As there is an overlap of what could and should be

⁴¹ The only council that has implemented this solution in a recent restructuring phase is the Flemish Miniraad, who is now obliged to deal with European policies to a certain extent (10%).

⁴² The EEAC Working Group SD though gave input to a hearing, organised by the European Economic and Social Committee (EESC) in September 2004.

tackled on EU and/or international level, the “upstream” category does not necessarily exclude national action, though in tendency it means that progressing nationally is more difficult, and/or additional EU action would be desired or required.

UPSTREAM ACTION - POLICY FIELDS FOR WHICH EU ACTIVITY IS DESIRED OR REQUIRED⁴³

CLIMATE CHANGE / ENERGY:

- set decoupling targets for different sectors (B);
- energy policy particularly to be combined with technology advancement, research/innovation technologies for CO₂-free electricity production, and also e.g. fuel cells, hydrogen (D);
- energy tax and fuels: kerosin, diesel (NL), carbon tax (IRE);
- targets for energy efficiency and renewables (S);
- inter alia promoting renewable energy with European funds (UK);
- policy commitments for post 2012 (D, P, S, UK);
- unspecified: Fin, Hun.

RESEARCH & DEVELOPMENT:

- Spend more for R&D, e.g. on biofuels (B, Fin: “follow the good example of Finland, spend more on R&D instead of CAP”; P and UK: unspecified demand for increased funding);
- the 7th Research Framework Program needs to include the possibility for pilot projects in SD (D);
- environmental innovation (cf. also environment priority for the Dutch Presidency), with increased funds for research and development;
- environmental technology: ETAP (Environmental Technology Action Plan) is important, - most technologies should be ‘environmentally adjusted’ (S);
- not mentioned in: Ire, Hun.

TRANSPORT:

- to tackle mobility problems, taxation would be needed (though it is assessed as unrealistic that an agreement can be found on EU level) (B);
- more funding should be invested in rail transport (D, Fin, P), particularly to shift freight (D), and sea-waterways (Fin);
- measures regarding aviation (emissions) and transport in general (UK);
- not mentioned in: Ire, NL, S.

CAP, BIODIVERSITY AND FISHERIES

- If the Common Agriculture Policy is mentioned, the policy developments receive credit, but more needs to be done (Fin, Hun, NL, S); P assesses the current CAP as satisfactory, more needs to be done domestically (incl. rural multi-functionality and tourism); UK also includes fisheries, and asks for labelling of eco-food; Belgium asks for including SD criteria

⁴³ In the order of importance, measured by the number of countries mentioning and emphasis given.

2002, with the exception of “transition” processes and long-term environmental agreements with industry as continuing policies from previous government(s). In earlier times EU targets (and policies) were considered rather as the lowest common denominator and the Netherlands was more ambitious. Nowadays things have changed, and environmental policy makers express that they are glad about EU targets, because without them the national targets would not only have been lowered to that level, but would supposedly have been removed. Emission trading and the EU objectives for renewables were mentioned as particularly positive examples. Sweden has played a strong role in EU environmental/integration policies that are important for the country, e.g. chemicals policy. The EU SDS plays a role, but other international goals and commitments seem to be more important.

The UK has a long-term CO₂-reduction target, but do not bind it to one on EU level. The attitude towards EU policies seems to have developed to a proactive, particularly in the environment field, but this does not apply in general.

5 CONCLUSIONS

The low degree of consideration of the EU SDS for national SD strategies and policies is sobering, but also understandable from the member states point of view: They have so far felt that they need to find out for themselves what SD might mean - in general and for the country. It reflects a ‘learning’ attitude that should be welcomed, and is expected to provide for ownership. Interestingly, work from international organisations like the OECD, and even the UN CSD, is considered rather than the EU SDS. This could on the one hand mean that the EU is predominantly perceived as a legislator, and the open method of coordination has not reached the hearts of the member states (which seems to apply also the other way round). On the other hand EU Green Books or White Books (e.g. on governance, which is similarly a ‘fuzzy’ issue) sometimes get more attention than the EU SDS. Maybe it is its hermaphrodite position between a programmatic strategy document and aiming at concrete policy that makes it more difficult to deal with. Because of its low degree of integration with other policies the EU SDS tends to be perceived as a ‘stand-alone’ issue, which hence does not encourage national SDSs and actors. It is not perceived as a policy driver within the Commission, as officials are not committed to it. Member states are hence not triggered to consider it. In contrast to shifts in attitudes in the member states towards more ‘learning’, the Agenda 21 approach of capacity building, ownership and civil society engagement on all levels is forgotten at the European level.

Most likely though the stronger variables are both the overall attitude towards the EU: If reserved, then EU legislation is a must and the rest gets neglected; if positive, and having a positive impact for the country, then the totality gets attention.

Anyway, after a phase of national self-orientation it is now acknowledged

Finland struggles with the (current) burden sharing agreements, and Sweden is concerned about EU chemicals policy, whereas in Ireland CAP causes constraints (as well as benefits).

Portugal in general finds that EU policies do not sufficiently consider and include the specific situation of the country (Southern European countries); this particularly applies to CAP, rural development and nature protection policies. CFP is damaging biodiversity and does not acknowledge non-fishing reserves (a similar problem was faced in Sweden).

CONDITIONAL TARGETS OR IMPLEMENTATION

In Belgium the implementation of an energy/CO₂-tax is linked with an agreement at EU level.

Germany established a CO₂ reduction target for the year 2020 (-40%), whose implementation it makes dependent upon the setting of an EU target of -30%. Conversely, the EU target of 20% share of biofuels by 2020 raised a discussion, whether this should be just adopted or whether a more ambitious target should be set.⁴⁵

In other countries there are no conditional targets or implementation.

OVERALL OUTLOOK

Belgium takes EU legislation rather seriously and governments have been committed to transpose all Directives into national law.⁴⁶ The government also strives to influence EU policies towards SD in some fields, with some focus on the international trade dimension, and has exerted an influence on the EU SDS itself.

Germany: Although the EU (SDS) has so far not yet played a role for national SD policies it has meanwhile been realised as important including the need to be improved: particularly as national targets will increasingly be conditional upon EU targets (like the German CO₂-reduction target for 2020). In Finland there tends to be a reservation against targets, and particularly against ones set by the EU, because of the conviction that targets need to be developed bottom-up. It also reveals a bit the tragedy of the forerunner: Being used to this, and being in top positions in international ranking, makes it almost unimaginable that an EU target cannot be met (which is more or less the case with the burden sharing agreement). The level of desired upstream actions is relatively low, and reflects the rather reserved attitude towards the EU.

In Hungary the EU has been the driving force for progress in environmental policy, which also applies to Ireland and Portugal. The EU SD agenda is expected to play a stronger role after accession. Overall in Portugal it is said the country is still trying to find its way ('inside vision'), and tends to take 'everything' that comes from Europe.

The Netherlands as a forerunner in environmental policies, including a system for greening taxation, was also a driving force in the EU environmental integration agenda. This role has changed since a new government in

⁴⁵ Green Paper Towards a European Strategy for the Security of Energy Supply (COM(2000) 769 final).

⁴⁶ This does not automatically mean implementation.

2002, with the exception of “transition” processes and long-term environmental agreements with industry as continuing policies from previous government(s). In earlier times EU targets (and policies) were considered rather as the lowest common denominator and the Netherlands was more ambitious. Nowadays things have changed, and environmental policy makers express that they are glad about EU targets, because without them the national targets would not only have been lowered to that level, but would supposedly have been removed. Emission trading and the EU objectives for renewables were mentioned as particularly positive examples. Sweden has played a strong role in EU environmental/integration policies that are important for the country, e.g. chemicals policy. The EU SDS plays a role, but other international goals and commitments seem to be more important.

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Anyway, after a phase of national self-orientation it is now acknowledged

that the national SDSs have to be better linked to the EU strategy. Also, the requests for actions in key policy fields reflect that national manoeuvring space is small. The highlights here clearly are climate change and energy policy, transport, and the overall demand for more EU funding in Research&Development. The 7th Research Framework Program is or should be hence a target for putting innovation in the framework of SD. Also the conditional targets, as started in Belgium and Germany, might be an interesting instrument for other countries to better link the national and the EU dimension.

The other way round it is less understandable why the EU SDS did not consider national SDSs when it was developed in 2001. For the review 2004 the Commission conducted a survey of national SDSs, which falls a bit short in its degree of verification.⁴⁷ How these insights will find their way into the reviewed EU SDS remains to be seen.

D National SD strategies: Successes and shortcomings

1 ACHIEVEMENTS OF THE SD STRATEGIES AND THE (SD) COUNCILS

GENERAL AND GOVERNANCE

Overall, the SD strategies are not considered as having been the driving force for policy advancements, but having one “helps”: to take action (Belgium), as a reference point to improve sectoral policies (Germany), to keep the issue on the agenda for a long time (Finland), to move towards a more overarching approach (Sweden), to increase policy coherence (UK). In Finland, Ireland and the Netherlands (and partly Belgium) the SDS is to the largest extent (in comparison) a compilation of policies that are going on anyway, with Belgium and Finland having advanced more in an overarching approach.

Preparing a SDS and both providing or improving the governance framework (coordination within government, stakeholder involvement), and reflecting on policy priorities and the long-term perspective are successes in themselves in Hungary and Portugal.

In most countries, particularly emphasised in Belgium, Ireland and UK, the SDS receives credits for having *increased an understanding* of the concept in the consciousness of decision-makers and other actors, and has created a common language.

The *inter-ministerial coordination* is assessed positively in all countries that already have a SDS, and hence apparently some coordination mechanism in place (Belgium, Germany, Finland, Ireland, Sweden and UK), and as deficient in the Netherlands, Hungary and Portugal. At the same time in all cases it is regarded as difficult to get other Ministries committed: In UK some progress has been made with the instrument of departmental SD strategies (but only some have followed this so far), and new public bodies have to include SD in their statutes and activities. In Belgium the SDS has increased willingness to discuss, and the new composition of the inter-departmental committee might improve commitments. In Germany the lead responsibility of the chancellery, and also the reporting system, is clearly considered as the key success factor for this aspect, and both Sweden and Portugal in the same way decided for this mechanism. Also in Finland that PM overall responsibility for SD policies is assessed positively because of increased visibility and political authority.

Regarding the ‘planning’ and ‘learning’ attitude the conclusion seems to be fairly simple: the most preferable way lies somewhere in the middle, depending on the culture of each country. A powerful example is Finland, which considers its strong bottom-up approach with emphasising ownership as very successful, but is meanwhile also of the opinion that creating a better architecture of objectives and setting quantitative targets would now be useful. At the other end, Portugal and Hungary probably have the most top-down approach, and are also rather weak in stakeholder consultation. Germany saw an eight-year phase of (parliamentary) debate, which mainly covered theoretic thinking on concepts and approaches. The federal govern-

ment is now trying to introduce a more action-based attitude and the SD council has asked for SD to be made more concrete with many more pilot projects. Setting national targets was also expressed as rather difficult (or: more difficult than elsewhere) in Belgium, Ireland, and nowadays also in the Netherlands. UK on the other hand is the country with the longest experience with an objective-indicator/headline-indicator approach and has reported progress several times. Germany has followed this path (first experience to come later in 2004), and Sweden so far has a solid system of environmental and health objectives and for health (link to indicators not fully finalised). Voices saying that the SDS process has been too bureaucratic might be an indicator for having become a bit too state-centred (at least relative to usual practice in the country).

Particular failures in the sphere of *governance* cannot be stated, but not surprisingly things move fairly slowly as in public administration and political culture in general, unless a (new) government is significantly committed and takes serious measures for this aspect of SD policies. Hungary is most lagging behind, with no perceivable progress towards the second round of commitment to prepare a SDS by 2004, which is now again postponed until 2005/06.⁴⁸

Belgium considers its achievements regarding an institutional framework and public participation as successful, whereas the results in (inter)sectoral policies, and e.g. the use of economic instruments, is rather weak.

In Germany successes of the SDS are the establishment of a monitoring system, the initiation of pilot SD-projects that are more visible and the inclusion of non-environmental issues such as demographic change in the agenda.

Ireland considers the establishment of an “environmental network” of government departments as success for greater coherence and better integration of environmental considerations into sectoral policies such as energy, agriculture and marine. Similarly, in Finland better environmental integration is regarded as a success of the SDS, as well as the approach that stakeholder groups were asked to prepare their own SD strategies parallel to the government SDS process, which has led to better/accelerated strategic thinking on SD. Also in Sweden the bottom-up approach of fostering Local Agenda 21, and the political commitment of the PM are successes of the early phases, which have more or less continued over time; they are though not based on the SDS.

POLICY FIELDS

Successes in policy fields that are based on the SDS are so far found mainly in the UK and include: influence on the Energy White Paper (with an underlying approach based explicitly on SD, including CO₂ reduction); the government’s framework for sustainable production and consumption and the sustainable food and farming strategy (food and rural policies now in one Ministry together with environment) and moving in the most sustainable way

⁴⁸ In 2002 also Portugal failed, but produced a new draft in July 2004, which was meant to be adopted end of that year. This is now postponed to spring 2005 (partly due to changes in government in 2004).

under CAP. Not that the SDS has led directly to these policy changes, but it has created a climate of opinion in government, which has enabled them to happen.

This also applies to Ireland, where first steps have been undertaken in “greening” of fiscal instruments and amended legislation for planning and development was introduced, which requires planning authorities to take account of SD in the elaboration of development plans and control decisions. In Finland and Sweden earlier policies for environmental/ecological sustainability have been successful: Finland: e.g. increased eco-efficiency. Sweden has made significant progress in decoupling, has a long-term CO₂-target and 15 environmental quality objectives (more recently also health objectives), and has included key ecological indicators in the Finance Plan.

The Netherlands have started an interesting program for environmental integration, called “transition processes” (for energy, agriculture, transport, biodiversity), which is though not rooted in a SDS but in its National Environment Plan (NEP).⁴⁹

On the implementation side it is often mentioned that the budget implications/required shifts in budgets are not tackled seriously. In the UK there have been two attempts to include SD criteria in the periodic reviews of departmental spending plans, with ambiguous results: the attempts were made, but the reports and their outcomes remain unknown. In the same way taxation for more sustainable transport has ceased again, and it is uncertain whether the “sustainable communities” strategy will be environmentally sustainable in its implementation.

SD COUNCILS

SD councils in general have supported and fostered the governance dimensions of SD processes. They have been drivers for better government coordination and stakeholder participation (e.g. Germany, Belgium, Finland, Ireland, partly Portugal, partly UK for vertical coordination), agenda and/or target setting (e.g. Germany, UK, Sweden) and sometimes achieved unexpected agreements among stakeholders. A prominent example is an agreement on coal policies in Germany (partly similar in Ireland on carbon taxation and rural housing, as well as an agreement on “principles for SD”). The German SDC also caught attention for a recommendation on land consumption and successfully conducted a dialogue process on sustainability and society; these two elements will be included in the SDS review, which is also the first time that a federal government policy paper takes up civil society contributions. The Finnish SDC emphasises that its existence has provided continuity in keeping SD on the government agenda for a long time, and that a SD approach has started to become part of “every day life”. The Swedish MVB and the Dutch RMNO have been successful in bridging the gap between science and government/practitioners; the MVB also conducted dialogue with business that resulted in voluntary agreement with government in three business sectors.

⁴⁹ It is questioned whether the Dutch SD “Action Plan” is a SDS: Some consider the NEP as SDS, some find the Action Plan as not strategic enough (cf. also Introduction, “strategy” or “plan”).

The UK SDC regards its engagement with food and farming policy as successful, and its influence on energy policy (see above). And it has put sustainable consumption on the policy agenda, and is now jointly running a round table to develop more specific proposals (similarly in Finland where a new commission was established). The same issue was the subject of a successful recommendation of the German SDC.

The Belgian SDC, as for the country as whole, regards its achievements in the (internal and domestic) governance dimension as most important.

Highlights in policy fields are an advice on fiscal instruments for climate change, and its contribution to the 2nd SDS 2004.

Acknowledged advice of the Portuguese SDC on hazardous waste, GMOs and the ratification of the Aarhus Convention might find its way into the draft SDS.

2 WHERE TO MOVE TO?

The overall picture reveals that the governance dimension is of utmost importance for SD processes. In all countries there are improvement potentials in the relevant aspects of governance, and also in policy fields.

Nevertheless, some patterns can be identified, which depend on the starting point of an individual country and which aspects have so far been focused on. This might mean e.g. filling in gaps (in content), shift the focus from architecture to action or vice versa, revising priority fields and/or introduce a systematic monitoring system, incl. agreeing on objectives and targets, moving towards a balance of 'planning' and 'learning'. Table 7 highlights the key aspects, some of which are complementary, often along the lines leadership - ownership and top-down - bottom-up, as introduced further above⁵⁰:

- 1 and 2 Focusing on policy coherence (typically with a top-down approach) tends to lead to a well designed architecture of the strategy, but might fall short in linking the strategy with actions, i.e. making SD more concrete (e.g. Germany; mixed: Belgium); whereas a focus on actions might be caused by a strong bottom-up approach (e.g. Finland), or by deficient priority setting and/or only compiling existing policies (e.g. Netherlands, partly Ireland).
- 3 A top-down approach might have achieved a systematic review process with objectives and targets in place and measuring progress with indicators (UK, Germany); deficient review processes might be caused by a focus on bottom-up (e.g. Finland, also so far reservations against targets) or political/administrative reasons (e.g. Belgium, Ireland, Netherlands). Selecting priority fields, and mainly their revision is in most cases not transparent. Also target setting is a challenge in most countries: In Germany quantitative targets were agreed in the SDS, in UK and Sweden they stem from previous or sectoral policies (with Sweden strong environmental quality objectives are in place, with such a process, but mainly not in other fields). Finland and Sweden have indicators, but they are not or only partly used.

⁵⁰ Hungary is not included in this Table, as it has not yet started a SDS process.

- 4 A strong bottom-up approach in tendency is correlated with a rather weak architecture, and the other way round. All countries besides Finland and Sweden could improve this, with Belgium, Ireland and UK having already put more efforts in this aspect than the others. The Netherlands and Portugal, followed by Ireland and Sweden could improve ways of stakeholder consultation; Germany has shown the most innovative and wide-spread approach (incl. all media), followed by UK and Belgium. Acknowledgement and ownership of the SDS as overarching strategy should be improved in the Netherlands and Portugal, followed by Sweden and Ireland.
- 5 Horizontal coordination may be improved in all countries, but seems to be a particular challenge in Portugal and the Netherlands (partly UK). A similar picture applies to the challenge of getting concerned Ministries committed, an aspect in which Germany and Sweden seem to have made most progress (and partly UK).
- 6 Vertical coordination is most focused on in Finland and Sweden (correlating with a strong bottom-up approach), but also in the UK (devolved governments) and Belgium (federal situation and division of competences between the levels as key challenge).
- 7 The EU (SDS) is only explicitly considered in Belgium, and to a lesser extent in Sweden, Portugal and Ireland, and is hence most deficient in the other countries.

Table 7: Main improvement potentials for national SD strategies (in nine EU countries)

| IMPROVEMENT POTENTIALS FOR: | B | D | FIN | IRE | NL | P | S | UK |
|---|----|----|-----|-----|----|----|----|----|
| 1 Policy / SDS coherence | ○ | ○ | ●● | ●● | ●● | ? | ○ | ○ |
| 2 Architecture of SDS, relation to actions | | | | | | | | |
| Move from actions to strategy/improve architecture | ● | | ●● | ●● | ●● | ? | | |
| ↔ | | | | | | | | |
| Make SD more concrete | ● | ●● | | ● | | ? | | |
| 3 Monitoring and review process | | | | | | | | |
| - improve selecting priority fields and overall systematic approach | ● | ● | ●● | ●● | ●● | ● | ● | |
| - measure progress with indicators | ●● | | ● | ●● | ●● | ? | ●● | |
| - agree on targets | ●● | | ●● | ●● | ●● | ? | ● | |
| 4 Improve bottom-up approach | ● | ●● | | ● | ●● | ●● | | ● |
| - Increase ownership | | | | ● | ●● | ●● | ● | |
| - Improve way of stakeholder consultation | ○ | ○ | ○ | ○ | ●● | ●● | ● | ○ |
| 5 Horizontal coordination | ○ | ○ | ○ | ○ | ●● | ●● | ○ | ● |
| Getting Ministries committed | ●● | ● | ●● | ●● | ●● | ●● | ● | ● |
| 6 Vertical coordination (national) | ● | ●● | | ●● | ●● | ●● | | ● |
| 7 EU (SDS) link | | ●● | ●● | ● | ●● | ● | ● | ●● |

●● Applies strongly ● Applies to a lesser extent ○ Applies in general, no particular deficiency
 ? Indications that the feature might apply (Portugal: only draft SDS so far, actions and measures will be developed in a "Plan of Implementation")

3 MOST DIFFICULT POLICY FIELDS

Those policy fields for which EU activity is desired or identified as necessary are typically also ones domestically difficult to make progress in. Sometimes though policy fields that are solely or mainly a domestic problem, or to be tackled domestically, rank similarly high in the ‘degree of difficulty’ as the others: This tends to apply to countries where there is still a lot to do in more classical environment policy fields like waste management (Finland, Ireland, Hungary), water quality (Ireland, the Netherlands, Sweden with an ambitious objective for zero-eutrophication), water management, soil erosion and desertification (Portugal), or air quality (Ireland). This also applies to planning, land use and housing (Finland, Hungary, Ireland, Portugal, the Netherlands; ambitious objective: Germany) and meta-issues like education (Hungary, Portugal; with high ambitions: UK).

Literally all countries regard the following fields as most difficult to make progress in:

- Climate change / energy,
- Mobility / transport,
- Sustainable production and consumption,

the last has so far been tackled under the aim of decoupling in the Netherlands, Sweden and Germany.

For Hungary, Ireland, the Netherlands and Portugal also agriculture ranges high in this assessment, whereas for Sweden sustainable forestry is a difficult challenge. Sweden also includes the goal of a non-toxic environment in the list of thorny fields.

Belgium and Finland stress the future of the social component as difficult to tackle, with Finland questioning how the Nordic welfare state may be maintained with an ageing population.

Table 8 provides an overview of those policy fields that are stated as most difficult to make progress in.

Table 8: Main policy fields most difficult to make progress in (nine EU countries): assessment of the countries

| | B | D | FIN | HUN | IRE | NL | P | S | UK |
|--|---|---|-----|-----|-----|----|---|---|----|
| Energy/climate change | ● | ● | ● | ● | ● | ● | ● | ● | ● |
| Mobility/transport | ● | ● | ● | ● | ● | ● | ○ | ○ | ● |
| Sustainable production and consumption | ● | ● | ● | ● | ○ | ○ | ● | ○ | ● |
| Land use and housing | | ◆ | ● | ● | ● | ● | ● | | |
| Agriculture | | | | ● | ● | ● | ● | | |
| Waste Management | | | ● | ● | ● | ○ | | | |
| Water Quality | | | | | ● | ● | | ◆ | |
| Education | | ● | | ● | | | ● | | ◆ |
| Welfare state/aging population | ● | ○ | ● | | | | | | |

● Applies ○ Partly/indirectly mentioned ◆ With an ambitious objective

4 NATIONAL SD STRATEGIES IN NINE COUNTRIES: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges of national SD strategies in each country are assessed in a summarised way as follows.

- +** achievement
- (+)** partial achievement
- +/(◆)** mixed: achievement and challenge
- (◆)** partial challenge
- ◆** challenge

BELGIUM

- +** Comprehensive strategy; environment is a bit limited (at least on the measures side) because of limited federal competence;
- +** The EU SDS plays a strong role;
- +** Stakeholder consultation is taken seriously;
- +/(◆)** SDS as a ‘living document’ with clear priority fields and strategic approach, but underpinning objectives are missing or a bit arbitrary. Moving towards a national (vs. federal) SDS will be a challenge;
- +/(◆)** Getting all concerned departments committed is still a challenge, but the institutional setting has beneficial potentials. Lead responsibility is again given to a State Secretary for SD, now attached to a powerful Vice-Prime Minister;
- +/(◆)** There was no systematic review of the first SDS yet (but a second SDS was developed), which is partly due to its reputation as being a “wish-list” and some problems with time frames; it might be worthwhile to reconsider the review terms and mechanisms;
- (+)/(◆)** Overall, the emphasis in Belgium seems, due to the complex institutional context, to lie a bit too heavily on the procedural component, and substance gets lost a bit;
- ◆** Agreeing on more clear, and quantitative objectives and (key-) indicators will be a challenge.

GERMANY

- +** Commitment of the PM (chancellor), lead responsibility, steering and coordination by the chancellery (PM office), with a green cabinet as horizontal coordination mechanism; this role is considered as a key success factor, which has supported sticking to targets and supported the commitment of other Ministries;
- +/(◆)** SDS as a ‘living document’ with priority fields and a comprehensive approach, and (partly quantitative) underpinning objectives; though it is also criticised for lack of vision and strategic approach, lack of link to other overarching government program(s), and for being not ambitious enough;

- +/(◆) The mid-term review of the SDS was not entirely systematic: some previously announced priorities were left out with no reference or explanation, the previous priority fields lack measures of progress and future measures are unclear;
- +/(◆) Stakeholder consultation is now taken seriously, and the SD council plays a key role in experimenting with new forms of increasing involvement of society;
- (+)/(◆) So far poor vertical coordination: will have to be improved, if only because of certain objectives that can only be reached with strong commitment and cooperation of the Laender and local level; LA 21 initiatives still play a role, and may become a valuable partner;
- (◆) So far poor link to EU policies and the EU SDS (recently improving); there are also coordination deficits in this respect.

FINLAND

- + Strong background in environmental sustainability: ranging on top of the Environmental Sustainability Index (2002);
- + PM chairing the SD council gives political weight; continuity has been achieved
- +/(◆) Strong bottom-up approach: broad stakeholder commitment; though conflicts are not explicitly addressed; most success stories are found on the local level;
- +/(◆) Good cooperation of government departments; but getting all concerned departments committed remains a challenge;
- +/(◆) Links and coherence of all strategies and programmes in place seem deficient;
- (+)/(◆) Set of indicators in place, though no clear link to objectives of the SD strategy, which also lacks quantitative targets (envisioned now for 2005).

HUNGARY

- +/(◆) PM office committed to participating in the SD process, which still has to be designed.
- (+)/(◆) Horizontal integration and policy coherence needs to be improved.
- (+)/(◆) Stakeholder consultation and involvement has to be improved. Establishment and development of the stakeholder council OKT is positive.
- ◆ Challenge of strategic directions for prioritization and actions still has to be met.
- ◆ Vertical coordination/integration needs to be taken into account from the beginning.
- ◆ All actors still need to be encouraged to take their own initiatives; better coordination of NGOs and more involvement in national policy making would be desirable.
- ◆ Preparing a SDS is again postponed (until 2005/06).

IRELAND

- + The SDS put issues on the agenda that had not been there before, and addressed others differently than before; some progress has been made in key policies like the National Development Plan;
- +/(◆) Ireland seems to take seriously the need to tackle the backlog of environmental problems; the state of environment at the same time reveals that environmental policy was neglected during the 1990s; there are still challenges in pollution reduction and prevention;
- +/(◆) References to the EU SDS are not “linked” enough; national coordination mechanisms are favourable for a better linkage;
- +/(◆) Stakeholder consultation has faced the challenge of opening up towards interest groups that were not part of previous corporatist arrangements; though wider consultation is now taken rather seriously, the traditionally strong groups still prevail; the SD council has played an increasing role in giving advice from an overall stakeholders point of view;
- +/◆ The SDS is still focusing on environmental integration, which is crucial for the country and hence so far appropriate; getting other departments committed though will remain a challenge and joined-up thinking is still lacking; the concept of SD in this situation might face the problem of remaining environmentally biased; the lead of the Ministry of Environment will have to be reflected upon, at least when the SD agenda is moving towards a more overarching stage;
- (+)/◆ Vertical coordination is meeting challenges, particularly facing the somehow weakly co-ordinated and controlled planning system for land use and economic development;
- ◆ Lack of (quantitative) targets and systematic monitoring for the SDS.

THE NETHERLANDS

- + Early achievements in environmental policy;
- + Individual front-running companies: most bigger companies are engaged in CSR;
- +/◆ Strong background in environment integration: transition processes are a promising approach, which currently in a phase of experimenting and establishing innovative projects; so far little influence internally on the policies of the MinE, and the link to the SD(S) is very weak; there is hence the danger that it remains just a project;
- (+)/◆ If SD is acknowledged as a concept at all, it is perceived as a learning process, but leadership and a strategic approach are missing; the MinE with overall responsibility for the national part doesn't seem to be a driving force; the PM is not interested; some Ministries are (partly) committed for transition, the Ministry of Foreign Affairs plays a strong role, but weakly linked to the national activities; Parliament doesn't create a momentum either;

- (+)/◆ Improving stakeholder involvement and consultation: a strong tradition of stakeholder involvement, but not well done for the SD(S), - partly also due to previous overload of consultation;
- (+)/◆ Fragmented approaches and coordination deficits, some improvement aimed at, but it doesn't appear as a breakthrough so far; oversight seems to be missing;
- ◆ SD(S) seems to be imposed and is largely seen as WSSD follow-up; hence there is no perceivable architecture, no strategic approach: it appears as muddling-through, - and even if this is at least partly a natural characteristic of a complex concept, tackling this complexity by vision and strategy, prioritisation, followed by means and objectives, linking with previous and ongoing policies etc., is missing;
- ◆ Agenda for SD(S) shall be "not static", but this attitude does not result in underpinning objectives; too much concentrating on action;
- ◆ A new government slowed down the SD agenda more; possibly a stakeholder institution (SD council) would have been able to provide for more continuity (the "National Institute for SD (NIDO)" has more an experimenting and facilitating function); also previously successful instruments in environmental policy were partly abandoned (taxation) or reduced (subsidies);
- ◆ The association of local authorities (VNG) has abandoned priority for SD since the beginning of 2004 (no overview of local activities incl. LA 21 was given; interview was refused).

PORTUGAL

- + Starting to move into the direction that SD(S) is a learning process (society and government): that an SDS is not a plan in the traditional sense (producing a plan which will be implemented), but needs both the strategic vision and direction, and a 'plan' part with decisions on actions, targets and resources;
- + PM office now leading;
- +/◆ Danger of overloading the SDS process with all the deficiencies of a country: on the NGO side there is a lot of frustration about this situation; for the government side the difficulty of dealing with complexity becomes apparent: the second part of the process stalled in the attempt to comprise all "plans" already existing;
- +/◆ Challenge of strategic directions for actions and prioritisation still has to be met; a start is made in the new draft SDS (2004);
- ◆ Vertical coordination/integration: Involvement of local communities has to be started;
- ◆ Stakeholder consultation and involvement has to be improved: Process has not been transparent; NGOs also lack support;
- ◆ All actors still need to be encouraged and have adequate conditions in order to take their own initiatives;
- ◆ Overall implementation deficit of government.

SWEDEN

- +** Strong background in ‘ecological sustainability’, now having successfully widened out;
- +** SDS as a ‘living document’ with at the same time strong underpinning objectives, so far in the environment field (also in place also for health);
- +** PM office now leading and meant to be the driving force, MoE with overall responsibility;
- +/(◆)** Get all concerned departments committed; as well as overall ownership for the SDS;
- +/◆** Further prioritising will be a challenge (for the coordination unit), inter alia as stakeholders tend to regard their own field as the most important;
- +/◆** Not losing the traditionally strong role of the local level in SD (Local Agenda 21); improve the link of national and local activities/strategies;
- +/◆** Get back to better stakeholder involvement and consultation;
- (◆)** Agreeing on (headline) indicators, and streamlining the ones used in different processes, will be a challenge.

UNITED KINGDOM

- +/(◆)** Comprehensive SDS with priority fields, but little evidence that they derive from SD considerations as such; they seem to have developed their ‘own lives’ over time and the relation to the SD(S) has become less clear;
- +/(◆)** Transparent system of headline indicators, regular and systematic monitoring against them, clear and comprehensible progress reports; quantitative targets depend on “Public Service Agreements”, which are more opaque and not reported on comprehensively;
- +/(◆)** Stakeholder consultation is taken seriously, and the SD council plays an important part in getting stakeholders as well as the local and regional levels involved; {Inge: why the (diamond) mark for this item?}
- +/(◆)** Vertical coordination has become a major issue in light of the devolved countries since 1999: the overall irritation/confusion about this situation causes significant challenges;
- (+)/(◆)** Leadership deficiencies, though not heavily discussed;
- (+)/◆** So far poor link to the EU SDS; there are also coordination deficits in this respect; regarding EU policies in contrast the UK has quite a pro-active approach.

III Conclusions and outlook

BALANCING THREE KEY GOVERNANCE DIMENSIONS

This study reveals again, not so surprisingly, that the governance dimension of SD policies is of utmost importance for several reasons:

- The need to improve policy coherence, coordination and integration, asks for new and innovative horizontal and vertical mechanism within government.
- The Agenda 21 approach, now implemented in e.g. the Aarhus convention, of capacity building, ownership and civil society engagement on all levels, has to be fostered.
- The variety of priority issues and objectives among member states' SD strategies is an asset, as it shows the variety of momentum. In order not to get lost in the sheer quantity of issues a more quality based exchange of experiences e.g. through a best practice approach would help.

Moving towards SD is a learning process, as is acknowledged in almost all examined countries, and it requires patience and stamina to live through some inevitable aspects of muddling-through. Nevertheless, there must be enough credibility and reliability:

Ideally, the complex SD processes with a holistic claim need to find a kind of balance between existing “poles” (extremes) in key governance dimensions.⁵¹ They need both leadership and ownership, both bottom-up and top-down, both firmness and flexibility, which could be translated as “planning” and “learning”. All of these have their own pitfalls: Ownership and bottom-up must not mean “anything goes”, without a vision and objectives for SD, broken down to concrete measures; emphasising bottom-up must not be an excuse for “business as usual” on the government side; flexibility and “learning” must not lead to arbitrariness, which would heavily undermine accountability. Each country has a different starting point on the line between these “poles”, and it is likely recommendable to move towards the other end of the spectrum during the future process.

National SD strategies should hence be based on a self-reflection and self-orientation in each country, preferably including the visions and streams of other levels. It might be a government initiative, which considers regional and local levels, stakeholders and civil society during the phase of problem definition, but it must be acknowledged that if only for internal ‘governance’ reasons this might not always be possible. If so, the dialogue with non-governmental actors needs to be sought immediately after a government draft is produced. Government might also encourage those levels to develop their own views in parallel. In any case the levels should be permeable, and which comes first depends on the country’s tradition.

MORE UNDERSTANDABLE ARCHITECTURE AND REVIEWING

The strategies should create a transparent architecture of vision, objectives,

⁵¹ This insight appears somehow obvious. Quite surprisingly though in philosophy it can almost only be found in the Chinese paradigm(s) (inter alia “yin and yang”).

and ideally also quantitative targets. If the latter is not possible for political reasons, or target setting is moved to individual Ministries, the SDS and its progress reports need to monitor this. Progress should be monitored with indicators. Agreeing on indicators often seems to be a challenge in itself, but should not be postponed. Reviews of SD strategies should be as transparent as possible: This study reveals that many reviews remain quite opaque even to an involved researcher - and it is rather obvious what this means to the general public. A systematic link between objectives and/or targets and indicators is in place in only a minority of countries. There are political reservations for such a clear approach, as the political day-to-day life rather likes flexibility, and committing to targets is rather difficult. Nevertheless, the utmost should be sought for.

NEW TYPE OF LEADERSHIP

SD policies also require leadership, and within this a new type: Leadership must stand firm for accountable objectives and at the same time be open to and/or encourage “bottom-up” initiatives. It should be acknowledged that governments may have to adjust objectives, but still the challenge is to maintain them, and monitor progress against them.

SD COUNCILS AS VALUABLE MECHANISMS

SD councils are well-acknowledged ‘watchdogs’ for the three aspects of governance/coordination, architecture and leadership, and the holistic view in general. If the monitoring system of the government is deficient, they typically raise their voice and make proposals. These councils are valuable breeding grounds for innovative approaches and solutions, deriving from independent stakeholder dialogue “among each other”. A government-led setting seems appropriate only in Scandinavian countries, where there is a traditionally close relationship between government and non-governmental actors. In other countries that chose this setting, it is rather likely that government does not want to let things get out of their hands, - wherever this attitude comes from. SD councils have contributed significantly to better communication of SD policies into society - through their members, who carry the debate and results into their organizations and through innovative actions in encouraging all kinds of societal groups for SD. Not surprisingly, the political authority of a council, and hence also its possibility to reach significant actors, appears to be greater if the council is linked to the “highest level”. Such bodies should be established and fostered in each member state with an independent and deliberative style, which seems to be the most productive one. Countries with a rather corporatist style, and hence a certain established power of trade unions and employers (often in an institutionalised setting) may face difficulties in the relationship between these traditional stakeholders and “other” civil society organizations. This also affects a (new) SD council, and hence needs to be addressed. In Belgium there are revealing experiences, which might be useful for other countries.

LESSONS TO LEARN AT THE EUROPEAN LEVEL

Some of the national insight may be extrapolated to the European Commission:

- The Commission's horizontal coordination needs are comparable to those of member states, but the Commission does not seem to search actively for such learning points. Because of a low degree of integration with other policies the EU SDS tends to be perceived as a 'stand-alone' issue, which does not encourage national SDSs. For member states such efforts are politically more difficult, because of e.g. the constitutional power of individual Ministers. Commissioners in contrast do not face such a (potential and real) political difficulty that originates in standing for elections.
- Leadership at the "highest" level has shown to be beneficial in member states, if a certain degree of dedication is given. Even if this is not the case in the first place, actors concerned have often been working continuously to achieve it.

Both regarding the coordination mechanisms and the leadership aspect, there is a lack of creativity and engagement to improve the situation. The Commission is designed as a college, and one would expect that such a collective decision-making body would have developed sophisticated coordination mechanisms. The standard method of coordination though is the "inter-service consultation", which lacks direct contact of acting individuals, and is reminiscent of standard mechanisms in big bureaucracies 20 years ago. The only mechanism with some higher degree of 'intra-activity' are the "inter-service working groups". It is up to the Commission as a college to decide for which proposal such a group should be installed; but there seems to be no significant request or urge to increase that in the light of the SD agenda (though the EU SDS was elaborated in a rather cooperative way). The other opportunity in this context could be the Impact Assessment (IA), introduced since 2003. But this instrument is not designed in the light of a cooperative approach: It is also decided by the College, whether an inter-service working group for IA is installed. The guidelines for IA had a laudable procedural spirit, but in the reality of 2003 the instrument was not used to increase intra-active approaches. Instead battles have been and still are fought over methodology, and the instrument seems to develop into a very technocratic style. External advice might be helpful to overcome a stalled situation.

A lead coordination of the Commission's (Vice-)President should be aimed at, particularly in the current situation of a change of actors. This would have to be taken seriously, including the provision of enough capacity in the Secretariat General, and a committed unit would need to have the authority to organise an SD process internally, i.e. challenge other DGs to participate, deliver and reflect, and initiate and overlook the external consultation. Institutions are not a panacea, and this also applies to SD councils. For the Commission a SD roundtable or sounding board would nevertheless be desirable, if set up in a way that has shown benefit in member states. Each

member state would not necessarily have to be represented: smaller ones could for example jointly appoint a member to such a body. It could serve both as a nucleus for innovation and, as in member states, as a watchdog for the holistic view. Such a body would also oversee the linkages to the national SD strategies. Other advisory bodies of the Commission, such as the EESC and the CoR, also need to be given a role in overseeing the SDS implementation. The former has an intrinsic value with its stakeholder composition, though the group of “other stakeholders” needs to be strengthened. The latter could and should be a valuable link to the regional and local levels, and their SD strategies.

In contrast to shifts in attitudes in the member states towards more ‘learning’, the Agenda 21 approach of capacity building, ownership and civil society engagement on all levels seems to be not taken up at the European level. Though stakeholder consultation has been intensified during the past years, it so far has been conducted in a rather old-fashioned way of hearings that does not stimulate controversial and productive dialogue. The EESC opinion on the EU SDS⁵² raises crucial points in this respect. The Commission’s expert groups, installed e.g. by DG Environment for the Thematic Action Programs under the 6th EAP, are often badly managed, which puts the burden on the participating stakeholders who typically have much less capacity than government representatives or the Commission itself. Documents are for example often circulated at very short notice, which makes it impossible to reflect upon them within the participating interest groups.

The criticism of the architecture of national SD strategies applies also to the EU SDS: In particular the link to the Lisbon strategy has to be made clear, and the EU SDS needs to be better interwoven with other policies. Those need to refer to the SDS objectives, and be developed accordingly. In the EU SDS itself objectives should be underpinned with quantitative targets.

KEY POLICY FIELDS

There are certain policy fields that are considered as particularly difficult to make progress in. Some are rather country specific and can be tackled nationally (like waste policy in Ireland, land use planning in several cases). For other fields in many cases EU action is stated as desirable or required, as the national room for manoeuvre is small. These fields include: climate change and energy policy, transport, CAP and biodiversity, as well as some cross-cutting issues and instruments like environmental taxation, subsidies, trade and product standards. Overall, there is a clear demand for more EU funding in Research & Development (e.g. for biofuels, environmental innovation in general), and the 7th Research Framework Program should include the possibility for pilot projects in SD.

IMPROVEMENTS VIS-À-VIS THE EU LEVEL ON MEMBER STATES’ SIDE

National SD strategies and councils need to enhance the degree of considering EU policies, which would best be achieved if councils had this as explicit task in their remit. Within government the coordination between policy and

the EU units in all Ministries in most examined cases need to be improved, and also the role of the Foreign Ministry often should be clarified. If provided with some increased capacity, national councils could support activities for stimulating on national level the consideration and debate of EU SD policies.

FUTURE CHALLENGES

For the future the following actions are recommended:

- Scrutinising the results of the Commission's 2004 survey on national SD strategies; continuing and deepening this examination.
- Performing comparative research:
 - on national targets and indicators in place, including the way they are linked and used for monitoring progress; one outcome of this would also be a set of (targets and) indicators commonly used, or used by a majority of member states, of which the EU SDS could profit (and the other way round: considering the proposals of Eurostat, which are expected to be published by the end of 2004); conditional targets, as introduced in Belgium and Germany, might be an interesting instrument for other member states to better link the national and the EU dimension;
 - action research on stakeholder participation: comparative research on different ways of consultation, involvement and participation;
 - on the relation of government programs and SD strategies, and the role of Parliaments in order to identify the potential for improving the long-term perspective;
 - on the role of social-economic partnerships and/or a social-economic council for SD processes, and their relationship to SD councils and civil society organizations ("other stakeholders");
 - on the potentials for improving vertical coordination and integration.

Overall, the 7th Research Framework Program needs to put innovation into the framework of SD; given the important governance dimension, the share of social sciences has so far been much too low, and also the definition of "research" is too narrow.

- Capacity building:
 - conducting a "SD marathon" through all EU member states for discussing the EU SDS, stimulating national actors, and exploring national SD strategies and actions;
 - supporting existing national SD councils in dealing more with the European dimension, including the EU SDS, and including more innovative styles of debate.
- Promoting the establishment of national SD councils to operate in an independent manner.
- Establishing a continuous sounding board for systematically feeding ideas and actions from the national level into the EU SDS.

NATIONAL ADVISORY COUNCILS AND EUROPE

EEAC, as a network of national and regional advisory councils, was founded and operates with the objectives of exchanging national knowledge, experi-

ences and learning from each other, as well as improving the consideration of European policies in national policy making and vice-versa. It is a bottom-up network that operates with the same independence as its members. It produces joint statements for improving European policies with national experiences. The 'Kinsale challenge' with recommendations for the EU SDS is an example (cf. Appendix 2).

The initiative of the national environment and SD councils participating in this study, and their cooperation in the framework of EEAC, should be welcomed: It is an indicator that, after a phase of self-orientation regarding national SD strategies, both exchanging experiences and advising on EU policies aspects are now taken more seriously.

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1 Belgium

PROCESS, PROCESS, PROCESS: EARLY COMMITMENT TO SD REFLECTED IN THE RELATED SD LAW; SOPHISTICATED INSTITUTIONAL FRAMEWORK FOR SD(S) MIRRORS THE COMPLICATED ARCHITECTURE OF THE COUNTRY

- Establishment of a SD council right after Rio; influence remained very limited; decisive change in 1997 with endorsement of a law for SD, which reinforced the legal basis for the now “Federal Council for SD”, the development of a SDS every four years, and the institutional framework for preparation, implementation and review of the SDS. The first SDS was adopted in 2000; the run up to the revision in 2004 had some shortcomings (no real revision).
- Complicated system as a federal country with difficult distribution of competences (federal level, 3 regions plus 3 communities), which overall leads to an emphasis on designing procedures over achieving agreements on substance.
- Working towards a national strategy (federal and regional combined) is aimed at; so far the regions have not prioritised that, inter alia because of elections. The federal level so far has therefore taken the lead.
- Europe in general plays a strong role in Belgian policies, and the EU SDS was taken as a basis for the Belgian SDS 2004. The main reason here is that anything (besides matters where the country considers itself as fore-runner, mainly social policies) coming as an external requirement or framework is easier to handle in the politically complicated system.
- Strong negotiation culture and social-economic stakeholders, institutionalised as economic and employment councils, existing on the federal and regional level. In this situation it took the federal SD council around 10 years to find its place and to become accepted as the multistakeholder forum for SD, with equal partners in the council (socio-economic partners and NGOs).
- Stakeholder consultation is taken seriously, but also criticised.

NB: This chapter refers only to policies, actions and the SD strategy at **federal level**, unless otherwise specified.

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ABBREVIATIONS

| | |
|-------------|---|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called Prime Minister, in Flemish/French: "Eerste Minister/Premier Ministre").</i> |
| <i>MinE</i> | <i>In Belgium there is a difference between the Minister and his/her cabinet and the Ministries, which are called "Federal Public Service". Since July 2004 there is a State Secretary for Sustainable Development and Social Economy, under the Minister for Budget and Public Enterprise, and a Ministry for Public Health, Security of the Foodchain and Environment (in Dutch "Federale Overheidsdienst voor volksgezondheid, veiligheid van de voedselketen en leefmilieu", the abbreviation FOD VVL is not (yet) currently used; in French "Services publics fédéraux Santé publique, Sécurité de la Chaîne alimentaire et Environnement", SPF SSE). There is also a "Programmatic Public Service for SD" ("Programmatorische Overheidsdienst Duurzame Ontwikkeling", POD DO; Service public fédéral de programmation développement durable), a cross-cutting unit meant to support other Ministries in SD activities, which will be the unit for the new State Secretary for SD.</i> |

A Actors and Process

In Belgium the distinction is made between “strategy” and “plan”, with the former referring to the entire approach of a policy cycle with an evaluation of existing policies in the beginning, developing the strategy, providing progress reports, reviews and new scenarios etc. The programmatic (government) document laying out the goals, objectives, policy priorities, measures and action for SD is called *SD Plan*. Internationally though usually this document is called “SD strategy”. For enabling comparison this term is also used in the Belgian chapter, whereas the overall policy cycle is called “SD process”.

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES’ DEVELOPMENT

| | |
|------------------|---|
| 1991-92 | Advisory Council on Climate, Environment and Development was established to prepare the Rio conference. |
| 1993 | National SD Council was established. |
| 1997 | Act on the co-ordination of Federal Sustainable Development Policy (amended 2001): sets out to establish a Federal SDS (SD “Plan”) every four years, accompanied by a Federal Report on SD every two years, and creates the institutional framework for the preparation, implementation and review of the Federal SDS (the National SD council is renamed “Federal SD Council”, FRDO-CFDD, because of a state reform which had been taken place by then). |
| June 1999 | Task Force SD issues the first Federal Report for SD “On the way to SD?” |
| <i>July 1999</i> | <i>New government</i> |
| from Sept.99 | Preparation of the Federal SDS: this task was allocated to the Interdepartmental Commission for SD (ICDO), but was after all in large part also carried out by the Task Force SD. |
| 02-03/2000 | Two months of public consultation, including advice of the FRDO-CFDD. |
| July 2000 | Federal government approves the Federal SDS (four-year term 2000 - 2004). |
| from 2003 | ICDO starts working on a draft for a new Federal SDS. |
| March 2003 | Task Force SD issues the second Federal Report for SD “One step to sustainable development?” |
| <i>June 2003</i> | <i>Federal Elections</i> |
| <i>July 2003</i> | <i>Coalition agreement</i> |
| from Sept.03 | A new ICDO reviews the first draft SDS and develops a new one, that is better streamlined with the coalition agreement. Partly initiated by a new Minister for Environment and SD. |
| 02-05/04 | Three months public consultation on the ‘pre-draft’ Federal SD Strategy 2004 - 2008, incl. advice of the FRDO-CFDD. |

July 2004 *Reorganization of the federal government:* There is now a State Secretary for Sustainable Development and Social Economy, deputy to the Minister for the Budget and Public Enterprise. As the majority hasn't change, the government declaration/program remains in place.

Assessment:

Belgium took early action after Rio. Initially this was on a largely symbolic basis¹, but the Act on SD from 1997² is a very strong commitment for SD policies in general and a SD strategy in particular, including the institutional framework.

The first SDS 2000-2004 is assessed ambiguously: on one side it is valued as starting with comprehensive and solid based expert thinking with not too much political interference, which could serve as a framework, on the other hand it is criticised for being too much a 'shopping list' comprising much too many actions (around 600). Also, though the SDS was approved by the Council of Ministers (the cabinet), it was not taken seriously by Ministers not engaged in the environment/development agenda.³ This situation most likely led to a bit of unstructured review in 2003, or rather - no review was done:⁴

- the ICDO started with a new draft before the evaluation report was issued,
- a new government was not fond of this draft, nor with details of the institutional setting: a transformed ICDO redrafted a version, which also aimed at better adjusting with the then endorsed coalition agreement.

Another variable in this context was that the remit of the former Ministry for Environment was reframed to also include sustainable development, and strengthening the own profile a new plan was preferred over working with the "old" one.

A major issue in this context also is the relation of a government/coalition agreement and a SDS: For serious implementation a SDS would need budget lines, but if it had such, it would because of its overarching nature become a kind of 'master plan', conflicting with a government program/agreement. In 2000 there was a particular political situation with a socialist-liberal-green government, i.e. the first time since 1974 without Christian-Democrats, and the first time a government with the Green party. This situation was apparently beneficial for a SDS, and the question of the link to a coalition agreement was not

1 *The political thinking on SD was partly characterised by the Socialist Party, which envisioned the concept as a way of socialist planning. Nevertheless, the SD Council was established by a coalition-government led by a Christian-Democrat Prime Minister. Also the SD Act in 1997 was endorsed by a Christian-Democrat led government, with a Minister for Environment from the socialist party.*

2 *Belgian Act of 5 May 1997 on the co-ordination of Federal Sustainable Development Policy as amended by the Act of 30 December 2001; in the following "SD Act" (http://www.plan.be/websites/ferado/pdf/act97_e.pdf).*

3 *It is also stated that the Liberal Party was not fond of "plans", and/or had difficulties in the beginning to handle a multi-sectoral integrating concept such as SD. It seemed easier to continue dealing with the social-economic relation (SD was perceived as environment policy).*

4 *A revision of the full phase of the first SDS (2000 - 2004) is now planned for summer 2005.*

vital. Nevertheless, when it came to implementation, one major deficit of the SDS became apparent: it did not pave the way for allocating budget and staffing for its measures. One possible reason was the start of monetary union in 1999, which led to significant spending cuts in Belgium. It is also stated that in Belgium there is no tradition of cross-sectoral approaches, i.e. quite some learning still has to take place. The new 'pre-draft' SDS is now criticised for lacking measures, and it is interpreted that the government 'learned' from the previous SDS, which had measures, that lack of implementation is a source of criticism. The dilemma overall is seen in the way that the more a SDS is broken down to objectives and measures, with budget implications, the more it is a sign that SD is taken seriously, but the more it resembles a government declaration. This is then politically more difficult, because agreements are more difficult, with the perceptions and prejudices that accompany the concept of SD (e.g. for some it is "a concept of the Greens"). If not doing so, a SDS typically faces implementation problems (as the first phase revealed). Because of the situation in 2003 a new SDS was prepared, mainly without reviewing or considering the previous one of 2000 - 2004. An official reason also was the EU SDS, which it was felt needed to be considered then (cf. ch. C.1). Eventually re-considering the 'policy-/planning - cycle' for the SDS, and finding a solution for the long-term perspective, might be challenges for the future (cf. ch. A.1.3.2).

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

Ministers have a strongly developed "cabinet system", i.e. a clear division of the political and the administrative sphere. The Ministers have a cabinet with civil servants and other experts for the policy work⁵. The "Ministries" in contrast consider themselves as 'independent' administration (and are nowadays called Federal Public Services, "Federale Overheidsdiensten, FODs; Services publics fédéraux, SPF"), responsible for provision of information and executive functions.⁶ They may have different portfolios than the Minister. Since the 1990s there have been attempts to reform the public administration, giving the "public services" a stronger role in policy preparation, reducing the size of the cabinets (to nowadays around 30 staff members) and providing more coherence between Ministers' portfolios and the Public Service, with a significant step since 2000 ("Copernicus reform"⁷). Nevertheless it is still the cabinets that have more skills in coordination between Ministries, dealing with prioritization and negotiations between Ministries. This was one reason for the new government in 2003 to change the composition of the Interdepartmental Committee for SD (ICDO, cf. below): it should have representatives from the cabinets, and the civil servants from the Public Service should serve as experts. The former composition with civil servants from the Public Service also saw a lack of coordination with the cabinets, and sometimes the Public Service is also not so open to new approaches.

⁵ which used to be the largest in Europe with a size of up to 50-100.

⁶ Belgium is also a country with a very high number of employees in the public administration (Woyke, 2003, p.401), at least on the administrative level, i.e. without the scientific staff.

⁷ Woyke, 2003, p.401.

One challenging management aspect is that the cabinets typically consist of young and politically enthusiastic staff, whereas the public service tends to be one generation older, which is not advantageous for good cooperation. The institutional framework for the SDS, as laid down in the SD-Act of 1997, looks as follows:

- Interdepartmental Commission for SD (ICDO): responsible for drafting the SDS and implementation, and producing annual progress reports. It used to be comprised of representatives of regional governments (as observers), of civil servants from federal Ministries (here: administrations) concerned, chaired by a representative of the Ministry for Economic Affairs (energy department), and led by the Deputy Manager of the Federal Planning Bureau; with the changed composition since 2003 the chair was first a cabinet representative of the Minister for Environment and SD and after the reshuffle of the government in July 2004 the Director of the cabinet of the State Secretary of SD;
- Task Force Sustainable Development (TFSD): responsible for the biennial evaluation reports; it is a group established in the Federal Planning Bureau⁸;
- Federal SD Council (FRDO-CFDD): by law obliged to advise the government on all measures concerning federal policies for SD, in particular for the implementation of Belgium's international commitments (Art. 11 §1 SD-Act).

In addition to the three key institutions two more mechanisms were installed recently:

- in 2002 a horizontal unit POD-DO (Programmatic Public Service Sustainable Development)⁹ for capacity-building, overlooking implementation in Ministries and supporting ICDO in coordination, as well as
- "SD cells" within Ministries in 2004.

Both of these operate in the 'administrative' part of the Ministries (as opposed to the political part, the cabinets, which are now part of ICDO). The ICDO is meant to have the coordinating role, whereas the POD DO supports the Ministries (as a unit outside the Ministries), and the "SD cells" are meant to assess the effect of important decisions on SD and to promote and overlook the implementation of the actions of the Federal SD Plan from within the Ministries, inter alia by advancing the 'greening' of the Public Service itself (e.g. procurement).

The ICDO as key coordination body meets on a regular basis, which works as an "inter-cabinet": a formation of staff of several cabinets, upon whose agreements the Council of Ministers decides only formally.¹⁰ Since the ICDO includes also representatives from Ministers' cabinets (Minister's staff) the

8 "Bureau du Plan": a government agency for forecasts on the economic situation and related policy fields (e.g. energy, demography, social policy measures, SD, environment).

9 Together with turning the Ministries in "Federal Public Services" Belgium has created an interesting matrix structure with three permanent cross-sectoral units for personnel, finance and budget, and temporary "Programmatic Public Services" when appropriate, like the one for SD.

10 so-called "point A" on the agenda of a Ministers' meeting ("point B", if no agreement was reached in the inter-cabinet group).

results of its work are automatically dealt with by the Council of Ministers. On the government side there are other inter-cabinets as coordination mechanism, chaired by a cabinet member of the respective Minister. The voice of the representative of the PM office in these groups is particularly strong, which might help in linking SD to this level.

A lead responsibility of the PM office would be appreciated¹¹, but is not seen as highly important:

- because of the broad coordination mechanisms, which is a typical approach for the country, or because
- political realities are not questioned: In the government of the first plan period (1999/2000) the Green Party was represented for the first time and wanted the SDS responsibility under “their” State Secretary of SD and Energy. The new government of 2003 did not reconsider this: the Flemish Socialist Party, who took over the Greens’ “heritage” in their profile, wanted to maintain the responsibility for SDS. Above this, the PM was not interested.

The government reorganization in 2004 goes somewhat in this direction: With the creation of a new post of a State Secretary for Sustainable Development and Social Economy, deputy to the Minister for the Budget and Public Enterprise, the lead responsibility has been given to a powerful Ministry.¹² It remains to be seen though whether the fact that responsibility is now on the State Secretary level “only” has a negative impact, and whether the required commitment for SD exists.¹³ It is assessed as positive that there is now (again) a difference between the competence for environment and SD, and that the State Secretary is expected to have more time to spend on SD.

Assessment:

The sophisticated coordination mechanisms, which will be further increased with a move from a federal strategy to a national one, i.e. with the regions more strongly involved, has good potentials, but also shortcomings and pitfalls, which became apparent during the first revision phase, i.e. the preparation of the second SDS (cf. next ch. A.1.3).

The lead responsibility with the Minister for Environment and SD was in some cases considered as negative, but seems to have no severe shortcomings (probably because there is no strong environmental bias because of the limited federal competence), though creating ownership in other Ministries remains a problem (the new situation with cabinet members in the ICDO might enhance that), and overall leadership and steering seems a bit weak. The now

¹¹ But some also refuse this, because of the concern that a PM, more than the Ministers, has to deal with day-to-day tasks, and the long-term perspective would be focused even less.

¹² This post existed similarly under the previous government (1999 - 2003): as State Secretary for Energy and SD, under the Minister for Mobility (NB: In both cases it is party politics that lead to a certain combination of Minister and State Secretary for SD. In the recent case this State Secretary e.g. comes from a new party ‘Spirit’, which forms a group with the Flemish Socialist party, which has one Vice-Prime Minister in the federal cabinet, - the Minister for Budget).

¹³ Cf. e.g. The Netherlands, where giving the responsibility for the environment portfolio to the State Secretary level is perceived as a weakening. The difference in Belgium though is that the creation of a State Secretary for SD (which was previously shortly with the Minister for Environment) is rather an addition than a leveling down.

renewed position of a State Secretary for SD (and social economy) goes in the direction of 'levelling up' SD and is expected to have positive impacts.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

In the system described above there are clear review terms and mechanisms in place since 1997: review every four years, accompanied by a biennial evaluation report. Since the coalition agreement of 2003, the federal cabinet has planned to organise a yearly assessment of the progress of SD-policies based, among others, on an opinion of the SD council.¹⁴ The ICDO, respectively the different Ministries represented in it, also produce annual progress reports, which contain some elements of evaluation.

The first review processes though had some shortcomings:

- the mid-term evaluation report (2nd report) was issued too late and only covered the period 1998-2001 (and not 2002),
- ICDO had already started to draft a new strategy, which did not refer to the previous one.

The latter might have been mainly politically driven (cf. above, new government agreement) From the administrative side it is stated that it was strongly aimed at not "endangering" the SD-Act, with its provision for a SDS every four years: Calculating that with two years preparation time, there was a need to start early 2003. An official reason also was the EU SDS then in place, which ought to be considered (cf. ch. C.1).

The former seems to reveal a bit of an architectural deficiency with practical consequences:

- a preparing an evaluation report needs too much time for it to be fully current and ready in time; reasons for this are that the task also comprises preparing a prospect, which exceeds ex-post evaluation only, and that a plan with 600 actions is difficult to evaluate; also the capacity of the TFSD was used for other tasks (including to draft the first SDS);
- b the division of tasks has pitfalls, because each party depends on the delivery of others, i.e. the process would have to be managed and steered very well, which is difficult with all the interdependencies (and becomes even worse if there is e.g. competition between the different bodies or persons in charge), and not given without a powerful steering lead. In the situation of 2002 the Ministries did not deliver their results in time, and the division of tasks between ICDO and POD DO was not clarified.

Another reason for the start of the new SDS (too) early is that supposedly in Belgium it takes two years to prepare a SDS, which is rather long compared to other countries; even when taking into account that it does take more time if all Ministries are involved during the preparation via the ICDO (and not one is in charge alone), and that all texts have to be translated in three languages, two years seems very long.¹⁵ The government stated that imple-

¹⁴ The SD council advises linking this to the Spring Summit and insists on starting with this in 2005.

¹⁵ In the 2003 evaluation report it was still stated that it takes roughly one year (FPB, 2003, Figure 1.5, p.22; as did Gouzee, 2002, p. 7).

mentation of the first SDS (2000 - 2004) would continue, and announced a systematic review for the summer 2005 only (while the 2nd SDS enters into force in December 2004).

It has apparently also been the subject of dispute that the Task Force SD, who for practical reasons co-drafted the first SDS, also prepared the evaluation report (for which they are responsible). This argument can be followed in principle, but in practice it should not make so much difference, given the relative independence of the Federal Planning Bureau from the government departments.

Altogether:

- the monitoring system seems to be a bit tight in its sequence, particularly because both the evaluation reports and preparing a strategy takes longer than originally estimated; 2004 faces the peculiar situation that a 'pre-draft' SDS is under consultation, whereas the third evaluation/progress report is missing;
- the second evaluation report 2003 only partly (10 themes), hence not systematically, scrutinizes and measures progress of the first SDS (around 50 out of 200 pages), but draws again the wider picture (90 pages) and proposes principles and approaches (70 pages). This is partly due to the SD Act, which requires the review to also develop scenarios, and it is the Task Force's self-image to "explaining the framework for SD" and to "seek to constitute the basis for the next SDS" (neither of which is evaluating the previous one).

Both might be useful to reconsider.

1.3.1 Indicators, targets and timetables

The first SDS 2000 - 2004 contains strategic, and partly quantitative, objectives¹⁶, which are partly international commitments or EU objectives (e.g. one on reducing energy consumption by 2010, which later turned out to be in line with the burden sharing agreements), partly national ones (e.g. a market share of organic products of 4% until 2003). That they are usually not mentioned might say something about their relevance. Quite surprisingly the first evaluation report does not refer to these objectives.

Indicators are not yet agreed upon, and, if used, so far taken from e.g. OECD publications.¹⁷

The 'pre-draft' SDS 2004 - 2008 has some qualitative objectives, and partly quantitative ones. The targets of the EU SDS proposal of the European Commission¹⁸ were considered from the view of what is feasible for Belgium (e.g. the target for renewables is not feasible, because Belgium starts at a much lower point), which basically relates to what the government is already doing. ICDO did not propose quantitative targets itself, but asked the participating Ministries to do so, with the aim of creating ownership.

Indicators have been aimed at over the years, but are still called "work in progress".

¹⁶ E.g. p. 22/23, 69/70, 77/78, 85/86 (*Secretary of State for Energy and Sustainable Development, 2000*).

¹⁷ E.g. *Secretary of State for Energy and Sustainable Development, 2000, p.23*.

¹⁸ COM (2001) 264.

There is some continuity between the first and the second SDS regarding the themes covered, but basically the priority fields of the EU SDS were taken up (cf. ch. B)

1.3.2 Review terms, long-term perspective and role of the Parliament

In general the country seems relatively “politicised”: The leaders of the coalition parties in fact determine the Ministers, and it is not unusual that staff in public administration are recruited on the basis of membership of a political party. They also have a strong influence on the government program, and have an indirect influence on the policies of “their” Ministers by holding regular meetings to discuss the Ministers’ cabinet proposals.¹⁹ In such a situation it is almost unimaginable for most actors that a SD strategy could be longer lasting than one government term: As it is comprehensive, the relation to a coalition/government agreement is by the nature of the case very close. The SDS is prepared by civil servants, consulted with experts and the wider public and approved by the federal government. In the case of 2003 a new government came in, draw up a coalition agreement, and was not very fond of the first draft for a new SDS. In consequence a new draft was prepared by a new ICDO (made up of cabinet staff, cf. A.1.2) and adapted to the coalition agreement, in order to avoid conflicts during the implementation phase.²⁰ Some measures of the coalition agreement were incorporated in the SDS, which at the same time also contains new measures.

The coalition agreement typically has the support of the Parliament (there is no tradition for minority governments), whereas the SDS is neither officially presented to Parliament nor approved by it. The first SDS though recommends that Parliament should discuss long-term issues once a year, but this is not followed on a regular basis. Parliamentary standing committees have organised around four meetings since 1998, but as they have been always different committees, there has been no continuity of the discussion, and the concept and outcome was apparently not clear. This situation also reveals the problems of Parliaments with SD, given their similar sectoral organisation.

Long-term objectives are apparently not so much seen as a way to enhance the long-term perspective, as they might remain not grounded, if no measures are linked to them (and with measures it gets ‘too’ close to government agreements, cf. above).

A compromise for the future could be a division into a long-term strategy (with ‘less’ political combating) combined with a more short-term action plan (which would then be close to a coalition agreement).

¹⁹ Woyke, 2003, p.397, 400.

²⁰ *The timing of the first SDS 1999/2000 was apparently more congruent in this respect: The evaluation report (on existing policies) was in place when the new government came in (with a State Secretary for SD), which then developed the draft SDS according to the SD Act.*

1.3.3 Approach for a SD strategy

Belgium's SD approach is largely perceived as a learning process. In terms of objectives, targets, timetables and flexibility the picture remains a bit fuzzy: There are voluminous reports and strategies, and it is difficult to identify an architecture from broad to fine, and to understand the difference between 'actions' and 'means of implementation' in the first SDS. Regarding priority fields the second pre-draft strategy appears clearer, though objectives are somehow hidden in the actions and hence harder to find.

Quantitative targets seem to be difficult to agree upon, which is probably why they remain a bit arbitrary. The same applies to indicators, which are not yet in place. Some people say that EU priorities and objectives are therefore easier to handle for Belgium: the national, even only federal, agreement procedures are massive and eventually lead nowhere. In general it is said that objectives are fairly easy to agree upon, but battles start when it comes to measures (cf. ch. A.1.1 implementation problems of the first SDS).

The government, or rather the country (i.e. including self-criticism of other actors), is partly criticised for its emphasis on procedures, which decreases capacity for substance and implementation.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

The Belgian federal system was established with a new constitution in 1970, which was a result of strong tensions between the ethnic groups (the two main regional/ethnic ones Flemings and Walloons, and the three language communities Flemish, French and German) since the 1960s.²¹ Ongoing conflicts about competences of the regions led to three more constitutional reforms in 1980, 1988-89 and 1993-94, the two latter allocated competence for inter alia environment, water, spatial and urban planning, housing, agriculture and rural development, and partly for energy, transport, regional economic and labour policies and development aid.²² Also in 2001 there was a reform via a Special Law that foresaw transfer of some competences and institutional reforms (e.g. regionalisation of development cooperation). The regions as well as the communities are also competent to conclude international treaties in the fields of their competences. A new reform is in sight, with a commission coming in place and different aspirations of the regions.

The federal government is responsible for national matters as a whole, i.e. defence, finance and currency, justice/legal system, foreign affairs²³. There is also still competence for development cooperation, as well as for the coordination of the Belgian international environmental policy and partly for social and economic policies, which lays the basis for the federal SDS.

²¹ *The traditional conflict lines in the Belgian society before where catholic - liberal, and socialist - capitalist (the latter strong because of early industrialization, dividing society particularly in the coal and steel regions of Wallonia). With having resolved these conflict lines in the 1960s the underlying tensions between the language groups became more relevant again, and resulted in the division of e.g. political parties in a Flemish and a Walloon segment, and finally in the federal system (Woyke, 2003, p.408).*

²² *Woyke, 2003, p.389/390.*

²³ *somehow shared with the regions and communities: the latter e.g. have competence for research and international relations connected with that.*

As opposed to e.g. the federal system of Germany there is no federal “frame-work” competence (and no difference in competence for law making and implementing), i.e. no higher hierarchy of the Belgian federal level, but so-called “coordination agreements” are pragmatic tools for dealing with the complicated situation.²⁴

In administrative terms Belgium is divided in 10 provinces, though these have significantly lost relevance since the two last constitutional reforms. Discussion on competences in a way never seems to end, which has been reflected in SD policies, too:

After starting up as a *national* council for SD, though without a commitment of the government to prepare a SDS, it was re-named to “federal” council, as a consequence of a state reform in which it was decided to call institutions working on federal level accordingly. The provisions for a SDS in the SD-Act of 1997 hence also refer to a “federal” SDS. Among the regions Flanders in 2004 started to work on its own SD strategy.²⁵ The regional governments have been represented in the federal ICDO, but nevertheless the federal and regional activities have so far been relatively separated, one reason being the different competences of the federal and regional level, and hence a SD strategy focuses by the nature of the case on different matters. Another reason is most likely that the relation between the two levels is sensitive, and hence at least originally the regions did not want to recognise a federal ‘frame’. There are recent fresh attempts towards a national SD strategy with a new federal-regional commission installed on an informal basis looking into this. Elections in the regions, and the communities with new governments have slowed down the agenda though, and the fate of the initiative is currently uncertain. The federal and regional councils are to some extent already involved in this attempt towards a national SDS, but not in all cases officially. The recent proposal of the SD council to create an inter-ministerial conference for SD (i.e. comprised of the federal and regional level) is apparently taken up by the government.²⁶

There is no connection between the local and the federal level regarding SD, but some between the regional and local level²⁷. The function of the local communities is supposedly the subject of permanent arguments between different political levels. Their formal independence is restricted by financial dependence: they receive 90% of their budget from a central fund by a certain ratio, which itself is repeatedly argued about politically.²⁸

LA 21 processes seem not to have played an important role in Belgium but there are some initiatives in Flanders and Brussels (altogether less than 12). Besides that the majority of the Flemish municipalities as well as some Walloon ones have special programs on social development, environment and/or devel-

²⁴ This also applies for the relation to the European level, cf. ch. C.1

²⁵ It installed an inter-departmental Working Group in March 2004. The Flemish Environment Council *Mina-raad* in January 2004 advised on the SDS, urging the government to take SD as a political principle in their program. No information is available about Wallonia and the Brussels region.

²⁶ There is already such an inter-ministerial conference for environment policy.

²⁷ In Flanders e.g. there are contracts between the regional and local level for measures on environmental integration.

²⁸ Woyke, 2003, p.411.

oping co-operation, which could be seen as a kind of (minor) LA21. Overall the country seems to be captivated, almost surrendered, with their architectural, procedural and competence-related matters. In such a situation the past approach was probably sensible: to first prepare strategies separately on the federal and regional level, in order that both sides are able to develop their own thinking, priorities and measures, - eventually also realising that much does not work without mutual support of the two levels. Only the future will tell about the fate of the new national initiative.

2 NON-GOVERNMENTAL ACTORS

The political culture of Belgium has been characterised by the tensions between the language communities and regions since the 1960s (cf. ch. A.1.4 and footnote 21), resulting in conflict solving by combination of negotiation and competition between the Flemish and Walloon regions, segments of parties and interest-groups.²⁹ It is stated that the Belgian culture is a combating one, which leads to fewer results but is possibly “less hypocritical” than e.g. the anglo-saxon culture with open debates, sharing thoughts, which creates space so that nobody feels a loser in the end.

Because of the early industrialization the Belgian trade unions are among the oldest and strongest in Europe, with 75% of the work force organised. The latter nowadays is also due to advantages of trade union members regarding social benefits. The employers’ federations are well organised, and particularly the one of industry has strong political influence.³⁰ Negotiations between social partners have been institutionalised since the early 1950s in an Economic and a Social Council (CCE and CNT)³¹, which perform this particular task jointly and has divided tasks for other questions (macro-economic, anything related to working conditions etc.). The collective agreements between the social partners have legal binding authority, which explains to some degree the so-called privileged relation between the social partners and why they are relatively strongly attached to their specific forms of co-operation in the Economic and in the Social Council.

Against the background of an in general large culture for stakeholder consultation environment and development NGOs have increasingly evolved, and have played an important role in the preparation of the Rio conferences. They hence have become increasingly nationally involved and members of the SD council.

The new SD paradigm implicates a larger stakeholder process, which has created adaptation problems for the social partners, who now also have to deal with new interlocutors (NGOs).

Business particularly criticises the complicated split of competence between the federal and regional level, whereas they have to see the global dimension. Being forced to be part of several cooperation processes leads to lost time and inefficiency, and adds to the integration challenge of SD.

²⁹ Woyke, 2003, p.409.

³⁰ Woyke, 2003, p.407.

³¹ *Conseil Central de l' Economie (CCE), Conseil National du Travail (CNT)*. In contrast the Belgian regions and the Netherlands have this combined in one Social-Economic Council SER. The political culture though differs with consensus-orientation in the Netherlands, and more competition and negotiations in Belgium.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Several initiatives to promote CSR exist and imply different accents. There are e.g. laws on the social label, on the additional pension schemes, on a “Recycle Fund”, on the transparency for stock market companies. The Walloon and Flemish region also initiated activities about information and management instruments promoting CSR.

A number of large Belgian companies are organised in “Business and Society Belgium”, member of the European umbrella “CSR Europe”. This organization started in Belgium in 1998 with another name, with the sole aim to act against social exclusion. The member companies took initiatives to integrate socially weaker groups into the labour market. In 2000 the organization enlarged its activities to CSR, integrating the three SD dimensions. As SMEs have less means to apply CSR tools, governments and the employer organizations initiated programs adapted to their size.

There are also initiatives to raise companies’ awareness of their responsibility towards developing countries (e.g. Kauri, Corporate Funding Program), but so far these have not been coordinated. The federal government intends to start a working group within the ICDO, which is asked to elaborate a framework for CSR by the end of 2005.

2.2 STAKEHOLDER CONSULTATION

There have been attempts, both bottom-up and top-down, to extend the traditionally strong influence of social partners to (organised) civil society, and broader stakeholder consultation in planning processes has become common in Belgium since the 1980s. The regions also have a tradition for consultation, for example on environment plans.

For the first SDS e.g. the ICDO/TFSD performed a wide consultation through websites conferences and local authorities, with advertisement on TV, in newspapers, via posters e.g. in libraries. Also subsidies to NGOs were given. There were 1.800 responses with around 16.000 contributions³², which were dealt with in a very transparent way: they led to 30% changes of the proposed text, which were published on the internet in track-change mode.

Nevertheless, it is stated that the first SDS was not supported by civil society, and the consultation was not successful because the SDS lacked priorities in themes and actions, as well as budget provisions for the implementation.³³

Consultation was performed similarly for the pre-draft of the second SDS in 2004, with a lower number of responses (800) and contributions (8.000).³⁴

³² With 10 Mill inhabitants; as comparison: Sweden with 9 Mill inhabitants asked 2.000 stakeholders for input and received about 250 replies. The differentiation between responses and contributions/responses (i.e. numbers of points made in total) might be interesting for other countries/consultation processes.

³³ One business federation also criticised it, because its statement, as representing all companies, “counted” as much as the one of an individual citizen. In a way this feeling touches upon the question of representation and legitimacy of stakeholder consultation, though overall the impression prevails that the traditionally strong stakeholders are mainly trying to defend their status in a situation of greater importance of civil society. E.g. it was not mentioned whether this point was discussed with the authors of the SDS.

³⁴ Although around 300.000€ were spent for the first consultation, and for the second the double.

It is interpreted that civil society did not feel involved in this second strategy, because it was/is primarily directed to the government (actions particularly intended for government) and contains too many actions ‘business as usual’.³⁵

3 SD COUNCIL (FRDO-CFDD)

Since 1993 a “National Council for SD” has existed. Supposedly its influence was very limited, and it has been difficult to increase it, given the fact that SD was a new item, there was

- limited ownership within the authorities and the members
- no strong legal basis for the council (ministerial decree instead of an act)
- no major government activity to which it could respond, and there was no clear commitment yet to developing a SDS.

With the SD-Act of 1997 the legal basis for the council was reinforced, and its name changed to become “Federal Council for SD (FRDO-CFDD)”. According to Art. 11 §6 SD-Act the government is obliged to state its reasons for deviating from advice of the council³⁶, which is a rather strong provision vis-à-vis advisory councils.

The composition of the council, laid out in the SD Act is representational: there are 38 members with voting rights, from employers’ organisations, trade unions, NGOs and universities.³⁷ In addition to this there are 40 members with observing status: from each Ministry, region, scientific advisors and other observers.

It has six permanent working groups: SD strategies, energy and climate change, international relations, product norms, scientific research, sensibilisation and communication.

Other underlying challenges for the FRDO-CFDD and its predecessor have been grounded in:

- a the above-mentioned strong negotiation culture, and
- b the traditionally strong councils for economy and employment, with their institutionalised negotiations on wages etc. (cf. also 3.2 below).

Especially this perception and attitude of the social partners has made it difficult to achieve a common understanding of the nature of the SD council. There are e.g. voices from business that consider a concept for a SD council as laboratory of civil society, with no representation and negotiation function, as a “conseil des sages” (council of wise men), which would not be valuable or desirable. This attitude goes as far as considering negotiations as the only and best way for policy-making, which once more reflects this as a strong aspect of the political culture in Belgium. Giving advice in contrast,

³⁵ *The SD Council also had a lot of critical remarks on the way the money for the consultation was invested (cf. also the main lines of the FRDO-CFDD’s opinion on the pre-draft: www.FRDO-CFDD.be/en/puben/2004a04e.pdf, in English).*

³⁶ *similar to the Netherlands.*

³⁷ *Environmental NGOs (6), development NGOs (6), consumer NGOs (2), trade unions (6), employers’ organizations (6), energy producers (2), universities/academia (6), plus 3 vice-presidents and one president. www.FRDO-CFDD.be/fr/conseil/membres.htm*

at least whenever it includes assessment of government policies, is partly considered as unacceptable “imposing”. Government though does not have this perception. The trade unions seem to have a less polarised attitude: for them the economic and social councils have both negotiating and advising function, and for the SD council the think-tank function is supported (though there is a problem with the ‘double-hat’, cf. below ch. A.3.2).

3.1 ROLE AND FUNCTIONS OF THE SD COUNCIL

Role vis-à-vis the SDS:

The establishment of the national SD council was not linked to the decision to elaborate a SDS, which became a reality only in 1997 when also with the SD-Act the institutional framework was created, and a clear function in the SDS process allocated to the FRDO-CFDD (cf. ch. A.1.2): It is by law obliged to (Art. 11 §1 SD-Act):

- Express an opinion on all measures concerning federal policy on SD, taken or envisaged by the federal authorities, in particular for the implementation of Belgium’s international commitments;
- Provide a forum for exchange of views on sustainable development;
- Propose research in all fields related to SD;
- Promote the widest possible co-operation of public and private organisations as well as citizens in order to realise these objectives.

The FRDO-CFDD gave the following key advice on the SDS:

- Pre-draft of the first SDS 1999: criticising that the objectives Belgium wanted to achieve by the plan were not described clearly and specifically enough and that the plan didn’t address the consequences for budget or staffing, and with a recommendation to systematise data on “what should be done, by whom and when” into summary tables.³⁸
- Follow-up and advice on national and EU SDS, governance (national, EU and international), indicators and impact assessment as well as on key policy fields such as mobility and transport, energy, natural resources, climate, products norms, development cooperation, international agreements, international trade, health and food security, promotion, communication and research, Local Agenda 21.
- Round-tables on Spring Summits (2003 and 2004) and WTO-issues (2001, 2002, 2003, 2004).
- ‘Pre-draft’ SDS 2003: assessment that taking the six themes of the EU SDS as a framework was an appropriate point of departure (vertical integration), but criticising that the draft was too much “business-as-usual” and failed to pay sufficient attention to the long-term vision on SD for Belgium, and ignored the question how fundamental SD objectives like achieving growth without placing additional burdens on the environment or realising more sustainable production and consumption can be achieved, and recommending a more multi-sector, multi-level (‘national’ SDS) and multi-actor approach and a reviewing of the policy cycle (strategy -- report).³⁹

³⁸ www.FRDO-CFDD.be/en/puben/2000a02e.pdf.

³⁹ www.FRDO-CFDD.be/en/puben/2004a04e.pdf.

General functions, - views are shared by (parts of) the council and government:

- Advisory board to the government, from a view point of civil society: parts of the council would like to enhance the role of a “voice of civil society”;
- reminder/watchdog for the holistic/integrated view vis-à-vis the political world, the media, the members and the population;
- promoting SD policies to interested parties, e.g. by organising seminars and websites (e.g. Billy Globe);
- stakeholder/expert dialogue “among each other”, creating an understanding of each other’s point of view, including that consensus building among the members should take place: in principle this view is shared by council members, the view on how to get there though differs (some negotiation attitude); also, council members are partly bound to represent their organisation;
- stakeholder members to take the views of the council into their organisations;
- think-tank (minor function since no means available; also some council members would not agree because of the negotiating attitude).

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on equal footing:

- The council has developed slowly towards a cooperative approach with all stakeholders on equal footing and consensus aimed at. If no consensus is achieved (applies to in around 30% of the cases) it is highlighted and explained which group of council members, or which individual, does not agree to a certain statement, analysis, assessment or recommendation.
- It has an independent status with government members only as observers.
- “Double hat” of council members: Particularly during the first years this has caused some problems, as council members e.g. in wider (external) consultations stood for the view of their organization only; from a trade union it is stated that their representatives to the council may not deviate from the unions’ position, if only because of the internal democratic decision making process.
- The social-economic partners have to some extent perceived the council as an environment one, because it has tackled several environmental themes, or is at least biased. On the other hand the council as a whole has worked hard on awareness-raising that SD is not “only” environment policy.

Relation to and role of socio-economic partners:

As introduced above there has been a rather competitive attitude from the council for economy towards the SD council, which caused inter alia little impact of the SD council in the early years. With the SD Act it got a legal basis and an explicit role. Though it took still a while until the attitude of the

social partners started to change. In 2004 national directors of major stakeholder groups became members of the board of the council, which considerably reflects ownership, and might lead to more authority of the council. In 2004 the SD council organised several expert hearings, together with the economic and the social council, in order to prepare its opinions (as requested by the government) on the pre-draft of the second federal SDS and the EU SDS review (the economic and the social council had decided to prepare an own initiative advice).

Relation to government departments:

The relation to government departments is in general very constructive and open. There are governmental council members as observers, who typically do not frequently participate in plenary, but are, when appropriate, invited to working groups as experts. Some cabinets and administrations are co-operating very actively with the council, while others remain more passive, and some Ministers have never asked for an opinion or organised any round tables (e.g. finance, budget). The relationship often depends on individuals. There is also a constructive relationship with the governmental SD-institutions (ICDO, TFSD, POD DO, cf. ch. A.1.2).

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government's view

- Acknowledged as a stakeholder advisory body with high quality work.

2 SDC's view

- Ministers increasingly realise the added value of asking the council for advice, because it contributes to agreements between stakeholders and builds a certain social basis for government policy.
- Improves the quality of government papers by giving additional view points/angles/dimensions to the government.
- The council contributed to the preparation of the first and second SDS:
 - Advice on the pre-draft of the first SDS (April 2000),
 - Hearing on the pre-draft for the second SDS (January 2004),
 - Advice on the pre-draft of the second SDS (May 2004).

It also formulated a Memorandum to the new federal government (May 2003).

- The council gave advice on the 6th EAP (June 2000), the EU SDS (April 2001), and an opinion on the review of the EU SDS (October 2004).
- Agenda setting of particular issues:
 - SD-indicators,
 - national strategy SD,
 - multilevel governance.
- Development of a popularising website for SD (www.billy-globe.org)⁴⁰.

- Conducted two surveys on the social basis of SD (1999 and 2002)⁴¹, and a third one is in preparation.
- Networking:
 - Upon the proposal of the FRDO-CFDD the Working Group SD of the EEAC was established;
 - Building and maintaining relationships with the other Belgian advisory councils.

Success-factors of a SD council

- Independence (towards government and political parties);
- Members should try to develop an attitude of experimentation;
- Broad representation as stakeholder-forum and getting to understanding and agreements between stakeholders;
- Strong chair and high level Board (composed with national directors of major stakeholder groups);
- Having members from the academic side (some prominent);
- Obligation of the government to react and argue if deviating from the council's recommendations. For the opinions on the SDS the government elaborate a special "motivation paper", for other opinions the Ministers or their representatives react to the opinions received at the first General Assembly of the year.

⁴¹ The later one was not only quantitative but also qualitative. 54 prominent political, socio-economic and cultural actors have been questioned.

B Themes and scope

Priority fields of the **first SDS** (2000-2004) are directly derived from Agenda 21 and are arranged under four clusters:

- 1 Actions on patterns of consumption and production, including policies for
 - information, education and public awareness,
 - products,
 - consumption by public administrations.
- 2 Actions on poverty and social exclusion, over-indebtedness, and health, including policies for
 - combating poverty and social exclusion,
 - reducing over-indebtedness,
 - environmental health.
- 3 Actions on agriculture - marine environment - biodiversity, including policy for
 - promoting sustainable development of agriculture,
 - protection and managing the marine environment,
 - conservation of biodiversity.
- 4 Actions on energy - transport - ozone and climate change, including policy for
 - promoting sustainable development of energy,
 - promoting mobility compatible with sustainable development,
 - protecting the atmosphere.

These policies are accompanied by means of implementation (international policy, research policy, fiscal policy and information for decision-making), and the role of major groups shall be strengthened.

The **new pre-draft SDS** (2004-08) focuses on the priority fields of the EU SDS⁴²:

- 1 combating poverty,
- 2 ageing population,
- 3 addressing threats to public health,
- 4 managing natural resources more responsibly,
- 5 combating climate change, and
- 6 ensuring sustainable mobility.

It is more difficult to identify objectives, targets and actions.

Belgian SD policies have from the beginning always tried to be comprehensive and, at least on the programmatic level, succeeded. So in this respect there was no disadvantage in the partial lead responsibility of the Minister for Environment (later: and SD), though on the level of implementation there is still apparently a long way to go. The SDS covers all federal competences, which leaves the environmental dimension a bit limited, because that is mainly a regional competence. Emphasis is given to the social dimension. The new pre-draft SDS is criticised for having taken over the priority themes of the EU SDS without its fundamental objectives (e.g. decoupling).

⁴² *The first two were not endorsed by the Gothenburg Summit as EU SD strategy, but were proposed by the Commission (COM (2001) 264, 15.5.2001).*

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

Belgium has a strong international and EU perspective: the first SDS was oriented towards Agenda 21, and the second one (the current 'pre-draft') even fully takes over the priority fields of the EU SDS. The EU SDS could not be considered in the first SDS, as it was only issued a year later. Nevertheless, there are identical strategic topics (climate change, mobility, national environmental health action plan, installing a federal agency for food safety and promoting the establishment of a European one, actions on poverty and social exclusion).

EU legislation is politically easier to handle in Belgium, which also applies to programs including the EU SDS, even if it is not binding. It also increases continuity (cf. ch. A.1.3.2), as governments do not easily dismantle EU policies, and public administration tends to defend it. This was one reason to choose the priority fields of the EU SDS in the pre-draft SDS 2003; in general the approach has been to pick from the EU SDS "à la carte". The EU level helps to overcome competence problems in a federal state: International obligations are a driving-force for the seven Parliaments that have to endorse a Belgian ratification, whereas without such a driver the endorsement processes sometimes may get stuck.⁴³

At the same time Belgium gave quite some input for the preparation of the EU SDS.

The Lisbon process is also considered as important, and it is perceived as an overarching strategy, including environment, though only covering the short/mid-term, and the SDS is the long-term approach. For some the Lisbon strategy should be the central social, economic (and environmental) agenda. For others, it needs to be integrated in the wider EU SDS framework. In line with, inter alia, the priorities of the Dutch Presidency, it is said that potential areas should be identified, where environment can serve the economy. It is favoured that the environmental dimension in the Lisbon strategy is strengthened, not only in function of socio-economic goals but as an important objective as such.

2 SD COUNCIL (FRDO-CFDD): EUROPEAN AND INTERNATIONAL DIMENSION

The FRDO-CFDD published an opinion on the occasion of the consultation about the EU-SDS review 2004, and has also done so for the EU-SDS preparation in 2001.

The FRDO-CFDD has been involved in European cooperation through EEAC since 2001. Before that the council was still in a consolidating phase, especially with respect to the relation to the social and economic councils. In

⁴³ *The implications of the Kyoto Protocol are an example of very difficult agreements between the regions on the distribution of burden sharing, i.e. as opposed to other nations the regional distribution of burden comes first, and only then the one between different industry branches, - a situation which is called by the business community as "absence of level playing field" even within the country.*

this context there were some doubts because EEAC comes from the ‘environmental sustainability’ side.

Other international activities included:

- CSD: The council always participates with two members at the CSD. During CSD 9, the council participated in a side-event on “Public participation in SD-planning and the role of SD-councils”. This side-event was organised by the Belgian and the Danish governments;
- WSSD: participation of delegates in the Prepcoms 3 and 4 for the WSSD. The council was represented with a group at the WSSD as part of the Belgian official delegation.

As a preparation for the WSSD it organised two symposia (sustainable production and consumption; Rio+10 in Belgium: the gap between commitments and policy), and also gave two pieces of advice.⁴⁴

Other advice addressing the international dimension include:

- Kyoto protocol,
- Trade and WTO (roundtables with Ministers in charge with this field),
- Development Cooperation.

The FRDO-CFDD is also represented in a committee responsible for coordinating the Belgian SD policies on international level, for example preparing the Belgian position for CSD meetings. The committee is composed of representatives from the federal administration and cabinets, from the regional authorities and from civil society.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The Committee of Director Generals for European Affairs (DGE) coordinates all Belgian positions to the Councils of Ministers. Each of the eight Councils typically contributing to the Spring Summit are prepared nationally by inter-cabinet working groups, each chaired by the respective Minister, which feed back to the DGE.⁴⁵

For the Spring Summit preparation itself it works similarly: the DGE starts, creates different informal inter-cabinet groups, and finalizes the input itself. The MinE is included in this process, which is considered as quite an intensive one.

The FRDO-CFDD has given input to the Spring Summits via round-table discussions with the Minister or State Secretary responsible for SD, and it is aimed to organise one with the Prime Minister on the occasion of the Lisbon mid-term review and the EU SDS review.

⁴⁴ *Advice for the World Summit on Sustainable Development in Johannesburg - 16 April 2002, Second advice for the World Summit on Sustainable Development in Johannesburg - 18 June 2002, First advice following the World Summit on Sustainable Development - 15 October 2002.*

⁴⁵ *Because of the complicated competence structure there are coordination agreements on who represents Belgium in the Council of Ministers: a) exclusive federal competence (only the federal Minister represents), b) mixed competence (b)1. the federal Minister represents, with the regional Minister being the second one, or b)2. the other way round, - applies for environment), c) exclusive regional competence (only the regional Minister(s) represent; for the regional Ministers in cases b) and c) there is a 6 month rotation.*

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

The first SDS states that the Belgian government will support the following work that is to be accomplished on the EU level:

- take SD aspects into account in future trade negotiations (WTO), e.g. reduce quotas and import duties for developing countries,
- adoption of labels for fairer trade, and
- reduce VAT-levels on products that bear environmental or ethical labels,

Other issues for which EU activity is desired include:

- set decoupling targets for different sectors;
- tackle mobility problems, for which taxation would be needed (though it is assessed as unrealistic that an agreement can be found at EU level);
- energy;
- to spend more for R&D, e.g. on biofuels.

It is also desired that member states use at least partly the same set of indicators; an improved set of the structural indicators used for the Spring Report should be taken into account.

Downstream impacts - EU policies hampering national SD processes

Liberalisation/privatisation in general is seen as problematic for SD. In particular the planned liberalisation of public transport endangers the beneficial Belgian system.

When the internal market has increasing impact on EU social policies it might hamper Belgium's advanced social system, which the country wants to protect. Education and health are mentioned in this respect.

Conditional implementation

- The implementation of an energy/CO₂ - tax in Belgium is linked with an agreement at EU level;
- legislation on labelling will be reviewed in consultation with the EU, in order to prevent the proliferation of labels.

Overall assessment

Belgium takes EU legislation rather seriously and has been committed to transpose Directives into national law, though it usually takes longer because transposition requires approval by all seven Parliaments. The government also strives to influence EU policies towards SD in some fields, with some focus on the international trade dimension, and has exerted an influence on the EU SDS itself. Belgium has always been (very) active at CSD level (vice-chair at CSD-11).

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

As in other cases, key achievements in Belgium are basic ones, namely that the SD process has

- led to an understanding of concept (no SD without environmental integration; no environmental policy without social policies and economic growth), and that it
- has created a common language, and consciousness and willingness of several Ministries to discuss.
- The interdepartmental cooperation is assessed positively, because of willingness to learn and have real discussions, though it is observed that participants fall back to department egoisms when it comes to measures. Also, not all Ministries participated actively, and a lot depends on individuals: There have been cases where a Ministry representative actively participates in e.g. the ICDO, but the Minister has never requested advice from the SD council, and is also otherwise not interested, and the other way round. Also again the distribution of competences with the regions plays a role: Policy fields for which the federal level is only to a minor extent competent tend not to cause conflicts to the same extent as in centralised countries.

New cross-sectoral mechanisms were installed during the last two years; one promisingly has the specific task to advance 'greening' of the Public Service, which might become a role model for other countries.

From the government side it is said that the federal SDS is just *one* incentive to take action, but having one "helped". Examples given are the objective for 0,7% of GDP for development aid, in which the SDS is stronger than the EU, because it has a timeline (2010), but that the final trigger for this objective was Monterrey and the European Council's conclusions. This objective is considered as achievement of the SDS.⁴⁶

Other achievements in policy fields include:

- nuclear phase out decided by the former government (industry does not perceive this as a sustainable measure);
- climate policy: fiscal incentives and subsidies for private households for measures to increase energy efficiency and renewables (solar);
- integrated product policy: with the establishment of a federal agency for the safety of the food chain, as a result of the dioxin crisis, some aspects of product policy are now integrated;
- taxes on batteries, disposable cameras and packages of beverages;
- public procurement law adapted (2003) to now also include environmental and social criteria;
- objectives and measures for ozone;

⁴⁶ In order to reach the 0,7% objective by 2010, Belgium has increased its share of spending to 0,43% in 2002 and 0,61% in 2003.

- Health and Environment Plan (NEHAP): agreement between the regions, communities and the federal level.

2 MOST DIFFICULT POLICY FIELDS

Taxation and ‘getting prices right’ is stated by many actors as an important and difficult field, as are economic and budgetary policies in general.

Related ones and others include:

- energy (e.g. energy supply structure; energy intensive industry like petrochemicals, port of Antwerp; taxation as federal competence): The first SDS 2000 proposed an energy tax, which Belgium also promoted for the EU level (Presidency 2001); this failed, but the new government took up the issue of more ‘green’ taxation unilaterally (government agreement 2003), given that competitiveness and hence employment will not be endangered. Measures are mainly proposed for housing (incentives) and transport (fee system for lorries).
- climate change: A national climate change plan has been aimed at for long, but is not yet achieved. Since around 2003 there is a national climate change commission, but it does not work yet effectively. There are regional climate change plans, and some agreements on the federal level, but a national plan would be needed to make the different regional and federal objectives and measures coherent (e.g. the federal level is competent for taxation). Belgium reached only late a national (federal and regional) compromise on allocation plans; the regional distribution of quotas still needs to be done by the regions, because of their competence for industry policy.
- mobility (car industry, transfer country): Also here a national plan has been aimed at, but a proposal of the previous government could not be agreed upon. Again taxation was and will remain the key political problem. There are already regional plans and a new national proposal will be discussed early 2005.
- sustainable consumption is included so far with the goal of decoupling and dematerialisation, but progress remains very limited.
- International trade and WTO policy is a controversially debated issue in the SD council (eg whether or not to include environmental and social norms in WTO policies).

It is seen as a key challenge in Belgium to tackle the social component in relevant policy fields and SD, and the impacts of immigration remains a big concern (integration, education and employment of immigrants).

The SD council has submitted its view in a Memorandum to the new government in 2003.⁴⁷

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: improve the review process.

Content: approve a national SDS and agree on systematic indicators and objectives.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows⁴⁸:

- + Comprehensive strategy; environment is a bit limited (at least on the measures side) because of limited federal competence;
- + The EU SDS plays a strong role;
- + Stakeholder consultation is taken seriously;
- +/(◆) SDS as a “living document” with clear priority fields and strategic approach, but underpinning objectives are missing or a bit arbitrary. Moving towards a national (vs. federal) SDS will be a challenge;
- +/(◆) Getting all concerned departments committed is still a challenge, but the institutional setting has beneficial potentials. Lead responsibility is again given to a State Secretary for SD, now attached to a powerful Vice-Prime Minister;
- +/◆ There was no systematic review of the first SDS yet (but a second SDS was developed), which is partly due to its reputation as being a “wish-list” and some problems with time frames; it might be worthwhile to reconsider the review terms and mechanisms;
- (+)/◆ Overall, the emphasis in Belgium seems, due to the complex institutional context, to lie a bit too heavily on the procedural component, and substance gets lost a bit;
- ◆ Agreeing on more clear, and quantitative objectives and (key-)indicators will be a challenge.

⁴⁸ + achievement
(+) partial achievement
+ / ◆ mixed: achievement and challenge
(◆) partial challenge
◆ challenge

E Recommendations for the EU-SDS review

Detailed recommendations are given by the SDC in the course of the consultation on the EU SDS review (October 2004). Drawing from experience in Belgium, key points are:

- A SDS should be a dynamic strategy. The EU should not only define the non-sustainable trends, but also long term objectives (taking into account international agreements, among others the Johannesburg Plan of Action); the EU SDS on this basis needs to lay out how to make progress towards those objectives during the four years-phases.
- The strategy needs first of all to serve as the framework for the different relevant strategies or policies from different DGs. It needs to define how to make those go in the right direction and to ensure that assessment mechanisms exist to evaluate the progress, also during the four-year period (priorities, mix of instruments). The strategy must thus be dynamic and not static.
- It should contain a number of strategic economic, social and ecological objectives (i.e. not be confined to the environmental dimension); green-ing procurement is a powerful example from the Belgian SDS. It should better integrate the international dimension (e.g. fair trade).

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INTERVIEWEES

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2 Finland

BOTTOM-UP APPROACH AS BELIEF SYSTEM, SUCCESSFUL IN ENVIRONMENTAL SUSTAINABILITY, STRATEGIC LINES AND LINKING THE SD DIMENSIONS REMAIN RATHER WEAK

- Longest history as a frontrunner in SD policies; started with an environmental focus and has broadened over time; success in the former is reflected in top-ranking in the Environmental Sustainability Index (2002).
- Very strong bottom-up approach and SD as a learning process (society, government and research).
- The link between indicators and objectives is deficient, and quantitative objectives are only partly in place through sectoral programs: discussions are currently ongoing to determine whether a new SDS should be prepared (first strategy from 1998, evaluation in 2002/2003), inter alia in order to improve this.
- SD council as a dialogue mechanism between government and stakeholders; PM chairing is intended to provide a direct link to highest level.
- Broad stakeholder involvement, though conflicts are not addressed explicitly; when preparing the SDS, stakeholders were asked to prepare their own strategies, which mainly followed this request; around 80% of the municipalities have started LA 21 processes.



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ABBREVIATIONS

| | |
|-------------|--|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called Prime Minister, in Finnish "pääministeri")</i> |
| <i>MinE</i> | <i>In Finland this is the Ministry of the Environment ("YM")</i> |
| <i>SDC</i> | <i>The SD council is called "SD Commission"</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD strategies' development

Predecessors of a SD strategy:

| | |
|-----------|--|
| 1990 | Council of State (cabinet with President or PM chairing) report "Sustainable Development and Finland" was presented to Parliament |
| 1993 | Finnish National Commission on Sustainable Development (FNCSD) established: a round-table of government and stakeholders, chaired by PM |
| 1995 | National Action program prepared by the FNCSD ("Finnish Action for Sustainable Development") |
| 1995 | <i>New Government</i> |
| | <i>SD strategy</i> |
| 1996 | On the basis of the government program, which includes the intention to prepare a national SDS in order to implement the Rio commitments, the MinE established a "strategy group", composed of civil servants from relevant Ministries |
| June 1998 | Council of State adopts the SD strategy |
| 2000 | A first set of SD indicators ("Signs of sustainability") were prepared by a group of experts, government and stakeholders, and (formally) adopted by the FNCSD |
| 2002 | Draft progress report SDS for the WSSD prepared by MinE; update of the indicators |
| June 2003 | Progress report "Evaluation of SD in Finland" |
| 2004 | Establishment of a National Committee on Sustainable Consumption and Production to prepare a 10-year plan; it will work in cooperation with the FNCSD |
| July 2004 | Publication of a final revised set of indicators |

Assessment:

Based on previous work on SD policies, a (new) government in 1995 included in its government program the intention to prepare a SD strategy, which led to the establishment of the inter-ministerial Working Group in 1996, made up of almost all Ministries (around 20) that elaborated a proposal during an intensive cooperation process over two years (35 meetings 1996 - 1998), partly also with input from stakeholders¹. The Council of State adopted the document proposed by that Working Group as "decision-in-principle", which means it adopted the strategic goals and lines of action.² A decision of the

¹ *Mainly via the Finnish SD council (most members of the Working Group were also members of the FNCSD 'network secretariat', cf. ch. A.3); at the same time stakeholder groups were asked to prepare their own SD strategies (cf. ch. A.2.2).*

² *This type of decision also means that it is binding for the government, but is not approved by Parliament (cf. also ch. A.1.3.2).*

Council of State, which is chaired by the President or the PM, gave the SDS more political weight.³

The decision to prepare a SDS was a result of previous steps/reports on SD policies, which Finland started after the Rio conference, then with a focus on ecological sustainability, covering mainly policies that were already ongoing. It is hence, together with UK and Sweden, a frontrunner country in SD policies. After 1995 it was aimed at becoming more 'strategic', broadening the SD agenda and integrating all 'three' dimensions: This intention proved to be difficult at that time and hence it is stated that the SDS "is designed to promote ecological sustainability and economic, social and cultural preconditions for achieving this end."

More success for an overarching approach for SD was achieved by the expert network that elaborated the set of SD indicators between 2000 and 2004, which is in itself seen as an indication for the need to consider SD as an intertwined learning process of government, societal groups and research. The 2002/2003 progress report was a full evaluation of the government program, and also identified gaps in policy fields, which became "new challenges", for which new indicators were also developed. This contributed to the broadening of the SD agenda.

Overall, Finland has a very strongly emphasised cooperative approach both within government (cf. ch. A.1.2) and regarding involvement of stakeholders and other levels (cf. ch. A.1.4, 2, 3), the latter reflecting a bottom-up attitude towards SD, which is both encouraged and dedicated. In fact, many actors do not consider the SD *strategy* as important, but place greater emphasis on the commitment and actions of all parts of society.⁴

The SDS mainly seems to fall short in:

- setting quantitative targets, which is partly done in sectoral programs, but not repeated in the SDS progress report: it is assumed that the sectoral programs support the overall SD program, which also reflects an emphasis on the self-commitment of all actors. Only some of the sectoral Ministries used their respective indicators (e.g. the Ministry of Agriculture and Forestry); they were not directly used in the evaluation report;
- linking objectives and indicators.

At the same time, Finland has developed some ambitious quantitative targets within sectoral programs (not linked to the SDS, cf. ch. A.1.3.1 below).

Conflicts between interests are addressed through continuous dialogue, which is emphasised as the most important feature. The conviction that in Finland everybody "has understood what SD is" is may be rather euphemistic.

The SD strategy is still mainly assessed as concentrating on ecological

³ *The Council of State is a rather unique constitutional body in Finland, which reflects a shared executive power between the government/cabinet and the President.*

⁴ *"You don't need a biblical book, when you behave decently."*

sustainability, and the three ‘pillars’ as still being rather separate, which might reveal a need to revise the lead responsibility and coordination mechanisms. Progress in environmental integration is a clear focus (even called “the national Cardiff process”). It is currently deliberated whether Finland needs a “new” SDS, i.e. a full revision of the 1998 SDS, which is intended to improve the previously mentioned shortcomings regarding quantitative targets, and the linking of objectives, targets and indicators.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

From the very beginning, in Finland the Prime Minister has been responsible for SD policies, together with other relevant Ministers. The PM’s main responsibility is reflected in chairing the Finnish National Commission on Sustainable Development (FNCSD), which was established directly after the Rio conference (1993) by the Minister of the Environment as a platform for dialogue between the government and stakeholder groups, for promoting SD in Finland and to act as an advisory body (cf. ch. A.3).

The FNCSD has six Ministers as members⁵ and high-level civil servants from all other relevant Ministries. The Ministers are nominated by the parties in the government. Depending on the specific issue that is put on the agenda, the meetings are attended by other relevant Ministers, which gives political weight to SD policies. The FNCSD is not a body for stakeholder dialogue ‘among each other’.

On the government side, inter-ministerial coordination and cooperation are closely linked to the FNCSD, as the focal points of Ministries concerned and other government organisations (around 30 individuals) form a “network secretariat” for the FNCSD.⁶ It is informally led by the MinE, and a specific “operational secretariat” responsible for preparatory work for the FNCSD and the inter-ministerial network ‘secretariat’ is based there. Within the PM’s office there is also a “political advisor” responsible for SD, who cooperates with the secretariat of the FNCSD in setting its agenda.

The structural situation regarding cooperation between Ministries is rather favourable: the country has seen broad coalition governments, which typically require more consensus building. Also the fact that the President shares executive power with the government increases the need for agreements. The dialogue-negotiating style is also reflected in (originally informal) meetings of Ministers, leaders of the government parties and, where appropriate, invited experts or stakeholders, which take place in preparation for the government’s weekly cabinet meetings and are called “evening school” (“iltakoulu”)⁷. This iltakoulu also debated the proposed SDS, before it was adopted by the Council of State.

In addition to the FNCSD, there are many sectoral or issue-specific Working Groups which meet either on an ad-hoc or more permanent basis. Besides

5 Minister of the Environment as vice-chair; Minister of Foreign Affairs, Minister of Foreign Trade and Development, Minister of Social Affairs and Health, Minister of Labor, and Minister of Agriculture and Forestry. Although considered as the most powerful Minister, the Minister of Finance was not nominated.

6 From each government body there are 1-2 persons, from some Ministries even more (MinE, Health and Social Affairs, Trade and Commerce, Agriculture and Forestry).

7 Auffermann, 2003, p. 198/199.

civil servants from relevant Ministries, most of these groups include stakeholder members, which reflects Finland's tradition of stakeholder involvement.⁸ These groups are established by individual Ministries committed to implementing the SDS (not all are), which is considered as important for promoting ownership. Since the end of 2002, the FNCSD itself no longer has working groups or sub-committees. In 2004, though, the FNCSD established a sub-committee on Education for Sustainable Development. The members of the sub-committee have the same background as the commission members. As already proposed in the government programme (2003), at the end of 2003 the MinE established a new National Committee on Sustainable Production and Consumption, also composed of civil servants and non-governmental members; it is meant to work closely with the FNCSD, and half the members (government and NGO's) are also members of the "network secretariat" for the FNCSD.

Assessment:

The Finnish approach of a combination of lead and main responsibility by the PM, and a coordinating/driving-force role of the MinE is widely welcomed: the former, because it provides for political weight and impetus to SD policies, and the latter is not seen as problematic. However, a few Ministries supposedly "dislike" the MinE (lead). The coordination and cooperation between the Ministries is largely assessed positively. The Ministry of Finance is considered to be the most powerful Ministry, and may veto SD proposals from other Ministries, which has happened in many cases. So far, no approach for e.g. 'greening the budget' has taken place on the national level, but several Finnish cities have committed themselves to greening procurement (cf. ch. A.1.4). Also, mention is made of the Ministry of Trade and Industry as not yet being on track, and of the Ministry of Agriculture and Forestry as having challenging tasks. Some problems in cooperation between Ministries supposedly derive from EU policies (e.g. Nitrates Directive, CAP).

The following are mentioned as weaknesses of the "network secretariat" mechanism:

- sometimes lack of continuity, when civil servants change posts or leave;
- not all Ministries are fully involved, and in several cases it is difficult to get them committed: preparing the progress report for the WSSD created new awareness and the importance of full participation of Ministries received new impetus, which will be built upon in the future.

Nevertheless, this shortcoming is a bit surprising, given the long history of cooperation between Ministries (as "network secretariat" and as members of the FNCSD), and the PM's leading position.

During the last three governments, environment and sustainable development have been relatively high on the political agenda, and were in this way included in all government programs. These have been so-called rainbow governments, with a coalition of parties from the political left and right, or

from the centre and from the Greens. Ministers are appointed on the basis of the share of a party in the coalition. It is stated that the MinE's relative strength has been stable. The main responsibility of the PM for SD has been in providing that all Ministries integrate environment and SD in their policies ("at least in theory").

It is difficult to assess the steering power of the PM: as in other countries, the PM cannot intervene in the day-to-day decision-making of Ministries; the PM's power was increased in general terms with a constitutional reform in 2000⁹; it remains to be seen how effective this will be in terms of involving those Ministries that are not yet fully committed to the environmental integration/SD agenda. So far it has been tackled with guidelines and programs developed by the FNCSD or its sub-committees. The motion currently under discussion of preparing a new SDS is regarded as an opportunity for new discussion on themes, sectors and Ministries, where a more active approach is needed.

1.3 MONITORING, REVIEWING AND LONG-TERM PERSPECTIVE

The SDS 1998 does not have an official 'term', but it states that the Finnish SD council shall prepare a review report as Finland's contribution to the WSSD, i.e. by 2002. All Ministries during this process reported on achievements and shortcomings of their activities towards SD. The final progress report was published in 2003. It evaluated progress made towards the objectives of the 1998 strategy (though not necessarily with indicators), and identified gaps in the priority fields (cf. ch. B).

The SD council was also asked to evaluate whether a full revision, i.e. a "new SDS", would be necessary; it responded in 2002/2003 negatively.

Meanwhile, though, given some international developments (like the Millennium goals, the Monterrey conference results and the Doha negotiation round) and shortcomings on targets and revision of priorities, the PM asked the secretariat of the FNCSD to prepare a discussion paper on the need for a new strategy, to be dealt with in Autumn 2004.

1.3.1 Indicators, targets and timetables

The SDS is intended to provide guidelines and a reference framework for other parties in promoting sustainable development. In the light of this, it has only qualitative, not quantitative targets. The general attitude towards targets so far has been reserved: they resemble a "grand plan", which is considered inappropriate for SD.¹⁰ Finland is committed to international objectives (Agenda 21, Johannesburg Plan of Implementation), but at the same time there are specific difficulties, in particular those relating to the structure of Finnish industry (cf. ch. D.2): i.e. the country is only committed to the targets that are felt to be feasible. For a full revision of the SDS 2005, consideration is being given to also discussing quantitative targets.

⁹ Auffermann, 2003, p. 204.

¹⁰ Just as in Sweden there is a well-known anecdote from Russian politics: the target was to produce 2.000 tons of nails, with the result that 2 nails each weighing 1 ton were manufactured.

Finland has achieved a number of international targets in environmental policy:

- Sulphur (Oslo, 1994): reducing emissions by 80% from the 1980 level by 2000 (Finland's emissions in 2002 were 87% lower than 1980);
- Volatile Organic Compounds (VOC, Geneva, 1991): there is a reduction target of -30% by 1999 compared to the level of 1988 (Finland's emissions were 2002 33% lower than 1998).

For renewable energy sources, Finland has an ambitious national target (which exceeds the EU target): to increase production by 30% by 2010, compared to the 2001 level. A "vision target" is to increase production by 60 – 70% by 2025 compared to the 2004 level.

On the proposal of a network of experts, a set of 83 indicators was adopted by the Finnish SD council in 2000, after discussion within the council and in seminars with a very broad stakeholder participation. During the 2002/2003 SDS evaluation, the indicators were revised by the "indicator network" and new ones were developed for the newly emerging priority fields. This indicator network of Ministry officials, research institutes and the Statistics Agency, led by the MinE, has since then further revised the set of indicators, with the results having been published in July 2004, and subsequently discussed in the SD council. This new set was modified to comprise fewer indicators (66), with more focus on the inter-linkages between the different dimensions of SD. They are grouped in eight themes that follow closely the EEA's GEAR approach¹¹.

The process of developing indicators was partly intended to become a vehicle for target- setting, which was largely unsuccessful. For the SDS 1998, they were not yet in place; for the sectoral strategies they were only partly linked to the quantitative targets which they contain. During the evaluation phase 2002/2003, the sectoral Ministries were asked to use them for measuring progress, but they only partly complied with this: for several Ministries, the use of indicators is not common, and not all are part of the indicator network.

Also for the overall progress report, the indicators were only partly linked to the objectives.

The intention is to achieve coherent policy coherence by linking key objectives and measures, though this does not really come within reach. Also, the importance of economic instruments and environmental impact assessment is emphasised.

1.3.2 Review terms, long-term perspective and role of the Parliament

The link between government and Parliament seems to be relatively strong, which is partly reflected in the above-mentioned 'night school', which more or less informally prepares cabinet meetings and includes leaders of the government parties.

¹¹ *Intergenerational equity, human health and well-being, distributional equity, adapting to the future, global responsibility, environmental pressure, preserving natural resources, eco-efficiency and community structure. The whole set of reclassified indicators can be found in English at: www.ymparisto.fi/default.asp?node=15131&lan=en.*

The parliamentary standing committees all have members from all parties, which may be a positive feature for the long-term orientation of policies. SD-related standing committees are the Environment Committee and the Committee for the Future, which, in cooperation with the Finnish SD council, together organised a seminar when the national partnership program was launched. They discuss SD policies, but the SDS 1998 was not officially discussed, because of its nature as a “decision-in-principle”, cf. ch. A.1.1). The Plenary also discusses SD policies, for example, last time in 2004 the national implications of the Johannesburg Plan of Implementation. Regarding long-term goals, another stabilising factor is a predominantly consensus-oriented style of politics¹². Also international goals and commitments, such as the Millennium targets, are considered as stabilising the long-term track, in case there is a national commitment for them. This situation might also apply to EU targets. Nevertheless, there is almost no outstanding long-term (quantitative) objective in Finland, besides those international ones it is committed to (cf. ch. A.1.3.1).

The SDS itself does not have a fixed term (e.g. four years, as in other countries), though the target year for a review or progress report was already set in 1998 to be 2002. During the evaluation in 2002/2003, the decision was deliberately taken not to prepare a new strategy, as the strategic goals were considered as still being valid. This has meanwhile been reconsidered, and a full revision may be conducted in 2005.

The difference in the terms of government (4 years) and the FNCSD (5 years) is regarded as a mechanism, which provides for continuity. The 5-year mandate is intended to mirror the UN CSD. If a government changes, and hence the Ministers, the MinE asks all political parties to nominate their Ministers to the FNCSD, which leads to changes in composition because of certain sectors considered as important and other issues such as gender-balance. The terms of the work programmes for the FNCSD provide for continuity: e.g. the work programme 2003-2007 was prepared during the previous government. The mandate was hence already in place when the new government came into power, which then modified the programme.

The government that came in in 1995 and decided to prepare a SDS has since then continued in similar coalitions, at least with the same Prime Minister. This situation is considered as beneficial for the continuation of SD policies, but not as crucial, because of the aforementioned effects.

1.3.3 Approach for SD strategies

The Finnish approach for SD is clearly process-oriented (“SD is a very lengthy learning process”), and there is a very strong bottom-up attitude. Ownership and activities of societal groups are considered as more impor-

¹² *Though historically this was combined with a ‘government obeying’ – attitude, reflected in the originally strong position of the President when the country became independent in 1917, which was meant to enable the imposition of decisions ‘upon the people’. At the same time stakeholders and interest groups also have a long tradition, and new movements of civil society (nature, peace, women) have been strong: they have been included in policy-making based on the prevailing consensus culture and partly the need for broad societal consensus (mainly for foreign and security policy vis-à-vis the Soviet Union) (Auffermann, 2003, p. 215, 211/212).*

tant than targets, though some actors mention target-setting as a challenge for the future, and also the government is currently considering whether a full revision/new SDS is needed to bring about improvements in this respect. With this so strongly bottom-up approach, it almost appears as if the strategic lines are weak, and coherence is lacking. There is the prevailing *belief* that in Finland everybody has “understood what SD is”, but when questioning strategic directions or details, the picture becomes rather opaque and contradictory. It is also stated that the SD strategy is not perceived as a ‘living document’ (some actors have even not seen it) and as generally not really important (which is again an indicator for the action-oriented approach).

The new National Committee on Sustainable Production and Consumption has now been asked to prepare a 10-year action plan for changing unsustainable consumption and production, which is meant to be more detailed and focused than the SDS.

Overall, the recent developments and deliberations show that Finland is starting to move slightly to the ‘planning’ side.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

The overall strong bottom-up approach and the underlying attitude that commitment and actions from all parties and sections of society are of paramount importance in Finland results in a situation where there is no vertical coordination as such. The national SDS does not serve as a role model for other SD strategies, as it is not considered important as a policy document, but as mutual learning process (cf. ch. A.2.2).

In line with an overall strong bottom-up approach, Local Agenda 21 has always been important in Finland. Currently, around 80% of the municipalities have started an LA 21 process. Finland together with Denmark has also promoted the development of LA 21 in the Baltic Sea region, and has initiated the “Baltic Local Agenda 21 Forum (BLA21F)”, a network of local level actors from several countries. There was previously a sub-committee for local sustainable development under the FNCSD, but this is no longer the case, because the Association of Finnish Local and Regional Authorities has taken over responsibility for LA21 processes, encouraged by the MinE.¹³ The Association of Finnish Local and Regional Authorities in 1997 adopted a SD strategy, i.e. even before the national strategy was endorsed. It calls upon municipalities to implement Local Agenda 21 processes, and offers to support these processes by facilitating the exchange of information and experience, providing training and cooperating in projects.¹⁴

The 5 (State) Provincial Offices are partly responsible for domains related to SD (e.g. social and health care, education, consumer affairs and food), but have not yet played an active role. There are 13 Regional Environmental Centres, under the jurisdiction of the MinE, which manage environmental protection, nature conservation, land use planning and water resources in

¹³ For example, it will organise a national seminar on Local sustainability “Who’s afraid of Sustainable Development?” 13.12.2004.

¹⁴ AFLRA, 1997, p. 7-9.

the regions, and which have tried to support the LA 21 processes. Other players at regional level are 20 Regional Councils, which operate as regional development and planning authorities (not part of the State administration), and 15 Employment and Economic Development Centres that provide advisory services for business. Neither has yet been involved in the SD agenda.

2 NON-GOVERNMENTAL ACTORS

As already indicated above (ch. A.1.2, 1.3.2), self-organisation of society and stakeholder groups has a more than 100 year long tradition in Finland, originally based in the rural areas, inter alia in local communities, the church, farmers, classical non-governmental organisations for social matters (sports, education), consumer cooperatives and trade unions after industrialisation had started (relatively late).¹⁵ After the 2nd World War it has increasingly seen 'single-issue-movements', with, for example, an important peace movement, but also NGO's for nature protection and women's issues. NGO's have developed a continuous influence on political decision-making, and it has become more or less natural for the government to involve them, and it also financially supports them.¹⁶

The approach of Agenda 21 will have fallen on fertile ground and caused the early creation of the FNCSD (cf. ch. A.3 below). Also, other commissions established by government for certain issues typically include stakeholder groups¹⁷, which may almost be called a tradition.¹⁸

With this background, and in combination with the bottom-up approach taken for SD policies, the government in 1997, i.e. when preparing its own national strategy, asked stakeholders to develop their own SD strategies, which mainly happened and is regarded as successful. This was also promoted by and through the Finnish SD council.

Finland also started, already prior to the WSSD initiative, a national partnership program for SD, in order to "engage new stakeholders and develop new modes of action to promote SD in Finland"¹⁹. This program currently comprises 26 commitments made by different organisations (business enterprises, municipalities, NGO's, government, research institutes), which cooperate in the fields of sustainable production and consumption, procurement, energy savings and increased use of renewables, work safety in enterprises, housing, land use planning and transport. One example is that several Finnish municipalities (and partly the government, i.e. the MinE at least) have committed themselves to making their procurement policies more environmentally friendly, and a national green procurement network has been launched, following the example of the "Buy It Green" network run by ICLEI.

¹⁵ Historically this goes partly back to the time of Russian rule (1809 – 1917), when there was some autonomy, but no democratic representation.

¹⁶ Auffermann, 2003, p. 212.

¹⁷ The biggest Finnish environmental NGO, for example, (Finnish Association for Nature Conservation, 35.000 members) has 100 experts in governmental groups.

¹⁸ Some were mentioned during the survey phase, such as a new round table to prepare/advise on the National Strategy for Globalisation (composed of the Ministry of Trade, Finance and stakeholders), initiated by a trade union.

¹⁹ Ministry of Environment (no year), brochure.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Finnish industry has taken up the SD concept relatively early, mainly driven by an attitude of societal responsibility. As early as 1995 the Industry Federation issued a strategic policy called “Know-how partnership and eco-competitiveness”, which expressed its long-term vision. A recent review among companies revealed that environmental measures are predominantly not the trigger for economic success, but without improving environmental performance there would have been less profit. Market forces in general are seen as driving environmental measures, and individual countries aim at becoming or remaining frontrunners in order to achieve a competitiveness advantage.

The concept of CSR is considered as implementing SD at company level, with a focus on the social pillar, whereas SD in Finland used to have an emphasis on environmental sustainability. In 2001, an Ethical Forum was founded on the initiative of academia, which also covers SD issues.

2.2 STAKEHOLDER CONSULTATION

When preparing the 1998 SDS the inter-ministerial working group (cf. ch. A.1.2) considered it as most helpful to ask stakeholders to develop their own strategies, - in line with the underlying approach that creating ownership is the most important feature for SD. It was the FNCSD who asked the stakeholders (1996) to prepare their own strategies and at the same time the government started its own strategy process. Most of them honoured this request (the Farmers’ Union did not), and the stakeholders’ strategies were elaborated in a dialogue with the government strategy process, partly via the Finnish SD council. Nevertheless, the results were all quite different in nature, although stakeholder groups state that this dialogue process had an influence on their practices. The other way round the stakeholder strategies apparently had less impact on the government strategy.

The two-year evaluation process of 2002/2003 saw a comprehensive consultation of stakeholders via a sub-committee of the FNCSD (cf. ch. A.3.1), which better met the demands than the preparation phase.

Preparing a national set of indicators 1998-2000 was also a “massive” participatory process with the ‘network’ approach, led by the MinE (cf. ch. A.1.3.1 above).

Overall, because of the above-mentioned attitude to stakeholders, the groups felt adequately involved, and no criticism is raised about the process. With the bottom-up approach also reflected in the preparation of the SDS, it remains unclear how the stakeholder SD strategies and the government SDS are linked and/or have been mutually influential. It is, however, stressed that every stakeholder was committed to prepare his own strategy, and that the two processes were “in dialogue”. The 1998 SDS process seems to be more government-centred than the 2002 evaluation.

3 SD COUNCIL (FNCSO)

The Finnish National Commission on Sustainable Development (FNCSO) was set up in 1993 to promote cooperation between the government, the private sector, interest groups and NGO's, the scientific community, the education system and the media. In January 2003 the mandate was extended until the end of the year 2007.

The FNCSO has been chaired from the beginning by the Prime Minister, which is intended to give political weight, and has the Minister for Environment as vice-chair. Altogether it has 44 members: five other Ministers, as well as representatives from all other Ministries²⁰; 3 members of Parliament; non-government members include 5 business organisations, 4 trade unions, 1 representative from the local authorities' associations and 2 other regional/indigenous representatives, 8 NGO's (environment, development, consumer, youth). The number of non-governmental members was increased in 2003.

As introduced above, the Finnish SD council is mainly a platform for dialogue between government and non-government actors (a "discussion forum"), and not a think-tank for stakeholder deliberation and dialogue 'among each other'. However, the meetings are not considered as negotiations, but as an open forum for meaningful dialogue. This function as forum for "direct dialogue" and the opportunity for stakeholders to present ideas to the government is widely appreciated. The council meetings provide a contact point for all relevant actors in Finland, though discussion *among* stakeholders supposedly takes place in other fora. It is also stated that this largely applies to the classical stakeholder groups (industry and employers, trade unions, farmers), whereas environmental NGO's, for example, are relatively young and face some barriers regarding these traditional lines. From the viewpoint of 'classical' stakeholders, it was mentioned that the FNCSO is interesting for them, because of the direct link to the Prime Minister (even if they have heard about policies through other links).

This government – non-government dialogue function of the FNCSO is also reflected in the work style: It meets four times per year and the meeting lasts approximately two hours, whereas other SD councils meet more often and for longer, and dialogue with the government takes place in addition to the council's work. Other SD councils, though, do not necessarily have eight hours per year direct dialogue with the Prime Minister him/herself. The FNCSO does not issue recommendations or advice, and it acts neither on its own initiative nor at request of the government: this is simply incorporated.

The new National Committee on Sustainable Production and Consumption was deliberately set up separately from the FNCSO, because as a sub-committee of the FNCSO it would have lacked political weight. The main aspect reveals the difference between the functions: the FNCSO could not take the preparation of an action plan for sustainable production and consumption on board, as it is not a "planning/programming" body. It is now anticipated that there should be close cooperation between these two

20 depending on the topic to be discussed in a council meeting

bodies, which is already reflected in overlapping membership (half of its members are also members of the FNCSD).

3.1 ROLE AND FUNCTIONS OF THE SD COUNCIL

Role vis-à-vis the SDS:

The FNCSD did not give joint input to the “government program for SDS” in 1998 (the SD strategy), but individual organisations did via the dialogue process and by developing their own strategies. Most of the members of the inter-ministerial SDS group were also members of the FNCSD network secretariat. For the evaluation process of 2002/2003 it established a sub-committee for SD strategies, which had members from the relevant Ministries and those stakeholder groups that had developed their own SD strategies. The council also organised expert seminars in which the council members participated. The expert network for indicators was also involved. The FNCSD approved the work plan proposed in the progress report (cf. ch. B). In fact, it is the SD ‘council’ that publishes key documents on SD; it does not give ‘advice’.

General functions, - views are shared by the council and government:

- discussion forum between government and non-governmental actors: government hearing new ideas, and stakeholders being informed early about policies;
- a place for trying to find new partners and strengthen their commitment (e.g. LA 21 is important; new initiative: “national partnerships”);
- having a dialogue process is important; consensus building is not an explicit aim: agreements are mainly on what issues should be put on the agenda (and not on policy lines);
- stakeholder members take the results of discussion into their organisations, who then desirably take action;
- opinion building within government and stakeholders groups;
- promote SD within government, at local and regional level, and in society.

Functions of other SD councils (the independent think-tank type) do not apply. Agenda setting takes place to rather limited extent (e.g. sustainable consumption and production); as the council is not meant to be an independent body, raising awareness for certain issues might evolve in dialogue between the secretariat and stakeholder, and might be put on the agenda by the secretariat. Conflicting issues – both among stakeholders and between stakeholders and government – are not explicitly tackled.

Stakeholder members of the council nevertheless are very satisfied with the council, the fact that they are members has changed the thinking and practice in their respective organisations; getting first hand information and having the chance to address the (Prime) Minister(s) directly is seen as very valuable.

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on equal footing:

This aspect does not apply because of the polar situation of government – non-government. As the SD council itself does not aim at getting agreements among stakeholders, the aspect of ‘double-hat’ of council members also does not play a role: the council ‘members’ just represent their organisation’s view in the council meetings.

Relation to and role of socio-economic partners:

There is no separate, institutionalised socio-economic partnership. As mentioned above, the classical stakeholders groups (industry and employers, trade unions, farmers) are considered as having better lines into government than ‘younger’ NGO’s. For the SD ‘council’ it is not an issue, as it is a platform for – almost bilateral – dialogue between individual NGO’s (‘old’ and ‘new’) and the government.

Relation to government departments:

As the SD council itself is the platform for dialogue with government, this issue does not play a role. It is stated that the council softens the Finnish governing style somewhat, which is traditionally very formal.²¹ The potential of other councils to approach government (departments) with challenging agreements among stakeholders cannot be brought to bear in this setting.

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government’s view

- Providing for continuity: SD has stayed on the political agenda for a long time, over 3 different governments;
- getting ideas and input from stakeholders;
- finding new partnerships and strengthening the commitment of stakeholders.

2 SDC’s view

- keeping SD on the agenda and providing for continuity (each new government did discuss the usefulness of the council, and each time it was re-established);
- promoting SD in the society, and supporting new initiatives (e.g. the national partnership program);
- being able to take up difficult political issues and especially long-term SD themes (e.g. long-term objectives for climate policy, ecological tax-reform).

During the evaluation of the SD strategy in 2002/2003 there was some reflection on the FNCSD, and it was mainly asked to strengthen the secretariat, and to concentrate on sustainable production and consumption, which was then approached with the establishment of a new commission. Some (minor) changes in working style and composition were undertaken: one

²¹ The previous PM was described as rigid and “almost frightening”.

decision was to follow the example of the UN CSD and concentrate on one topic per council meeting. There are currently no working groups within the council; former groups existed for local policies, consumption and trade, education, the latter sub-committee was recently re-established with the special responsibility for the UN Decade on Education for SD. The outcomes of the working groups typically consist of engaging new actors to work for SD.

No explicit challenges for the SD council were mentioned.

Success factors of a SD council

As the Finnish model for a SD council differs considerably from SD councils in other countries, also the success factors are different, with the main overlap to many countries, that the lead of the PM (here: the chairmanship) is considered to be a very important signal that SD is high on the political agenda. The council itself hence provides the link into government, which is mentioned in other countries as important. Other factors that are related to the think-tank functions of other SD councils do not apply in the Finnish case.

B Themes and scope

Finland emphasised ecological sustainability in the earlier years (reports 1990 and 1995), and also the 1998 SD strategy “is designed to promote ecological sustainability and the economic and social and cultural preconditions for achieving this end”. It defines the strategic objectives and lines of action for key priority fields:

- Finland’s role in international co-operation,
- Products, production and consumption,
- Energy economy,
- Regional structure, urban structure and transport,
- Rural areas and use of renewable resources,
- Research and education.

The progress report 2002/2003 included a revision of the priority areas, based on increased understanding of SD, identified gaps and finally proposed to cover the three dimensions of SD with the following priority areas:

- 1 Employment, Production, Competitiveness,
- 2 Environmental Pollution – conservation and use of natural resources,
- 3 Regional and community structure – transport and mobility,
- 4 Health and security – full citizenship,
- 5 Joint responsibility and corporate social responsibility,
- 6 Innovation and education.

Qualitative objectives are grouped around the three dimensions and include:
Social objectives

- Promote active work and gender equality, and fight contagious diseases, especially HIV/AIDS, malaria and tuberculosis;
- Prevent health problems due to lifestyle choices (drugs, smoking, unhealthy eating habits, mental health problems and limited mobility);
- Increase the number of active years citizens live;
- Extensive social security for all citizens;
- Prevention of poverty, social exclusion, and vulnerability. Avoid crime and feelings of insecurity;
- Better guarantee the rights of women, children, and indigenous people;
- Continuously reform values and attitudes to create a good basis for a balanced sustainable development (which refers to an overall discussion about balancing the three ‘pillars’, cf. below).

Economic Objectives

- Revise taxation and public spending (use of eco-taxes is increased, but ecological tax-reform is still to come);
- Safeguard high employment;
- Encourage business and industry to integrate social and ecological considerations in cooperation with various stakeholders;

- More competitive regional developments and strengthening of ‘know-how’ to be transferred to developing countries;
- Increase eco-efficiency (e.g. through life cycle assessments, monitoring of materials flow);
- Increase curricula of institutions to consider social and economic dimensions of sustainable development;
- Greater citizen commitment and encouragement of cooperation and dialogue between administrative sectors (which is meant to be seen in the light of changing consumption patterns).

Environmental Objectives

Finland is well established among the leading countries as far as the development of economic instruments for environmental protection is concerned. Sectoral objectives include:

Transport & Communications:

- Capacity to prevent oil spills should also be improved and a traffic guidance system set up in the Gulf of Finland. In cooperation with the European Union and the CEMT (European Conference of Ministers of Transport), environmental activities in Russia should be enhanced;
- Internalise the costs of communication and transport into fees for public services;
- Full utilisation of electronic services to curb unnecessary transports.

Water:

Full implementation of the National Water Protection Programme by 2005 so that phosphorous and nitrogen discharges are reduced by 50% between the years 1994 and 2005 (NB: this is a repetition of a sectoral program).

Agriculture:

- Curb the use of fertilisers and chemical pesticides;
- Large scale change-over to organic production and introduction of biological pest control.

Forestry:

- Efficient protection of forests and further sustainable forestry development supported through co-operation;
- Urgent need to step up international measures to combat illegal trade in timber and illegal logging.

In addition to these objectives, a set of indicators was subsequently developed (cf. ch. A.1.3.1), grouped by the following sub-themes, with each having 3-4 indicators:

- 6 environmental (climate change, ozone layer depletion, acidification, eutrophication, biodiversity, toxic contamination): 21 indicators;
- 5 economic (economic development, environmental policy instruments, natural resources, community structure and transport, demographic developments): 29 indicators;
- 9 socio-cultural (lifestyle and illness, the workforce, social problems and

equity issues, education research and participation, access to information, cultural heritage, ethnic minorities, development co-operation and production and consumption): 33 indicators.

51 of these 83 indicators are also used by other countries. A revised set of 66 was published in July 2004, now grouped in eight thematic categories (cf. ch. A.1.3.1).

Other priority fields are reflected in the work plan of the FNCSD for 2003 – 2007, which was proposed in the progress report:

- trade, development and poverty (October 2003),
- long-term goals of climate change policy (January 2004),
- sustainable transport and mobility (March 2004),
- corporate social responsibility and sustainable consumption (May 2004),
- a sustainable economy (Autumn 2004),
- regional cooperation around the Baltic Sea, the Northern dimension and Arctic cooperation (Autumn 2004),
- biodiversity (Spring 2005),
- sustainable regional development (Autumn 2005),
- assessment of impacts on human welfare (Spring 2006).

Overall it is stated that though the (three) dimensions have not yet been successfully integrated, and hence the SDS is still quite strong on environmental integration, the underlying paradigm of the Nordic Welfare State, with universal security systems which aim to guarantee that each citizen has the basic preconditions to actively participate in social and political decision-making and planning etc., is a basic political approach to SD, and explains the objectives in the social dimension.

There is apparently also an ongoing debate about balancing the three dimensions, in which the environmental dimension is often considered as too strong, but if and when SD is taken seriously such debates are considered as natural.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF EU-SDS

Finland's early commitment to SD policies was triggered by the Rio conference, which led as first action to the establishment of the SD council. The EU SDS was only endorsed much later than the Finnish SD strategy, but was also not considered in the evaluation report 2002/2003.

Finland plays a very active role in the three multi-national SD strategies: the Baltic, Nordic and Arctic²², and these strategies are coordinated with national policies. After its accession to the EU Finland also initiated the "Northern Dimension", which seeks to address the external and cross-boarder policies of the EU and the (then) non-EU member states. After accession of the CEE countries (Baltic States and Poland) the main external partners are Russia, Norway and Iceland, and the USA and Canada are observers. The main focus of the Northern dimension is on promoting the relationship between the EU and North-West Russia. The first Northern Dimension Action Plan was approved in 2000, and the second for the period of 2004-2006. The main goals are to reduce polluting emissions, to develop environmental legislation and administration, to promote environmental integration and economic co-operation, with maritime safety as a particular focus. Co-operation within the framework of this Action Plan is carried out between the EU Commission, the EU member states, the non-EU partners, observer countries and several regional organisations (e.g. the Nordic and Baltic Councils of Ministers), international financial institutions and NGO's. There is no direct relation between the regional SD strategies and the ND Action Plan, because the actors and their interests vary from process to process. Those countries participating in all processes, which includes Finland and Sweden, have tried to seek coherence in the four strategies/plans and their implementation.

Finland's self-perception as successful frontrunner in environmental and SD policies causes a certain lack of attention towards the EU SDS: it should rather be the other way round - the EU could learn from Finland. The general assessment is that having an EU SDS is very important for an enlarged Europe since the EU SDS will be ambitious for the new member states (i.e. not for Finland because of its frontrunner position, although some problems of course exist, cf. below). Environmental legislation is taken seriously, and Finland is an active player in this field. This might partly go back to the then astonishing experience that the country had to do some homework on environmental policy for EU accession, which it had not expected at all. The generally somewhat reserved attitude towards Europe is similar to that in other Scandinavian countries, and is reflected in the relatively late acces-

22 "An Agenda for the Baltic Sea Region – Baltic 21" (1998); "Sustainable Development – Bearings for the Nordic Countries" (2001); "Arctic Sustainable Development Action Program", approved by the Arctic Council Ministerial meeting on 24.11.2004. The regional differences also imply a number of non-EU member states as members or partners: the Nordic Council has Norway, Iceland, Greenland, the Aland and Faroe Islands as non-EU members, the Arctic Council has USA, Canada and Russia as members, and the Baltic 21 also has Russia as a member.

sion (1995). The subsidiarity principle is emphasised, and the EU is asked to restrict itself to benchmarking. The Union is considered to have an important role in “strengthening the shoulders of a small country”, with particular respect to security policies, which for Finland are vital in view of the country’s relationship with Russia, and it asks the EU to help in negotiations with Russia. The economic benefits are also appreciated.

As observed in almost all other countries, it is also stated in Finland, that “EU lives its own life, also within its administration” and hence is far away. The Lisbon process does not play a role as such, as Finland is one of the very few countries to take significant measures towards the Lisbon objectives, within its own capabilities, and was assessed as being on track at the Spring Summit 2004²³. Also this position contributes to the attitude that Finland has done its share, and now the others should follow.²⁴

For a possible full revision of the SDS it is planned to put both the EU SDS and the WSSD outcomes on the agenda. Also, the forthcoming Finnish EU Presidency (second term 2006) is already causing greater attention, and deliberations on priority setting have started.

2 SD COUNCIL (FNCSO): EUROPEAN AND INTERNATIONAL DIMENSION

Besides promoting SD in Finland the FNCSO has the task of preparing Finland’s positions and national reports to the UN Commission on Sustainable Development (CSD) and coordinating other international cooperation in the field of sustainable development, in particular the Agenda 21 commitments. This is done through the ‘network secretariat’, and the SD council itself has special meetings on international SD meetings.

The council’s non-government members were part of the government delegation of the WSSD. There was a special preparatory committee for the WSSD, whose members were also members of the FNCSO or represented those stakeholder organisations represented in the SD council. The committee organised special seminars before the WSSD on the relevant themes.

Regarding European policy some of its members are also members of a Forum for EU affairs, in which government and stakeholders participate. The council considered the EU SDS during the process of its preparation, but did not include it in deliberations of the national SDS. The discussions were rather informal and of an informative nature.

It is currently planned to consider the consultation process of the EU SDS review.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The PM’s office has a secretariat for EU affairs, which prepares the Spring Summits in consultation with ministerial sub-committees, incl. the sub-committee for environment and SD, all of which also include representatives of the four governing parties. The Forum for EU affairs is also consulted. The Finnish position for each European Council of Ministers meeting has to

²³ NB: together with Ireland.

²⁴ Some state that what Finland has left to be done is “rather marginal (small country, few people)”.

be approved by the 'grand committee' of Parliament. As the name suggests, this is the largest standing committee of Parliament, which serves as a kind of second chamber, and has taken EU affairs on board after the accession of Finland in 1995. It also has the EU SDS on the agenda, though not necessarily explicitly when preparing the Spring Summits.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- biodiversity;
- environmental taxation: Finland's environmental taxes are mostly related to energy (e.g. electricity, including for industrial purposes) and it introduced a CO₂-tax already in 1990. EU taxation is desired for reasons of competitiveness;
- R&D: follow the good example of Finland, spend more (e.g. for biofuels), instead of CAP;
- maritime safety for the Baltic Sea (particularly regarding transport of oil and chemicals from Russia);
- further improvement of CAP;
- spend more on railways and sea-waterways (ice-breaking);
- climate change: the EU is responsible because of the liberalised energy market, and only the EU is large enough to influence international markets.

The overall importance of the Baltic region and the situation of being a neighbouring country to Russia led to the request that HELCOM should become binding and should include negotiations between the EU and Russia. The '(EU) Northern Dimension Action Plan' should further develop its SD dimension and include all Northern European countries. There should be a focus on better coordination and streamlining with the regional SD strategies (Nordic/Baltic/Arctic). In general, the EU should take the Northern Dimension more seriously.

In the course of the preparation for the EU Presidency (2006) the FNCSO will deliberate on EU policies important for SD.

Downstream impact - EU policies hampering national SD processes

Besides the discussion on the Kyoto protocol and the EU burden sharing agreements (cf. ch. D.2), no particular policy was mentioned. The free movement of goods is considered as problematic because of increasing transport volumes.

Overall assessment

The level of desired upstream actions is relatively low, and reflects the rather reserved attitude towards the EU. The attitude to targets set at EU level to an extent reveals the tragedy of the frontrunner: EU targets were only partly appreciated, mostly considered as insignificant (when Finland was already exceeding these targets), and sometimes they cause an outcry, namely when

the country has difficulties meeting them. Being used to ranking very high makes it hard to imagine that targets cannot be met. Then something must be unfair. There are also reservations about EU targets, because “targets need to be developed bottom-up, not top-down” (cf. overall bottom-up approach).

Finland has started to deliberate on the priorities for its EU Presidency (second term 2006), which will be likely to include the country’s priorities of eco-efficiency and material efficiency as well as sustainable production and consumption.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

Again in line with the bottom-up approach, most success stories are found at the local level and are based on local initiatives (e.g. public procurement, “near-food” programs in schools).

National success both in social and environmental policies is not attributed to SD policies, and surely not to the SDS, but to earlier developments: policies bringing about the Nordic welfare state, and societal awareness of environmental problems that had already started in the 1980’s: a lot of measures, e.g. expensive investment in waste water treatment, was triggered by societal demand. Also, business realised that environmental measures are profitable. Hence the SD strategy is rather an overarching document of ongoing policies, and some new priorities (e.g. decoupling).

It is somehow a success of the SD agenda in itself that the topic has ‘survived’ over a very long time and is kept on the agenda; the ownership approach has been very successful, too: Even if the content at times seems to fall short a bit, and conflicting issues seem not to be put on the table, SD policies are a self-evident part of Finnish policies.

The structure of Finnish industry with its large share of the paper and pulp and basic metals industry, is characterised as very energy and material intensive. It has, however, made much progress in terms of eco-efficiency, as a result of environmental regulation, R&D programs and initiatives by the industry branches themselves, which is altogether clearly a success. The overall problems of unsustainable trends in consumption and production are since recently being tackled by a new national committee of government and stakeholders. Also, a further success is the high share in renewable energy production, which is mainly based on biomass. This technology, in which Finland has a leading position, has made the pulp-industry self-sufficient for energy.

Shortcomings:

So far a lack of target setting: if there are any quantitative targets, they are set in sectoral strategies, and for this reason the overarching view is missing. Consideration is being given to improving this with a revision of the SDS.

2 MOST DIFFICULT POLICY FIELDS

Mostly mentioned are:

- Climate change / energy, partly transport,
- Planning and housing,
- Waste,
- Maintaining the Nordic welfare state with an ageing population.

The overall objective for decoupling was only taken up triggered by the WSSD. Industry has a good record in terms of eco-efficiency, but the total

energy and natural resources consumption is increasing, which causes problems: i.e. consumption patterns become more unsustainable, but society with respect to other countries tends to ask that others should now follow Finland's good example.

Overall, increasing eco-efficiency is a central objective (though somewhat hidden in the priority fields, cf. ch. B), and climate change plays a key role in this approach. There is a ministerial steering group for climate change policy, led by the Ministry for Trade and Industry. The MinE nevertheless leads the Finnish delegation in international climate change negotiations, because of its responsibility for the Rio commitments – like the UN Framework Convention on CC. Both ministerial groups are basically composed of officials from the same units, negotiating national positions. The government will report to Parliament on its climate change policies by the end of 2004.

Climate change/energy

Energy intensity was tackled in the past with environmental regulation. Basic production is still material and energy intensive, but on average strong progress has been made in eco-efficiency ; the paper and pulp industry is mentioned as a particularly successful example.

However, the Kyoto targets and burden sharing agreements are the issues currently most criticised in Finland by industry and trade unions. Industry feels it is being treated “unfairly”, because it has already taken such extensive measures, which now leads to the country having one of the highest costs for further CO₂-reduction measures, even if the burden sharing agreement has only a 0% target for Finland. Also, the reference year of 1990 is criticised.²⁵ Finnish industry is very energy intensive, and some sectors cannot further cut CO₂ emissions, because coal is used in the production process not as an energy source (basic metals industry). The service sector industry fears that the EU is losing competitiveness compared to the USA. The energy-producing sector is worried about criticism of other EU countries for the use of peat, which is a non-renewable and also polluting energy source. But for rural economies in Finland this 6% use of peat is important. Finland also voted against an EU target for the post-Kyoto period, because of the opinion that it first needs to come into force with particularly Russia ratifying, others joining (USA and developing countries) and because of feared competitiveness disadvantages.

Also in housing more measures for energy saving, and more energy efficient installations (CHP is mentioned) need to be introduced; partly this is a problem of infrastructure (one gas pipeline is missing), and partly of investments: There is a program for energy savings and a national energy program, both of which were renewed in 2001, in order to be compatible with the national climate strategy from 2001.

The EU target for renewables is already exceeded by Finland, with the main source being biomass (cf. above).

²⁵ At that time there was a bad recession, because of the collapse of exports to the Soviet Union, and hence production was very low.

In 2002 Parliament responded positively to an application by the government to build one more nuclear power plant. The share of nuclear power is 17% of total energy consumption.

Transport

Transport is also an increasing contributor to CO₂-emissions, but is difficult to tackle because of the geographical situation of being sparsely populated. Interestingly, this argument is also used for in a way ‘excusing’ Finland: as it will have one of the lowest car densities per km², this “cannot be so harmful when compared internationally”. It is stated that the rail system needs to be improved.

For the areas of **waste** and **housing** no particular reasons are given why they are difficult fields. They have been tackled with a national waste management plan (recently updated), and a new strategy for planning and housing with an overall goal for SD.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Content: agree on (quantitative) targets, better link objectives, targets and indicators.

Procedural: improve coherence of numerous strategies in place.

With the action-oriented attitude Finland does not emphasise improving the strategy, but stresses the need for education at all levels, exchange of best practice and strengthening the knowledge base. It is, however, apparently not considered important to define in a strategy, what sustainable means or should mean, and which actions are best practice.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows²⁶:

- + Strong background in environmental sustainability: ranking top of the Environmental Sustainability Index (2002);
- + PM chairing the SD council gives political weight; continuity has been achieved;
- +/(◆) Strong bottom-up approach: broad stakeholder commitment; though conflicts are not explicitly addressed; most success stories are found at the local level;
- +/◆ Good cooperation of government departments; but getting all departments concerned committed remains a challenge;
- +/◆ Links and coherence of all strategies and programmes in place seem deficient;
- (+)/◆ Set of indicators in place, though no clear link to objectives of the SD strategy, which also lacks quantitative targets (envisioned now for 2005).

²⁶ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

E Recommendations for the EU SDS review

Government

- Make the EU SDS and the Lisbon strategy coherent (architecture);
- Ensure that the relation of the EU SDS to the regional strategies (Nordic, Arctic, Baltic) is coherent;
- The Cardiff process has been at a standstill for a while: it should be revitalised.
- The EU-SDS should also have sustainable consumption and production patterns as a spearhead.

SDC/stakeholders

- EU SDS is remote from people: improve communication and clarify the architecture of EU SDS and Lisbon process;
- strengthen the environmental dimension of the Lisbon strategy.

As Finland itself has the aim of becoming an eco-efficient economy, it would welcome including this in the Lisbon goals, as well as “changing the unsustainable consumption and production patterns”.

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INTERVIEWEES

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3 Germany

COMMITMENT OF THE PM (CHANCELLOR), WELL FUNCTIONING SD COUNCIL SUCCEEDS IN AWARENESS RAISING, COMPREHENSIVE SDS WITH OBJECTIVES AND TARGETS

- Commitment for preparing a SDS with a new government in 1998 with the lead responsibility in the chancellery (PM office); establishment of a 'green cabinet' and a SD council in 2000.
- SDS is comprehensive with partly quantitative objectives and timetables, including some prominent ones, and 21 headline indicators; SD is supported as leitmotif for the 21st century: the link to the overall government policy ("Agenda 2010") needs to be improved.
- Reactive attitude towards European policies, which tend to play a role only in the legal sphere; the EU SDS was hardly considered; the SDC and some NGOs are trying to improve this; new developments recently.
- Though no real tradition in stakeholder consultation, it has started to be taken seriously; consultation is done in a regular procedure.
- Vertical links have not been the focus yet, and hence are still poor; bottom-up initiatives take place (some Laender, and rather many LA 21 processes).
- The SD council receives a lot of credit.



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ABBREVIATIONS

| | |
|------------------|--|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called chancellor, in German "Bundeskanzler")</i> |
| <i>PM Office</i> | <i>Chancellery (in German "Bundeskanzleramt")</i> |
| <i>MinE</i> | <i>In Germany it is the Federal Ministry for Environment, Nature Protection and Nuclear Safety ("BMU")</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Previous phase

- 1993 Post-Rio: Establishment of the 'Scientific council for global change (WBGU)'
- 1996 Steps towards a sustainable development ("Schritte zu einer nachhaltigen Entwicklung": Policy paper by the Federal Ministry for Environment)
- 1997 Report of the Federal Environment Agency (UBA): "Sustainable Germany – towards an environmentally sound development"
- 1998 Final Report of the Enquete-Commission "Protection of man and the environment": Concept for sustainability: from model to implementation
- Oct. 1998 *New government*

Current phase

- Oct. 1998 Coalition agreement: decision to elaborate a SD strategy by mid 2002, which should include objectives
- July 2000 Cabinet decision to elaborate the SD strategy, to establish a 'green cabinet' and a SD council
- April 2001 Establishment of the SD council (RNE)
- Oct. 2001 Government consultation paper for a SDS: Internet consultation
- Jan. 2002 Consultation of the draft SDS
- April 2002 Cabinet approves the SDS "Perspectives for Germany: Our strategy for sustainable development"
- March 2004 Establishment of a Parliamentary Commission for SD
- Jan. 2004 Government installs a "dialogue"-website (www.dialog-nachhaltigkeit.de). Government consultation paper for the progress report on SD policies, to be finalised in autumn 2004: first consultation phase Jan/Febr.
- April 2004 First draft progress report
- April-June 04 Consultation on progress report
- Nov. 2004 Adoption of the progress report by the cabinet and publication

Assessment:

Germany has been one of the frontrunners in environmental protection policies since – or during - the 1970s.¹ Some efforts for environmental integration, including institutional experiments, also took place during the 1970s, but were not further followed by the subsequent governments.

¹ In institutional terms this was reflected e.g. in the early establishment of an environmental advisory council (SRU), as did Sweden and UK. A separate Environment Ministry though was only installed in 1986 (in light of the nuclear accident of Tschernobyl, hence responsibility for nuclear safety was allocated to this Ministry).

The concept of sustainable development was dealt with relatively late: The Rio conference only led to the establishment of the Scientific advisory council for global change (WBGU); particularly the work of two Enquete-commissions installed by Parliament triggered a new round of thinking, and led to a Parliament decision in 1998 that asked the government to elaborate a SD strategy and to establish a SD council. It could be of relevance for the long-term perspective that this decision was taken by the then majority of Christian-democrats and Liberals. In the same year a new government came in, with the Green Party for the first time in a federal coalition government (with the Social-democratic Party), transposed this decision into its coalition agreement, adding that the SD strategy should have concrete objectives and be prepared by 2002.² Only two years later, in 2000, the government decided on an institutional framework with

- a a State Secretary Committee for Sustainable Development ('green cabinet'), with the PM office (chancellery) chairing, and
- b a SD council as advisor to the government for sustainable development policies, and for preparing contributions to the SD strategy.

It took a while until the council was established, and more than one year until the government presented its first consultation paper for the SDS. The consultation itself and the time left for revising and finalization was hence relatively short. The SDS 2002 – 2006 was endorsed by the government on the eve of the next election (October 2002). What would have happened with a new government can only be speculated (cf. ch. A.1.3.2).

The SDS 2002 – 2006 is mainly assessed as a positive achievement, with some criticism on targets not being ambitious enough (but positive: that there are targets at all), some policies staying too vague, some objectives and indicators such as GDP being not related to sustainability and overall that measures are not explicit enough or are missing. Overall there is not much discussion on the deficiencies of the SDS, as the current reporting phase is rather perceived as a reviewing phase, in which improvements are aimed at.

It is regretted that Germany had not already put SD on the agenda for its EU Presidency in 1999. This was for basically the same reason as the delay before starting to work on the SDS (almost three years): domestic problems were considered as too urgent.

Overall the work on the SDS, including its implementation and monitoring of progress, despite some delay, has been taken seriously during the last three years in Germany. Particularly the lead responsibility of the chancellery has been a key success factor (cf. next ch. 1.2), and the SD council contributed significantly to progress and visibility (cf. ch. A.3). But it is said that government and the chancellor could increase this by putting other overarching political programs (particularly the so-called "Agenda 2010") in the context of SD. Progress in sectoral policy fields, which only partly go back to the SDS itself, will remain an ongoing challenge.

The establishment of a new Committee for SD in Parliament as an overarch-

² Coalition agreement of the German Social-democratic Party and the Green Party, 20.10.1998, p.17.

ing mechanism seems useful in principle.³ It remains to be seen how it will manage to increase the cross-sectoral dimension of the standing committees and raise awareness of the issue among MPs, and whether it will become a driving-force and possibly improve the long-term perspective.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

The cabinet decision of 2000 included that the chancellery chairs the State Secretary Committee for Sustainable Development ('green cabinet'), and is overall responsible for the SDS, by coordinating and steering. Initiators for this approach were two MPs from the two coalition parties, supported by the former 'State Minister' in the chancellery⁴, who regarded SD as being also a field for personal engagement.

The governmental/administrative structure in Germany is not favourable for comprehensive approaches, as the Ministers have a relatively strong position with leading their Ministry independently and in own responsibility.⁵

However, this independence is embedded in the overall so-called 'guidance competence' of the chancellor, which has to be respected. The chancellor himself hence has a strong position, which is balanced by the independence of the Ministers (up to certain limits), and the practice of collective cabinet decisions. Overall, policy-making in Germany is more characterised by conflicts between Ministries, which is also fed by the traditional coalition governments with Ministers from different political parties.

These factors led to the decision to give the overall lead for the SD-process to the chancellery; this also means that the SDS falls under the 'guidance competence' of the chancellor, which e.g. comprises decisions on priorities and objectives. This mechanism is – now ex-post - considered as a key success factor for the SDS. It prevented classical conflicts between Ministries, eventually leading to stalemate, and provided that quantitative objectives have been maintained: there were attempts by some Ministers to give up certain targets for the sake of individual success. The chancellery has not only a coordination role, but is also steering the process and by this giving input and impulses to the relevant Ministries. For instance, in elaborating the SDS the individual Ministries drafted parts, which were reviewed by the chancellery in light of a comprehensive approach (and e.g. input by the SD council), given back for re-draft, and all contributions put together as the final SDS by the chancellery. Political leadership for the SDS falls under the 'guidance competence' of the chancellery, and its administrative implementation takes place in a link between the chancellery and the respective Ministries responsible for the specific issues. In 2004 the German Federal Parliament (Bundestag) responded to this political scheme by establishing a Committee for SD in the

3 Germany is currently the only country among the 9 explored in this study with such a specific Committee (besides Sweden with its comitology system in general, and the UK with an environmental audit committee that also deals with SD. Ireland used to have a Committee for SD, but this was "re-sectoralized" following the lead responsibility of MinE for SD).

4 The position of "State Minister" is at the Minister level, but without a Ministry. The State Minister in the chancellery has a special assistance and leadership function.

5 This constitutional provision is meant to prevent a chancellor from being able to govern a Ministry sidelining the Minister (Ismayr, 2003, p.459).

Parliament (cf. also ch. A.1.3.2): Policy issues prepared by a Ministry are typically dealt with in the respective standing committee of the Parliament but there used to be no parliamentary framework to respond to political initiatives taken by the green cabinet. Members of Parliament found themselves discussing elements of SD policies in the standing committees, but they perceived themselves to be cut out of the political debate on the policy frame of SD. In the upcoming debates on the SD Strategy and on SD issues the Parliamentary Committee will have to develop the status of relations to the Standing Committees and to the Federal Government.

A substantive reason for the overall lead of the chancellery in the SD-process was the intention not to deal with SD as environment policy ‘in another garment’, which would have caused ‘critical reflexes’ in other departments. The MinE at the same time welcomed the integrated approach; it saw that a setting with all fields being equal has the potential that the originally weaker ones gain, and evaluates ex-post that environment has profited from the arrangement, not only through being considered in all matters. It is also stated that the MinE learned to approach themes from a different angle, too. Independently of these aspects the MinE does retain an important function as a pacemaker for the wider SD policies.

The ‘green cabinet’ comprises nine State Secretaries⁶ from the Ministries of Economic Affairs and Labour, Social Affairs and Health, Environment, Consumer Protection and Agriculture, Transport, Development Aid, Foreign Affairs, Education and Research, and Finance. Supposedly, at least in the beginning, some Ministries cooperated only because they would otherwise have lost influence. The chancellery also serves as secretariat for this State Secretary Committee, whose meetings are prepared by a working group of strategy sub-Directors of the Ministries involved. This working group is also assessed as having very positive effects for mutual understanding. As a second tier challenge regarding integration it is realised that insights of this working group also need to be communicated further into the individual Ministries (i.e. to the “specialists”).

For the individual priority fields of the strategy, the concerned Ministry has the lead responsibility for implementation. Thus, the Ministries for Environment, Economy, Social Affairs, Housing, Transport, Agriculture and Consumer Protection, Finance, Foreign Affairs, Development Aid etc. have different tasks but a joint responsibility. This implies that they have to settle diverging objectives and policies within the green cabinet, which, for obvious reasons, is sometimes not at all easy, as SD policy is in general.

Assessment:

The lead responsibility of the chancellery is overwhelmingly assessed positively. As a success factor it is stated that personal commitment in the chancellery is a prerequisite. The typical arguments against such a mechanism are denied:

⁶ *State Secretaries in Germany are the administrative head of a Ministry, positions which are often, but not necessarily, filled-in by political colour. As opposed to the Junior Ministers in UK (Ministers outside the cabinet), and the ‘State Secretaries’ in NL (who are in fact Junior Ministers), they are not elected.*

- a environment gets weaker: the MinE states that it would have got less far with many matters if it had had the lead;
- b in the case of a change of government, with a less committed one coming in, SD is more endangered than with a MinE lead: it is considered that it doesn't matter where the lead previously was located, if there is the intention to down-grade the subject.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

The SDS has a four-year term and the government approved that every two years a progress report should be prepared, which monitors progress against the objectives (and the indicators, which are mainly trend objectives). A revision of the indicators (and objectives) is planned for 2006.

In contrast to this intention, the consultation paper for the progress report 2004 represents a revision of the priority fields, whereas only the progress/monitoring report (mid-term review) will contain a systematic review of progress made by measuring the indicators. A draft of this report was published in April 2004 and was under public consultation until summer. This approach is not entirely logical, as to a large extent an insight into progress made in the ongoing priority fields provides the basis for a decision about their future. The approach in Germany may partly be interpreted as mainly politically driven, i.e. new themes (maybe more attractive, because new) are set without scrutinising the past.

The 2002 strategy contains seven priority fields, three of which are prioritised for the first two years (cf. ch. B: energy, food quality/agriculture/health, mobility), plus one overarching one. The consultation paper 2004 selects two of the remaining four (i.e. drops the other two), and adds two new ones, which can mainly be seen as underpinning ones for energy policy. The government argues that one of them (alternative fuels) requires urgent action, because so far activities are scattered across the Ministries and need to be brought together. It is also stated that the 'old' themes will be continued, though only the mid-term review will reveal the progress made so far and the planned measures for the future. Altogether the approach for the priority fields is a bit opaque, and measuring progress does not seem to be in the focus, or least not done in a systematic order.

1.3.1 Indicators, targets and timetables

The German SDS contains strategic, and mostly quantitative, objectives and uses indicators. Such an approach had been one of the key recommendations of the SD council, though disputed within government: The approach had the connotation of dirigisme and socialist 'planning economy'.⁷ Another reservation derived from the fact that an existing, politically important, objective (reducing the number of unemployed) had just failed. Finally the decision was made - with the convincing argument that it is a common approach for business (and not: that it is a common approach for the EU and international level).

⁷ With the Ministries of Economic Affairs and Finance as strongest opponents.

1.3.2 Review terms, long-term perspective and role of the Parliament

Germany has a preference for so-called “small” coalition government, i.e. one of the larger parties (Social-democrats or Christian-democrats) has a coalition with one of the smaller ones (typically the Liberals, since 1998 for the first time the Greens); there has never been a minority government at the federal level, and very rarely a “big” coalition (i.e. made up of the two large parties).⁸ This situation is characterised as ‘competition democracy’ driven by competing parties, which is not very beneficial for long-term strategies. However, given an overall political stability which has developed by a relatively stable party system⁹, and a relatively ‘rational’ political culture, it is not easy to entirely dismantle policies of previous governments.

A particular problem for implementation derives from the federal system that has a council of representatives of the Laender (the Bundesrat), which in many cases (depending on the matter) has the right for approval of federal law proposals: If the opposition has a majority in this chamber, as is currently the case, the system is prone to stalemate.

All in all, long-term objectives are set, but whether they will be long-lasting even in the case of a change of government remains to be seen; it may be driven by previous success in moving towards them and/or - more likely - their overall popularity.

The SDS has a four-year term, as is rather common also in other countries. It is not directly linked to a government term: It was endorsed in 2002 by an outgoing government (which was then re-elected). It is said that the revision of the current strategy in 2006 will fall in a politically sensitive time, with an election then due which will possibly be more delicate than was the situation in 2002. The monitoring report after two years is at least partly also used for placing new themes for political reasons. This could be particularly the case in the 2006 report, but this remains the subject of speculation so far. The Parliament is currently not (yet) seen as a possible support for the long-term perspective that other countries are striving for (P, Hun) or consider as normal (S). Parliamentarians had been interested in becoming members of the SD council, an attempt that was not welcomed because they in tendency were seen as predominantly representing party politics, which was assessed as potentially hampering the work and spirit of a council. The SDS of 2002 was debated in Parliament, but without a formal vote.

In March 2004 the Parliament established a special “Committee for SD”, in addition to the standing committees that are organised by sectors such as the Ministries. This attempt was partly based on previous work of the Parliament regarding SD, which provided the ground for the kick-off of a SDS in Germany; partly on realising that the Parliament with the current mechanisms had difficulties in following up SD activities of the government (cf. ch. A.1.2); and partly on several recommendations of the SD council, which was not able to conduct effective dialogue with Parliament due to problems with finding suitable partners. The new Committee’s aim and purpose is to improve the cross-sectoral and comprehensive approach to SD by giving

⁸ *Ismayr, 2003, p.456.*

⁹ *Ismayr, 2003, p.458.*

recommendations to the standing committees, and being a watchdog for the process of SD. To this end it has the right to call plenary debates and to ask standing committees for contributions.¹⁰ It works regularly and has so far met seven times. It remains to be seen how this Committee will be able to improve the long-term dimension of SD. It might be a promising aspect that it was the previous majority in Parliament (now in opposition) that decided to prepare a SDS and to establish the SD council.

1.3.3 Approach for a SD strategy

In first drafts of the government towards a SDS the SD council had noticed an approach pointing in the wrong direction: a state-/government-centred, national and rather rigid ‘planning’ attitude, all of which in a way resembles German stereotypes. Key recommendations hence were to look more at societal ownership and the international dimension including the EU¹¹, and to work with (quantitative) objectives, indicators and timetables. All three aspects succeeded, and overall probably the ‘learning’ has started that SD is a learning process. Considering the priority fields of the consultation paper for the progress report, there seems to be the danger of a fall-back into small pieces, instead of maintaining the bigger picture and breaking it down. The indicators are presented in summaries of the SDS, but the existing quantitative objectives are not, and they are also not easy to find in the full text.¹² Also, far-reaching objectives like a 50% share of renewables in total energy consumption by 2050 are expressed without figures¹³. On the one hand this seems appropriate regarding the long-term perspective in terms of flexibility and accountability (“... permits the projection of *guideline figures* for the period from 2010 to 2050”). On the other hand both aspects reflect some remaining reservation regarding the use of objectives and timetables.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Germany has a federal system, determined in the constitution, with 16 so-called Laender. The majority of them also have a sub-regional administrative level. For the preparation of the SDS the Laender were involved during the consultation procedure: their Prime Ministers’ offices were pro-actively asked for input. Only a few responded, but in some cases even the entire Laender-cabinet dealt with the federal draft SDS. In the same way the key associations of local authorities were asked for statements. There were no negative reactions and those Laender who had already been committed to SD policies/strategy considered the national SDS. However, the strategy hand has not triggered any new Land into becoming active, and also does not call upon the Laender to prepare their own SDSs.

The federal level considers the involvement of the regional and local level as important, which was e.g. also one reason to appoint two mayors to the SD

¹⁰ It though cannot propose decisions to the standing committees.

¹¹ Advice of the SD council, September 2001 (http://www.nachhaltigkeitsrat.de/service/download/pdf/Stellungnahme_zu_NHS.pdf).

¹² The approaches in UK, and in Sweden with the environmental quality objectives, are more clear.

¹³ “By the middle of the century, renewable energies should cover around half of the energy consumption” (Federal Government of Germany, 2002, p.97).

council, though so far it has not been the focus and/or been encouraged. One explanation in the preparation phase might have been the short time frame. Another could be that the relationship is currently not fully relaxed for two reasons: the opposition parties lead the majority of the Laender, and there is an ongoing debate about the reform of the federal system (with a special commission working on that)¹⁴.

The federal government communicates that SD has to take place on all levels, and regards its role as agenda setter also for themes for which it is not competent, e.g. land use for construction. The (national) SDS does not contain any measures that interfere with Laender competence, and is hence in a narrow ('legal') point of view a federal strategy. For moving ahead with such themes the government e.g. asked the SD council to organise a societal dialogue for land use with all levels and relevant actors. In such cases it is natural that conflicts may occur.

A more regular approach would be to put the SDS on the agenda of the permanent "conferences of the federal and Laender Ministers", which exist for each sector. So far the one for environment in 2002 established a working group for SD, which exchanges information on federal and Laender SD policies and strategies and gave input to the federal SDS review.

LA 21 processes in Germany started only slowly in the mid-1990s, with currently around 2.500 local authorities, i.e. around 17%, having at least initiated a LA 21-process. Overall the processes are assessed as facing the danger of losing steam when moving more towards implementation after the phases of strategy development. Besides internal improvements to be made it is stressed that better links between the local, regional, national and European level are required, and that the relevance of SD on the national level must grow, to keep the local activities "sustainable". A national campaign such as in Sweden would be desirable, and the federal government should better communicate its SDS, in which the municipalities should be asked to 'act locally'. And there is criticism that the chancellor does not link the overall policy program "Agenda 2010" (a title which already causes confusion) with the concept and strategy for SD.¹⁵ The SD council had proposed to send a copy of the SDS to all 17.000 mayors, but the idea was not taken up by the government.

In 2001 the federal government did though install, on a project basis, a "Servicepoint LA21", as a support mechanism. Also most of the Laender support the exchange of experience and knowledge transfer.

2 NON-GOVERNMENTAL ACTORS

Germany has seen quite drastic changes with moving from a traditionally state-/authority-centred and hierarchical political culture to a participatory orientation since the 1960s. Particularly the subsequent 1970s and early 80s saw the evolution of civil society initiatives, particularly in the field of envi-

¹⁴ It also covers competence questions, including a proposal to abolish the framework competence of the federal level, which is of special relevance for the field of environmental policy and law, because most of it falls under this provision.

¹⁵ Weber, 2003, p.4, 11.

ronment (with a strong anti-nuclear movement), peace and women's liberation.¹⁶ One result of this era was the foundation of the Green Party, and even if the direct engagement of civil society has decreased since the 1980s environmental NGOs e.g. are still strong and relevant.

The government(s) have responded rather slowly to demands for more involvement of – then – 'stakeholders' (as distinct from originally rather small and loose initiatives); and consultation requirements e.g. in planning and permitting procedures exist by law, but are in practice often not more than a mere exercise. On the policy making level though during the last decade it has become more and more common to consult with stakeholders in the sense of civil society movements.

Stakeholder formations like Trade Unions, Industry-, Employers'-, Business-, Trade-, Farmers- etc. associations traditionally have a strong influence on policy making, and on individual policies (e.g. with regard to chemicals). Altogether there are 1.700 interest groups registered at the German Parliament, i.e. those that intend to lobby or influence policy-making.¹⁷ There is no institutionalised socio-economic partnership, but negotiation on wages (with, partly, attempts also to address broader economic and structural policies) between employers and trade unions, with the government as mediator.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

On the initiative of the German Employers' Organisation of Industry (BDI) 19 German multi-nationals and/or companies with some international activities in 2000 founded "Econsense", a Forum for SD, which sets out to be:

- a platform for dialogue between business, politics and society,
- a think-tank for bringing together the competences of the business community and developing its own statements and solutions for SD,
- an opinion former and giving input to policy developments,
- a centre of competence for experiences and knowledge from the national and international levels.

This initiative was driven by the view that, without engagement in environment/SD/CSR, the companies would lose competitiveness, because of the perception of the professional public such as rating agencies (e.g. the sustainability index). Companies in Germany also tend to assume that, when talking about problems, the government would regulate. As this is not desired, the initiative is intended to demonstrate the self-regulation/-organisation potential of business in the field of SD.

The concept of CSR has started to play a role in Germany in 2001. It is perceived as a translation of the concept of SD on the business level: It is meant to combine economic success, employment and other social aspects, and environment (mainly from a product-related point of view).

The relation to the SDS is a bit contradictory: on the one hand it is recognised as being as most overarching and having had high input from stake-

¹⁶ Ismayr, 2003, p.471/472.

¹⁷ Ismayr, 2003, p.470.

holders, on the other hand it is only partly referred to, mainly because of other relevant ‘meta-’ players (like the UN CSD, the European Commission) and activities (like reflections on CSR as a management issue). This situation could be interpreted as a bottom-up approach, but the overall impression prevails that the SDS is as a matter of principle not acknowledged as an ‘overarching’ strategy, *because* it is predominantly a government document, despite its intention to be taken up by all societal actors. Themes of the SDS are taken up arbitrarily, and/or depending on the demands of the members. The approach of a SDS - with its framework, objectives, incentive for broad involvement of society, and flexible ways of implementation - is valued in principle, but not in the way that business deals with it (then it is rather ignored). The government is at the same time criticised for not referring systematically to its ‘own’ SDS, nor to international and EU agendas.

2.2 STAKEHOLDER CONSULTATION

Stakeholder consultation for the SDS and the progress report follows regular procedures, with:

- a first consultation phase of two months on a draft paper (a draft outline of the framework and the priorities; for the progress report it is called a ‘consultation’ paper and proposes the future priority fields),
- a second consultation phase of three months on the draft strategy, or the draft progress report respectively.

Consultation is mainly conducted via a special website called ‘dialogue for sustainability’¹⁸, which was installed in 2004 for this purpose, and for overall communication on the SDS: there are e.g. also ‘chats’ on this website with key officials in charge¹⁹.

There is no information about the amount of feedback for the SDS preparation, or the degree and kind of criticism. In the course of the survey no significant negative assessment occurred, rather on the contrary, the process and the degree of possibilities for input are assessed positively.

The SD council plays a strong role in communicating SD policies, and has been experimenting with new ways.

3 SD COUNCIL (RNE)

The SD council RNE was established by the cabinet together with the concrete decision in 2000 to prepare a SDS, to advise the government in SD policies, prepare contributions to the national SDS, and propose concrete projects for and during implementation of the SDS. It is also meant to play a key role in fostering societal dialogue on sustainability. The council’s term was renewed in 2004 and reaches now until 2007, which is well beyond the current legislative term. The next Federal Government will have to decide whether to continue the policy scheme.

It is composed of 17 personalities who represent with their backgrounds environmental, economic and social concerns. It is not seen as a body for

¹⁸ www.dialog-nachhaltigkeit.de

¹⁹ e.g. on 22.6.04 with the head of the chancellery.

negotiating positions of their organisations, nor does it represent society: the latter would not be possible, at least in a big country. Potential council members are selected from the bigger stakeholder organisations and/or on the basis of personal qualities.²⁰

The council acts both on its own initiative and at the request of the government. From the point of view of the government it is a sign of recognition when asking the council for advice, or for organising an initiative for a certain issue, not as a means for influencing its agenda.

The council and its work are highly appreciated by all interview partners.

3.1 ROLE AND FUNCTIONS OF THE SD COUNCIL

Role vis-à-vis the SDS:

- The SDC gave the following key advice on the SDS²¹:
- Recommendation on quantitative objectives and indicators (September 2001), including a substantive model for the three themes - energy and climate change, agriculture/nutrition/health and mobility - that triggered the government decision to use indicators;
- Statement on the 'lighthouse'-projects of the federal government (November 2001);
- Proposal for five pilot projects for sustainability (November 2001): mostly accepted and implemented by 2004;
- Statement on the draft SDS 2002 – 2006 (January 2002);
- Statement on expectations for the progress report SDS (September 2003);
- Statement on the priority fields of the government for the update/mid-term review of the SDS 2004 (January 2004);
- Statement on the draft progress report SDS (March 2004);
- "Snapshots sustainability and society" (June 2004).

General functions, - views are shared by the council and government:

- Advisory board to the government, from a viewpoint of civil society;
- reminder/watchdog for the holistic/integrated view;
- think-tank;
- stakeholder/expert dialogue "among each other", including that consensus building among the members should take place;
- stakeholder members to take the views into their organisations;
- agenda setting and tackling difficult policy issues; agreements (especially unexpected ones) are appreciated;
- fostering societal dialogue on SD policies by addressing actors that have a multiplier effect.

²⁰ The start-up phase saw some discussion about the selection of council members (not all groups, which groups ...), which then kind of ebbed away though created facts created and the valued work of the council.

²¹ www.nachhaltigkeitsrat.de/n_strategy/strategy_2002/index.html;
www.nachhaltigkeitsrat.de/n_strategy/strategy_2004/index.html
www.nachhaltigkeitsrat.de/documents/statements/index.html.

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on equal footing:

- The council has succeeded in developing a cooperative approach with consensus aimed at, - there is no majority voting. The atmosphere is characterised by open brainstorming on themes and strategic issues.
- It has an independent status with no government members.
- “Double-hat” of council members: The council members do not ‘represent’ in a narrow way the organisation that nominated them (i.e. their ‘home’ organisation). They operate and discuss as individuals on the basis of pluralism of ideas, and trust given by their organisation. The baseline for a council member regarding personal “freedom” is what they mean to possibly communicate into their organisation. Sometimes this may be challenging. A conflicting case was a statement on eco-taxes, for which no agreement was reached: Here some voices say that it failed because of stakeholder politics.

Environmental NGOs e.g. find that they have enough opportunities as stakeholder themselves to give input to policies, and that participating in the SD council opens new opportunities.²²

During the starting phase of the council the personal assistants of the council members (of their ‘home’ organisation) participated in the meetings; this arrangement was perceived as including too much the stakeholder view (“watchdogs”), and was therefore abolished.

- All council members have a background in organisations that have a long history of standing for their positions, hence there is an equal self-confidence (including environmental NGOs, which is not necessarily the case elsewhere).

Relation to and role of socio-economic partners:

As introduced above there is no institutionalised socio-economic partnership²³. Trade unionists and business people are members of the SD council, with the former as a relatively weak part. One deficiency so far can be observed in social policies: there are currently several high-level ad-hoc advisory commissions in Germany (e.g. for health reform, welfare and unemployment, pension reform, immigration), which have, in contrast to the RNE, the function to ease the burden of policy-makers. Because of the abundance of such advice, and partly because of double-membership of RNE-council members in such commissions, it has so far been difficult for the RNE to connect or integrate SD with the overall agenda of social reforms (which is at the same time perceived as important), and the council has missed to proactively remind the government of the need for better integrating SD and the “Agenda 2010”²⁴. The relationship to Econsense (cf. ch. A.2.1) is construc-

²² This would not apply to action-oriented NGOs like Greenpeace.

²³ There is a high-ranking, traditional, scientific ‘council of wise men for the economy’, which deals with macro-economic questions and provides annual prospects for economic growth. Because of its scientific background there have been contacts in the past to the Environment council SRU (which were though not really strengthened for SD questions).

²⁴ It did finally criticise in its statement to the consultation paper for the progress report 2004 (RNE, 2004, p.1).

tive, partly also supported by the fact that there are close links between the RNE council members from the business community and Econsense members.

Relation to government departments:

The council has no government members, but conducts regular dialogue with the chancellery, which is the main responsible body for the SDS, and other Ministries if appropriate or desired.

The character of government relation seems to be a moving target. There is no overall scheme for the relation to governments departments as the council stays on issue-related working terms to nearly all involved Ministries. Sometimes the relation turns out to be of a watchdog character, e.g. when a recommendation does not fit into the current policy scheme. In other issues the government relation is more constructive and plays along a common line of activities building the public backup. As an overall pattern, SD policies seem to be tolerated by individual Ministries as long as the administration can successfully work them into the Ministry's current flow of political activities. From the council's view this does not mean that SD policies – perceived as the integration task with long-term perspective – are already definitely accepted. In particular, the agenda of SD is not accepted with the sense of urgency the council is applying to the issues of climate change, demographic development, new prosperity models and competition, and CSR.²⁵

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government's view

- Valued as a stakeholder advisory body with high quality work; statements are noted intensely; independent input is appreciated;
- council triggered the government decision to use indicators for the SDS;
- raising awareness for SD has been achieved for the “interested” public, not for a wider public (which is not assessed as a failure of the SDC, but as being caused by an overall minor interest of the public in politics, in contrast to e.g. the 1970s and 80s; it also has inherent limits because of the small budget of the RNE): very critical recommendations and/or unexpected agreements could get some media attention; particularly impressed by the annual conferences and other bigger events;
- addressing and tackling difficult policy fields: it is highly welcomed by the chancellery when unexpected agreements are achieved as for coal policy, which gave a new impulse to the Ministry for Economic Affairs and will probably have changed its prejudice that the council is an assembly of coal-opposing environmentalists; it also raised the profile of the council in that Ministry;

²⁵ Currently, the SDC is co-operating with the Ministry for Consumption in a project on sustainable consumption and gave a recommendation on forest; it recently gave recommendations to the Ministry of Economy concerning clean coal and energy policy, it gave recommendations to the Ministry of Mobility and Housing concerning land consumption and is cooperating in a project on energy contracting, it is cooperating with the Ministry for Development in a project on global sustainable land use. In the past, the SDC cooperated with many other Ministries and will do so in future

- certain successful initiatives that also give new impulses to sectoral Ministries (e.g. the “sustainable shopping bag” did so for the Ministry for Consumer Affairs and Agriculture);
- professional work of the secretariat, very good cooperation with the chancellery.

2 SDC’s view

- Significant contributions to the preparation of the SDS 2002 and its review in 2004 (cf. ch. 3.1 above): particularly the agreement on targets and indicators, which was quite disputed in the cabinet, was an achievement of the council; and some proposed objectives, including some far-reaching ones, were taken up²⁶; special contribution to the progress report 2004 (“Snapshots sustainability and society”, June 2004).
- Unexpected agreements, e.g. on coal policy: a council working group prepared a statement, which was discussed in the coal region with experts from the respective Land government, energy producers and scientists; the endorsed recommendation was presented and further discussed, and published inter alia in a brochure of the energy industry (it is also mentioned that the Ministry for Economic Affairs has noted this paper with interest);
- Agenda setting on particular issues:
 - the target of limiting land use for construction to 30 hectares per day;
 - sustainable consumption: recommendation for a ‘sustainable shopping bag’ (including a practice test in households, discussion in several workshops), brochure ‘guidelines for sustainable consumption’;²⁷
 - Eco-tax and emission trading: recommendation of a council working group, did not get the agreement of the full council and was hence not endorsed as recommendation;
 - export of used goods (commissioned a study, discussion with the Federation of Industry and the Ministry and Agency for Development Aid, council recommendation on standards for efficiency, environment and security);
- innovative approaches for communicating SD to an interested and wider public (with a small budget):
 - three annual conferences with a format that tried to illustrate SD as a societal project,
 - writing competition organised with schools,

²⁶ Reduction of land use for construction to 30 hectares per day, share of renewables (incl. 50% by 2050), 40% CO₂ reduction 2020 (government conditioned this with an EU reduction target of 30%), spending for research and development aid.

²⁷ Another interesting example in this field was a meeting with the ‘industry committee for consumer goods’, which raised a basic discussion about two strategic approaches: a) labeling and liability, with standing rights for the consumer (the committee’s “belief system”), and b) starting consumer policies from the demand side (possible alternative). The initiative so far led to nowhere, and hence just came some years too early.

- marketing competition for teenagers,
- supported a student film project for SD,
- film competition for young and elderly people,
- initiating a talk-show series on the eve of the WSSD,
- two workshops with actors from art and culture on the relation of these “fields” to SD;
- proposed pilot projects to the government and cooperated in their implementation (energy contracting for federal buildings, refurbishing of buildings with low energy standards, communication strategy for sustainable transport, info campaign on consumer choice, fighting hunger with sustainable agriculture);
- criticised the Federal Government for inconsistent priorities in the review 2004, and that the overall government program for social reform ‘Agenda 2010’ is not sufficiently communicated within the frame of SD and the SDS;
- At the request of the government the council organised a dialogue process on the issue of land use and land consumption for housing and construction purposes, and presented an advice in October 2004.

Overall the council receives a lot of credit for its work from all interviewees.

Success-factors of a SD council

- Independence: members should not represent their organisation but act as individual personalities with the experience of their organisation as background;
- Try to develop an attitude of experimentation (non-public meetings of the council, council members should participate without assistants);
- Gaining acknowledgement of the government through quality of work, and getting to agreements between stakeholders; in turn this supports the self-confidence of the council (and its members);
- Strong chair and well-acknowledged personalities as council members; include members who have not been engaged in SD policies before;
- Council linked to the chancellery (as is the SDS): provides for more authority, attention and feedback to the council; non-biased perception of the council (rather than being linked to one department); it has the explicit and implicit freedom for discussion with any party.

B Themes and scope

In the first SDS (2002-2006) key thematic fields are²⁸:

- 1 climate change and energy policies (#),
- 2 sustainable mobility (#),
- 3 environment, food quality and health (partly #),
- 4 demographic change (#),
- 5 education,
- 6 innovative enterprises,
- 7 reducing land use for construction.

The first three were made priorities for the first half of the term²⁹, plus the cross-sectoral one 'global responsibility'. The others were announced to become priorities in the second half, though the first SDS partly already contains quantitative objectives for the other fields, namely³⁰

- reduction of the rate of use of land for residential and transport purposes from 130 hectares per day to 30 hectares per day by 2020,
- increase the investments for education from 2,46% to 3% of GDP by 2010.

Other key quantitative objectives are e.g.:

- double energy productivity by 2020,
- double the share of renewables in energy consumption by 2010 from 2,1% (2000) to 4,2% (the SDC had proposed 8%), and their share in electricity consumption from 6,3% (2000) to 12,5% by 2010,
- decrease transport intensity by 5% (compared to 1999) by 2020,
- increase the share of railway use in goods delivery to 25% by 2015 (from 15% in 2000; note: 1991 had 21%).

The headline indicators are grouped under the strategic themes::

- intergenerational equity (includes indicators for natural resource use, state budget, innovation and education),
- quality of life (includes indicators for economic prosperity, quality of the environment, mobility, nutrition, health and crime),
- social cohesion (includes indicators for employment, equal opportunities, families)
- international responsibility (includes indicators for expenditure for development cooperation and opening EU markets).

Some of the indicators themselves are objectives, or they are trend indicators.

In the consultation paper for the progress report 2004, which covers a revision of the priorities, two out of the four remaining priorities are selected, namely demographic change (now framed as 'potential for elderly people in

²⁸ Note: The fields indicated with (#) are also priority fields of the EU SDS, which is though a mere coincidence and was not a motive for selection.

²⁹ which was already decided by the cabinet in 2000 (with the decision about preparing a SDS).

³⁰ Federal Government of Germany, 2002.

economy and society’) and reducing land use for construction. The previous priority energy policy is reinforced (‘new energy supply structure including renewable energy sources’), and a new one is added, namely ‘alternative fuels and engine technologies’. The themes education and innovative enterprises are dropped, which the SDC council criticised with particular reference to the UN-decade on education for SD.³¹ The previous priority fields food quality/health/agriculture and mobility are intended to be continued according to the draft progress report. It is also planned that the progress report 2004 will already announce two priority fields for the SDS revision 2006, namely biodiversity (with the MinE leading) and sustainable budget policy (with the Ministry of Finance leading).

³¹ RNE, 2004, p.2.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The commitment to prepare a SDS was triggered by the prospect of WSSD 2002 on the horizon, and a new government (with the Green party in the coalition) underpinned this commitment with an institutional framework. The EU SDS did not play a role, although it had been endorsed just before the work on the national SDS started (Oct. 2001). The main reason was the short timeframe for preparation and prioritization of the domestic focus: the government wanted first to explore the domestic potential for strategic change, and demonstrate with a national SDS that an integration of the three dimensions can succeed. When progress made it intended to influence European policies ‘bottom-up’ with SD considerations, together with other countries as partners in individual policy fields. But it is acknowledged that, from the point of view of integration, this approach falls a bit short. Also, considering the so far short period of activities in SD policies, it is thought that a stronger focus on the European dimension might be feasible from 2005.

The SD council, in its input to the national SDS, also did not consider the EU SDS, for the same reasons of capacity constraints; this is more understandable because it was only established in April 2001 and had to go through consensus-finding procedures by October. But it meanwhile stresses that the European dimension must be better considered, and that SD policies must pro-actively be integrated in the early development of policies at the EU level (and not only when a Council of Ministers deals with it). It has been very active over the last two years (cf. ch. C.2 below).

The national SDS already plays a role as a reference point for certain EU policies.³²

The Lisbon process is predominantly considered as rather remote and – within the government – as a matter of “European circles” (“coffee parties”), which draft awkward wording that does not fit with regular policy work. Concrete European policies, e.g. on chemicals, are though considered interesting and are dealt with actively. The open method of coordination is less relevant, or even not taken seriously (e.g. Lisbon as just a nice P.R. opportunity).

Overall, for Germany as for the other big member states, the EU seems to be less ‘important’ than for small ones, because of a stronger national ‘fixation’, and EU policies tend to be dealt with in a reactive way. The German position as a nett contributor to EU funds supports a certain arrogance. One other interpretation particularly in Germany (as compared with e.g. France) is that political careers are not made via or including an EU phase, but solely in the link of the Laender and federal level, and hence also EU policies are not

³² E.g. in a preparation of a German position for a Spring Summit the MinE wished to include a statement on decoupling of economic and transport growth, which the federal transport Ministry was not fond of; but the chancellery then got accepted that the German position is based on the SDS (‘basis of reference’). This mechanism may also become true when progress is made in even more difficult policy fields (e.g. coal).

important. Politicians and civil servants working for the EU tend to have a negative image.

Additionally it is felt that some of the most important policy fields, such as the reform of the energy supply structure, can be (and should first be) tackled nationally.

Meanwhile the attitude has changed a bit: The 2004 government progress report on the SDS, refers explicitly to the EU SDS. Some policy fields, and explicitly energy, are now clearly linked to the European level.

2 SD COUNCIL (RNE): EUROPEAN AND INTERNATIONAL DIMENSION

The RNE has been involved in European cooperation through EEAC since shortly after its establishment in 2001.³³ Since October 2002 its Secretary General has co-chaired the EEAC Working Group on Sustainable Development (together with the UK SD Commission).³⁴ Activities regarding exchange of information with other SD councils are very much welcomed by the government³⁵.

Other international activities of the RNE included:

- Recommendation for a global Commission on ‘sustainability and globalisation’ (January 2002);
- Participation of delegates at the WSSD, organising two parallel events (one together with the Minister for Development Aid)³⁶;
- Recommendation for the implementation of the WSSD results (November 2002);
- Proposals for the implications of the WSSD for German development aid policies (November 2002);
- Proposal for the involvement of the council in the preparation of the international energy conference RENEWABLES 2004;
- Recommendations on ‘global agricultural market and sustainable development’ (January 2003), combined with a public workshop in June 2003;
- Public workshop “The Johannesburg Challenge”, co-organised with the Ministries for Development Aid and Foreign Affairs.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The preparation of the Spring Summits reveals some coordination deficits: There are two separate departments in the chancellery for Europe and for sector policies, including the environment/SD unit, with no clear cooperation for the EU SDS/Spring Summit preparation. Similarly, in the Ministry for

³³ The two other German advisory bodies, the German Environment Council (SRU) and the Scientific Council for global change (WBGU), have been EEAC member since 1997 and 1999 respectively, with the SRU as founding member of the network in 1993, and a far-reaching commitment with hosting the EEAC secretariat 1999 – 2002.

³⁴ The Working Group comprises SD and other councils engaged in the SD agenda. It has so far prepared two key statements: “Strengthening sustainable development in the EU”, December 2002, as input for the Spring Summit 2003 for the revision of the EU SDS post Johannesburg, and November 2003 as input for the Spring Summit 2004. It was also key author of the “Kinsale Challenge” (April 2004), which addresses key recommendations for the EU SDS review.

³⁵ which even states that it would be desirable if other SD councils also found an always open ear in the PM offices.

³⁶ The WBGU also participated in the WSSD and organised such parallel events.

Environment there is a Unit for Environment and Sustainable Development Strategies, as well as one for International and European Affairs, which cooperate to a certain extent. The Ministry of Foreign Affairs has a department for general European Affairs which e.g. dealt with the Convention, and a unit for environment, which e.g. coordinated the German preparation of the WSSD and takes part in the 'Green Diplomacy Network'. The relation between the chancellery and the Ministry of Foreign Affairs regarding SD is not fully clear.

The Spring Summit is prepared for by the Europe department of the chancellery, which gives its position to the Ministry of Foreign Affairs, which then collects and coordinates input from other Ministries (including the MinE). Regarding the EU SDS the MinE has the main responsibility, and there is a strong link between the chancellery and the MinE. Within the chancellery there is a weekly coordination meeting for European policies, including environment; also regarding the Lisbon strategy the environment/SD unit gives input to the European department of the chancellery, but overall not much capacity can be devoted to that.

The SD council has given input to the Spring Summits 2003 and 2004 via the EEAC Working Group SD (cf. footnote 34), but directed to the European level only, and informed the federal government. Because it had been established only two months earlier, it could not advise the government for the Gothenburg summit.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

Because of the common Lisbon objective it is claimed that EU action is strongly needed in the field of technology advancement, i.e. EU research policy (and budget) has to focus on innovation technologies for SD. In particular:

- energy policy, particularly combined with technology advancement (Europe has to show that electricity can be produced CO₂-free, even with conventional power plants: to develop such a plant should be aimed at for e.g. 2015; similar advancement could and should take place for solar plants); therefore research and innovation technologies for CO₂-free electricity production, and also e.g. fuel cells, hydrogen are needed;
- the 7th Research Framework Program needs to include the possibility for pilot projects in SD;
- transport: the Transeuropean Networks (TENS) need to improve freight transport on rail.

It is partly stated that it would be desirable if the EU SDS had quantitative targets and a set of indicators, which could become a reference point for all member states.

Downstream impact - EU policies hampering national SD processes

The liberalisation of the electricity market is seen as a possible problem for

Germany regarding the phase out of nuclear power (e.g. how to stay competitive? how to prevent EU funds being spent on nuclear power plants in accession countries?).

Conditional targets and implementation

- Germany established a CO₂ reduction target for the year 2020 (- 40%), whose implementation it intends to make dependent on an EU target of -30%³⁷, though also in this respect the focus lies on domestic progress, before possibly asking the EU to table a proposal³⁸; The EU target of 20% share of biofuels by 2020³⁹ raised a discussion in Germany whether this should be just adopted or whether a more ambitious target should be set⁴⁰.

Both cases reflect an attitude that a national fore-running approach is considered as feasible if the 'distance' ahead of the other member states is not too large. But in the first case above, that 'condition' would require urging the EU to set such a target, which apparently has not happened. In other cases, such as the share of renewables, the existing EU target serves only as a reference point, as Germany goes beyond it on its own initiative.

Overall assessment

Although the EU (SDS) has so far not yet played a role in national SD policies, it has meanwhile been recognised as important including the need to be improved: particularly as national targets will increasingly be conditional upon EU targets (like the German CO₂-reduction target for 2020).

³⁷ First Draft progress report of the federal government, April 2004, p. 68 (www.dialog-nachhaltigkeit.de).

³⁸ Germany was also reserved vis-à-vis the UK attempt to make this as priority for its Presidency. One reason also was that Russia shouldn't get a signal that Europe already moves on, though Russia has not yet ratified the Kyoto protocol.

³⁹ The EU-Directive for biofuels (COM(2003) 193 final) from May 2003 requires to increase the consumption of biofuels to 2% by 2005 and 5,75% by 2010. On the basis of an optimistic scenario the Commission considers a share of 20% by 2020 as achievable (Green Paper Towards a European Strategy for the Security of Energy Supply, COM(2000) 769 final).

⁴⁰ The latter is a recommendation of the SD council for reasons of technological competitiveness and market advantage.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

- The SDS process, and particularly the lead responsibility of the chancellor, has led to increased awareness and visibility, also with the contributions of the SD council.
- The comprehensive approach of the SDS is predominantly assessed as positive.
- Establishment and continuous improvement of dialogue structures with society including stakeholder involvement is also assessed positively.
- The SDS has served in many cases as a reference point for sectoral policies, and its objectives can be defended against sectoral interests with the 'guidance competence' of the chancellor.
- The green cabinet, and the working group of civil servants preparing its meetings, have increased cooperative approaches and mutual understanding.

Achievements in policy fields include:

- front-running role in renewables, and a program for phasing out nuclear power; it is stated that the 2010 target for renewables in the SDS triggered the 2020 target later endorsed in the revision of the Renewables Act;
- good performance in energy efficiency; emission trading scheme successfully implemented;
- agriculture policy (to be demonstrated in the progress report), though it is stated that it must be furthered against the background of the revised CAP;
- new approach for biofuels strategies;
- new approach to tackle the effects of demographic change on the workforce and the public health system (inter alia: enabling strategies for elderly people).

2 MOST DIFFICULT POLICY FIELDS

Mobility / Transport

This policy field is considered as particularly difficult, if not as the most difficult one, and so far not yet tackled very much (though it has been a priority field for the past phase). Reasons are structural, with a strong and important automobile industry, and also a high relevance of cars for the citizens (including emotionally). Efficiency increases in engine technology are eaten up by all kinds of fancy features in the individual cars (e.g. air conditioning), and the number of cars and the total distances travelled wipe out the rest of the achieved efficiency increase. Shifting freight transport from road to rail has been almost always a goal, but never really got anywhere. The current government had intended to introduce a fee per mileage for heavy vehicles, which almost embarrassingly failed for practical reasons. The Eco-tax is partly successful.

The SD council has not (yet) worked significantly in the field of transport policy.

Energy / Climate change

One third of the total energy consumption is claimed by transport, and one third by private households (heating), both of which are difficult to tackle. Restructuring the energy supply is a challenging task in total (which is therefore chosen as a further priority field for the 2nd phase of the current SDS): Regarding nuclear power Germany has agreed on a phasing-out plan with the sector, and wants to demonstrate that sustainable energy supply can work under this condition (though replacement of these capacities is a challenge). The country has become a fore-runner in renewable technologies and a special Renewables Act, which guarantees prices for the producers of electricity produced with renewable sources, has led to an increase in its share. But electricity production still depends largely on fossil sources (with a high share of coal, which is a traditional, and still subsidised sector⁴¹ and has to be tackled. The policy process is described as fragmented with no overall concept on the part of the government.⁴²

The burden sharing agreement is considered as challenging, but the country is perceived as being on track - though reductions in CO₂ emissions have been largely due to the breakdown of energy-intensive industry in former East Germany. Currently much effort is being put into organising emission trading.

Land use

The ambitious objective of reducing the rate of land use for construction from 130 hectares per day to 30 hectares by 2020 will be challenging to achieve, inter alia because measures have to be taken by the Laender and at the local level.

Consumption / growth / life style

The issue is ideologically biased, because of the assumption that changing lifestyle has a normative and moralistic component. It is also difficult to tackle because of spread competences on the three levels. The SD council has contributed with a major initiative (cf. ch. A.3.3).

Other fields that need to be tackled are: waste (a shift in policy is likely to be needed) and education for SD (competence of the Laender, and they have not succeeded in implementing more than pilot projects).

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: improve vertical coordination.

Content: work harder on implementation in terms of 'transition' process (particularly in the field of energy and transport).

Overall: make SD more concrete e.g. with many more pilot projects, which requires leadership.

⁴¹ Partly political reasons: the coal mining areas used to be the backbone of the social-democratic party.

⁴² Particular requests include: Energy policy should also be done with technology advancement in the conventional sector (in light of: the USA is doing so and will otherwise achieve a lead; Kyoto needs a "plan B"): European research funding is needed (cf. C.4.). Also, energy use needs to become more efficient ("Factor 4").

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows⁴³:

- + Commitment of the PM (chancellor), lead responsibility, steering and coordination by the chancellery (PM office), with a green cabinet as horizontal coordination mechanism; this role is considered as a key success factor, which has supported sticking to targets and supported the commitment of other Ministries;
- +/(◆) SDS as a “living document” with priority fields and a comprehensive approach, and (partly quantitative) underpinning objectives; though it is also criticised for lack of vision and strategic approach, lack of link to other overarching government program(s), and for being not ambitious enough;
- +/(◆) The mid-term review of the SDS was not entirely systematic: some previously announced priorities were left out with no reference or explanation, the previous priority fields lack measures of progress and future measures are unclear;
- +/(◆) Stakeholder consultation is now taken seriously, and the SD council plays a key role in experimenting with new forms of increasing involvement of society;
- (+)/◆ So far poor vertical coordination: will have to be improved, if only because of certain objectives that can only be reached with strong commitment and cooperation of the Laender and local level; LA 21 initiatives still play a role, and may become a valuable partner;
- (◆) So far poor link to EU policies and the EU SDS (recently improving); there are also coordination deficits in this respect.

E Recommendations for the EU-SDS review

These key recommendations are based on the SD council’s views, which also gave input to the EU SDS review:

- Have a single and understandable document with a transparent architecture for Lisbon and SD strategy;
- Get the link of EU SDS and Lisbon process right; it would be desirable to include in the Lisbon strategy the goal “most eco-efficient economy”;
- “Go public”: SD needs leadership, - bottom-up alone doesn’t work; participation of business, the social sector and civil society is needed at the same time; establishing a stakeholder advisory mechanism would support this;
- the EU SDS is remote from the people: overall communication needs to be improved, and pilot projects for innovative technology should be included (the 7th Research Framework Program provides an opportunity);

43 + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge¹²⁵

- indicators and progress reports are important for the process, which initiates a public debate: include quantitative targets, indicators and timetables in the SDS (also with the increasing cases of national targets that are conditional upon EU targets);
- the EU needs an institutional and procedural framework for SD policies, because coordination requirements are enormous, and a central and/or advisory institution is needed to keep the issue on the agenda.

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INTERVIEWEES

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4 Hungary

DIFFICULT GOVERNANCE ISSUES; PREPARING FOR AND POST-ACCESSION TO THE EU AS BIG IMPACTS, DEPENDENCE ON EU FUNDING PROGRAMS; PREPARATION OF A SD STRATEGY SEVERAL TIMES POSTPONED

- Hungary's recent development is described as "basically determined by the changes of the political and socio-economic systems ("transformation crisis").
- The past years were strongly influenced by the EU in terms of investment programs and transposing the *aquis communautaire*. EU legislation has guided the country, with positive and negative effects regarding environmental integration and SD; there is hope that with EU accession also the relevance of the SD agenda will significantly increase
- Lack of medium-term strategic direction and/or continuity: new governments change policy course ("flip-flop effect").
- Politics is very much driven by party politics, which is most likely due to the country still being in the early phase of democratisation; this situation also results in numerous changes of Ministers (e.g. 8 Ministers for Environment since 1996, more than 12 Ministers for Agriculture since 1992), which aggravates the previously mentioned discontinuity. Time will possibly bring a more stable landscape of parties.
- 'Politicised' social partners: e.g. unions and business are divided in more 'left' and more 'right' organisations.
- A political culture of scepticism towards the state (resulting in a 'strong' state): civil society is organised at the local level and there are many environmental NGOs, but mainly engaged on a project level. The bigger NGOs have been active in national policy making, also through the Environment Council (OKT).
- Government's second commitment to prepare a SD strategy by the end of 2004 is postponed to 2005/2006.



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ABBREVIATIONS

| | |
|-------------|---|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called Prime Minister, in Hungarian: "Miniszterelnök")</i> |
| <i>MinE</i> | <i>In Hungary this is the Ministry for Environment and Water (KvVM)</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Previous phase: National Environment Programme (NEP)

- 1995 The Environment Act lays the basis for preparing the Hungarian National Environmental Programme (NEP): start-off was performed with a moderator from NL and hence had a more open approach, involving stakeholders.
- 1997 NEP adopted by Parliament: duration of the program is six years.
- 2003 NEP-II is adopted.
- Towards a national SD strategy*
- 1993 Post-Rio brings a government decree on establishing an inter-ministerial commission for SD, chaired by the Minister for Environment, which mainly prepared the Hungarian positions for international fora (e.g. UN CSD); for Rio+5 a voluminous report was produced.
- 2000 – 2002 A governmental “SD commission” starts to prepare the Hungarian input to WSSD; there was no government decision to prepare a SDS for WSSD.
- 2002 New government, made up from previous opposition parties. The designated new Prime Minister signs an ‘agreement’ with environmental NGOs that his government will prepare a SDS by the end of 2004; the commitment of the WSSD was a further trigger, but nevertheless nothing happened. In a deregulation attempt the “SD commission” was formally dissolved.
- 03/2004 Government decision on “modernising Hungary” with 12 fields of action, one to be SD, including the commitment to prepare a SDS by the end of 2004 (basic elements to be presented by 09/2004). In December 2004 it is stated that a draft is now planned for spring 2005, and the SDS to be finalised by the next elections (2006).

Assessment:

SD policies in Hungary so far have been encouraged by a small group of (environmentally) oriented civil servants in several Ministries, which partly widened up and in a more or less institutionalised setting was branded as ‘Hungarian Commission for SD’, trying to convince government of the importance of the issue. The WSSD caused some momentum, with the Hungarian delegation having been headed by the speaker of the Parliament, and Parliamentarians from ‘both sides’ as well as several Ministries and some NGOs attending. The agreement of the government/the Prime Minister in

2002 nevertheless was not implemented, and only in March 2004 government “rather spontaneously” decided to include the elaboration of a SDS in their future program. This intention was again postponed, and it is now planned to prepare a draft SDS by Spring 2005, and a decision to be taken by the next government in 2006 (after election).

SD is not yet understood as an overarching approach. It is said that SD is taken seriously “in principle”, and that the problems occur when implementing it on the program level; the latter is based on experiences with the NEP. Here the following main shortcomings are perceived:

- The NEPs did not establish “adequate” institutions for planning and implementation, which led to a lack of coordination and cooperation of Ministries.
- The NEPs and environmental programs and projects aiming to fulfill their objectives have not been integrated into other policies, neither into regional and local programs.
- Environmental development and innovation has not yet been linked to the national budget.

As the NEPs more or less could be perceived as predecessor for a SD strategy, these shortcomings will most likely also apply to a future SDS. But the NEPs seem to not having played a significant role, as policy and legal developments have been mainly driven by the EU accession agenda. However, it is stated that they were taken as starting point for relevant policy developments. Progress towards their objectives (cf. ch. A.1.3, B) though seems to have not been measured systematically.

The NEPs are considered as ‘only environmental integration’, being “almost silent” on the social side. NEP-I in fact it is a classic environmental plan, addressing air, water, soils, nature and landscape, waste, noise, environmental safety and the built environment. NEP-II broadens a bit, and also addresses some social issues.

Stakeholder participation has been weak in the previous activities. The (governmental) “SD Commission” organised some stakeholder consultation, mainly in the run-up to the WSSD (7 stakeholder ‘fora’ were held). From 1995 additional seats in this Commission were offered for environmental NGOs, academia and MPs, but apparently only partly filled. There are different perceptions regarding the continuity and the activities of this body, in average saying that it met around three times/year. Some secretarial support was provided by the MinE. Attempts of this Commission in 2000 to widen up to a “Forum” with a significant number of stakeholder members, instead of being only an inter-ministerial body, were not successful. The 2002 abrogation of the 1993 decree (establishing this Commission) was hence rather seen as a chance for a new start than with disappointment. A second attempt for such a broader body, after the 2002 election, did nevertheless also not succeed.

Overall, the rather unstable political situation is disadvantageous for developing strategies including a SDS: Hungary has for example seen eight

Ministers for Environment in eight years and more than 12 Ministers for Agriculture in 12 years, which goes back to a continuous upheaval of parties, and the country altogether being driven very much by party politics.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

In the run-up to the March 2004 government decision the Minister for Environment had proposed that the lead for SD policies should be shifted to the Prime Minister, but the proposal was not followed. The Environment Council (OKT, cf. ch. A.3) had also advised for this solution already in 2002. The negative decision may be interpreted against the background of relatively strong Ministers¹, and that the understanding of SD as an overarching policy concept has not advanced yet.²

It is now planned that elaborating the SDS should be a shared task of the MinE, the PM's office, the Ministry of Finance, the Ministry for Economic Affairs and Transport, and the Ministry for Social Affairs, with the Minister for Environment having the lead responsibility. The latter in contrast would have preferred the role of a driving force instead of the lead responsibility.

Assessment:

Depending on the role the PM office will take in the future process - with the chosen architecture it will likely remain difficult to involve the other Ministries. Cooperation between Ministries is assessed differently, ranging from functioning quite satisfactory (according to government voices) to deficient. There are around 45 inter-ministerial expert committees as a regular approach since during the process of transposing EU legislation, with sub-committees in which also stakeholders are often involved because of their expertise. Their functioning is also assessed differently.

The NEP was meant to be elaborated by an inter-ministerial working group, but it turned out to be rather some consultation only. Despite this institutional arrangement, integration and coherence of policies is lacking, and there are views that the cooperation between Ministries should be institutionalised on an obligatory basis.

The attitude that the original Lisbon agenda was the driving force for the government decision on "modernising Hungary" mirrors the deficiency of the Gothenburg's Presidency conclusions that did not turn the SD strategy into the overarching paradigm.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

For an SDS: Not yet applicable.

For the NEP: The MinE prepares biennial progress reports, which are debated by several standing committees of Parliament, and are approved by the Environment Committee. The main remarks on the reports were:

- NEP-II should be based on the evaluation of NEP-I implementation;
- Evaluation requires contradiction and unpunctuality proof data usage;

¹ Like e.g. in Germany they are personally politically responsible for their portfolio.

² There are also other Ministers who consider their field as overarching, and would want the PM to take the lead, who refuses. SD is hence not perceived as the 'most' overarching policy.

- Despite of having results (in reducing pollution on many field) further improvements are required in the field of noise and air pollution and nature conservation;
- Sewage disposal and waste management should remain highlighted tasks.

1.3.1 Indicators, targets and timetables

The report to the WSSD 2002 is mainly a description of the situation of Hungary regarding three dimensions of SD, based on the indicator set adopted by the EU and some additional ones that were meant to be important to describe the “transformation crisis” of the country.

Both NEP-I and NEP-II have quantitative targets based on a reference status in the respective fields, and progress is measured with indicators. Data are collected and analysed by the Federal Statistical Office and Ministries.

1.3.2 Review terms, long-term perspective and role of the Parliament

Due to the comparably instable political situation (“flip-flop effect”³) it is assessed as difficult to make a long-term strategy like an SDS ‘sustainable’. In Hungary it is rather typical that one government adopts a strategy, and the next government ignores it.

It is hence aimed at finding broad political consensus in Parliament, i.e. across party lines, which will endorse the SDS.

NEP-I was approved by the Parliament. Several parliamentary standing committees consider the biennial progress reports, prepared by the MinE, and the Environment Committee approves the final report.

1.3.3 Approach for an SD strategy

The MinE in February 2004 prepared a background/reference paper on SD (long-term future for Hungary, global dimension) and the main important elements of a SDS (inter alia priority fields, targets and indicators), which could serve as a skeleton for a strategy. It appears that the ‘normal’ approach for a strategy would be to just producing it as a document (i.e. rather the “planning” approach). Understanding a strategy as a learning process with a political and societal dialogue has so far only started. Implementing the NEP apparently was “difficult enough”, and hence the broader and more fundamental issues of an SDS will see this challenge increased, which also already applies to priority setting.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Not yet applicable for an SDS.

There are virtually no local activities like Local Agenda 21; few initiatives regarding awareness raising have started by means of conferences. The

3 Also e.g. Portugal has seen such a phase of instability after its transition towards democracy, which has taken around ten years (Merkel/Stiehl, 2003: *The political system of Portugal*. In: Ismayr, W. (ed.): *The political systems of Western Europe*. Opladen. p. 661).

regions and municipalities mostly deal with project-related problems, like the location of a waste incineration plant. Education is emphasised as the most important field.

Environmental regulations have so far not been perceived as a burden, because complying is a prerequisite for EU funding (which will have somewhat changed after accession). On the other hand it is mentioned that some municipalities are trying to circumvent environmental regulations, because they wish to attract industry. It is also criticised that sectoral plans are not coherent: water, energy, waste, rural development. In principle, but not exclusively, plans are developed top-down starting on the national level, and are detailed on the regional, county and local level. Nevertheless, local development plans are initiated and approved by municipalities, and regional development plans by Regional Development Councils. Those do not have to comply with the provisions of the National Development Plan, which only has a guideline character. Regarding the vertical component it is stated as particularly difficult to comply with the national plans, because they are not coherent.

Regional Development Councils are considered as partly successful in coordinating and integrating local initiatives.

There are no significant problems with the distribution of taxes between the national and local level; the municipalities receive building taxes, tourism and business tax; in annual negotiations the share of income is agreed, which also applies to share of costs for installations, including (environmental) infrastructure. It remains unclear why the national government does not require compliance with its own plans when funding regional and local activities.

Public-Private-Partnerships are emphasised as a desirable future approach, but it needs to be backed-up by strict laws for public investment.

2 NON-GOVERNMENTAL ACTORS

Academia seems to play a relatively strong role; they were an influential driving force in the transformation process from socialism towards a democratic market economy regime. Particularly the Academy of Science, which also manages the public research budget, is typically invited to comment on policy proposals, or to participate in groups that are not purely governmental, which prepare a policy proposal. Academia also represents one third of the existing stakeholder (environment) council OKT (cf. ch. A.3.1).

In general, civil society is well organised at the local level, but cooperation between them is weak and the very most organisations, including numerous environmental NGOs, are active on project level, and only very few are engaged in national policy making, a situation which has historical roots and

reasons on the side of both government and society.⁴

The high number of small environmental NGOs at the local level (around 300) supposedly goes back to a tax benefit that was given to investors if they support NGOs. After some years this tax regulation stopped, and since then these NGOs fight for their survival through project funding.

Environmental NGOs engaged in national policy had achieved a promise of the then PM candidate (who came into power in 2002) to preparing a SDS; although quite some efforts have been undertaken for this to come into being, both from non-governmental actors and partly from within government departments, other political reasons apparently had more weight. The role of trade unions after the political transition is not as strong as it used to be. They almost exclusively deal with the core business in the employers–employees relation, namely mainly negotiating wages. In environmental policies they have not (yet) played a role, and neither in the wider SD approach (which is not yet chosen in the country).

With an increasing environmental awareness in society, some companies build in ‘sustainability’ in their marketing strategy to attract consumers. Experts from the environmental side consider some examples as successful, but most as “only a cliché”: Because of the misconception of the expression ‘environmentally sound’, the private sector often believes that technologies or products satisfy requirements of sustainability, while they are still pollutant or harmful on the environment or on human health.

All in all there seems to be in general a political culture of scepticism towards the state, which seems to have a mix of historical reasons (cf. footnote 4). At the same time social partners are described as ‘politicised’, i.e. unions and business are divided in more ‘left’ and more ‘right’ organisations.⁵

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Besides the above-mentioned marketing strategies of companies there seems to be no activity with the label “CSR”.

2.2 STAKEHOLDER CONSULTATION

It has always been difficult, and besides the environment council OKT it is not yet achieved, to have stakeholder involvement or consultation, which is

4 This situation has long historical roots, but is more recently originated in the regime lasting from the 1950s to the 1980s, which de-mobilised and de-politicised. Transformation to democracy hasn’t changed that, as this process was the result of negotiations between political elites. Since the 1970s the degree of individualism is considered as high. The distrust increases with the degree of closeness of an institution to day-to-day politics, i.e. the credibility in the President and the Constitutional Court is the highest, and of unions and parties the lowest (Körösényi/Gábor, 2004, p. 360/61). An additional explanation, from the government point of view might be: Post-socialist phase brought up a neo-corporatist setting with a “Council for representation of interests” (Erdekegyeztető Tanács, ET) which had co-decision power in employment and social policies, and later functional self-governing for pension and health care systems. A subsequent more liberal government dissolved these structures and tried to achieve less influence of interest groups in the political decision-making. At the same time elements of a more pluralistic system of interest representation remained weak (Körösényi/Gábor, 2004, p. 356/57).

5 Scholars state that the main political cleavage both for political parties and social partners is the communist/anti-communist line (Körösényi/Gábor, 2004, p. 349), but there are also viewpoints that using the term “communist” is not appropriate.

partly due to weak organisation of civil society at national level, and partly to the attitude of government:

- The NEP as a start-off had a broad brainstorming approach in which stakeholders were included: There were 4 brainstorming meetings during the conceptional period with stakeholders from NGOs, the business sector, academia and municipalities. During the subsequent elaborating period the environment council (OKT) participated in this process;
- the so-called (inter-ministerial) Hungarian Commission for SD had “offered” more seats to NGOs, but they were apparently not filled;
- consultation for the SDS is not (yet) foreseen.

On the NGO side the joint opinions on national policy developments are missing, due to lack of cooperation between the organisations. At one meeting per year NGOs though appoint ‘their’ delegates to inter-ministerial working groups/commissions.

The administrative level so far accepts NGO participation in ministerial expert committees only to a limited extent, and it largely depends on the committees’ chair whether NGOs are invited. Therefore an institutionalised mechanism like a stakeholder council is a good opportunity to improve the dialogue with government, and enhance dialogue between stakeholders.

3 SD/ENVIRONMENT COUNCIL

From within the MinE it has most of the time been aimed to widen up the fully or mainly inter-ministerial “SD commission” to include also stakeholders. So far this has not really succeeded. Actors from within the Ministries will encourage again that the government establishes such a SD Forum/Commission, which would of course require “at least a minimum political support”. Those government officials in favour of such a body propose that it should have “at least” 50% government seats (50% stakeholders is perceived as a high number), and cannot imagine a more independent council/commission.

In contrast, the Hungarian National Environment Council (OKT) was established by the Law on Environmental Protection⁶, which was preceded by several roundtables of environmental NGOs and the business community with government, during which the usefulness of an advisory body for environmental policy was agreed. It held its first meeting in April 1996. The government’s purpose was to both get substantive input and to better anticipate reactions of concerned parties to government policies. Establishing the OKT as an independent advisory body was altogether due to a politically beneficial situation, in which first a drafting committee for the law was set up, which then achieved the fortunate institutional setting of the council. It was also emphasised that OKT is a consultative body that enhances reflection of interested parties (and is assumed to “model” their behaviour and attitudes to policies at stake), and acts as a sounding board for the degree of possible consensus of stakeholders, which is convenient for decision-

⁶ of 1995, cf. www.eeac-network.org/bodies/hungary/hu_oktap2.htm.

makers regarding prediction. OKT is not meant as lobbying platform for any of its members.

On top of its regular work the OKT organises four times per year a “thematic forum”, for which it invites representatives from the administration and five stakeholder groups (NGOs, business, academy, municipalities, trade unions), three of which are member of the council.

3.1 ROLE, FUNCTIONS AND INTERNAL ASPECTS OF OPERATION OF THE ENVIRONMENT COUNCIL (OKT)

Role vis-à-vis the SDS:

OKT was established much earlier than attempts towards SD In Hungary. The council took several initiatives regarding the preparation of an SDS: it

- recommended to the President of Parliament to ask for elaborating an SDS (2002), and stressed that a strategy needs to be based on SD principles, i.e. the different fields need to be harmonised;
- indicated to the PM office that it would be highly recommendable if it took the lead for SD policies and a SD strategy (2002);
- started a project in October 2003 called “Possibilities for SD” (cf. below): the aim is to better communicate SD into society and one chosen means is to prepare a publication with about 50 authors (planned for 2005).

General functions, - views are shared by council and government:

- independent advisor to the government;
- anticipating attitude from business and (environmental) NGOs to government proposals;
- aiming at consensus among the groups represented.

Composition of the council:

The OKT has a remarkable composition of each 1/3 of members of (environmental) NGOs, business and academia, with 22 members altogether and the Minister of Environment as co-chair. The chair rotates among these three groups. The attitude of the Minister naturally varies. The present Minister has intended to develop a partner relationship with the OKT and supposedly counts on its opinion in matters of great importance. The Minister occasionally attends the council meetings.

Council members operate on equal footing:

- There is a cooperative approach with consensus aimed at; decisions can be taken with a quorum of more than half of the members present and each group represented by at least three members. If no consensus is achieved there is voting with qualified majority. In this case four members of each group must be present.
- There are partly conflicts between the groups (“naturally”), and some tensions between the environmental NGOs and the business representatives.

- “Double-hat” of council members doesn’t cause problems: if one a stakeholder group represented in the OKT has a different, e.g. more far-reaching, standpoint, the different opinions are documented and communicated.

Relation to and role of socio-economic partners:

There is no social-economic council, but bi-lateral negotiations between employers and trade unions, and other fora in which also government participates.

The OKT has started discussion with trade unions in the framework of its “thematic fora” (cf. above).

Relation to government departments:

Transparency vis-à-vis the council was first apparently very unusual for the Ministries, but has improved over time. The OKT has some ‘power’ by asking Ministers to attend a meeting; typically they feel obliged to follow such an invitation, with the State Secretaries attending in most cases. The other way round, since recently the Secretary General of the council is invited to attend meetings of State Secretaries when issues of relevance for OKT are discussed (i.e. topics of environmental (protection) or SD-related). When preparing an advice the council requests information from relevant Ministries and meets with government officials.

Scope of council’s work:

OKT is an advisory body to the government, which in this capacity “has the right and obligation to express opinion on [policies and legal proposals]”. Naturally, it is impossible to dealing with all proposed laws and regulations, which often have a very small scope⁷. The council makes its own selection based on the issues that have strategic importance for environmental policy. The council gives own initiative advice on thematic summaries of the key areas and interactions of environment, economy and society (e.g.: transportation, energy, agriculture, nature conservation, regional development). It has increased the number of own initiative advice, which a) serves putting issues on the agenda, b) better provides early involvement in policy developments, rather than commenting on law proposals, and c) reveals unnoticed relationships.

During 2002-2004 there were the following own initiative advice:

- On elaborating a national SDS;
- Possibilities of updating economic regulation and financing of environmental protection;
- Present situation of waste management;
- Implementation of noise and air pollution regulation;
- Status quo of water management;
- Status Quo of nature conservation.

⁷ Since OKT’s establishment in 1996 there have been roundabout 1000 laws and regulation in the environmental field, 100 of which the council has dealt with.

The council also developed a communications strategy and retrieved information on the closing down of the Paks Nuclear Power Plan.

3.2 ACHIEVEMENTS OF THE COUNCIL (OKT)

1 Government's view

- Acknowledgement of the advisory role; for the SDS process the MinE sees a pace-maker role, i.e. making environment strong in the SDS.

2 OKT's view

- Good advice that had impact;
- Supporting to change mentality and approach of the institutional system regarding environmental policy and SD.
- SDS:
The project "Possibilities for SD" (started October 2003) addresses the wide range of substantial and institutional aspects of SD. Interim results have been discussed in the above-mentioned thematic fora, with stakeholders outside the OKT composition in order to strengthen social participation in environmental issues.
- Publications:
 - Working papers on the vision of future environment of Hungary (4 volumes) in cooperation with the Hungarian Academy of Sciences (2002);
 - "The Visions of Future Environment of Hungary": OKT Publication in cooperation with the Hungarian Academy of Science (2003).
- Research and Development Programs: Evaluation of the status of the environment (MinE in cooperation with the Hungarian Academy of Sciences, i.e. with involvement of the OKT).
- Increased agenda setting with own initiative advice (cf. above), i.e. getting involved in early phases of programming, and not commenting on a decision that was already taken or the legal proposal has already been produced.

The OKT is the only body in which different stakeholders discuss, and the only stakeholder body that may present official statements to the government, which is by law required to ask advice from the OKT in the specified areas. Government is not required to give statements in reply, but often states in legal proposals if the OKT has a deviating opinion.

Success-factors of the OKT:

- Independence from government;
- Gaining acknowledgement through quality of work and getting to agreements of the stakeholders on the council;
- Developing constructive dialogue within the council;
- Developing good links into government;
- Strong chair and well-acknowledged experts as council members.

3.3 AN SD COUNCIL AS ADDITION?

Apparently the government pursued the establishment of a SD council, in addition to the OKT.

The alternative, to turn the OKT into a SD council, e.g. by adding the two or three key missing stakeholder groups (trade unions, social NGOs if existing) and municipalities, is not favoured by the council: It highly appreciates and does not want to lose its independence (from government). A SD council in contrast apparently would/will be more governmental (cf. above: 50% government members), and hence more dependent on political changes.

The advantages of the former would be that the OKT has a fortunate and well functioning internal setting and operation, and has gained reputation. The disadvantage could be that such a combination of SD and environment council might cause or maintain an environmental bias of SD policies.⁸

All in all, the 'governmental type' of SD council might be worthwhile to reconsider.

B Themes and scope

SDS: Not yet applicable.

NEP: The structure of NEP-II includes four prime objectives:

- 1 Protection of ecosystems;
- 2 Provision of harmonic relationship between society and environment;
- 3 Enforcement of environmental criteria in economic development.
Economic growth must lead to increasing welfare with decreasing environmental burden;
- 4 Strengthening of knowledge on, and awareness of environmental processes, impacts, environment and nature conservation and co-operation.

Important elements of implementation include action programs, in areas requiring special treatment, identifying the specific and operational objectives, funds and responsible parties in the fields of environmental protection and nature conservation as well as complex fields of water management. A separate chapter is dedicated to strengthening of sectoral and regional integration of environmental policy, measurement and control of NEP-II progress, as well as organisation of implementation.

Action programs are intended to be developed in the fields of:

- 1 Raising environmental awareness,
- 2 Climate change,
- 3 Environmental health and food safety,
- 4 Urban environmental quality,

⁸ In other countries, e.g. Germany and UK, it has turned out as beneficial to have both an environment council with a rather expert composition and a SD council with a stakeholder composition, which have different functions and may mutually support and reinforce each other.

- 5 Biodiversity Conservation and landscape protection,
- 6 Rural environmental quality, land area and land use,
- 7 Protection and sustainable use of water,
- 8 Waste management,
- 9 Environmental security.

The 18 Objectives are:

- Decrease of air pollution
- Decrease of global air polluting impacts
- Improving surface water quality
- Protection of the quality and the quantity of ground waters
- Protection against damage to waters
- Soil conservation, and extension of protected natural areas of natural significance
- Protection of other natural and semi-natural areas and assets
- Nature conservation of forests
- Establishment of a system of environmentally sensitive areas
- Designation of Hungary's Natura 2000 network and safeguarding their appropriate ecological status
- Preservation of our geological assets
- Sustainable use of natural resources
- Reducing chemical risk
- Preserving good health
- Increasing food safety
- Dissemination of environmentally friendly life style and consumption habits
- Improving urban environment quality

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The Lisbon agenda is considered as very important and triggered the government decision in March 2004 for a program to “modernise Hungary”. The EU SDS at the time of its adoption was seen as a “good political catalyst” during the efforts for getting to the decision about a national SDS, because EU policies are or were in general prioritised. The EU SDS was considered for the preparation of the Hungarian input to the WSSD, though no clear reference in the document is made; more influential was the work of Eurostat on indicators for SD, which were used in the report for the WSSD (cf. ch. A.1.3.1).

The decision to prepare a national SDS was mainly influenced by the WSSD commitment to doing so by the end of 2004.

In general the country has been characterised by efforts to transposing the *aquis communautaire*, and giving priority to this was also an argument that a SD strategy is not yet in place. From the environmental point of view EU legislation is considered as having brought the country forward.

EU pre-cohesion funding (like ISPA, SAPARD) has been very influential, and brought investments in basic (and environmental) infrastructure like sewage treatment and waste installations. It is said that in this respect the country is on the level like Western European countries were in the 1970s. In terms of environmental integration it is though also stated that EU programs guide in the wrong direction, by e.g. giving preference to investments in road instead of rail.

2 SD/ENVIRONMENT COUNCIL (OKT): EUROPEAN AND INTERNATIONAL DIMENSION

The OKT has been involved in European cooperation through EEAC since 1998, including the hosting of the EEAC annual conference 1999 in Budapest.⁹

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

Since 1993 there has been an inter-ministerial Committee on EU accession, with a sub-group on the environment chapter (Ministries for Health, Economic Affairs, Environment, Transport, Agriculture). The Ministry of Foreign Affairs is the overall coordinator for EU Affairs and asked the MinE to give input to the Lisbon strategy/spring summit 2004.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- Common Agriculture Policy, e.g. improving agri-environmental protection;
- Management of natural resources;
- Waste management: due to the single market Hungary faces waste import, which would require regulation;

⁹ OKT's Secretary General was member of the EEAC Steering Committee 1999 – 2001.

- Transport: Corridors for Transeuropean networks (TENS) need to better consider ecological aspects.

Downstream impacts – EU policies hampering national SD processes

In the context of EU funding it is mentioned that the strong focus on roads prevents a national emphasis on investment in railways.

At the regional level some over-regulation is perceived: EU regulations should leave more room for local and regional decisions.

Overall assessment

EU has been the driving force for progress in environmental policy. The EU SD agenda is expected to play a stronger role after accession.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

A success eventually is the final decision to prepare an SDS. Starting the preparation though has again been postponed, which is probably a bad sign regarding the commitment of the government. The time-frame for elaborating a government internal draft (3 months) seems too short; the planned overall timeframe of more than one year appears appropriate, but seems to be driven by elections rather than management and process considerations.

2 MOST DIFFICULT POLICY FIELDS

In approximate order of relevance the following fields are stated:

- Education,
- Waste Management,
- Transport,
- Climate change/energy,
- Agriculture,
- Land management/housing,
- Production and consumption.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Not yet applicable.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows¹⁰:

- +/◆ PM office committed to participating in the SD process, which still has to be designed;
- (+)/◆ Horizontal integration and policy coherence needs to be improved;
- (+)/◆ Stakeholder consultation and involvement has to be improved. Establishment and development of the stakeholder council OKT is positive;
- ◆ Challenge of strategic directions for prioritisation and actions still has to be met;
- ◆ Vertical coordination/integration needs to be taken into account from the beginning;
- ◆ All actors still need to be encouraged to take their own initiatives; better coordination of NGOs and more involvement in national policy making would be desirable;
- ◆ Preparing a SDS is again postponed (until 2005/06).

E Recommendations for the EU SDS review

Not covered.

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INTERVIEWEES

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¹⁰ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

5 Ireland

RELATIVELY EARLY SDS WITH FOCUS ON ENVIRONMENTAL INTEGRATION, CONTINUED IN UPDATE 2002 AS ENVIRONMENTAL PROBLEMS REMAIN CHALLENGING (IMPACTS OF THE “CELTIC TIGER”)

- Ireland prepared a SD strategy relatively early (1997) with a focus on environmental integration, which was continued in the 2002 update document: the environmental impacts of the strong economic growth of the 1990s need ongoing emphasis.
- The architecture of the SDS is not fully clear and partly appears as a compilation of ongoing policies. Quantitative objectives are largely missing, as is a review mechanism.
- The current lead of the Ministry of Environment is mainly not questioned, due to the environmental focus, but commitment of some key Ministries remains limited.
- Linking to the (regional and) local level does not function well, and reveals some difficulties and deficits in the (spatial, development, local) planning system. Recent reform of local government structures has facilitated some progress in advancing local sustainability but a stronger emphasis on integrated thinking and enhanced public participation will be required to underpin and sustain progress.
- The EU SDS is referred to, but not systematically linked; instead the 6th EAP was used for structuring the 2002 update. Targets at EU level would be useful for Ireland.
- With a corporatist background of the country, wider stakeholder consultation has become more common over time, and is also reflected in the establishment of the SD council. But SD principles are not yet embedded in some key policy areas (e.g budget and transport), which do not see such a broader consultation.
- The SD council is considered a good mechanism, and welcomed as a driver for SD policies.



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ABBREVIATIONS

| | |
|-------------------|---|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called Prime Minister, in Gaelic "Taoiseach")</i> |
| <i>Ministries</i> | <i>In Ireland all Ministries are called "Departments"; in this chapter the more common term "Ministry" is used, unless otherwise specified.</i> |
| <i>MinE</i> | <i>In Ireland it is the Department (Ministry) of the Environment, Heritage and Local Governments (DOEHLG).</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Phase of Environmental Policy

- 1990 Environmental Action Program, followed by numerous environmental strategies and legislation
- 1993 Creation of the Environmental Protection Agency
Green 2000 Advisory Group¹ stresses the relationship between environmental protection and economic and social development
- 1994 National Development Plan 1994 – 1999 (includes commitments for investments in water and waste water services)
- 1995 Review of recent environmental policy and developments (“Moving towards Sustainability”²) by the Ministry of Environment and Local Government - a preparation document for the SDS, which has also seen some consultation.

SDS development

- 1994 *Change of government*
- April 1997 Adoption of the national SDS, followed by several sectoral policies, strategies and measures as outlined in the SDS
- later in 1997 Elections
- 1999 Comhar – the National Sustainable Development Partnership (SD council) established
- 1999 National Development Plan 2000 – 2006 (boosting investment in infrastructure, including environment related)
Guidelines on “eco-auditing” on plans and programmes (MinE)
“Ireland’s Environment – A Millennium Report” (EPA)
- 2001 Revised guidelines on Local Agenda 21 (“Towards Sustainable Local Communities”) by Ministry of Environment and Local Government
- 2002 Progress report and update of the SDS “Making Ireland’s Development Sustainable”, as Irish contribution to the WSSD
National Spatial Strategy (MinE)
- 2004 Kinsale Conference “Challenges and Opportunities for SD in an enlarged EU”³ as part of Irish EU Presidency programme

Assessment:

Preparing the SD strategy in 1997 was largely triggered by the need for a national response to Agenda 21 and national preparations in the run-up to Rio+5. Also, a new centre-left coalition government came into office in 1994

¹ A stakeholder group, since long disbanded.

² Key findings in DOELG, 2002, p. 33.

³ www.comharconference2004.ie

and committed itself in the government program to prepare a SD strategy.⁴ Largely because of a historical lack of heavy industry, Ireland maintained a relatively pristine environment until well into the 20th century. However, environmental quality has deteriorated over the last 25 to 30 years, and continues to face pressure under the impact of strong economic growth and changing population and settlement patterns. While progress has been made in decoupling energy and materials intensity from economic growth, and in reducing emissions from industry, absolute pressures on the environment have continued to increase. Despite a buoyant economy, and relatively low levels of unemployment, there is still significant poverty. Levels of homelessness, social exclusion and inequality are also increasing, notwithstanding the high levels of economic growth.

Hence the 1997 SDS is primarily focused on policy areas that affect the environment; this provided a rebalancing of the previous situation where environment was not generally integrated into national policy. Many economic and social policy elements, as well as socio-economic stakeholder fora (cf. ch. A.2 below), were already in place prior to the strategy and have been further developed in parallel. The strategy's focus on integrating environment into the various policy sectors was very important, giving a new priority to environment.

Ireland has seen rapid changes during the 1990s in many respects, mainly associated with the nature and extent of economic growth (the "Celtic tiger"). The implications of these developments for the natural resource base (actual or potential) had not become fully evident in 1997, and hence the 2002 update focuses primarily on the environment–economy link, with emphasis inter alia on eco-efficiency, recent developments in social policies, promoting greater participation in, and ownership of, SD on the part of stakeholders, including as part of Local Agenda 21.⁵

The (still) relative focus on environmental integration is seen as necessary, given the state of environment in the country. The 1997 SDS gave the framework for more strategic environmental policy, which still faced cleaning-up challenges and prevention of further pollution. The latter, and particularly the impact of the "Celtic tiger", was first underestimated, and hence the 2002 update was meant to tackle this. With slowing down of the economic boom around 2001, a greater emphasis on issues like competitiveness has now become more evident.

It is however a weakness of the SDS and the update document 2002 that both do not have many quantified objectives in sectoral policy areas that have negative impacts on the environment (cf. ch. A.1.3). It might also be in some ways impractical that the 1997 SDS remains in place: for the user it is difficult to identify what exactly remains in place, as the 2002 document is more than a progress report because it partly sets new priorities (cf. ch. A.1.3).

The 1997 SDS is also criticised for lack of a vision that brings together the strategy and other policies⁶. This was improved with the update 2002: By

⁴ Mullally, 2004, p. 6.

⁵ DOELG, 2002, p. 7.

⁶ Comhar, 2001.

then the National Climate Change Strategy had been adopted as had the National Anti-Poverty Strategy, National Biodiversity and National Heritage Plans; and the adoption of the National Spatial Strategy was pending; all were cross-referenced under this over-arching framework of the SDS. Putting environment policies in the wider framework of SD altogether is still more in the starting phase. Environmental policy and integration seems to be taken seriously, as numerous activities (strategies, legislation, investments) indicate. Although considerable resources for the implementation of the Strategy measures have been made available through the National Development Plan 2000-2006 and the programmes of the various government departments and agencies, at a more fundamental level the National Development Plan (NDP) does not fully reflect the SDS. As a result, there is a need to reinforce the Strategy objectives and measures and ensure that they are more closely adhered to in the implementation of the NDP. Several Strategy measures, particularly in relation to transport and energy, have been overtaken by economic growth. A fully implemented Sustainable Development Strategy, at the centre of national policy, would ensure that sustainability was not compromised by such pressures. Meanwhile the mid-term review of the operational programmes under the NDP identified the need for more systematic sustainability appraisals, e.g. in the transport sector, and also some horizontal issues are partly being addressed in the monitoring and implementation of these operational programmes. The political commitments of successive governments since 1994 have contributed significantly to the preparation and implementation of the SDS and, overall, changes in government coalitions (1997, 2002) seem not to have had an unduly negative influence on the SD processes in the political context.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

The 1997 SDS was prepared under the direction of a cabinet committee, chaired by the Ministry of Environment and Local Government, which also has the lead responsibility, and was adopted by the cabinet. The 2002 update was prepared by the MinE. Institutional mechanisms established to advance the legislative framework which support the SDS include an “environmental network of government departments”, in which the environmental units of the relevant Ministries participate⁷, as well as the parliamentary sub-committee on sustainable development⁸.

The lead responsibility of the MinE is mainly not questioned (yet), which in large part goes back to the predominant environmental focus of the strategy, though the Ministry of Environment reflects on the appropriate lead, particularly when the definition of SD becomes more overarching. It is appreciated that previously not included Ministries like the one for education are now also part of the “environment network”. Because of the small country (and

7 *Comprising the following Departments: Environment and Local Government, Taoiseach's (Prime Minister's Office), Finance, Agriculture, Enterprise, Trade and Employment, Communications, Marine and Natural Resources, Transport, Education at the senior level (#Directors of Policy Units).*

8 *Retitled the Joint Committee on Environment and Local Government after the 2002 General Election (cf. ch. A.1.3.2).*

administration), the government departments are relatively ‘close’ to each other, and there are many inter-departmental committees across all sectors. It was also assessed as positive for integration that the environment portfolio used to be combined with the Ministry of Transport until Ministries were reorganised following the 2002 General Election.

On the other hand difficulties within Ministries are identified, such as deficient links between the environment policy division and the planning division within the MinE.

A lead from the PM office is partly seen as critical for moving the process forward. The PM office so far has become involved in some work on social and environment indicators, and it participates in the “social partnerships” (cf. ch. A.2 below).

Assessment:

Involving other Ministries, and getting them committed to the SD agenda, will most likely remain a challenge not easy to meet in the current structure. Particularly in the situation that the Prime Minister (Taoiseach) has its own ‘Ministry’, which plays a key role in driving Irish policy-making across many fields and the PM having a strong position⁹, could make it plausible if this “Department of the Taoiseach” took the lead for SD policies. The other key player is the Ministry of Finance, which covers much of financial and economic policies and for the National Development Plan. On the other hand government decisions are made by the cabinet only, which is typically positive for cross-cutting demands.

Launched as a management initiative by the PM, each government department is required to prepare its own “statement of strategy”, covering policy issues, which was supposedly followed by all. The impact of these strategies is though questionable. The MinE is currently working on its new strategy for beyond 2005.¹⁰

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

The 1st SDS adopted in 1997 had no fixed term, but was updated as a contribution for the WSSD. This 2002 document was meant to be a progress report and an overall update (partly reviewing priorities), seeking to build on the strategy, by “placing it more fully in the context of environmental challenges associated with the stage of economic development which Ireland has now reached...”¹¹.

The 1997 strategy remains in place as the “pre-eminent statement of SD policies in Ireland”¹². There is no systematic monitoring process foreseen. Whilst the former might have some benefits for the long-term perspective (cf. below), the latter is rather deficient. At least from a practical point of view it is unfortunate that the 2002 update did not lead to a revised, and hence 2nd SDS, which from then on could be referred to. As things stand, it remains

⁹ Elvert, 2003, p. 272.

¹⁰ *The previous was in place for 2001 – 2004 (DOELG, 2001).*

¹¹ DOELG, 2002, p. 7.

¹² DOELG, 2002, p. 90.

unclear what stays in place, and what is new after 2002.

Switching from the sectoral approach in 1997 to one with priorities and objectives is probably favourable, but falls short in clarity and cross-reference (cf. B).

Besides the above mentioned coordination mechanism, and the role that the SD council (Comhar, cf. ch. A.3) and the parliamentary sub-committee on environment and local government (cf. ch. A.1.3.2 below) play in monitoring, there is no specific and/or cross-sectoral monitoring unit within government.

1.3.1 Indicators, targets and timetables

It is stated that the 1997 SDS focuses more on actions, without setting targets. For the 2002 update some indicators were used to measure progress in certain priority fields (the ones of the EU 6th EAP where chosen). They had not been fixed in the 1997 strategy, but were chosen by the MinE on the basis of most appropriateness.

As the SDS does not have a systematic monitoring system, there are no general timetables. Strategies and policies developed in the framework of the SDS¹³ typically have qualitative objectives, but rather few national quantitative targets (some in social policy, some for waste, one for water metering by 2006¹⁴). These targets are set and monitored by the respective Ministries, which is not documented in the SDS (update document). In relevant policy fields the SDS (here: the 2002 update document) refers to EU or international targets¹⁵.

The lack of quantitative targets is criticised as a deficiency of the 1997 SDS and the 2002 update. Setting national targets is considered as rather difficult, and EU targets in place make it easier to secure acceptance at a national level, which also would apply to an EU SDS with targets and timetables (even if not legally binding).

1.3.2 Review terms, long-term perspective and role of the Parliament

As elsewhere it is also stated in Ireland that a long-term perspective is difficult to achieve, because not only politicians strongly tend to remain bound to the short-term, but also civil servants tend to be caught in day-to-day business.

The structural situation though might be relatively favourable, as there have been typically coalition governments, and also minority governments, since the 1980s with one party always being the largest fraction.¹⁶ On the other hand the election system causes politicians to be strongly bound to the local level¹⁷ and hence fosters a certain clientele attitude¹⁸, which hampers a long-term orientation and affects inter alia attempts for improving housing and planning guidelines (cf. ch. A.1.4 and D.2).

13 or in reality independent from it, but referred to in the 2002 update document

14 DOELG, 2002, p. 92 – 97.

15 Kyoto Protocol, Phosphorous Regulation, EU National Emissions Ceilings Directive.

16 Elvert, 2003, p. 267 and 271.

17 E.g. national politicians hold 'clinics' (office hours) in their local areas.

18 Elvert, 2003, p. 287/288.

There used to be a Joint Parliamentary Sub-committee on SD (a standing committee)¹⁹, which dealt with the SDS 1997. This sub-committee was not re-established following the 2002 General Election, but was succeeded by a Joint Committee on Environment and Local Government, which in 2002 agreed the “Government’s Review, Assessment and Future Action” in the run up to Johannesburg. The reasons for this change are not fully clear. The first committee seemed to have a more overarching ambition, but in reality dealt mainly with environment policies (given the focus of the SDS). With this situation and the responsibility of the MinE for the SDS the Parliament apparently ‘re-sectoralized’ SD policies.

Long-term objectives are not in place, as setting targets is considered in general as difficult. As the SDS does not have a ‘term’, there are no conflicts with government terms. The relation of the SDS and government programs or coalition agreements does not seem to play a role (yet), as the SDS has not yet reached an overarching character.

1.3.3 Approach for a SD strategy

There are no signs of a too rigid “planning” approach in Ireland, maybe even the opposite applies: In classical planning domains like land use planning the notion of “freedom” still dominates the need for a more regulative or stricter planning approach, which causes problems regarding SD objectives (cf. ch. A.1.4 and D.2). Overall, for the country it is stated that a regulatory approach does not work well, due to historical roots.²⁰ Also the lack of a systematic monitoring system, and only few quantitative targets in place, suggests that the approach is rather too loose. Existing targets and their monitoring should be reflected in one single document (the SDS (progress report) for example). The priority fields are not yet structured with a convincing architecture, though this exercise is a bit easier in the case of a strong environment focus.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

The sub-national level of Ireland is made up of 29 County Councils and five City Councils (elected councillors) operating under the coordination and supervision of the Department of the Environment (since 2003: the Department of the Environment, Heritage and Local Government). In 1994 eight regional administrations were established, covering in each case several counties, which was mainly driven by EU Structural Funds Regulations. They do not have any executive responsibility, but their principal mandate is to promote the co-ordination of public services at the regional level.²¹

In general Ireland is characterised as being rather centralised. Local authorities though have an independent power with the competence to adopt local

19 “Joint” meaning that the committee is ‘cross-party’ with members from the Upper and Lower House (i.e. “Dail” and “Seanad”).

20 Having been under English rule for long limes has caused opposition to authorities. Also, the attachment to (own) land is very strong. As key issue it is stated how to balance the constitutional “right to private property” with “the common good”.

21 Mullaly, 2004, p. 4.

development plans, and there is no regular system of checks or approval by a higher level, which has caused problems of implementing national (planning) strategies and its SD elements. Some corruption scandals in planning in recent years, though being a much wider societal and governance issue, partly reveal this problem.

The 1997 SDS already said that there should be further streamlining of the planning system, and the “introduction of accelerated planning procedures for major projects involving significant employment and added value”²².

This finally took place with the Planning Act of 2000, which consolidated previous legislation and introduced “proper planning and sustainable development” as well as Strategic Environmental Assessment for all plans on country, regional and local level; these are regarded as positive developments.

The National Spatial Strategy of 2002 is criticised though for lack of consistency with the SDS, for example with identifying too many growth centres, a lack of priority for public transport, and ambiguity on one-off rural housing; and overall for not being based on the principles of SD (cf. lacking links within the MinE, ch. A.1.2). One of the greatest concerns, reflected in much divisive public debate and comment, is the issue of new housing in the countryside. “Sustainable Rural Housing” Guidelines were published in draft format in early 2004 and have received some public criticism for a perceived relaxation of planning controls for housing in the countryside.

For some time environmental/nature NGOs²³ have opposed new building developments in the countryside (“urban generated one-off housing”). They have been accused of having an ‘urban’ view only, “not understanding the concerns of those who make their living in the countryside”. There are significant challenges to be addressed in the implementation of a more sustainable policy on rural housing, not only in the physical planning context, e.g. design, sites and location, but also the broader socio-economic concerns such as rural depopulation, land affordability, land tenure, accessibility and infrastructure provision.

Overall, there is a certain hierarchy in the planning system, with the National Development Plan (NDP: infrastructure, investment for sectors, prepared by the Ministry of Finance), broken down to the local level through “Community Support Frameworks (CSF)”. For spatial planning there is the National Spatial Strategy (NSS, prepared by the MinE), Regional Planning Guidelines (currently under consultation) are meant to reflect national legislation and principles, and local planning authorities having had a statutory responsibility to prepare and review City and County Development Plans²⁴ (since the 1960s). The NSS and Regional Planning Guidelines provide the framework for current and future Development Plans. Both the regional guidelines and the city and county development plans (and local area plans sub-ordinate to them) though are approved by local authorities at the county or regional

²² *Government of Ireland, 1997, p. 12.*

²³ *primarily led by An Taisce the oldest environmental and conservation NGO in Ireland*

²⁴ *Smaller urban authorities; Town Councils also prepare development plans – for the most part prepared by the relevant County Council on their behalf.*

level, i.e. in this case by the *elected* local representatives, who have quite possibly certain local interests. The MinE may intervene in relation to adoption or review of development plans but these powers have been rarely exercised. Local planning authorities (i.e. the executive public service) also exercise a development control function, because they decide on applications for planning permission. In addition to this system, following a process of local government reform, in 2000 County Development Boards were established ('partnership approach', i.e. a councillors and stakeholder composition) and required to produce 10-year strategies for the economic and social development for the county. As local government reform is apparently still ongoing there is no coordination yet with the City and County Development Plans and their Boards and the planning authority of a county.²⁵ But the MinE issued guidelines (to be reviewed in 2005), and studies have been commissioned, inter alia on the operation of the Boards.

In the 1997 SDS the government requests all local authorities to complete a Local Agenda 21 (LA 21) for their areas by 1998²⁶. An Environmental Partnership Fund was established by the MinE to support the implementation of the SDS at local level, which has enabled a wide range of on-the-ground projects to be undertaken by local authorities and NGOs in partnership at local level, with or without a LA 21 approach.²⁷ Nevertheless, specific implementation of the strategy at local authority level was first poorly resourced, and formal adoption of the LA21 process has been considerably delayed by the ongoing process of local government reform.²⁸ Revised LA 21 guidelines, issued by MinE in 2001, pointed to new opportunities to underpin LA 21 processes within the new institutional structures, e.g. County and City Development Boards and Strategic Policy Committees, and while there has been progress in some areas, problems of fragmentation in others, and disparate patterns of public participation persist.

2 NON-GOVERNMENTAL ACTORS

Ireland is characterised by a basically corporatist structure, and at the same time 'alternative' forms of non-governmental organisations have not yet played a relevant role in policy-making, though this has started to change in recent years.²⁹

The MinE supports environmental NGOs, which are still relatively weak, underdeveloped and low in membership. The 1997 SDS emphasises the need for a partnership approach between government, socio-economic partners and NGOs, both on national and local level, as an underlying paradigm.³⁰

Both the employers' federation (and bodies that represent SMEs) and trade unions have been influential players with strong lobbying lines into govern-

25 *On local sustainability and planning cf.: Centre of Cross Border Studies (2004): Towards a Green Isle Local Sustainable Development in the Island of Ireland, published June 2004. www.crossborder.ie.*

26 *Government of Ireland, 1997, p. 197.*

27 *Comhar, 2001, p. 5.*

28 *Comhar, 2001, p. 5 and 8.*

29 *Elvert, 2003, p. 281 and 288.*

30 *Government of Ireland, 1997.*

ment. There are institutionalised mechanisms like the National Partnership Committee, succeeding the National Wage Agreement of the 1980s, which is a social partnership of business, trade unions, government and other stakeholder groups, both negotiating on wages for the private and public sector and for about the past 10 years also dealing with social and economic policies. The PM office participates in this partnership, which hence acts at the highest level.

Another institutionalised stakeholder body is the National Economic and Social Council (established 1973), which prepares reports that form the framework for negotiation of the national agreements.³¹ It has no environmental membership, but has been involved in work on an approach to national progress indicators for sustainable economic, social and environmental development. A third body, also without members from the environment side, is the National Economic and Social Forum (established 1993), which is meant to reach “wider national consensus” on social policy initiatives with a special focus on unemployment.³²

Farmers’ associations and the catholic church are also traditionally influential, though the role of the latter has decreased during recent years.³³

The relatively strong stakeholder approach in Ireland is for example also reflected at the local level with County Development Boards composed of local councillors and stakeholder groups as an attempt to achieve a consensus view for the long-term development of a county.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Increasingly, companies in Ireland are reporting on Corporate Social Responsibility. A specialist organisation has recently been established in Dublin that supports companies to integrate socially responsible business practices into the mainstream of their business practice. *Business in the Community - Ireland* is a non-profit organisation and its services to business include CSR Policy & Practice Development, Employer Supported Volunteering and Educational Partnerships. *Business in the Community* is so far supported by 21 major companies who are committed to driving forward the movement of corporate social responsibility in Ireland.³⁴

These initiatives, and the approach to CSR in general, are more focused on social aspects and not necessarily identified as an SD initiative, although many of the companies would also have environmental instruments like ISO 14001 in place.

2.2 STAKEHOLDER CONSULTATION

Wider consultation with interest groups has increased for many government strategies, and was further developed for the consultation process that was

³¹ www.nesc.ie

³² www.nesf.ie

³³ Elvert, 2003, p. 284 – 287.

³⁴ To date, the Founder Members of the organisation are: Aer Rianta, Allied Irish Bank, Anglo Irish Bank, An Post, Bank of Ireland, Cantrell & Cochrane Group, Cap Gemini Ernst & Young, Coillte, Eagle Star Life Assurance of Ireland, Eircom, Ericsson, Esat, ESB, Green Isle Foods, Guinness, IBM, Johnson & Johnson, KPMG, Marks & Spencer, Penneys & Tesco Ireland. (NB: This initiative looks similar to “Econsense” in Germany).

undertaken in the preparation of the SD strategy. A major consultative process was involved in determining the structure and terms of reference of the SD council Comhar (cf. ch. A.3 below). However, broader participation and consultation is still deficient in some major policy areas. For example, despite the implications of the National Development Plan for sustainable development, the SD council was not consulted on its preparation.

The form of the consultation process for the SDS (and update) is not criticised: a national conference had been organised prior to the adoption of SDS in 1997, and interested parties were invited to attend and contribute. For the 2002 update, SDS stakeholder involvement was carried out via the SDC only, mainly due to the time constraints in the run up to the WSSD.

The 1997 SDS emphasised that governments alone cannot guarantee the achievement of sustainable development, but need the support of all sections of society, including individual citizens. Consistent with this, the Minister for Environment and Local Government launched an environmental awareness campaign in December 1999. Under the theme of “*The Environment: It’s Easy to Make a Difference*”, the overall aim is to encourage people to identify and pursue more environmentally sustainable behaviour. The campaign was considered as successful, and the Environmental Information Service (ENFO), placed in the centre of Dublin, has also attracted public interest.

3 SD COUNCIL (COMHAR)

Comhar, the national sustainable development partnership (SD council), was established in 1999 as a forum for national consultation and dialogue on all issues surrounding Ireland’s pursuit of SD. Such a creation was foreseen indirectly in the 1997 SDS, which emphasises a partnership approach and intends to establish a “foundation for good partnerships with non-governmental interests”³⁵.

Comhar’s terms of reference are to advance the national agenda for sustainable development, to evaluate progress in this regard, to assist in devising suitable mechanisms and advising on their implementation, and to contribute to the formation of a national consensus in these regards.

Its 25 members are drawn from five nominating panels, comprising 59 relevant national organisations from: (i) the State sector, (ii) economic sectors, (iii) environmental NGOs, (iv) social/community NGOs and (v) the professional/academic sector. In addition, the Chairman of the Parliamentary Committee on Environment and Local Government is an *ex-officio* member of Comhar.³⁶ It acts as a think-tank from a civil society and stakeholder point of view.

Comhar’s terms of reference allow it to address issues and make recommendations either on its own initiative or at the request of any government Minister. The latter is perceived as a matter of recognition, and not as a means for influencing the council’s agenda. It may address its recommendations to any Minister, sector or the general public. Its own initiatives and agenda dominate (e.g. it agrees on a three year work plan). With its link to

³⁵ Government of Ireland, 1997, p. 192.

³⁶ The possibility of attending SDC’s meetings has not yet been taken up.

the MinE, and also the lead responsibility of this Ministry for the SDS, this relationship is the closest within government. It faces the challenge to become acknowledged as overarching, in a situation where there are (other) traditional stakeholder institutions, which mainly involve only the social partners.

3.1 ROLE AND FUNCTIONS OF THE SD COUNCIL

Role vis-à-vis the SDS:

As the SDC was only established in 1999, its input to the SDS started with the 2002 update document, for which the government had asked for input. The council is regularly asked for advice and comments on significant policy proposals, mainly by the MinE. It has a monitoring role vis-à-vis the SDS. Recent key recommendations and advice on SD-related policies include³⁷:

- Recommendations on proposals for carbon energy taxation, October 2003 (sent to the Ministry of Finance);
- Comments on the Draft Guidelines for Regional and Planning Authorities on Strategic Environmental Assessment, April 2004 (sent to the MinE);
- Recommendations on Draft Guidelines to Planning Authorities on Sustainable Rural Housing, April 2004 (sent to the Environment Minister);
- Recommendations on the Review of Local Government Financing, October 2004 (sent to the MinE);
- Recommendations on the Implementation and Review of the National Biodiversity Plan, November 2004 (sent to MinE).

General functions, - views are shared by the council and government:

- Advisory board to the government: challenging from an independent civil society point of view;
- reminder/watchdog for the holistic/integrated and long-term view: monitoring progress under the SDS and reviewing relevant policy proposals;
- think-tank;
- stakeholder/expert dialogue ‘among each other’; consensus building among the members is desirable (and takes place) and is important for a consensus-based country, and at the same time helps clarify the areas of disagreement (to the government); trying to break down barriers between different stakeholders;
- stakeholder members to take the views into their organisations (which is not requested, but happens in most cases);
- agenda setting and tackling difficult policy issues (“communicate to government which difficult decisions have to be taken”);
- encourage and stimulate good practice;
- increase awareness of SD (e.g. current pilot projects on SD awareness and education).

The council is represented on 8 monitoring committees for the National Development Plan and Operational Programmes for EU funding, to provide an integrated assessment.

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on an equal footing:

- The council has a cooperative approach with consensus aimed at - there is no majority voting. The atmosphere ranges between open and informal brainstorming on themes and strategic issues, to some combating of the stakeholder groups.
- It has an independent status, with some members from the state/public sector (local municipalities, county councils, EPA, and one from the MinE).
- “Double-hat” of council members: The council is in an in-between situation, moving from the representational type to the more deliberative type. There are different opinions and often strongly held views, but no conflicts have arisen from the “double-hat” situation: As council members had asked about their role, a “Members Handbook” was issued, which addresses the need for members to make a distinction between their own organisations view and that of the SDC. This issue occurs particularly for those members who are members of monitoring committees for the Operational Programmes (cf. above).
- Council members coming from NGOs tend to feel less strong than those from other, more traditional stakeholder organisations. Partly there is the function allocated to the SD council to giving environmental NGOs a platform for expressing their views; for reasons of ‘equal footing’ this appears as not very favourable. The business community was asked by government to participate in the SD council (as “obligation”), in addition to their other opportunities for influencing policies, which might be an indicator of the traditionally strong links to government. The benefit for business lies in gathering information on environment policy, and to get its voice heard.

Relation to and role of socio-economic partners:

The role of the above mentioned National Economic and Social Council regarding influence on policy-making is assessed differently, ranging from a low role as being only a research institution to having a powerful role and “competing” with the SD council. Particularly the environmental NGOs feel that way, as they are only represented in the SD council, which still has to earn its reputation and become influential, whereas the other bodies have a long tradition. The National Economic and Social Forum supposedly has become more visible recently, and the SD council has started to establish contacts with it.

Relation to government departments:

There is a close relationship to the MinE, to which the SD council is linked, and it has one member (out of 25). Only very few links to other Ministries exist (e.g. agriculture, enterprise, trade and employment). The council is consulted by the MinE on any new significant policy initiative, and receives drafts for comments under rules of confidentiality. The MinE would like to

see colleagues in other government departments consult more with the SD council.

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government's view

- Valued as a stakeholder advisory body with high quality work; independent input is appreciated;
- it is beneficial that the SDC may address issues that are difficult for the government, and that it is
- working on consensus building among stakeholders.

2 SDC's view

- Significant contributions to the 2002 update of the SDS;
- it stimulated the 'pillars' and gave feed back from the council's point of view;
- the council triggered the government to commission a study to evaluate the consequences of introducing new levies on certain types of waste and litter (chewing gum, ATM receipts and fast food packaging);
- work on biodiversity: a successful "pamphlet" was issued (a booklet written in provocative style by a well-known author, advocating action³⁸); a new working group was formed in 2004 which has made recommendations on the mid-term review of the National Biodiversity Plan;
- advice on economic instruments for waste (cf. above, proposals are currently with government);
- two pilot projects on awareness of and education for sustainable development: one programme for schools, and one for civil society groups, both of which include demonstration actions helping to mobilise support for SD "on the ground".

The council's current priority fields, for which it has established Working Groups, mainly reflect what turned out to be 'difficult' fields (cf. ch. D.2):

- biodiversity,
- climate change,
- housing and spatial planning,
- waste,
- awareness and education,
- international issues.

Working Groups meet on an ad-hoc basis and as often as is necessary to deliver the task at hand. For example, the Climate Change Working Group met frequently in order to prepare a submission for the Minister for the Environment on the review of the National Climate Change Strategy and a subsequent submission to the Minister of Finance on the issue of carbon taxation. In the initial submission to the Minister for the Environment in 2002, two different views on emission trading and carbon tax were put

38 "A Living Island – Ireland's Responsibility to Nature" (2002).

forward, while in the subsequent submission to the Ministry of Finance there was agreement on the issue of carbon taxation (after the government had given signals for moving towards a carbon tax). Similarly, other working groups meet more frequently as time-frame for the task demands – the Biodiversity Working Group has met at approximately 3 week intervals over the period of May to September 2004 in order to prepare recommendations on the review of the National Biodiversity Plan.

Overall the council received quite some credit for its work from all interviewees. It is still seen to be in an experimental phase, particularly in the relationship to other stakeholder bodies in the socio-economic field, and to working on an 'esprit de corps'.

The council sees it as a future challenge that its principles for SD should be developed into a policy framework. It is also stated that it should try to focus more on strategic issues, instead of getting dissipated in local problems, mainly because it is difficult to build up momentum on the local level, which is too fragmented.

Success-factors of a SD council

- Independence: members should not represent their organisation but act as individuals with the experience of their organisation as background;
- Try to develop an attitude of experimentation with open dialogue and enthusiasm;
- Gaining acknowledgement of the government and other stakeholder partnerships through quality of work, and getting to agreements between stakeholders;
- Strong chair and well-acknowledged personalities as council members³⁹;
- Good links into government.

³⁹ The situation of the council up to mid 2004 was favourable in that its chairman was a well-known TV-personality with his own program/talk-show, sometimes addressing issues of SD.

B Themes and scope

The 1997 SDS has in principle a comprehensive aspiration, but it focuses on environmental integration in

- strategic sectors (agriculture, forestry, marine resources, energy, industry, transport, tourism and trade), and
- supporting sectors (environmental quality, spatial planning and land use, the built environment, public action and awareness, and Ireland's international role).⁴⁰

The update document of 2002 includes the social dimension a bit more, but mainly emphasises the environment–economy link, given the pressures on the environment due to the economic boost in the 1990s, whose effects on the environment were only then fully realised.

The 2002 update takes up seven themes with 12 connected principles as proposed by Comhar.⁴¹ Government commits it self to pursue SD over the next decade, and sets out five key objectives:⁴²

- keeping the economy competitive in a rapidly changing world, including the pursuit of greater eco-efficiency,
- providing a stronger basis for further economic prosperity,
- bringing about a fairer and more inclusive Ireland,
- promoting and securing a high quality environment,
- contributing well to sustainable development at the global level.

These objectives do not fully fit with the subsequent sub-chapters:

- eco-efficiency,
- quality of life, covering awareness-raising for more sustainable consumption,
- social policy: implementing the revised National Anti Poverty Strategy (NAPS), which sets partly quantitative targets (e.g. for poverty reduction, level of social welfare, education, gaps in premature mortality between the lowest and highest socio-economic groups).

The following policy priorities are then stated (covering largely the environment dimension):

- climate change: meet the commitments of the Kyoto protocol (currently exceeded), further implementation of the National Climate Change Strategy (2000) and intensify work in the sectors concerned (energy, transport, industry/commercial/services, agriculture, forestry, housing); also, the groundwork will be laid to meet more stringent commitments in the post 2008–2012 period;
- nature, biodiversity and heritage: implement the National Biodiversity Plan of 2002 and the National Heritage Plan of 2002;

⁴⁰ Comhar, 2001, p. 3.

⁴¹ From a comparative point of view the 'themes' rather appear to be 'principles', and the 'principles' are rather qualitative objectives.

⁴² DOELG, 2002, p. 92 – 98.

- environment and health: improve river water quality (reference to the EU Water Framework Directive), major investments in wastewater treatment (funds allocated by the National Development Plan and the Water Services Investment Program), increase efforts to reduce nutrients input from agriculture, improve air quality (reference to the EU National Emissions Ceilings Directive);
- waste management: as the government policy states (“Preventing and recycling waste: delivering change” of 2002) a dramatic change is needed from reliance on landfill in favour of an integrated waste management policy which prioritises minimisation. This document includes quantitative targets, which are repeated in the SDS.

Several cross-sectoral priorities are included in addition, such as:

- the National Spatial Strategy: will have a 20-year time frame and will set out for the first time a long-term national framework to achieve a more balanced regional development in Ireland;
- “working with the market”;
- regulatory reform;
- Strategic Environmental Assessment (principles of the EU SEA Directive have already been incorporated in the Planning and Development Act of 2000; the EU Directive was transposed in July 2004 and will be applied to all sectors according to the Directive);
- Local Agenda 21 (revised guidelines on LA 21, cf. ch. A.1.4);
- non-governmental organisations (maximise participation through fora such as the SD council);
- research: EPA to produce a comprehensive assessment of the state of environment in Ireland;
- continue the work on indicators.

Altogether, as already stated above, the architecture for priority fields, principles, objectives and targets (only stemming from other strategies), and the relation of the different government strategies with each other and to the SDS, are not fully plausible. Preparing the strategy is seen as a process of mutual influence: policies already in place feed into the strategy, which is then meant to set an overall context and other policies fill in. Nevertheless the impression prevails, that the SDS update rather compiles what is already going on, without scrutinising or reflecting on priorities.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The 1997 SDS was influenced by a wider range of documents including Agenda 21, the 5th EAP and the 1996 State of Environment Report.

The 2002 SDS (update) also refers to international policy frameworks and measures national progress for the priority fields of the 6th EAP (climate change, nature and biodiversity, environment and health, resource efficiency and waste management) with related indicators.⁴³

Within the Ministry of Environment there is both a unit for the national SDS, which is also responsible for the EU SDS, and a unit 'environment international' (including overall EU policy coordination), with close relationships between the two. Overall, it is stated that in a small country responsibilities tend to be overlapping, and the links are short within and between Ministries. Hence the institutional situation for linking the national and the EU SDS is favourable.

Nevertheless the 2002 SDS (update) refers to the EU SDS, and explains its content, but does not explicitly reflect the national priorities on the basis of the EU ones, though it is stated that the strategy "requested the Council of Ministers to develop arrangements for implementing the EU SDS"⁴⁴. EU targets in place improve acceptance on the national level, which would also apply to the EU SDS even if not legally binding, enhanced by the fact that it is endorsed by the European Council (Heads of Government).

The 6th EAP provided a more appropriate framework for the priorities of the Irish SDS.

The overall attitude towards the EU tends to be positive, with EU legislation as a driving force for moving forward in environment policies, and structural funds having supported the boosting of economic development in the country. Ireland considers itself as playing an active role at EU level and not being a passive recipient.

2 SD COUNCIL (COMHAR): EUROPEAN AND INTERNATIONAL DIMENSION

The SDC has been involved in European co-operation through EEAC since 2002⁴⁵, given an earlier domestic focus including some internal restructuring of the council. It was very active in the course of the Irish EU Presidency, including co-organising the conference on *Challenges and Opportunities for Sustainable Development in an Enlarged EU* (April 2004)⁴⁶, and gave recommendations on the review of the EU SDS (October 2004).

Other international activities of the SDC included:

- Bi-lateral meeting with UK SDC in February 2004;

⁴³ DOELG, 2002, chapter 5.

⁴⁴ DOELG, 2002, p. 86.

⁴⁵ One council member of Comhar has been on the Steering Committee of EEAC since 2004.

⁴⁶ www.comharconference2004.ie

- Promotion of UNEP activities, together with ENFO (the information service of the MinE) and representation on UNEP's network on National Committees;
- Representation (as rapporteur) at UNEP's Global Civil Society Forum in Korea in March 2004;
- Presentation to UN CSD 12 in New York in April 2004;
- Representation at Learning to Change our World, an international consultation on education for sustainable development held in Göteborg, Sweden, May 2004.

The SDC has considered the EU SDS in its advice for the 2002 national SDS update.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The Lisbon process and Spring Summits are coordinated by the PM Office, which leads a so-called Lisbon group of senior officials. The Director General for Environment (as well as other relevant Ministries) is a member of this group, and tries to ensure that the environmental dimension is taken on board. Overall, the EU SDS is considered as adding the environmental dimension to the Lisbon process.

The input to the Spring Summits is prepared by the above mentioned unit in the Ministry of Environment that is responsible both for the national and EU SDS. The SD council has not dealt with Spring Summits so far.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- climate change: carbon energy taxation; policy commitments for post 2012;
- chemicals;
- harmonised taxation would be desirable (Ireland is arguing for it at EU level), but is considered as difficult because of unanimity; the government had intended to introduce a national carbon tax with effect from 1st January 2005, but abandoned this plan.

It is stated that any policy touching upon competitiveness is currently problematic not only in Ireland, but across Europe.

The open method of coordination is favoured to be used as a stepping stone in policy fields in which the EU is not competent, in order to exchange best practice. A better system for sharing experiences should be established (like the OECD peer review system).

Downstream impact - EU policies hampering national SD processes

Besides CAP, which also causes constraints for Ireland, nothing is addressed (as EU policies are, the other way round, favourable for the national agenda).

Conditional targets and implementation

Do not exist in Ireland.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

Overall the SD strategy is seen in the light that there is no panacea, and that conflicts are endemic, as part of normal “give and take” between government departments, and also between stakeholders.

- The SDS has increased awareness of the need for environmental policy integration. At the same time a more overarching approach is not yet in place.
- Some progress has been made in sectoral policy fields, which were partly triggered by the SDS and its review in 2002.
- Getting other Ministries committed remains a challenge.
- The National Development Plan has to be put in the light of SD: some progress has been made, but it remains quite challenging.

Achievements and failures in policy fields include:

- The review National Climate Change Strategy has been delayed (a revised document is still awaited). Following a public consultation process, the government has abandoned plans to introduce carbon taxation from 1st January 2005.
- Inclusion in the Planning and Development Act 2000, of sustainable development as a yardstick against which development proposals are to be evaluated, is a positive development; but the failure adequately to address the proliferation of one-off housing in the countryside remains a serious concern. The draft Rural Housing Guidelines raise serious questions on principles of SD for government policy as continued since the 1997 SDS.
- The National Biodiversity Plan and the National Heritage Plan (both of 2002) and the establishment of extensive conservation areas for biodiversity are positive, but prioritised targets and timescales for species and habitat protection and conservation are missing, and there is a need to develop indicators to measure progress of conservation measures.
- The Waste Strategy of 2002, the establishment of a waste prevention programme, the introduction of a plastic bag levy and the landfill levy, as well as the establishment of the Office of Environmental Enforcement, are all achievements. Ongoing commitment is required to further develop recycling infrastructure and promote education, awareness and behaviour change.
- Agriculture: Concerted efforts by government and stakeholders are required to meet the challenge of implementing the Water Framework Directive; there has been significant investment in water services to meet development needs, tackle water quality problems and upgrade rural water supplies; adoption of water catchment strategies is an important step in protecting and improving water quality in rivers and lakes. The delayed implementation of the Nitrates Directive remains a concern.

- The draft Rural Housing Guidelines raise serious questions on principles of SD for government policy as continued since the 1997 SDS.
- Energy efficiency has increased significantly and increased funding for investments in renewable energy is now coming on-stream.

2 MOST DIFFICULT POLICY FIELDS

Significant environmental challenges remain in the areas of water (eutrophication) and air quality, ensuring protection of habitats and species, and deterioration of the urban environment. In addition, Ireland is experiencing growing problems associated with changes in consumption patterns linked to recent increases in per capita incomes, notably waste generation, transport and urban sprawl, the latter two also arising from dispersed population. These problems are seen as a product of increased economic activity of the last 30 years, mirroring similar, but earlier, changes in other countries. Policies preventing these developments earlier were not in place, so now a catching-up is going on.

The main difficulties hence are:

Climate change/energy:

The burden sharing agreement levels are currently exceeded. Overall energy consumption levels with a low share in renewables outweigh relatively good figures in energy intensity. The abandonment of proposals for carbon taxation narrows the options for mechanisms in Ireland for encouraging reductions in greenhouse gases to meet its Kyoto obligations.

Waste management:

The policy field faces a serious backlog, as there was no legislation until 10 years ago, and there are management and service problems. Business considers progress as possible, as there are win-win situations. There is a strong resistance in the population against waste charges; recycling targets are not met – recent trends in recycling of municipal waste are more encouraging but there remains a significant challenge to meet the national target of 35% by 2013.

Agriculture:

Heavy nutrient input and delay in implementing the Nitrates Directive has exposed rivers and lakes to ongoing pollution threats; after protracted consultation and negotiation with relevant interests, the government intends to apply an Action Plan to Ireland as a whole and this should lead to reductions in phosphorous and nitrate loadings from spreading of organic manures. Decoupling, a single payment system and cross compliance under reformed CAP, should also bring benefits. The implementation of the Habitats Directive will be a major challenge.

Transport:

The previous phase, when the environment portfolio was together with road transport in one Ministry up to 2002, is considered as having been beneficial for environmental integration. Nowadays there is strong political consensus to continue giving priority to road infrastructure; this outweighs the institutional advantage that road and rail is now in one Ministry. In the five year period up to 2003 there was a 127% increase in greenhouse gases in the transport sector.

Air quality:

Inter alia difficulties with meeting the EU National Emission Ceilings.

Planning and housing

This is another field with structural difficulties, which lacks streamlining and control of the planning system throughout the levels in general, and the implementation of the SD principles of the national planning legislation in local planning guidelines in particular. Local Development Plans are adopted by local councils without a systematic check by an upper level.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: set quantitative targets and introduce a monitoring system; improve the vertical link; lead responsibility might be reconsidered;
Content: work on progress in environmental integration, but strive for a more overarching strategy as soon as possible; try to better integrate the economic benefits of environmental policy;
Overall: better harmonisation, and having measureable targets in a single document with appropriate time-frames.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows⁴⁷:

- + The SDS put issues on the agenda that had not been there before, and addressed others differently than before; some progress has been made in key policies like the National Development Plan;
- +/(◆) Ireland seems to take seriously the need to tackle the backlog of environmental problems; the state of environment at the same time reveals that environmental policy was neglected during the 1990s; there are still challenges in pollution reduction and prevention;
- +/(◆) References to the EU SDS are not “linked” enough; national coordination mechanisms are favourable for a better linkage;

⁴⁷ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

- +/(◆) Stakeholder consultation has faced the challenge of opening up towards interest groups that were not part of previous corporatist arrangements; though wider consultation is now taken rather seriously, the traditionally strong groups still prevail; the SD council has played an increasing role in giving advice from an overall stakeholders point of view;
- +/◆ The SDS is still focusing on environmental integration, which is crucial for the country and hence so far appropriate; getting other Ministries committed though will remain a challenge and joined-up thinking is still lacking; the concept of SD in this situation might face the problem of remaining environmentally biased; the lead of the Ministry of Environment will have to be reflected upon, at least when the SD agenda is moving towards a more overarching stage;
- (+)/◆ Vertical coordination is meeting challenges, particularly facing the somehow weakly co-ordinated and controlled planning system for land use and economic development;
- ◆ Lack of (quantitative) targets and systematic monitoring for the SDS.

E Recommendations for the EU SDS review

The SDC recommends:

- The revised SDS should refocus on the imperative of greater environmental integration, notably in the transport and energy sectors, including through the development of overall and sectoral objectives as well as of effective monitoring mechanisms, and review and promote progress towards agreed targets.
- There is a need to identify delivery gaps, intensify implementation measures, and foster better links with national sustainable strategies. A stronger political commitment and willingness to tackle difficult issues is required.
- A clear commitment is required to move away from unsustainable patterns of production and consumption to a new pattern of responsible competitiveness with a lighter environmental footprint, greater social justice and investment in recovery of biodiversity and environmental quality.
- The EU SDS is remote from the people; communication of sustainable development in a more accessible way is necessary as well as the integration of sustainable development principles into the formal education system at all levels.
- More progress is needed to shift the tax burden from employment and labour to activities, such as in the transport sector, which gives rise to environmental pollution. It would be desirable to put in place a general framework for transport infrastructure pricing.
- Overall a more ambitious SDS would support domestic processes, and setting EU targets would be desirable, as well as a proper system of SD indicators.
- Further work is necessary to put in place a comprehensive impact assessment and reporting system for sustainable development purposes; the application of sustainability impact assessments should be extended to external as well as internal impacts of EU policy proposals, e.g., in the area of trade. Analysis of policy proposals should quantify the costs of not taking action in terms of their impacts on human health and the environment and set it out alongside the benefits of taking action.
- The Commission, together with the Member States, should examine the extent to which the open method of co-ordination could be used to spread best practice and achieve greater convergence towards the main EU sustainable development goals.

MinE mentions:

- Introduce a better mechanism for applying the open method of coordination to policy fields where the EU is not competent;
- probably a longer digestion and negotiation on the level of Heads of Government is needed.

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INTERVIEWEES

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6 Netherlands

FRONTRUNNER IN ENVIRONMENTAL PLANS, INCLUDING “TRANSITION” FOR ENVIRONMENTAL INTEGRATION; SD STRATEGY/ACTION PROGRAM IN CONTRAST WEAK

- The National Environmental Plan of 2001 (NEP 4) introduced “transition processes” as an attempt at environmental integration in 4 sectoral policies: the processes are evaluated differently, ranging from quite successful to “business as usual”.
- Developing an SDS seems to have been more an exercise in the framework of following-up the WSSD, side-lining other activities, than an attempt at an overarching strategy; with a new government in place the approach for the SDS has been changed to become an “Action Plan”, i.e. a compilation of existing policies; both elements have led to a late adoption (2003) and to the situation that the SDS is not well linked with e.g. the NEP4 and that it seems not to be playing a significant role.
- There are coordination deficits with respect to transition processes and the SDS, and the international SDS and the national one; EU SDS is referred to in the national part.
- The country seems a bit paralysed since a change of government in 2002, that is perceived as stepping back in substantive policy (e.g. environment has become less relevant) and in strategic terms, and regarding stakeholder participation; no commitment for SD.
- There is no SD council (the government has opposed to that); stakeholder dialogue among each other only takes place in the socio-economic council SER, which happens to be engaged in the SD agenda, mainly due to the current chair, but in the current situation hesitates to take new initiatives.
- The local and regional level does not play a role in national SD policies: the association of local authorities even rejected an interview, reasoning that SD is not a priority issue for them anymore; several regional governments (provinces) have an active regional SD policy however.

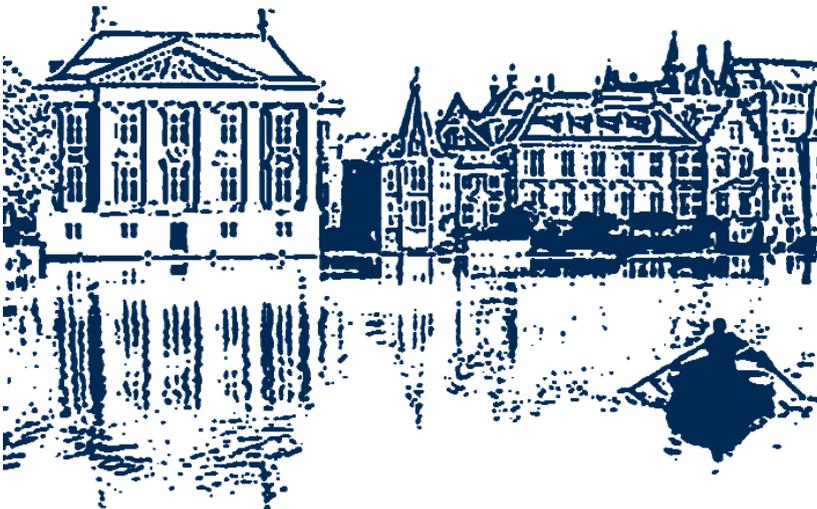


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ABBREVIATIONS

| | |
|----------------|--|
| <i>PM</i> | <i>Prime Minister (the position of Head of Government is called Prime Minister, in Dutch "Minister-President")</i> |
| <i>MinAgr</i> | <i>Ministry for Agriculture; Nature and Food Quality ("LNV")</i> |
| <i>MinE</i> | <i>In the Netherlands: Ministry for Housing, Spatial Planning and Environment ("VROM")</i> |
| <i>MinEcon</i> | <i>Ministry for Economic Affairs ("EZ")</i> |
| <i>MinFA</i> | <i>Ministry of Foreign Affairs ("BZ"), includes Development Aid</i> |
| <i>MinTr</i> | <i>Ministry for Transport, Public Works and Water Management ("VenW")</i> |
| <i>SER</i> | <i>Social-economic Council</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Predecessors of a SD strategy

- 1984 1st integrated Environmental Plan “More than the sum of the parts”
- 1985 Report “Zorgen voor morgen” [Care for tomorrow] with a perspective until 2010
- 1989 1st National Environmental Plan (NEP 1) with a duration of 4 years (vertical integration, starting with the global level, provinces and local level were asked to also develop integrated environmental plans; coordination of sectors such as agriculture, transport, industry by MinE); voluntary agreements with industry
- 1993 NEP 2: no significant changes in objectives, but improved implementation measures
- 1997 NEP 3: decoupling economic growth and resource use as a key issue; it is made clear that societal choices have to be made, especially to tackle CO₂-emissions and noise; this falls short because the issuance of the plan falls together with elections
- 2001 NEP 4 “Where there is a will there is a world – working towards sustainability”: Introduced “transition processes” as attempt to tackle environmental integration in 4 key sectoral policies: energy (MinEcon), agriculture (MinAgr), transport (MinTr) and biodiversity (MinFA); it contains broad objectives for 2030 (“living healthy and safely in a pleasant environment with a vital nature, without declining biodiversity and natural resources”), and measures for achieving this; seven persistent environmental problems are key

SD strategy

- 2001/2002 Review of government policies and societal activities regarding SD by an inter-ministerial project team, based in MinE
- 03/01-04/02 PM Kok chairs a Steering Committee for SD, the Minister for Environment acts as coordinating Minister for SD
- July 2001 The position of an “Ambassador for SD” and an Inter-ministerial Task Force (MinFA) are created for the preparation of the WSSD
- Jan. 2002 “Study of National Government Policy in the Framework of the National Strategy for SD” submitted to the cabinet; three councils were asked to submit an advice for how to move towards a SDS with the review of government policy and societal activities as building stones¹
- June 2002 *Elections*
First cabinet PM Balkenende: Responsibility for SD is given

¹ Letter Minister Pronk (MinE) to SER, 19.1.2002 (SER, 2002, Annex 1).

| | |
|-------------|--|
| | <i>back to the Ministry for Housing, Spatial Planning and Environment, in which the responsibility for environment is with a State Secretary (Junior Minister)</i> |
| Nov. 2002 | Cabinet policy statement on environmental policy 2002 – 2006, which adjusts those parts of NEP 4 that are particularly affected by “the new economical and political circumstances” (submitted to Parliament) |
| Jan. 2003 | <i>New elections</i> |
| April? 2003 | <i>Second cabinet PM Balkenende</i> |
| Jan. 2003 | On the basis of the WSSD commitments, the government endorses a “SD Action Program”, consisting of the international module of a strategy, prepared by the Ministry of Foreign Affairs (includes Development Aid) |
| July 2003 | National module (now called “national strategy”) of the SD Action Programme is endorsed Inter-ministerial Task Force (MinFA) is re-established for implementing the international part of the SD Action Program |
| March 2004 | The national module is discussed in Parliament |

Assessment:

The Netherlands has a tradition, and has been famous as a frontrunner-country for national environmental plans, which served as a role model in other countries. During the Dutch EU Presidency in 1997 Art. 6 on environmental integration was inserted in the TEC: the Netherlands were also one of the first countries with a serious attempt towards sectoral integration by introducing the so-called “transition processes” in their NEP 4 (2001). The MinE as overall coordinator issued the second progress report in November 2003. In contrast, moving towards an SD strategy has proven rather difficult, which has to be seen in light of the previous phases of environmental policy and integration:

- The 1980s and the run-up to the NEP 1 in 1988/89 is considered as the phase with the greatest momentum, with a PM who wanted a strong environmental plan (coalition government of christian-democrats and social-democrats), a societal debate and the private sector finally convinced of the economic benefits of taking environmental measures (e.g. increased recycling, energy saving).
One trigger was the interest of business in an integrated permitting system, for which a first step was achieved with NEP 1, and more flexible approaches. The latter was settled in around 130 voluntary agreements, around 20 of which are still in place.
- 1990 – 94 there was further commitment regarding integration, and the NEP 2 improved measures for implementation.
Rio did not trigger anything significant: As the Netherlands consider themselves as frontrunner in environment and development aid policies, international agreements in these matters tend to not move the country, but rather the other way round, i.e. the Netherlands influence the inter-

national agenda and/or scrutinise how well things are done. In this way the Dutch delegation to the UNCSO suggested including in the Rio+5 agreements that each country should have a national SD strategy.

- 1994 – 1998 saw a less engaged Minister for Environment, and the NEP 3 is considered as being only an overview of existing policies. Business prefers it over the NEP 4, because it is still more concrete, and the latter rather a concept (cf. nickname “pavement slab”, although it is acknowledged that environmental problems, and hence also measures, have become more difficult and less concrete). Until then there was still a constructive relationship and cooperation between the Ministry of Environment and Industry, which changed with a new MinE coming in 1998.

- The government 1998 – 2002 is considered as having failed to move towards an SD strategy, which was asked by Rio+5 in 1997, and better integration of government policies in general: the PM was not interested, and the majority of Ministers, including the MinE, favoured sectoral approaches. Hence the cabinet rejected a first draft “SD strategy”, developed by an informal group of strategy Directors from about seven Ministries. The development of NEP 4 during this period was required by law, but also reflects the situation well: the opinion exists, shared by the Environment Minister of that time, that NEP 4 is the Dutch SD strategy, as it also covers the economic and social dimensions.

With the WSSD on the horizon the government decided to “prepare something like a strategy”, and established an inter-ministerial project group at the end of 2000, based at the MinE. This group performed reviews of the government policies and societal activities regarding SD by early 2002 and had intended to prepare and draft a strategy, but the then outgoing government signalled not wanting to adopt a strategy². The reviews hence were meant as preparation for the next government, which was expected to be a similar coalition.

- But, the political situation was difficult after the election in June 2002: the success of the populist “List Pim Fortuyn (LPF)”, and the earlier assassination of its leader, caused a political earthquake and a change from the previous “purple” coalition with a social-democrat PM to a christian-democrat PM; the first cabinet Balkenende (PM), comprised of christian-democrats, LPF and liberals, failed, because the LPF left the coalition; new elections led to a new coalition with another liberal party replacing the LPF in January 2003.

This new, and in the beginning unstable, situation contributed to slowing down the SD agenda even more, and the change of government brought changes in substantial, strategic and governance terms: Ambitions were lowered regarding environmental policy and SD:

- instead of a SD strategy an “Action Program” was aimed at (i.e. a compilation of existing policies rather than an overarching strategy);
- environment policy is less relevant in general (partly because of the focus on immigration, which was the main theme of the LPF, partly

² Looking back this decision is considered as a misfortune for the SD agenda.

because slowing down of the economy, and - as opposed to earlier times – no belief that it can be profitable to move towards environmental innovation), and also the rather strong relevance of development aid has been lowered;

- environmental targets were lowered to the EU level (e.g. renewables, GHG emissions);
- responsibility for environment was moved from the Minister to the State Secretary (Vice-Minister) - level;
- the Steering Group for SD under the leadership of the PM was given up;
- there are perceptions that the famous “Polder model” consensus approach has moved towards a more government centred ‘no-more-discussion’ style;
- SD is not on the agenda of the so-called “Innovation Platform” with high level stakeholder and expert representatives, chaired by the PM, which seems not (yet) to be achieving the results as hoped for.

Also in Parliament no momentum has been created for the SD agenda: The hearing on the national module came late, and did not create a follow-up request, though it was stated that the discussion was partly critical, especially regarding a lack of vision and the weak relation to the EU level.

The WSSD was attended by the new PM Balkenende, the State Secretary for Environment and the Minister for Development Aid from the first cabinet Balkenende. Though all stayed in place in the second cabinet, the WSSD at first mainly prompted the MinFA to draw up the “international module” of the SD Action Program for the implementation of the WSSD outcomes. This was submitted to the cabinet in January 2003. The preparation of the “national module” took a bit longer, due to a greater coordination need and/or mechanisms not yet fully in place (cf. ch. A.1.2).

Altogether the SD Action program seems to fall short in terms of

- coordination of the national and international part, as well as coordination with the transition processes (cf. ch. A.1.2),
- a strategic approach, including missing targets and indicators (cf. ch. A.1.3),
- stakeholder consultation (as opposed to the NEP 4, cf. ch. A.2.2).

Overall it seems that NEP 4 and the transition processes are kind of seen as ‘environmental sustainability’, and a more overarching approach for SD is mainly seen in light of the international dimension (cf. C.1): The policy statement 2002 for environment policy puts the SD Action Program in the framework of “follow up to WSSD”³. SD seems to have almost a bad reputation⁴, and actors outside the MinE and MinFA state that there is no overarching SD strategy in the Netherlands. There is some confusion about the terminology: the two parts of the SD Action Program are now called “international strat-

³ VROM, 2002, p. 34.

⁴ It was even mentioned that “SD has a flavour of socialism”.

egy” and “national strategy”. This framing in the WSSD context only is most likely one of the reasons why the SD “strategy” is fairly unimportant.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

In the Netherlands traditionally the main Ministers concerned sign up to the environmental plans, which is a favourable situation regarding coordination. The role of the cabinet as collective decision-making body has been strengthened vis-à-vis the responsibility of an individual Minister.⁵ Nevertheless, there are quite some deficiencies.

The formal lead responsibility for SD in the previous government was with the PM, but nevertheless there was apparently no real commitment: a Steering Group of concerned Ministers with the PM chairing was installed as coordination mechanism during the time of the reviews (03/2001 – 04/2002). It was meant to be a separate entity, besides the regular sub-committees of the cabinet, but became rather an agenda item for the environment sub-committee. The new government did not continue this Steering Group and gave the lead responsibility for SD to the State Secretary of Environment. The SD project group that performed the reviews 2001/2002 (the “NSDO-team”) had an inter-ministerial character, i.e. staff were seconded from some other Ministries (not all concerned) besides the MinE, where it was based. Coordination with a wider group of Ministries took place via regular meetings, which worked partly satisfactorily. Positive might have been that the lead of the project group was at the Director level, but nevertheless the commitment of other Ministries was limited. This SD project group was also dissolved by the new government, at least its previous character and composition. With the now overall responsibility of the MinE, the lead for preparing the SD Action Program was given to ‘lower’ levels in the Ministry (Deputy Division-head). A new “contact persons” group (“CPO”) with other Ministries concerned (around 8) was established, which meets on a regular basis (around every 3 weeks). Surprisingly, the individuals from the “transition Ministries” (MinEcon, MinTr, MinAgr, MinFA) participating in this CPO are not the ones involved in the transition processes of their Ministries, and there seems to be no clear link.

At the same time as the SD project group was installed by the MinE in 2001, the MinFA established the position of an “ambassador for SD” and an inter-ministerial task force on SD, both for the preparation of the WSSD. This task force also prepared the international module of the SD Action Program, and has been working on its implementation since then. A first progress report was published in December 2003. The task force is basically composed of the same Ministries as the CPO for the national module, but it’s again not the same persons participating. The link between the national and international modules is perceived as deficient, and hence better cooperation is planned for the future. So far it takes place via regular contacts of the chairs of the two groups. There seems to be no clear link to the transition process ‘biodiversity’ of the (same) Ministry of Foreign Affairs. Also, there is no obvious link to EU policy coordination: this is formally done for all policies by the

5 Lepszy, 2003, p. 335.

MinFA, but it apparently allows in certain policy fields more self-coordination (e.g. agriculture, economic affairs) and plays a particularly strong role in environment and transport policy.

There is also a coordination mechanism via monthly meetings of the four 'transition Ministries, led by the MinE, which has a coordinating role for the transition processes. As mentioned above, the individuals involved in the transition processes of the Ministries and participating in the coordination group, are not the ones participating in the coordination group for the SD Action Program. On the side of the MinE it is the same chair for both coordination groups. The cooperation between the four transition Ministries, which takes place outside the monthly coordination on the Director level, is evaluated as partly very good; the coordinating role of the MinE, here mainly the "Transition Support Centre" that it installed, is predominantly found useful.

In contrast to this rather fragmented situation there seem to be other, 'powerful', committees on the Director-General level, - but not for SD.⁶ Regarding the question of lead responsibility there is no homogeneous opinion in the Netherlands: those who find this an important issue are strongly in favour of a lead by the PM, but only if there is a minimum commitment, and the PM office as "Ministry for general affairs" with its role to manage processes would be the ideal facilitator.

Assessment:

In the situation that there are at least two processes in place, it is understandable that each needs coordination. But because the overlap of "transition" and SD is so obvious and strong, it is quite surprising that the MinE, which has the lead coordination for both, does not coordinate the two processes better internally.⁷ The establishment of transition processes and the preparation of the WSSD started as two separate processes, which has never been changed. The experiences of the transition groups were not systematically or conceptually included in the SD Action Program.

Also the link of national and international strategy has been deficient so far: here improvement is planned, e.g. the progress report 2005 is intended to be a joint one. The link to the EU SDS seems to work fairly satisfactorily vis-a-vis the national module of the SD Action Program, but not well for the international one.

The somehow low reputation of SD, or the SD strategy, which is largely not considered as a strategy, is inter alia reflected in low acknowledgement of the concept in general, its overarching character in particular, with the one consequence that there is also no overarching coordination. There seems to be some competition between the MinE and the MinFA (which includes the

⁶ There is e.g. the DG's committee for environment (RME) and for spatial planning (RPC), which meet monthly with an independent (appointed) chair and have the task to coordinate policy proposals before they are submitted to the cabinet.

⁷ It is suggested from some sides that coordination for SD at the DG level could be in principle be done similarly to other policy fields (cf. DG's committees, previous footnote), which is also found in other countries (Junior Ministers and/or top officials preparing e.g. a 'green cabinet').

office of the Minister for Development Aid)⁸, and the coordinating role of MinE for the transition processes is at least ambiguous: on the one hand the MinE is trying to be modest in order to move away from its reputation as dominant, on the other hand this reputation has not disappeared in the transition Ministries (some call the MinE “zealous”). The MinE also has a reputation of “traditional” thinking in terms of governance, i.e. focussing on regulation and taxes, which is also said to apply to other Ministries outside the transition groups, whereas the transition concept has a systemic approach. The MinE’s co-ordination role is mainly to support in procedural challenges that all transition Ministries are facing, and to prepare progress reports. Its involvement is also found useful, because of the learning from the transition philosophy. The transition processes themselves seem to be not well rooted in the respective Ministries: the responsible staffs act as project groups, which very little connection to the rest of the Ministry. This is perhaps natural, as the transition processes are still in the start-up phase and the people in charge focus on finding fields of experiments and establishing “success stories” with external parties; but on the other side the deficit regarding the policy level in their own Ministry is seen, and improvement is aimed at over time.⁹

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

It is planned that an annual progress report on the SD Action Program will be prepared¹⁰. As such reports are primarily directed to Parliament, and Parliament only debated the SD Action Program in March 2004 (i.e. only eight months after the adoption by government), the MinE now plans to prepare the first report by the end of 2005, together with the MinFA. It was also planned that the Research Institute for Environment and Health (RIVM) would publish an initial sustainability appraisal by the end of 2003, which then happened end of 2004. This appraisal is meant to produce a “sustainability balance sheet” to be generated annually from 2006. NEP 4 does not foresee making progress reports for the transition processes, but the responsible Ministers decided to do so. The MinE issued the second report as an overview of all transition processes in November 2003¹¹, and the MinEcon issued one for energy transitions in April 2004¹².

1.3.1 Indicators, targets and timetables

There are no well-known quantitative targets in the Netherlands. It is stated that government has adjusted previously existing environmental targets to the (lower) EU level, some of which are repeated in the SD Action Program.

8 This partly seems to be due to the Ministry for Development Aid wishing to rule over their quite big funds alone, which complies with the interests of their “stakeholders”, - development aid organisations, significant in number and size. In the progress report 2003 the Ministry of Foreign Affairs announce that in the future such reports will cover both the national and international strategy, which will however “not affect the fact that the two are distinctly separate” (BZ, 2003, p.4).

9 This applies to the Ministry of Economic Affairs: transition is limited to energy, and with so far no impact on other departments, but it is aimed at by the transition managers.

10 VROM/BZ, 2003, p. 4.

11 VROM, 2003.

12 EZ, 2004.

NEP 1 had strong quantitative environmental targets, which were partly continued in subsequent NEPs, none of which established new targets. NEP 4 states as a pitfall in the Netherlands that objectives were set but sufficient means and instruments were not allocated to them. For this reason NEP 2 and 3 tried to improve in this field, and NEP 4 established predominantly qualitative objectives for 2030. It has a few quantitative targets for sectoral policies, like

- 10% renewable energy sources by 2020,
- dematerialisation: achieve “Factor 2 - 4” by 2030, and Factor 10 by 2050,
- (re-)creation of wetlands on agricultural land (20 – 30 km² by 2030),
- reduction and ceiling of ammoniac and phosphate immissions.

Indicators are not in place; a research institute (RIVM) is only now working on them (expected end of 2005). This mechanism has not yet been used in the Netherlands, and is also not considered as very important, partly due to the current lack of targets. Progress reports as mentioned above are hence done in a qualitative way and tend to look at progress of processes and projects, and not at outcomes (in pressure, state or response).

1.3.2 Review terms, long-term perspective and role of the Parliament

The Netherlands has a political culture for rather strong continuity, as new governments do not easily dismantle approaches and policies of previous ones: this goes back to a societal structure which used to be characterised by stable groups of voters along the catholic-protestant-liberal lines (“Verzuiling”)¹³. In such a situation it was never felt necessary that Parliament endorses long-term strategies. Its role is asking government to develop strategies, and getting reports back. The government therefore mainly directs reviews of policies to Parliament, and understands them to a lesser extent as a trigger for debate and new momentum.

The SD Action Program states that progress reports should be prepared annually¹⁴, but because of the overall delay the report for the national part is planned for end of 2005, i.e. two years after endorsement, whereas the first report on the international part was issued one year after endorsement¹⁵. It is stated that the annual rhythm is probably too short.

The NEPs have a four-year term, and occasionally updates/adjustments are issued in between.¹⁶ The qualitative goals of NEP 4 are an example of a long-term approach: filling this in with medium-term, maybe quantitative, objectives has not happened.

In general it is stated that looking at a long-term horizon would require political courage, which is currently not perceived to exist.

1.3.3 Approach for a SD strategy

The Netherlands has a long tradition of spatial and in consequence also environmental plans, and planning in general. The results are quite diverse rang-

¹³ Cf. also Lepszy, 2003, p.362.

¹⁴ VROM/BZ, 2003, p.4.

¹⁵ BZ, 2003.

¹⁶ e.g. VROM, 2002.

ing from establishing quantitative targets (NEP 1), focussing on instruments (NEP 2 and 3), to qualitative long-term objectives (in NEP 4). “Transitions” are inherently seen as learning processes, with arenas for experiments explicitly allocated to them, encouraging a way of thinking that is expressed as “everything is possible”. In governance terms transition management has a systemic approach, i.e. looking at entire production chains, working with stakeholders in the market and striving for innovative means and new ways of cooperation. The transition groups in the responsible Ministries focus on establishing concrete projects.

There doesn't seem to be a danger of being too much on the rigid side of planning, rather the reverse: there is a gap between strategic goals, as set in NEP 4, and concrete actions (as in the transition processes), which is only rarely filled in with concrete objectives and targets.

The SD Action Program has not the intention to be a strategy (though it is called like this in the sub-header), and hence it doesn't have such an approach from coarse to fine, with a vision and strategy, broken down to objectives, targets and measures. It is an overview of actions in place, and others still to come (though the difference can not be recognised).

It is very difficult to get an overview in the Netherlands on policies and activities for SD: partly because there is indeed much going on, but mostly because the field is tackled in a fragmented way with no overall architecture: no one of the interviewees was able to give an overview and/or picture of priorities, and there is just no overarching policy. Even if it could be argued that it is the nature of a complex concept, there appears to be no attempt to tackle this complexity.¹⁷

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

The RMNO advice on the national SD process in 2002 said that moving towards a sustainable development is a process that has to take place not only top-down, but also bottom-up¹⁸; so it appears that the latter has been deficient.

Regarding public authorities at the regional and local levels, the picture is rather gloomy: the association of local authorities (VNG) refused to be interviewed, because “SD is not a priority issue since 2004”. Hence no information on Local Agenda 21 could be gathered; others state that LA 21 used to be important at certain times, then declined, partly because subsidies stopped. There are still several municipalities with a ‘green’ agenda. On the regional level provinces such as North Brabant invest a lot in developing regional SD actions, but do not feel supported by the national administration.

¹⁷ The RMNO (Advisory council for research in spatial planning, environment and nature) though addressed exactly this in its advice on knowledge for transitions (RMNO, 2003). Discussion about an appropriate approach seem to continue: some interviewees mentioned the advice of the WRR (Scientific council for government policy) 2002 on the review of government policies towards SD, which is interpreted differently, and is in a way not unequivocal in itself. It argues that SD can only be a “meta-term”, a value, which cannot be the basis for making policy choices, and that integrated policy steering is impossible. On the other hand it states that policies must be the result of setting priorities and weighing up different goals and objectives, and that SD, which is too much a general aim would prevent this (WRR, 2002, p.57).

¹⁸ RMNO, 2002, p.4.

The second national progress report on transitions mentions a report of the Association of Provincial Authorities (IPO) from 2002 with proposals for tackling a number of intractable environmental problems¹⁹.

2 NON-GOVERNMENTAL ACTORS

In general the political culture has a strong tradition of stakeholder involvement ('consensus-democracy')²⁰, to which a growing civil society movement since the 1970s has contributed. With this background the so-called "polder-model" was established in 1982: an agreement of employers and trade unions, with the government as mediator, on deep reforms of the social system during a socio-economic crisis. This model led to economic success in the 90s and made the Netherlands a role model for other countries. Since the political upheaval of 2002 it has been increasingly questioned whether it is still in place, and the government has been characterised as more state-centred.

The consensus tradition has also led to institutionalised negotiations between the social partners in the Social-economic council (SER), established in 1950 (cf. ch. A.3).²¹

The Netherlands has a strong environmental movement with a larger membership than in any other country.²² Some of them receive funds from the government.²³ The relationship to government is characterised as traditionally rather good, as environment policy was dealt with by all political parties, though it has also depended on individual actors (like the Minister for Environment).

Since the 1980s there have been collaborations between environmental organisations and business (industry and e.g. retailers), and with actors in the agriculture field, both of which is partly continued nowadays²⁴.

Trade Unions seem not to be playing a strong role, but on SD they are active in the socio-economic council SER (cf. ch. A.3.1).

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Industry is divided regarding the attitude towards CSR: Most of the 250 bigger companies are engaged in CSR, with some of the Dutch multi-nationals (e.g. Shell, Unilever) and certain financial institutes (e.g. Rabobank) as frontrunners, whereas the smaller ones in contrast are not. A similar picture has already shown in the case of environment policy (since the 1980s), both of which go back to the lack of resources and knowledge. The employers' organisation(s) would need to fill in this gap, but they

a tend to represent more the "conservative" end regarding environment and SD,

19 VROM, 2003, p.17.

20 Lepszy, 2003, p.362.

21 Lepszy, 2003, p.371.

22 E.g. 'Natuurmonumenten' has over a million members (of 16 Mill inhabitants). Development NGOs were not covered (reference to their role: cf. footnote 8).

23 Note: Some used to be almost fully funded in the starting phase.

24 but assessed as more difficult nowadays, as business takes care of consumer desires that is less prone to environmental friendliness.

- b have internally not linked CSR and SD: the former is dealt with by a department for social responsibility, and the latter by one for environment and economic aspects; members have not asked the association to change this;
- c it is also stated that SD is in principle “good management”, which business has always needed to take care of.

Front-runner companies hence remain individual actors: In the case of environmental policies companies needed a common framework set by the government in order to be able to take environmental measures (cleaning-up, pollution prevention, efficiency increase) and stay competitive. Nowadays in contrast front-running seems to work by exploring and occupying market niches, which is then a competitive advantage, and hence first-movers do not ask anymore for government action. Also, it is stated that “measuring” the “degree of sustainability” is not possible, in contrast to measuring environmental performance, and frontrunners do not want to lose their CSR reputation. Experience shows that consumers might be a bigger problem than a better policy/regulatory framework: “getting the prices right”, which would support in this respect, has been an objective by the government in earlier phases, but not anymore (hence it seems that business has given up asking for that).²⁵

The stronger interest and involvement of business in environment policy has also been due to

- the greater threat of regulation, which also led to the 130 environmental agreements with a desired more flexible approach, and
- their interest in integrated environmental permitting, which has partly come about and is still being worked on.

Nowadays there is a tendency to ask for (even) less regulation, though it is also stated that driving forces for companies to moving ahead are environmental legislation and consumer demands.

On the government side CSR is supported by a knowledge centre, based in the MinEcon (not linked to the transition groups), and a division for “sustainable enterprises” in the MinE, with the aim to stimulate changes of companies “as a whole” by supporting in procedural terms. There is also a project that involves local authorities.

2.2 STAKEHOLDER CONSULTATION

With the before mentioned tradition of stakeholder involvement, consultation is performed more or less automatically for major policy proposals, such as for the NEPs. The review of government policies in preparation for a SDS in 2001/2002 was accompanied by a review of societal activities, which provided a good overview, though societal actors already then felt that there is not enough support by the government.

²⁵ An illustrative example is a new type of petrol, which Shell developed: environmentally friendly, good for the engine, and slightly more expensive. Marketing it (as “Pura”) with these two advantages did not become successful. Hence it was taken from the market and re-introduced as “V-Power” with exactly this “powerful” image.

For drawing up the national part of the SD Action Program two major hearings were held, both of which were attended by around 100 people: the first had the purpose of collecting ideas, which did not have much response; at the second a discussion paper was presented, which was mainly criticised for not being ambitious enough, lacking a sense of urgency and strong policy changes. Partly it was also criticised that the stakeholder involvement was not sufficient, but on the other hand there was also a bit of exhaustion because of previous consultation (on NEP 4, on the review of societal activities for SD).

Altogether the development of the SD Action Program was rather government centered, with the international part even drawn up solely by the MinFA. The Polder model tradition stumbles a bit at least on the policy side: one explanation is that in times of budget cuts the funds that are reduced first are the ones for processes and soft targets. Government actions within the SD Action Program though - and this also applies to transition processes - concentrate on creating ownership on the stakeholder and civil society side by providing support for procedures and dialogue, and establishing innovative projects and new approaches.

For 2005 an improved process of stakeholder consultation is planned, which is seen as important for the implementation of the SD Action Program.

3 SD AND OTHER COUNCILS

There is no separate SD council in the Netherlands. Explanations include:

- 1 There is a wide landscape of advisory councils:
 - Since a reform in the 1990s each Ministry has an independent expert policy advisory council, and there are several so-called “sector councils”, each advising several Ministries on more cross-cutting questions, related to knowledge gaps and research needs in these fields;
 - Negotiations between social partners take place in the Socio-economic council SER, which also gives policy advice. It is the only body where stakeholders have a dialogue among each other. It also has a sub-commission for SD.
- 2 The attitude towards SD (“we are doing this anyhow already”) similarly applies to advisory councils: “we already have all kinds of councils” (typically also “... too many...”, and there is a new reform on councils ongoing).

Regarding councils as one type of bridge from government to civil society it was stated that the advisory councils mentioned under 1) used to be more composed of stakeholders, but have been changed over time into rather expert councils. This trend might nowadays be even stronger, as government refuses to establish an additional council, and does not see an added value in stakeholder dialogue. This might be an indicator for an overall trend of “governing is for governments”, or it might be due to the lack of interest and sense of urgency for SD.

The “Innovation platform” is a new body with independent experts (and government, including the PM as chair), and an independent secretariat composed of staff partly from different Ministries. With this institutional setting and the broad theme it could play the role of a SD council, but SD is not on the agenda of this platform.

In 1999 the “National Institute for Sustainable Development (NIDO)” was founded with the task to bring together the private sector, government, NGOs and science in practical programs for SD.²⁶ This body was dissolved in December 2004.

In NEP 1 it was already proposed to establish a SD platform, which was then combined with a committee for development aid to become the “National Committee for Sustainable Development (NCDO)”. This body does have some platform function, but it mainly sponsors projects of development aid. For the WSSD stakeholders established a “Johannesburg platform”; and attempt to continue this after the WSSD failed (cf. ch. A.3.3 below).

3.1 ROLE, FUNCTIONS AND INTERNAL ASPECTS OF OPERATION OF THE (ADVISORY) COUNCILS SER, RMNO, VROM-RAAD/RLG

General role and composition, way of operating

- 1 The Social-economic Council SER is a stakeholder council (functions cf. above), composed of 33 members (11 each appointed by employers’ associations, trade unions and by government; the latter are mostly University professors from the economic, social and/or environment field). Organisations from broader civil society are not represented; environmental NGOs are though invited to participate in SD-related activities. Regarding a permanent membership it was argued that there are many topics covered by the SER for which environmental NGOs do not have expertise.
- 1 The advisory councils RMNO, VROM-raad and RLG²⁷ (and policy and research/”sector” councils in other fields) are set up in an independent way, which comprises:
 - mostly independent agenda setting (besides being asked for certain advice),
 - having their own budget and an independent secretariat (linked to Ministries in administrative terms only),
 - independent members: a Minister appoints the chair of the councils and the council members; most councils have government members, but only as observers;
 - sector councils like the RMNO have a tri-partite composition: science, society and government.

The government is obliged to reply to the advice of these councils.

²⁶ One program e.g. was “market chances for sustainable products”, for which research was conducted on the market chances of sustainable products, workshops were held and experience exchanged on best practice of sustainable advertisement (www.nido.nu).

²⁷ RMNO: Advisory council for research in spatial planning, environment and nature; VROM-raad: Council for Housing, Spatial Planning and the Environment; RLG: Council for the rural areas.

Role vis-à-vis the SDS

The SER and the RMNO gave advice in 2002 on the review of government policy with respect to moving towards a national SDS. Both shared the view that this document lacks an overarching vision²⁸, and the SER recommended to the incoming government to take SD as an umbrella for the cabinet program.

- The SER works on SD in three lines (environment NGOs are participating in all these activities and sub-committees):
 - plays a major role in promoting CSR in Dutch society,
 - the SD committee within SER issues reports on SD(-related) themes,
 - gives advice on spatial planning and transport.
- The RMNO with its overarching and cross-cutting 'knowledge'-remit is a strong agenda setter in the field of SD²⁹, and it also continuously tackles the question of 'bridging the gap' between scientific knowledge and policy making. In this function it communicates (SD) issues to interested parties, including five ministries. It gave advice on the problem of complexity of SD (2003), on the need for more research (2004), and developed the idea of a 'dynamic knowledge agenda for SD'.

The VROM-Raad gives advice to the MinE on environmental policy and related fields, which might include SD. It did not comment on the 2002 government review for the SDS.

The RLG gives advice to the MinAgr on all matters regarding the rural areas. The council has an overarching approach for this area, and hence deals directly and indirectly with SD issues. With its formal limitation to the MinAgr it did not comment on the 2002 government review for the SDS. The Wadden Sea Council typically advises on sustainable development issues in the area, although it does not have a (self-)image as a regional SD council.

Council members operate on equal footing

The expert advisory councils can be characterised as think-tanks with a consensus approach. None of them has the explicit aim that 'stakeholder' members should take results from council debate into their organisations, though this might occur naturally.

For the SER the relation of its members cannot be answered. Judging by its history, and even constitutional remit, one could conclude that it might have more predominantly a negotiating style.

Relation to and role of socio-economic partners

The SER has a very good reputation, and the relationship to the other councils presented here is very good.

Relation to government departments

As government members are only observers, there is no potential for

²⁸ RMNO, 2002, p. 3.

²⁹ e.g. on sustainable tourism, which it considers as neglected policy field in this context (to be published in spring 2005), and on the North Sea (published October 2004).

conflicts. For the RMNO this membership is meant to serve the information flow from the Ministries to the council, as well as the ‘sounding board’ function of the councils (for the government).

3.2 ACHIEVEMENTS OF THE COUNCILS

All councils covered here have achievements in environmental policy and SD through their quality of advice, agenda setting, a watchdog function etc., with the RMNO to the greatest extent engaged in the SD agenda:

- According to the RMNO’s remit it is a “boundary” organisation between science, policy and society; in this function it raises “knowledge questions” and hence agenda setting is central in its work (cf. above); on the basis of 20 years experience it is currently elaborating a “methodology for boundary work”;
- stimulating inter-disciplinary research and suggesting research programs, e.g. on biodiversity and on SD;
- a study on stumbling block in decision-making “Willingly and knowingly” caught attention internationally;
- program “teachers for SD”;
- the stakeholder consultation on NEP 4 was organised by the RMNO, which was highly valued by government.

The SER has the greatest reputation (it is also the far biggest and oldest one), which might be inter alia an indicator for the authoritative potential of a stakeholder composition. As it probably has more a negotiation culture, the potential of progress and innovation, both in substance and ‘governance learning’, deriving from stakeholder dialogue might be limited.

Success-factors of the RMNO

- Independence: council members act as individual experts from science and stakeholder group; government representatives of five ministries are observers, but can actively take part in the discussions: for them the RMNO has also a sounding board function;
- In the council meetings consensus is aimed at;
- The combination of scientific and stakeholder members guarantees that advice always has a scientific basis as well as practical recommendations; whenever possible RMNO uses a trans-disciplinary approach;
- Advice is prepared in steering groups with, besides council members, invited experts; this allows the council to have deeper looks into specific themes while at the same time having strategic discussions in the council meetings;
- Gaining acknowledgement of the government and the wider political community through quality of work, and by helping the ministries to articulate better their strategic research questions;
- Advice is delivered each with a dissemination plan, which may include presentations, conferences or an informal ‘RMNO-café’, and press-releases;

- Guarding the position as ‘boundary work’ organisation between science, policy and society is guarded,
- Strong chair and well-acknowledged personalities as council members from the scientific world, the private sector and NGO’s;
- Well-established and broad links into government: the council works for five ministries;
- The focus on research for policy automatically implies getting involved in early phases of policy making or programming; the council also produces advice on issues that are not yet on the policy agenda but are expected to become important within five to ten years;
- Link national views to European views; growing international contacts and cooperation.

3.3 AN SD COUNCIL AS ADDITION?

Several interviewees would welcome the establishment of a separate SD council, with the particular functions:

- keep SD on the agenda,
- advise government from a high-level stakeholder perspective, serve as a sounding board, and hence provide an additional link between the two sides,
- provide direct best practice examples and be a driving force for government policies,
- platform for stakeholder dialogue among each other.

These are very similar to the functions of SD councils in other countries. The existing expert councils fulfil the first point, partly the second and third, but do not have a setting to provide for the last one. The SER in a certain way does (cf. above); but its remit does not comprise SD mandatorily: SD has been on its agenda mainly due to the commitment of the current chair. The possible option of turning the SER into a SD council is not seriously at stake: It would require a change of the constitution, and hence a strong political will. Whether this would be useful is also questionable, because of its primary remit of negotiation between social partners, which is not conducive to a cross-cutting think-tank atmosphere.

The RMNO has taken two initiatives regarding a SD council:

- in March 2003, together with NIDO and NCDO (cf. above), a proposal for a coalition of advisory councils and stakeholder groups, which did not receive government support;
- in September 2004 it organised a round-table session with high-level experts and stakeholder representatives, attended by two concerned Ministers. This initiative was intended to continue as “SD platform” (an informal think-tank), but so far this has not been established (response of PM pending).

B Themes and scope

NEP 4 identifies seven “important environmental problems”: loss of biodiversity, climate change, overexploitation of natural resources, health, external safety, living environment (including for example noise), future risks (e.g. new technologies),

from which four “transition areas” are concluded:

- energy,
- agriculture,
- transport,
- biodiversity (which is seen by some as not plausible, because it is not a ‘sector’ in the sense of “transition”).

At the beginning of preparing a SD strategy for the WSSD (2001) the cabinet prioritised five themes:

- population (aging and immigration),
- climate change,
- biodiversity and agriculture,
- water,
- knowledge.

The international module of the SD Action Program took up the (UN) “Wehab” sectors (January 2003, not changed later):

- water,
- energy,
- health,
- agriculture,
- biodiversity,

and added

- trade,
- CSR and investment.

The SD Action Program (national and international part), with reference to the WSSD commitments within the EU and preliminary work in the Netherlands, identifies twelve sustainability themes (July 2003):

- 1 Poverty reduction
- 2 Effective global governance
- 3 Good global financing structures and trade
- 4 Good water management and access to clean drinking water
- 5 Sustainable energy management (clean, reliable, affordable)
- 6 Health and safety
- 7 Sustainable agriculture
- 8 Biodiversity
- 9 Population (aging and migration)
- 10 Sustainable mobility
- 11 Sustainable production and consumption
- 12 Knowledge

The overview shown in Table 1 reveals a slightly inconsistent picture with respect to priority fields: Partly, the final 12 themes of 2003 are a compilation of previous and ongoing activities, partly there are additions, which are e.g. supposed to be dealt with in the international part, but are not (e.g. 1. and 2.); partly the additional themes are not much more than listed in the national part (e.g. 9.). The national part of the Action Program is in general very brief in content, always referring to the three levels (WSSD, EU and NL), and listing some international targets³⁰. It refers to the four transition processes (under theme 5., 7., 8. and 10.), but only in a very vague way. It mainly consists of three chapters on governance (roles of the national government, instruments, accountability), one overview of model programmes and projects (unclear whether in place, or whether to be developed) and a chapter “agenda for sustainable action” with some ideas for future topics to be addressed³¹. The international part is structured along the WEHAB themes (plus trade), lists the WSSD outcomes and the additional Dutch actions. It does not cover themes 1 and 2 (although allocated to the international part by the national part), nor theme 9 (which is apparently more seen from the immigration point of view, and not with respect to global migration). Altogether, the selection of themes suggests that there has been no real review of priority fields, or a prioritisation itself, and hence it remains a compilation of ongoing activities. It also illustrates the coordination deficits described in chapter A.1.2.

Table 1: Development of priorities for SD policies in the Netherlands

| THE NETHERLANDS' SUSTAINABILITY THEMES (JULY 2003) | NEP 4 (2001): TRANSITION PROCESSES | 2001 PRIORITIES FOR SD | PRIORITIES OF INTERNATIONAL MODULE (JAN. 2003) |
|---|------------------------------------|------------------------|--|
| 1 <i>Poverty reduction</i> | | | |
| 2 <i>Effective global governance</i> | | | |
| 3 <i>Good global financing structures and trade</i> | | | ⊙ |
| 4 Good water management and access to clean drinking water | | ○ | ○ |
| 5 Sustainable energy management (clean, reliable, affordable) | ● | ● | ● |
| 6 Health and safety | | | ⊙ |
| 7 Sustainable agriculture | ● | ● | ● |
| 8 Biodiversity | ● | ● | ● |
| 9 Population (aging and migration) | | ○ | |
| 10 Sustainable mobility | ● | | |
| 11 Sustainable production and consumption | | | ⊙ (CSR) |
| 12 Knowledge | | ○ | |

italic: themes to be covered by the international part

- themes of all four phases / parts of the Action Program
- themes of 2001 SD priorities, the international module and the final Action Program
- ⊙ themes the international module and the final Action Program

³⁰ not complete, e.g. the Gothenburg target for the halt of biodiversity loss by 2010 is not mentioned.

³¹ e.g. tourism as a future priority field, but also population, which is supposedly already covered by now (but it is not).

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

Not the EU but the international agenda was the key trigger for developing a SD “strategy” (the SD Action Program), i.e. the commitment of Rio+5 that all countries shall elaborate a SDS for the WSSD 2002. The reinforcement of this commitment at the Gothenburg Summit 2001 did not play a role.

The SD Action Program is mostly seen in the frame of “follow-up of WSSD”, with an international and a national part. This is a likely explanation for the weak link to previous and ongoing national policies in coordination terms (a different group was set up to prepare for the WSSD) and the development of the Action Program, and possibly also in content³².

The same applies to the selection of priority fields: First the WEHAB themes were chosen, and then others, in which national activities already took place, where grouped around. The SD Action Program refers to EU policies under its own priority fields, but not to the EU SDS. At the time of the national review 2001/2002 it was said that the work at EU level was helpful for the national level.

The Lisbon process is considered as important (by actors more closely involved), as it is closer to the heart of economic policies of the EU, but also (from non-governmental actors) as a “matter of intergovernmental wrangling”, as well as separated from the concept of SD. The EU SDS is strongly perceived (again: by actors more closely involved only) as a “side-track” to the Lisbon process, i.e. as ‘environment policy’, and the review will most likely be seen as a normal ‘dossier’, probably coordinated by the MinE, whereas the Lisbon review will be coordinated more widely, lead by the MinFA (cf. ch. C.3). The State Secretary of the Environment announced that his main theme during the Dutch presidency was connecting the Lisbon agenda with SD³³. Environment actors are partly committed to strengthening the environment dimension of the Lisbon process during the Presidency.

As compared with earlier times as a frontrunner in environment policy, it is nowadays said that the EU objectives are helpful in the Netherlands, because without them the national ones would have fallen even lower. The former position is apparently overhauled by empirical findings: the country lags behind in transposing EU law.

2 ADVISORY COUNCILS: EUROPEAN AND INTERNATIONAL DIMENSION

The Dutch advisory councils VROM-Raad (environment), RLG (rural areas), RvdW (Wadden Sea, since 2003), and the RMNO (“knowledge” council for environment, nature and spatial planning) have been active in the evolving EEAC network since the early years.³⁴

The SER is member of an international association of socio-economic councils

³² The policy statement 2002 separates the transition processes and the SD Action Program, which is mentioned under the header “Follow-up WSSD” (VROM, 2002, p.34).

³³ (Financieel Dagblad, 16 July 2004; this apparently has not come true).

³⁴ The RMNO also hosted the EEAC secretariat 2002-2004; one of its council members is chair of the Steering Committee from 2005.

and served as chair from 1999-2001.

In the RMNO- and SER-advice on the review of government policies towards sustainable development the EU SDS is mentioned.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

There is a special group within the MinFA that prepares the Spring Summits, in consultation with other Ministries concerned incl. the MinE.

As the EU SDS is not perceived as an integral part of the Lisbon process, and because on a national level the link between the national and international part of the SD Action Program (and to EU activities) is not satisfactory, there are no clear links either to the Lisbon process or to the EU SDS. Surprisingly, the fact that former Dutch Prime Minister Wim Kok chairs the Task Force for the Lisbon review does not seem to have inspired an initiative from national actors.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- energy tax (and fuels: kerosin, diesel);
- phasing out and/or adjusting unsustainable subsidies;
- getting the prices right;
- environmental innovation (cf. also environment priority for the Dutch Presidency), with increased funds for research and development including a dematerialisation target ('Factor 4' etc.).

The Common Agriculture Policy receives credit for going in the right direction, but more needs to be done.

Downstream impact - EU policies hampering national SD processes

Besides overall criticism of business on environmental regulation no downstream problem is mentioned.³⁵

Overall assessment

The Netherlands was a strong driving force in the EU environmental integration agenda; e.g. the Dutch Presidency in 1997 succeeded in strengthening Art. 6 TEC in the 'Treaty of Amsterdam'.

The nationally front-running role in environment policy, including greening the taxation system, has changed since a new government in 2002, with the exception of transition processes and long-term environmental agreements with industry as continuing policies from previous government(s).

In earlier times EU targets (and policies) were considered rather as the smallest common denominator and the Netherlands was more ambitious. Nowadays things have changed, and environmental policy makers are glad about EU targets, because without them the national targets would have been lowered or removed. Emission trading and the EU objectives for renewables were mentioned as such examples. Environmental NGOs (but also the EC) have court cases against the government for non-complying with EU law.

³⁵ NB: This aspect was not explicitly covered, mainly because of the overall national trend (cf. Overall Assessment).

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

Success stories of the NEPs (1989 – 2001/today):

- (partly) integrated environmental permitting;
- more flexible approaches for business, - achieved by 130 environmental agreements, which have also provided for continuity (new governments did not dare to change them);
- NL frontrunner in greening taxation system (e.g. energy, ground water, pesticides);
- decoupling and phasing out perverse subsidies has been a goal since NEP 1 in 1989, and has seen some achievements;
- installation of transition process in three key economic sectors (energy, transport, agriculture) plus biodiversity: the energy transition seems to be the frontrunner (20 transition “paths”), which has already achieved some successful results (e.g. energy-neutral greenhouses; energy companies starting to invest in micro co-generation; paper and board industry investing in energy efficiency throughout the entire chain, with the aim of achieving a reduction in resource use by 50%), including the creation of ownership.

Shortcomings:

- lack of a comprehensive SD strategy: broadening out to all dimensions has not succeeded, neither has the link to the international dimension;
- quantitative (environmental) targets were strong in NEP1 and 2, but not since then: there has been the rather negative experience that means and instruments were not allocated to the targets, hence later plans and policies focussed on that;
- expert and stakeholder consultation is organised only on an ad hoc basis.

2 DIFFICULT POLICY FIELDS

Three “transition” sectors energy, transport and agriculture were chosen for these processes in NEP 4, both because of their importance and because they are difficult fields for the Netherlands.

Transport and agriculture are considered as more difficult:

- the former because of a strong transport-related business (freight transport, Amsterdam-Schiphol airport, Rotterdam harbour) and the socio-geographical situation of a small, densely populated country with many commuters;
- the latter because of the structure of the sector with large farms and high cattle density.

The fourth transition area is biodiversity, which is tackled more in its international dimension, reflected in the fact that the MinFa has the lead. There are almost no statements about this field, which could mean a) that people not directly involved underestimate it, or b) the field of activity is rather confined.

Additional fields mentioned are:

- decoupling, which has been an objective since the 1980s, successful for pollution, but regarding resource and material use the successes remain very limited³⁶,
- (industrial) waste,
- land use planning (danger of urban sprawl, i.e. dilution of previous strict policies), and
- water (groundwater pollution), as an overall important issue for the Netherlands.

Energy:

Is considered as difficult because of resistance of the energy intensive industry (steel, petro-chemicals).

Transition in energy is considered as the most successful one of the transition processes, with a committed Minister of Economic Affairs³⁷. The project group has been concentrating on pilot projects in five main paths (efficient and green gas including preparing for a future hydrogen economy, efficiency of the energy chain, biomass, alternative fuels and sustainable electricity; the latter two have not yet been tackled, with the aim of achieving successful examples that can be used for further “convincing”). It is also the first and only one to have issued a progress report.³⁸

The Dutch target of 10% for renewable energy sources by 2010 is considered as ambitious.

CO₂ reduction objective: The burden sharing agreement was not mentioned as a difficulty; it was agreed at national level that 50% of the reduction may be achieved outside the country, and 50% with internal measures. For the former, and emission trading, the Dutch government signed a contract with the Rabobank on identifying and creating suitable projects for them; the Rabobank hence became a frontrunner in this field. On the latter it is said that the 50% national contribution to the reduction is challenging.

The energy policy field is interestingly not framed as climate change: the SD Action Program does not even mention climate change as a driving force for reforming energy policy; the energy transition process sees itself placed in a frame of multiple objectives (environment – diversification – costs – effectiveness). For the SD Action Program this goes back to the fact that the WEHAB themes were taken over directly, and at the WSSD energy policy was deliberately separated from climate change, because of the sensitivities linked to the latter.

³⁶ it is stated by some that modesty in economic growth would be needed, on top of shifting the type of growth towards an eco-efficient one.

³⁷ A former Director General Environment of the European Commission.

³⁸ EZ, 2004 (April 2004).

*Transport:*³⁹

The assessment of the transport transition ranges from “business as usual” to “more sense of urgency, and stakeholders are more active”. There is no progress report yet.⁴⁰

Though transport is a main contributor to CO₂-emissions, the two project teams (energy transition and transport transition) have not jointly discussed objectives or targets.

Agriculture:

Similarly, for agriculture the assessment of the transition process also ranges from “a lot achieved” to “unclear what is happening at all”. The illustrations given in the context of the former statement though seem to refer to previous policies in general, and not to the transition process in particular: downsizing of intensive animal farming⁴¹.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: improve coordination (no significant measures taken) and consultation (measures are planned for 2005).

Content:

- turn the SD Action program into an overarching SD strategy, and intertwine with NEP 4 and transition processes;
- improve prioritisation of policy fields;
- despite previous rather negative experience with quantitative targets, this approach should not be given up, and key indicators are still missing; at the moment only international and EU targets are referred to; no indicators are in place.

Other actors:

- In the business community it would be desirable if the employers’ association encouraged other than the big companies that are already engaged in CSR, i.e. particularly the SMEs;
- the local and regional level has lost pace regarding the SD agenda, or even given it up (the former one); the possibility of giving input and momentum to the national agenda is currently not in place, and the link from the national level to the local/regional could be much improved.

³⁹ NB: Only energy was looked into as example for the transition processes, hence transport can not be assessed on own grounds.

⁴⁰ Momentum was expected from a conference in October 2004, which took place as part of the official program of the Dutch EU Presidency. The outcome cannot be assessed.

⁴¹ reducing the number of pigs from 15 Mill to 10 Mill, which was done by national environmental legislation combined with the fact that the sector lost competitive power, and a government scheme to buy out pig farmers.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows⁴²:

- + Early achievements in environmental policy;
- + Individual front-running companies: most bigger companies are engaged in CSR;
- +/◆ Strong background in environment integration: transition processes are a promising approach, which currently in a phase of experimenting and establishing innovative projects; so far little influence internally on the policies of the MinE, and the link to the SD(S) is very weak; there is hence the danger that it remains just a project;
- (+)/◆ If SD is acknowledged as a concept at all, it is perceived as a learning process, but leadership and a strategic approach are missing; the MinE with overall responsibility for the national part doesn't seem to be a driving force; the PM is not interested; some Ministries are (partly) committed to transition, the Ministry of Foreign Affairs plays a strong role, but weakly linked to the national activities; Parliament doesn't create momentum either;
- (+)/◆ Improving stakeholder involvement and consultation: a strong tradition of stakeholder involvement, but not well done for the SD(S), - partly also due to previous overload of consultation;
- (+)/◆ Fragmented approaches and coordination deficits, some improvement aimed at, but it doesn't appear as a breakthrough so far; oversight seems to be missing;
- ◆ SD(S) seems to be imposed and is largely seen as WSSD follow-up; hence there is no perceivable architecture, no strategic approach: it appears as muddling-through, - and even if this is at least partly a natural characteristic of a complex concept, tackling this complexity by vision and strategy, prioritisation, followed by means and objectives, linking with previous and ongoing policies etc., is missing;
- ◆ Agenda for SD(S) shall be "not static", but this attitude does not result in underpinning objectives; too much concentrating on action;
- ◆ A new government slowed down the SD agenda more; possibly a stakeholder institution (SD council) would have been able to provide for more continuity (the "National Institute for SD (NIDO)" has more an experimenting and facilitating function); also previously successful instruments in environmental policy were partly abandoned (taxation) or reduced (subsidies);
- ◆ The association of local authorities (VNG) has abandoned priority for SD since the beginning of 2004 (no overview of local activities incl. LA 21 was given; interview was refused).

42 + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

Overall the impression in the Netherlands is that there are three ‘tragedies’, due to (A) the previous frontrunner position in environmental policy, and partly also (B) a change of government that has changed this in substantive, strategic and governance terms:

- 1 Tragedy of the frontrunner:
 - Many policies, activities and actions have already been going on, implicitly under the SD agenda, but not explicitly (A):
 - almost exclusively as “environmental sustainability” (A), and the step to broadening has not been seriously tackled (B);
- 2 Tragedy of complexity:
 - Because of many things already going on (A), and no overarching approach (B), Ministries’ policy activities remain fragmented; there is no overall strategic approach;
 - actors in Ministries seem to live in their own bubbles, - a bit like in a sandstorm, where oversight is lost, and competition rules rather than joining forces;
 - there are inter-ministerial coordination groups, but separate ones for each process (national SD strategy, international SD strategy, transition processes; EU policies), and even those seem to remain fragmented, as no one seems to be informed about the activities/state of the art of the other, i.e. the communication within each Ministry is weak⁴³;
 - looking back it was most likely a mistake that not enough, or no, use was made of the review of government policies and societal actions (2001/2002), which was partly due to (B) and the braking related to it, and partly because some key actors left or were removed;
 - the reflections of the interviewees on e.g. difficult policy fields, and assessments of progress made (and challenges left) differ more widely than in any other country; the only common ground is regretting the lack of commitment of the current government⁴⁴, and that transport is a problem;
- 3 Tragedy of the Polder model:
 - Firstly this has led to a tradition of strong stakeholder consultation and involvement, - partly with better results regarding confidence and accountability, partly with the same disappointments as elsewhere, which has often been due to a lack of rooting of “inter-active” civil servants in their Ministries, and a lack of coordination on the government side (‘the right hand does not know what the left-hand does’);
 - uncoordinated strategy approaches have led to an over-saturation in consultation: e.g. when the SD review and SDS development started (in 2001), the country had just seen wide consultation for NEP 4 (finalised in 2001);

⁴³ This feature can also be observed in other countries, but there tends to be more acknowledgement of an overarching strategy.

⁴⁴ even this does not apply to the business association, which denies that there can be/should be a SDS.

- the Polder model is based rather on a negotiation attitude than on innovative thinking; stakeholders talk bi-laterally to government⁴⁵;
- because of the Polder tradition the idea of a SD council for stakeholder dialogue ‘among each other’ has not fallen on fertile ground; the existing councils have over time been turned more and more into expert councils; the social-economic council SER is the only existing dialogue mechanism of stakeholders: but here also the negotiation attitude predominates; environmental NGOs are involved in the three lines of SD activities of the SER, an approach which functions well.

Assuming that both leadership and ownership are needed for moving towards SD, in the Netherlands it strongly seems that leadership is lacking. The country as a whole seems to be a bit paralysed, with a tendency to pass the buck⁴⁶. This could mean that the country is a bit spoiled by earlier successes (via negotiation), and environmental policies being on the agenda for roughly all political parties in the past, i.e. there might be no concept for dealing with a less favourably inclined government. More strongly than in other countries it is emphasised that “moving SD forward depends on persons”.

Advisory councils are a bit of an exception, but besides RMNO they also tend to remain in their sectoral activity (this is how the system is set up: one council per Ministry), and neither the VROM-Raad has criticised the Ministry of Environment, nor the SER have criticised the new government for the relatively weak, or: undetermined, SD agenda.

E Recommendations for the EU-SDS review

Because of an overall rather deadlock-mood, and many interviewees directly involved in EU affairs, this question was almost not discussed. The environment priorities of the Dutch EU Presidency stood in the foreground, which are to focus on eco-innovation. The EU SDS is perceived as a side-track to the Lisbon strategy.

One recommendation is made: The external dimension should be better integrated in the EU SDS.

Some suggest that the Lisbon strategy should include an objective like “most eco-efficient economy”.

⁴⁵ “lobby”; this is also common in other countries, but the benefits of a mechanism for stakeholder dialogue ‘among each others’ are (more) acknowledged.

⁴⁶ mainly to the government, but also to the consumer (by business) and/or to burying heads in the sand (all, including Ministries and NGOs).

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NB: There used to be a website for SD policies and the strategy (www.nsd.nl, "National Strategy for Sustainable Development"), which does not exist anymore.

INTERVIEWEES

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7 Portugal

DIFFICULT GOVERNANCE ISSUES; IN 2004 FINALLY A NEW DRAFT SDS

- Very state oriented culture: almost no bottom-up initiatives; NGOs (environment and development) are engaged, but suffer from limited capacities; information flow from government still rather limited.
- Lack of strategic direction and discontinuity: a new government typically changes policy course and/or programs and plans fall into oblivion.
- Distribution of power, competence and budget between the central and local level causes tensions and bureaucracy.
- Accountability of Government and Parliament is low; deficits in the Ministries and public administration include skills and knowledge, impulse to manage processes, leadership.
- General low education level and training.
- Lack of public awareness, participation and social-mindedness.
- After two previous attempts a new draft SDS is now in the process of consultation.



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ABBREVIATIONS

ENDS SD strategy

PI-ENDS Plan of Implementation SDS

PM Prime Minister (the position of Head of Government is called Prime Minister, in Portuguese "Primeiro Ministro")

MinE Ministry for Environment and Land Planning (M.A.O.T.), and/or the Environment Institute (IA) as part of the Ministry

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Predecessor of a SDS

1995 Approval by the Council of Ministers of the National Environment Plan (NEP)

SD strategy

02/2002 Decision of government to prepare an SDS under the Ministry of Environment's coordination, based on the Gothenburg commitment of Heads of Governments to have a SDS for the WSSD.

04/2002 General Elections and new coalition government

07/ - 08/2002 Draft SDS ("ENDS"); stakeholder consultation (in written form); criticism about content and deficient stakeholder participation;
The PM 'promises' at the WSSD to improve the process in a second attempt.

Pause

04/2003 Decision of the government to prepare PI-ENDS (Plan of Implementation SDS); coordination by the PM Office, with technical support of the Environment Institute (IA, which is part of the MinE).

04/ - 12/2003: Phase I

Concerned Ministries are asked for input: attempt for a review of existing policies and improving coherence (7 sectoral panels), but this involvement is not substantive and coordinated;
7 sectoral reports for the integration of existing plans, objectives and actions.

Phase II

4 meetings with a cross-sectoral approach; stakeholders are partly invited, but only as observers; this Phase failed
a) regarding the cross-cutting challenge (lack of methodology and coordination among the Ministries),
b) towards stakeholders at least the process was not communicated well, which caused feelings of lack of transparency and misunderstanding.

A University Institute is commissioned to produce a synthesis report and conceptual review, but the results were not further used, and also not made public.

01/2004

PM asks four high level experts¹ to produce a new draft SDS by July; it is planned to perform proper consultation on that document.

¹ One is a council member of the SD council CNADS (cf. ch. A.3).

| | |
|-------------|---|
| 2.7.2004 | New draft SDS is published |
| 07/ - 12/04 | Public consultation via website |
| 12/2004 | Planned adoption/approval of the SDS by government and Parliament, postponed to March 2005 ² ; thereafter a “Plan of Implementation” will be elaborated. |

Assessment:

The first draft SDS of summer 2002 (as input for the WSSD) did for a while not lead to further action. It was also criticised for its content, and the process. Phase I of elaborating a “Plan of Implementation” had some positive approaches, e.g.

- 7 panel meetings were held with concerned Ministries, but the outcome was not as expected, partly due to unclear objectives and partly to low attendance;
- it was planned to have sessions in the regions, but this was not implemented.

The timeframe of this phase was much too short. The draft SDS of that time is considered as a nice framework, but too broad and *missing the underpinning of actions, targets and resources* (human and financial); i.e. linking to existing programmes, and prioritising them, did not succeed.

Policy coherence: Phase I was a big attempt to collecting policies in place, to identify contradictions and eliminate them, which did not succeed. More and more documents were produced; the synthesis report, as result of confining seven reports to one, is considered as deficient, including the *lack of vision*, and because it did neither succeed in prioritising objectives nor in linking them to actions and indicators. Major difficulties include that existing policies/plans and programs are quite different in status: some are in place, some are put in the drawer, and some are implemented. This causes a lack of coherence and both low effectiveness and efficiency.

Also Phase II, with a cross-sectoral approach, did not lead to a convincing and/or accepted document. Stakeholder involvement was very limited, as was the access to documents and the transparency of e.g. invitations to meetings.

Therefore a new high-level committee was installed, and asked to provide *combination of strategic direction and action* and to suggest the so far missing *priorities*.

The new start is considered as the right decision; nevertheless, dialogue and cooperation on Ministry level has to be taken up again.

This committee prepared a new draft SDS by July 2004, which appears as a significant new attempt regarding approach and content. This draft SDS now incorporates six strategic objectives, which are structured upon one key objective for 2015 (the time horizon of the strategy): to make Portugal one of the most competitive countries in the EU.

² This was originally planned for the ends of 2004, including a draft for a Plan of Implementation, but a change in government in 2004, including an unexpected election called by the President, slowed down the process.

The draft SDS sees itself as a dynamic process. It includes three pillars (environmental, economic and social), with responsible governance playing an integrating role. It evolves upon a diagnostic and a trend and SWOT analysis, recommends the creation of a Strategic Mission Unit in the PM office to be responsible for the follow-up, evaluation, monitoring, public information and participation, and review procedures. The SD council is also asked to play a relevant role in the process.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

The decision of the government in 2002 to prepare a SDS included the lead of the MinE/the Environment Institute³. After some advocacy of the MinE itself (report on ENDS, August 2002), the SD council's advice (May 2002), and NGOs' support at the WSSD, the PM agreed to shift the lead responsibility to the PM office, and installed a post there.

Some Ministries have been difficult to involve, mainly because of the perception of SD as environment policy, but also because of the usual effects of sectoral organisation: each Ministry finds its own priorities as most important. The Ministry of Economic Affairs is now supposedly fully engaged. With a 'guidance competence'⁴ the PM has a relatively strong role, and even more when a majority in Parliament stands behind him/her.⁵

Assessment:

The lead of the PM's (office) is considered as requirement for better coordination, which is perceived as particularly deficient in government. However, the person made responsible came from the Institute for Nature Conservation, and might not have sufficient authority/leadership within the PM office. For the future one person is most likely not a sufficient capacity for coordinating a SD process.

Defining strategic priority fields and strategic directions for actions did not succeed up to Phase II of the (previous) process: the Ministries did not submit proposals. On the basis of the new draft SDS prepared by the high-level group this challenge is tackled again: It proposes strategic objectives, "strategic vectors" and guidelines.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

Not yet applicable.

1.3.1 Indicators, targets and timetables

During the attempts 2002–2003 there has been ongoing work on indicators, with the Ministry of Economic Affairs and the MinE as key players; the latter also prepares the state of environment report. The seven sectoral reports (2003) partly used indicators, but with the overall lack of integration this was not effective.

³ Similarly to Belgium there is a more 'political' part of a Ministry, and a more 'administrative/technical' one (in the case of the MinE: the Environment Institute), though the latter also prepare policy proposals.

⁴ similar to the one of the chancellor in Germany.

⁵ Merkel/Stiehl, 2003, p. 660.

The new draft SDS proposes six strategic objectives, 48 targets, 19 “strategic vectors” and 102 guidelines. This will form the basis for the “Plan of Implementation (PI-ENDS)”, to be developed after the adoption of the SDS, which will contain actions, measures and resources.

A set of 50 indicators as a preliminary tool for measuring progress was already proposed and will be further discussed. This set also includes the Lisbon structural indicators.

1.3.2 Review terms, long-term perspective and role of the Parliament

Portugal seems to have a tradition for strong policy changes when a new government comes in: an existing plan often falls into oblivion, which more or less happened to the National Environment Plan (NEP); less likely there is a deliberate policy shift. Staff in Ministries is exchanged (mainly, but not only, at high-level), and there are voices about a clientele system, which seems to not increase the level of skills in Ministries. Non-governmental actors also mention it as “tiring” that they often have to start talks to Ministries from the scratch. Hence public administration does not balance out discontinuity, which contributes to, or causes, an overall implementation deficit. Also hampering is the generally low level of skills in the administration.

International commitments smoothen down such policy shifts or the phenomenon of oblivion, at least if they are:

- a legal obligation like EU Directives, or
- about producing (only) a strategy (e.g. SDS in 2002: commitment remained also after a new government came in), which is however somehow considered as toothless (given a prevailing ‘planning’ style, cf. ch. A.1.3.3 below).

It is therefore planned to present the new draft SDS and the Plan of Implementation (PI-ENDS) also to Parliament, and aimed to achieve consensus or broad majority also among opposition parties, in order to provide a longer life for the SDS than up to the next election. In selected cases this has succeeded before (e.g. defence and justice). So far there is neither awareness nor consensus about SD among party leaders.

The new draft SDS proposes a time horizon of 2015, a review of the SDS every 3 years and annual reporting. The latter is meant to be a progress report and to provide for discussion of the relevant actors on (lack of) progress.

The (proposed) Strategic Mission Unit will be in charge with monitoring, in cooperation with national and international statistic bodies.

1.3.3 Approach for a SD strategy

Portugal has rather a planning tradition in the traditional sense: a plan, produced by a responsible authority, which will be implemented⁶. However,

⁶ Soromenho et al. (2004, p.9) confirm this observation by stating: “Up to the end of the 1970s the planning system was extremely rigid and dependant upon sectoral publics organisms that developed high planning technical skills set on hierarchic structures.” Apparently this is the background of the administrative culture.

experience has shown that implementation falls short - at least in policy fields with an integration requirement: the National Environment Plan of 1995 is such an example. The previous attempts towards an SDS did not achieve to bridge strategic vision and concrete actions (the ‘planning’ part). But this process - and its failure - raised awareness about the necessity of such a bridging, which is now underway to be approached.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Municipalities have local plans, which cover budget, regional development, social and economic affairs and land use. There also are “Environmental Plans” processes organised voluntarily by some municipalities, which also involve stakeholders, but Local Agenda 21 initiatives are very rare. Only 12% of the municipalities have a LA 21 process, and around 2-3% have a SD Plan.⁷ Neither the local nor the regional level were directly involved in the previous SDS processes.⁸ Also for the new draft SDS this has (so far) not happened, although the strategy includes proposals for better vertical coordination in order to improve implementation.

There seem to be significant tensions between the central government and municipalities about budget and power distribution, which also touches upon a key problem for sustainable land use and landscape planning (cf. ch. B), and which will be quite a challenge for the future SDS process.

2 NON-GOVERNMENTAL ACTORS

In general it can be observed that the political culture is very state centred:

- No or little bottom-up initiatives and ownership from societal actors take place (even industry asks for government guidance, e.g. for CSR);
- at the local level: LA 21 is rare; mostly such initiatives are city council driven environmental plans;
- government predominantly maintains this state-centred culture, both to NGOs and industry (besides the 5 biggest companies, cf. below);
- stakeholders (incl. industry) are keen to participate in SDS process, and expect a pro-active attitude of the government.

The roots for this situation to some extent lie in the history of a relatively long duration of an authoritarian system⁹, in which the population was not integrated as “citizen”, but rather passive recipient of policies.¹⁰ It is considered as crucial problem that during this time there was no compulsory education, which led to 30% illiteracy by 1974. With the introduction of a compulsory school system after the revolution in 1974 this has decreased by

⁷ *Survey of the Environment Institute. SD plans are similar to environment plans, but more cross-sectoral in scope.*

⁸ *There are two autonomous regions, and five administrative entities of the national government in the regions. Establishing a regional level did not pass a referendum in 1998; as access to EU Structural Funds has continuously required reference to an administration of the regional dimension, the national Ministries established regional branches, - a solution which falls short from the territorial-integrated perspective. In another approach the municipality's administrative units have been aggregated to the municipalities association (Soromenho-Marques/Queiros/Vale, 2004, p. 7, 28).*

⁹ *“Estado Novo”, 1926 – 1974, commonly referred to as “dictatorship”.*

¹⁰ *Merkel/Stiehl, 2003, p. 673.*

today (to around 10%). It is also stated that in Portugal an individualistic culture prevails, which causes the low degree of self-organisation and social-mindedness.

The traditional actors, trade unions and business associations, are both rather fragmented and comparably low in representation, which used to lead to fragmented negotiations between employers and employees:

There are two major trade union federations, which used to compete quite strongly (one with a communist tradition, and one younger, more moderate one).

Business associations are organised regionally and sectorally, with two major ones for Industry¹¹, and two for Trade and Services¹². Altogether these organisations are relatively weakly organised, low in membership, which is also relatively loose.¹³ Since the 1980s social partners have cooperated in an institutionalised way, a tripartite body of employers, employees and the state, which was in 1997 included in the constitution as Social and Economic Council (CES). Supposedly this cooperation has contributed in an important way to the economic stability of Portugal.¹⁴ Since 1997 also some civil society NGOs appoint members to the CES.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Only the few bigger companies are active in CSR. The Industry Federation, which represents the smaller companies, asks for governance guidance for CSR. It states that “SD is competitiveness and ethics”, which appears close to the (original) CSR approach.

(Smaller) industry does not take own initiatives, but want to be invited to participate in the SDS process (an invitation is seen as indicator for the significance of a policy). The Industry Federation, who takes this position, represents around 85% of the companies, which comprises the roughly 25 significant companies (but smaller than the five biggest ones), plus the SMEs, which make up 95% of the business sector. As SMEs are very dispersed geographically, in sectors and degree of modernisation, representing them can only take place to a lesser extent. The Industry Federation does not address SD in talks to Ministries on other policy issues, and it is stated that there is not much dialogue anyhow. It also criticises a lack of information flow from the government: in the case of national allocation plans, for example, government accepted the guidelines industry had developed, made the allocation, and gave this information to industry only two days prior to the deadline at EU level, i.e. no further reaction was possible. In contrast, the real link to industry takes place on the highest level, reflected in the fact that former heads of the 4-5 biggest companies now hold high positions in Ministries.

¹¹ *The bigger Confederation of the Portuguese Industry (CIP), and the Association of the Portuguese Industry (AIP), which also represents state enterprises.*

¹² *Federation for Trade and Services (CCP), Chamber of Commerce and Industry (CCIP).*

¹³ *Merkel/Stiehl, 2003, p. 670-71.*

¹⁴ *Merkel/Stiehl, 2003, p. 671.*

2.2 STAKEHOLDER CONSULTATION

Maintaining a state-centred culture by the government is reflected in:

- It is very difficult to get information from the government (e.g. “secret meetings”, for instance on allocation plans, cf. A.2.1);
- Ministries do not reply to input given by NGOs;
- in processes where stakeholder consultation is intended (e.g. SDS), involving stakeholders is not organised (well), and the process itself is not transparent, for example regarding what government is doing when;
- disappearance of institutional support for participation: e.g. the Institute for EIA was abolished (and some of its competences have been transferred to other bodies).

These deficiencies have been criticised during the previous SDS phases, and for the future improvement is intended, including skills of government officials for organising stakeholder consultation.

Consultation on the new draft SDS 2004 so far has been done only via placing the document on the website of the PM office.

The NGOs (environment and development cooperation) are not very strong and have low capacity, i.e. consultation can only be limited. Better information from the government would improve this aspect, and more support would be desired.

The relatively state-centred situation is in a way reflected in the composition of the SD council (cf. ch. A.3 below): Although it has a significant degree of independence, so far it is unimaginable in Portugal to have a body sponsored by public funds without representatives from the public sector.

Outlook

The new draft SDS proposes the establishment of a unit for SD (“Strategic Mission Unit”) within the PM office, responsible for coordinating and monitoring implementation through all levels and sectors:

- coordination of the inter-ministerial layer,
- within society (particularly business and NGOs),
- with the regional and local level,
- and between these layers.

It remains to be seen whether and how this proposal will be taken up. As the decision for a coordinating role of the PM office is already in place, it will most likely be a question of capacity increase and the way of managing coordination.

3 SD COUNCIL (CNADS)

The Portuguese Council for the Environment and Sustainable Development (Conselho Nacional do Ambiente e do Desenvolvimento Sustentável, CNADS) was established in March 1998 by a law-decree. The council has 36 members: 1/4 is appointed by government (often academics), and 3/4 is appointed by non-government organisations including industry, trade unions,

environment NGOs and local communities (who might also appoint academics). A new decree from June 2004 broadens the membership to now also include researchers outside universities, as well as regional development and consumer NGOs. Currently the majority of council members are academics. The council in administrative terms is linked to the MinE, but it has an independent secretariat. The President is appointed by the PM.

3.1 ROLE AND FUNCTIONS OF THE COUNCIL

Role vis-à-vis the SDS:

The establishment of the council was not linked to the decision to elaborating a SDS (which was only made in 2002). In the course of setting the framework for the Plan of Implementation (PI-ENDS) it was considered to give the role of elaborating it to the CNADS. The council refused this, because it felt a danger of losing its independence for further advice and evaluations. Such a task also does not lie within the mandate of the council.

CNADS gave input to the first SDS draft (ENDS) in May 2002, August 2002 and to the Plan of Implementation in November 2003. In the latter it

- criticised process and methodology, and the non-integrated view of Phase I and II,
- advised that the process needs political guidance and recommended the establishment of a high-level group by the PM,
- urged that sectoral policies have to be revisited and adjusted to the new objectives.

It plans to give input to the new draft SDS.¹⁵

General functions, - views are shared by council and government:

- independent advisor to the parliament and government;
- consensus building among the members should take place, and mostly does;
- stakeholder members to take the views into their organisations (view of CNADS): in this way the opinion-forming in the council can also be seen as advisory function for civil society.

Regarding the SDS the council's advice so far rather covered procedure and governance questions. In SD related policy fields it has achieved agreements among stakeholders (cf. ch. A.3.3 below), which caught attention.

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on equal footing:

- There is a cooperative approach with consensus aimed at, i.e. no majority voting, which is mostly achieved, with the attitude that discussion just takes longer for difficult issues; if no consensus is reached, the different views are submitted (which has occurred in exceptional cases only).

- As mentioned above the council has an independent status despite members, who are appointed by government. These members do not stem from the administrative hierarchy, but from another public sector background (often academic). The background of this difference is: Ministries are organised by having a relatively small ‘political’ Ministry, and ‘administrative’ Institutes that serve the Ministry¹⁶. The ‘governmental’ members of the council at the same time seem to play a rather passive role, i.e. they do not influence the direction of decisions/advice of the CNADS. So far no conflict from this constellation in membership has occurred.
- Some criticism about an environmental bias is voiced, but mainly from development NGOs, which were not represented until recently.
- Other problems of membership include that the trade union members are currently not active: representation of industry/business is difficult in Portugal, because of the fragmented situation (cf. ch. A.2, 2.1).
- “Double-hat” of council members does not cause problems.

Relation to and role of socio-economic partners:

The Social and Economic Council (CES) as introduced above has advisory function and stronger lines into government. It gives an opinion on the “Broad options plan” (Grandes Opções Plan, GOP), which is a 7-year plan covering inter alia state expenses, infrastructure and social affairs and the basis for the annual budget planning. In contrast to the SD council it is characterised by corporate members *representing* their organisation (cf. Belgium), and in a sub-committee the wages and work conditions etc. are negotiated. The SD council has started to exchange some information with the CES, and the notion exists that this could be enhanced. There is no overlap in membership, but partly the same organisations appoint members to both councils.

In the new draft SDS both the CES and the SDC (CNADS) are meant to be the crucial bodies for dialogue and overseeing the SD process.

Relation to government departments:

With the government members in the SDC one would expect even better lines into government than in the case of councils without government members¹⁷, but it has appeared that

- the government members in the council do not have themselves links to those government actors responsible for the SDS,
- the relatively intransparent attitude of government creates a permanent lack of information, and makes it even difficult to get information.¹⁸

¹⁶ However, in contrast to e.g. Belgium, these Institutes do prepare policies and laws, i.e. they also have strategic functions.

¹⁷ In those cases the quality of the links varies, mainly depending on individuals involved.

¹⁸ It does not seem that this attitude is repeated on purpose in every day life, because information is given eventually, and having not replied earlier to a request was not rooted in an acute political consideration.

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government's view¹⁹

- Acknowledgement of CNADS as advisor, also in the SDS process.

2 CNADS' view

- Good advice that had impact (e.g. hazardous waste co-incineration; forests; coastal zones; Aarhus Convention was ratified with their input; advice on the draft SDS);
- SDS:
 - Recommendation to link the SDS Phase II (Plan of Implementation) to the PM Office, which was implemented later;
 - Advice on methodology of process: reinforcing importance of public participation, and selection of targets and indicators.²⁰
- Agenda setting: 1/3 of the advice are issues selected by the council, which also applied to the advice for the Plan of Implementation (November 2003);
- Having gained recognition among stakeholders and Parliamentarians;
- It is the only body in which stakeholder can discuss openly, and that has potential lines into government; although the latter has shown difficulties, the potential exists, and is part of a process of 'governance learning'.

Success-factors of a SD council

- Independence: members must neither represent their organisation, nor the (government) organisation that appoints them.
- Gaining acknowledgement through quality of work and getting to agreements.
- Influence and divulging role.

¹⁹ NB: answer incomplete, because not completely covered.

²⁰ Deliberately no advice on priority fields and/or targets was given pro-actively, because as a principle the CNADS does not want to replace executive/political decisions, but assesses and comments on proposals.

B Themes and scope

Both the question on scope of SDS, and key issues and targets cannot be answered yet. ENDS had a broad scope, whereas PI-ENDS was criticised for being environmentally based, and not integration the social dimensions, and both documents for a lack of prioritisation.

The new draft SDS (July 2004) seems to be a major re-shuffle of previous attempts, and incorporates now six strategic objectives:²¹

- 1 Qualification of the Portuguese people towards a knowledge society;
- 2 Building a competitive and sustainable economy;
- 3 Efficient management of the environment and natural resources;
- 4 Balanced land use management;
- 5 Reinforcing social cohesion and individual responsibility;
- 6 Active role of Portugal in global cooperation.

These six objectives and 19 correspondent strategic areas are structured upon one key objective for 2015 (time horizon of the new draft SDS): to make Portugal one of the most competitive countries in the EU, within the restraints of high environmental quality and strong social cohesion and responsibility.

102 guidelines and 48 targets, some of which are quantitative ones, underpin these strategic objectives.

²¹ www.portugal.gov.pt/Portal/PT/Primeiro_Ministro/Documentos/20040128_PM_Doc_ENDS.htm.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The main influence for elaborating a draft national SDS in 2002 was the commitment of governments to produce a SDS for the WSSD. The EU SDS inspired the 2002 ENDS, as did the 6EAP, the Lisbon strategy, the Millennium Declaration, and the Doha and Monterrey agreements.

The 2003 Plan of Implementation included some targets from EU policies (e.g. eco-efficiency, share of renewables).

Although the Lisbon process is well known, it is perceived as an agenda only for knowledge-technology-innovation, and criticised by some for not having enough actions related to its goals. The Lisbon structural indicators are included in the preliminary set of indicators for the future SD process in Portugal.

The WSSD was an important event for the decision of the PM to take up responsibility for the SDS, which was to some extent supported by the fact that there was a floor for direct dialogue with NGOs.

In general it is stated that EU *environment* policies have caused development and adaptation in Portugal.²² This is supposedly not due to the character of environment policies, which are mainly binding Directives and Regulations, in contrast to the open method of coordination approach of the SDS and the Lisbon process. There are no complaints about over-regulation; EU policies provide some continuity and guidance for the country.

2 SD COUNCIL (CNADS): EUROPEAN AND INTERNATIONAL DIMENSION

The CNADS has been actively involved in European cooperation through EEAC since its establishment in 1998.²³

It has also participated in the UNCSO stakeholder sessions, and three council members were part of the delegation to the WSSD (as NGO).

In the two advice of the council on ENDS and PI-ENDS the EU SDS served as framework, as well as the other relevant international declarations and agreements.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

A special group "Society of Knowledge and Innovation" under the Ministry for Science and Technology and/or the Committee for communitarian affairs under the Ministry of Foreign Affairs prepare and coordinate the Spring Summit, as well as all European Councils. The latter is an inter-ministerial

22 NB: It is stated elsewhere, e.g. OECD 2001 and Soromenho-Marques et al. 2004, that EU Structural and Cohesion Funds' rules for environmental integration have triggered the development; also the share of funding for environmental measures had increased between 1989 and 1999, whereas the new plan for 2000-06 sees a significant drop in environmental investment (OECD, 2001, p. 125).

23 In 1998 it hosted a meeting on better involvement of Southern European countries, and in 2000 – during the Portuguese EU Presidency – it hosted the EEAC annual conference. One of its council members has been vice-chair of the EEAC Steering Committee since 2001.

group with all Ministries represented, in which positions are meant to be harmonised.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- Transport policies: signals for investments in railways should be given;
- Increase of R&D investment, which is overall deficient in Portugal; particularly R&D investment of the private sector is the lowest in the EU, which can probably not be tackled by EU action: for the private sector there are no incentives for such investment (e.g. taxes), and politically the matter has no priority;
- Nature protection: Portugal would need more financial support for biodiversity measures and its high percentage of nature protection and conservation areas (22% of the surface);
- Climate change: specific programmes would be needed to combat the effects of climate change (sea-rise, coastal erosion, increase of sediment transport);
- A Framework Directive for Soils would be desirable.

Common Agriculture Policy receives credit: its framework is now satisfactory, and tasks of the future are rather domestic ones, including the question of multi-functionality and tourism. On the other hand, CAP is criticised for not having considered the Portuguese special climatic and ecosystematic situation (cf. below).

Downstream impacts - EU policies hampering national SD processes

- In many policy fields, and particularly CAP, nature protection and rural development, the EU has not considered the Portuguese climatic and ecosystematic specific situation (which has caused problems in land use, coastal erosion, desertification, water stress, soil degradation).
- Structural funds for infrastructure and tourism have negative impacts: e.g. roads are built through the coastal zone which attract more tourists with subsequent even more burden; EIAs are not performed, or not properly.
- CFP ignores biodiversity and non-fishing reserves.

Overall assessment

EU has been the driving force for progress in environmental policy. The EU SDS could have played a stronger role – and at least now it does. Overall it is said that Portugal is still trying to find its way (“inside vision”), and tends to take “everything” that comes from Europe.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

Besides the procedural successes and shortcoming addressed in chapter A: not yet applicable.

2 MOST DIFFICULT POLICY FIELDS

- *Education* is stated as the field with the biggest lagging behind. A special fund for combating illiteracy was established, but the amount of funds is considered as very deficient.²⁴
- *Land-use management/housing/town planning* reveals two particular problems:
 - the geographic setting is rather difficult: the country is divided in a densely populated coastal zone and a Hinterland, which causes problems of overuse in the former, and lack of infrastructure and modernisation in the latter;
 - a most intriguing problem seems to lie in the fact that the income of municipalities is mainly based on tax for buildings, which leads to issuance of high numbers of building permits, which then causes immense urban sprawl. A tax reform for local communities is requested, and would most likely be needed.
- *Climate change/energy*: Industry is satisfied with the emission rights (they seem to have received more than they asked for), and burden-sharing agreements have not created an incentive for efficiency increase. The main cause for CO₂ increase though is *transport* and housing. A new tax policy for fuels would be needed. An ambitious target for renewable energies (mainly wind) was fixed in 2001 (35% by 2010), which will be a challenge to achieve.
- *Agriculture*: Mediterranean geography causes problems inter alia because of water consumption (and desertification etc.); funding for agri-environment measures was shortened.
- Changing patterns of production and consumption.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Besides the improvement potentials addressed in chapter A: not yet applicable.

²⁴ It is stated that “even left governments” have not changed that; nevertheless, with the compulsory school system after 1974 illiteracy has decreased to around 10%.

²⁵ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows²⁵:

- + Starting to move into the direction that SD(S) is a learning process (society and government): that an SDS is not a plan in the traditional sense (producing a plan which will be implemented), but needs both the strategic vision and direction, and a “plan” part with decisions on actions, targets and resources;
- +/(◆) PM office now leading; capacity needs to be increased;
- +/◆ Danger of overloading the SDS process with all the deficiencies of a country: on the NGO side there is a lot of frustration about this situation; for the government side the difficulty of dealing with complexity becomes apparent: the second part of the process stalled in the attempt to comprise all “plans” already existing;
- +/◆ Challenge of strategic directions for actions and prioritisation still has to be met; a start is made in the new draft SDS (2004);
- ◆ Vertical coordination/integration: involvement of local communities has to be started;
- ◆ Stakeholder consultation and involvement has to be improved: processes have not been transparent, more pro-active approaches should be taken; NGOs also lack support;
- ◆ All actors still need to be encouraged and have adequate conditions in order to take their own initiatives;
- ◆ Overall implementation deficit of government policies.

E Recommendations for the EU SDS review

Views of the SDC include:

- Get the architecture right: The EU SDS as overarching the Lisbon process; do not neglect the environmental dimension;
 - Provide vision: The EU SDS could serve as guidance; so far it has not reached people (neither the national nor the EU SDS);
 - Clarify the link to the Financial Outlook 2007 – 2013: the SDS should give guidelines;
 - Quantitative targets and indicators would help;
 - Provide stronger linkage of the SDS and structural funds (SEA for structural funds is important);
- Strengthen interface of national SDS and EU SDS.

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INTERVIEWEES

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8 Sweden

WITH A STRONG BACKGROUND IN ECOLOGICAL SUSTAINABILITY THE COORDINATION FOR SDS WAS RECENTLY MOVED TO THE PM OFFICE; SOCIETAL “COMITOLGY” AS TRADITION FOR CONSULTATION

- Original approach to SD(S) with environmental focus, i.e. a program for environmental integration, which was based on a government declaration in 1994 for “ecological sustainability”: a group of Ministers responsible; influential investment program of 0.56 Mill € (1997 – 2000), followed by a smaller program (climate focus) in 2000; in 1999 Parliament adopted 15 overarching environmental quality objectives to be achieved within one generation, i.e. by 2020, interim targets and actions were adopted in 2001 and subsequently, and an Environmental Objectives Council, comprising government agencies and (some) stakeholders, was established to monitor and report on overall progress towards the objectives.
- With this background it was hence not the first SDS that was adopted in 2002, but the first overall compilation of all government objectives, targets and action in the area of SD policies with 8 core areas; the 2004 revision of this strategy shows further prioritisation of fields of action.
- With broadening out the SDS it became more apparent that it is difficult to get other Ministries committed, despite a structurally favourable situation: a coordination unit in the PM office was therefore established in 2004.
- Government encouraged the local level, right after Rio, to set up local Agenda 21 processes (and supported it with grants), which resulted in having around 70% of the municipalities engaged.
- Strong tradition in broad consultation, with a Swedish speciality to establish for broader/ fundamental policies a preparatory committee comprising MPs of all political parties, and stakeholders as experts; the consultation on the SDS 2002 and its revision 2004 though has fallen a bit short in this respect.



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ABBREVIATIONS

- PM* Prime Minister (the position of the Head of Government is called Prime Minister, in Swedish: "statsminister")
- MinE* In Sweden it is the Ministry for Environment¹

¹ A recent government re-organisation (November 2004) broadened it to "Ministry for Society Planning and Environment", which covers also housing, energy and sustainable development (cf. also ch. A.1.2), and has two Ministers in charge: one for environment, one for the other fields.

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

Predecessors of a SD strategy

- 1992 Government encouraged Local Agenda 21 processes including funds: start for local commitment
- 1994 *New government declares aiming at an “ecologically sustainable Sweden”*
- 1996 – 1998 “Delegation” of five Ministers responsible for “ecological sustainability” (roughly equals a strategy for environmental integration), with MinE chairing
- 1998 – 2003 Government’s Local Investment Program for SD (LIP) of around € 560 Mill (total over 6 years) for adjustment to SD and creation of more jobs, managed by MinE, with government grants covering 30% of the total costs; this program triggered a welcomed competition among municipalities for the funds, and together with co-financing by local communities and enterprises led to a total investment of € 2.9 bn by 2002. For 2002/2003 the program was redesigned to concentrate on climate change actions, managed by the Swedish EPA.
- 1999 Parliament unanimously adopts 15 Environmental Quality Objectives to be achieved within one generation, i.e. by 2020; interim targets, timescales and actions were set out by different bills in 2000-2002, and an Environmental Objectives Council, comprising government agencies and (some) stakeholders, was established to annually monitor and report on overall progress towards the objectives. The first report was published in 2002.

SD strategy

- 04/2002 National SDS adopted by government. The SDS was prepared by an inter-departmental working group, led by the MinE, which also conducted around 10 conferences/workshops in the regions that included a broader stakeholder involvement. The secretariat of the National Committee on Agenda 21 and Habitat cooperated in the preparation and conduct of the regional workshops.
- 06/2002 National SDS is debated in plenary of the Parliament, which comments upon it.
- 04/2004 Revised version of the SDS adopted by government and handed over to Parliament, who held a debate in November 2004. It was again an interdepartmental group chaired by the MinE, who conducted this revision, because the new coordination unit for SD in the PM Office was only fully established in

May 2004 (government/PM decided on that in 2003). Stakeholder consultation was done via internet during a relatively short time period.

Assessment:

The commitment of the Swedish government for SD, at least in the first phase of ‘ecological sustainability’ during the second half of the 1990s, is probably the strongest among the countries investigated, and it is among the countries that took early action after Rio.² Concentrating then on the environmental aspect of SD was due to the perception that the “Swedish model for a social welfare state” (established in the 1930s) had achieved a lot on the social and economic side already, and had gone through quite a reform process due to an economic crisis during the first half of the 1990s. Already then there was the political belief that environmental modernisation would enhance the economy. Impressive achievements in this context were

- the adoption of the 15 long-term environmental quality objectives (one generation, i.e. 2020), together with the subsequent interim targets and measures, and
- the large investment program for local SD measures.

Other more ambitious goals, like the –4% CO₂ reduction (burden sharing agreement for Sweden: +4%), are to be seen against the background of both wanting to be a driving-force, and taking global responsibility and hence aiming at being a role-model for developing countries. Following this, one objective in the 2004 SDS is “environmentally driven growth and welfare” (cf. ch. B).

The commitment of UN members at the Rio+5 conference to preparing a SDS for the WSSD 2002 triggered Sweden to follow this and to broaden its previous work. This effort, and also the 2004 revision, seem to fall short a bit in terms of

- stakeholder consultation (compared to Swedish ‘standard),
- lacking targets in other than the environment field, and overall, that non-environmentalists to some extent do not yet perceive the SDS as a “living document” that plays a strong role, - it is perceived as if the non-environmental parts are just added, i.e. the holistic view is not yet there,
- linking targets and indicators.

It was also realised that coordination at the higher level would be useful, which finally came into place in May 2004 (cf. next ch. A.1.2).

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

Coordination mechanisms of the past included a “delegation of Ministers” from 5 Ministries, chaired by the Minister of Environment, between 1996 and

² Sweden considers itself a bit as “best in class” regarding environmental policy, and has (at least: had) the intention to be a frontrunner in this field; current discussions question this approach regarding its benefit for the economy (while other EU countries are not complying). There seems to be a slight discomfiture about the share of nuclear power, especially in electricity consumption (cf. ch. D.2).

1998. This mechanism faded out, and the MinE kept the overall responsibility for SD policies, including the management of the local investment program, up to 2002. Besides the cabinet there is no other coordination mechanism at Ministers' level. Sweden has a rather fortunate setting for integrated approaches in policy making, as government only decides as a collective, i.e. compared to other Western European countries the power of an individual Minister is relatively small.³ Despite this situation, and an overall cooperative attitude, experience over time has revealed that it was rather difficult to get other Ministries committed to the SD agenda, which also applied to drawing up the SDS of 2002.⁴

The new Environment Minister in place from 2002 strongly supported the idea of installing a coordination unit in the PM office for

- coordinating SD efforts in the government offices, bringing forward SD goals in Ministries, and leading the work of further developing the national strategy; the link to the other levels and actors is implied, as the unit is available for presenting the SDS and government activities to e.g. the local level and business;
- functioning as a think-tank;
- developing Sweden's action in sustainability issues internationally (both EU and UN CSD).

It comprises senior staff from the Ministry of Finance, Industry (including regional development and transport), Social Affairs, Foreign Affairs (including development aid) and Environment.⁵ At the same time the PM has entrusted the Minister for Environment with the overall responsibility for SD⁶. This could be seen as a contradiction to the establishment of a coordination unit, but in Sweden it is not: It is normal that one Minister gets such a responsibility, which e.g. implies presenting a bill to Parliament, even if the PM takes up the coordination task. The PM office's 'identity' increases the profile of the policy field.

Assessment:

The coordination unit in the PM office is widely welcomed among the Ministries and also by stakeholders (NGO and Trade Union confederation):

- the former point out that it is difficult to prioritise in working groups on a civil servant level;
- for the latter (the Trade Union confederation) it is appreciated that now SD can be better communicated to their affiliates as being not only environment;

³ Jahn, 2003, p. 100.

⁴ This also indicates the degree of obstacles vis-à-vis (environmental) integration and SD policies.

⁵ Other interested Ministries were Agriculture and consumer affairs, Education and Culture, but it was decided against, at least for the time being, in order to keeping the unit small.

⁶ A recent re-organisation of government broadened the MinE to "Ministry for Society Planning and Environment", with a (cabinet) Minister for each field. The former portfolio also comprises sustainable development, i.e. the responsibility for SD moved to another Minister, but not to another Ministry. It remains to be seen how the relationship to the PM coordination unit will be: So far there is a personal union of the State Secretary of the new Ministry (branch) responsible, and the Head of the PM coordination unit.

- also the local level supports this initiative as a sign of broadening SD policies, and for improving government cooperation that so far has not reached up to the need to deal with horizontal problems.

This unit started its work in May 2004: its senior staff are seconded from Ministries concerned, with a background in coordination tasks.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

The first revision of the 2002 national SDS took place between October 2003 and April 2004. This was a commitment in 2002, and it was also felt that the results of the WSSD and the National Committee for Agenda 21 and Habitat as well as some government bills (e.g. public health, global development) should be included. The 2004 SDS version hence is not a review in the 'normal' sense, but more an update and further prioritising of objectives: From the previous eight core areas four strategic issues were developed for the following two years.

The next revision will take place in 2006. It seems that agreeing on priorities will be a continuous challenge, as the process of opening up towards a holistic view shows tendencies (also on the stakeholder side) to finding their own interests the most important to be included.

1.3.1 Indicators, targets and timetables

Overall, there is not yet a decision on (headline) indicators, neither for the objectives and quantified targets in place (environment, and some for health), nor for those to come:

- The first progress report 2002 on the 15 environmental quality objectives uses several indicators per objective, and there are several indicators to follow up on the 71 sub-targets for 2010.⁷ So far there has been no aim to reduce to one indicator per objective, but an ongoing discussion on a set of fewer indicators. A systematic review process takes place for these 15 objectives, also using the 'traffic light' method.⁸
- In 2001 a first set of 30 SD indicators was published⁹, but these were not linked to the objectives of the SDS 2002 and not used for the revision (cf. above: not a 'normal' revision with progress report).

This decision on indicators (15 headline indicators are nowadays aimed at) and their link to the SDS has still to be undertaken; it is intended to achieve this for the next revision by 2006.

1.3.2 Review terms, long-term perspective and role of the Parliament

The link of government and Parliament seems to be relatively strong. One structural factor is that Sweden mainly has had minority governments, supported by another party (or by more than one), but not necessarily in all policy fields, i.e. governments depend on potential support from several sides.

⁷ Swedish Environmental Objectives Council/Swedish Environmental Protection Agency (2002).

⁸ The Environmental Quality Objectives Council reports annually to government, and every four years more in-depth, which is at the same time the starting point for overhauling the Environmental Policy Bill.

⁹ A proposal of the MinE, the Statistical Office and the EPA.

Another is that the integrative, consensus-oriented style of policy-making led to the Sweden-specific way of “comitology”, which is even called “the core of Swedish politics”: For certain issues (often broader and more fundamental policies) the government asks all political parties to appoint a representative to a special *committee* (“utredning”) for preparing a policy proposal. These committees mostly also involve academia and stakeholders as experts (cf. ch. A.2), or have solely an expert composition. The purpose of this system is to involve all parties early, sounding out the potential for support, and eventually achieving common solutions. It is also aimed at broadening the knowledge basis and to have a deeper look at a certain question than would be possible within a small Ministry. Members of the ‘mixed-parliamentary committees’ are at the same time typically also members of parliamentary standing committees, the main task of which is to discuss bills (often more specific) from the government and make suggestions on them to the Parliament. So the work of a ‘mixed-parliamentary committee’ – if one is established - comes earlier: their proposals are discussed in a hearing, then the government elaborates a bill, which is treated by a standing committee and then discussed and decided upon by the Parliament.

The Environmental Objectives *Council* in contrast, that was established with the adoption of the 15 environmental quality objectives, is composed of representatives of government agencies and regional bodies, and has a reporting and monitoring task (cf. footnote 8). The Environment Advisory Council (MVB, cf. ch. A.3) saw different phases of functions and work style, one being similar to the tasks of a ‘mixed-parliamentary committee’.

The number of such *committees* has been reduced over the last decades from some hundreds¹⁰ to nowadays around 100.

The 15 environmental quality objectives with their 2020 time-horizon are an example of a long-term approach: they were elaborated by the related Committee, and also adopted by Parliament: not only supported by a bigger majority than the social-democrats plus its two supporting parties, but adopted unanimously by the Parliament.

In case of the SDS no such ‘committee’ was established (but an interdepartmental working group drafted the SDS). This was mainly due to a rather short time frame for elaborating a SDS prior to the WSSD, and to the situation that there was already a related committee in place (National Committee for Agenda 21 and Habitat). It might also be relevant that the first SDS 2002 was considered more as a compilation of existing policies than a further agreement of priority fields, targets and actions.

Parliament discussed the first SDS 2002 prepared by government (as a communication) and commented upon, as well as the revised one of 2004. Regarding long-term goals, another stabilising factor is a consensus-oriented style of politics and the fact that there have been mainly social-democratic governments in Sweden. Overall consensus about the importance of environmental policies, though, tends to maintain a rather

¹⁰ There is no recent data available; the last still counting 270 in 1994, but stating that afterwards much fewer committees have been established. Some years ago it was decided that the committees shall only work temporarily, i.e. around 2 years at a maximum (Jahn, 2003, p. 103).

progressive approach also during liberal-conservative governments. Also international goals and commitments, like the Millennium targets, are considered as stabilising the long-term track, which would also apply for EU targets.

The SDS itself doesn't have a time horizon (e.g. four years, as in other countries). The relatively short review phases of the SDS (every two years) stems from considering the SDS as a "living document", which is illustrated by the approach taken for the 2004 revision, i.e. without a systematic review/assessment of the 2002 SDS.

1.3.3 Approach for a SD strategy

Sweden's approach towards a SD strategy seems to be a balanced mixture of planning, in terms of targets and timetables, and flexibility, in terms of SDS as "living document". Also, a link to actions is in place, at least for the 15 Environmental Quality Objectives for 2020, with underpinning interim targets and actions. Those became part of the SDS, whilst in other priority areas there are objectives but mostly not yet concrete targets. In this respect the SDS will have to catch up for a more holistic tackling of SD, but within the environmental dimension an approach of breaking down from vision and strategic goals to objectives and targets with timetables and actions has been successfully put into place. In this field - and also in the others where there are no targets yet - the link between targets and indicators is not yet completed.

It is considered as a success on the indicator side that key indicators for ecological SD, proposed by the Environmental Advisory Council (MVB, cf. ch. A.3.1), have been included in each finance plan since 1998¹¹.

Targets are taken seriously in Sweden, i.e. there is only target-setting with a commitment for measures. It is perceived with a self-evident attitude, as an instrument that is widely used in business and which government politics is increasingly taking up. It is not perceived as a top-down approach, because it is meant to be an incentive for bottom-up actions: a precondition is that "smart" targets are chosen¹².

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Local authorities traditionally have a strong position in Sweden. The geographical situation of being sparsely populated, and people having moved relatively late to the cities, has caused a deep rooting of Sweden's citizens to the countryside. Furthermore, and a success factor for SD, the paradigm of inter-generational justice is a key trigger for Swedish citizens. Government hence, after the Rio conference, visited the counties to prompt municipalities to start Local Agenda 21 processes. These regional conferences were organised by the Environmental Advisory Council (cf. ch. A.3.1). As a start up there were grants provided by the government for supporting

¹¹ The finance plan is an analysis of the economic situation published bi-annually by the Ministry of Finance together with the budget.

¹² Another anecdote from Russian politics is given (as in Finland): The objective was defined to produce 2.000 tons of nails, with the result that 2 nails each weighing 1 ton were manufactured.

LA 21 activities (€ 1.9 Mill in 1994 and € 0.7 Mill in 1996). In 1995 the National Committee for Agenda 21 was established for monitoring the process, and preparing a report for the Rio+5 conference in 1997 (when the committee terminated).

This strong bottom-up approach has shown quite some success: Around 70% of the municipalities have LA 21 processes, and roughly half of those have developed their own SD/local action plan. Even if 40% of local authorities reduced their budget for LA 21 activities between 1998 and 2001, 20% allocated more resources and 40% kept the same as before¹³. These figures might also confirm an assessment about the state-of-art LA 21, which says that in many cases the Agenda 21 activities are now integrated into the regular work, i.e. there are no more special staff. It is difficult to judge this, as it may mean both cutting down the driving force, and successful integration. The LA 21 processes have also involved societal groups, though it is criticised that these attempts still fall short with respect to groups considered as important by Agenda 21.

There is no independent regional level, but regional government authorities, which were involved in the regional conferences during the development of the 2002 SDS. This administrative level has functions of implementing government policy, and – as an agency – monitoring e.g. the state of the environment.

With the inclusion of the UN Habitat agenda in 2000 a new National Committee on Agenda 21 and Habitat was established for also preparing Sweden's contribution to the WSSD in Johannesburg. As mentioned above, there was a link between the secretariat of this committee and the preparation of the national SDS: some personal involvement in the interdepartmental working group and in organising the regional conferences.

Apparently so far no mutual adaptation of the national SDS and the Local Agenda 21 activities has taken place. The Agenda 21 processes in a way came first, though they will have been influenced by the national environmental policy focus and by the investment program for SD and employment. When developing their own SD strategies, local authorities asked government to revise the vast number of international, European and Nordic objectives existing at this time. Local authorities see the national SDS as a background paper.

Currently some new attempts are going on:

- a Government in the 2004 SDS asks all local authorities to develop their own SD strategies by 2005 (which is supported by the local level, in order to make the SDS more concrete);
- b the Ministry for Regional Affairs will hold its annual conference on SD, and present the revised SDS.

2 NON-GOVERNMENTAL ACTORS

In general the political culture is apparently rather open to stakeholder involvement, which is reflected in:

- stakeholder consultation for policy proposals is standard,
- the tradition of government/parliament committees in which mostly academia and stakeholders are invited as experts (permanent or one-off).

The NGOs (environment and development) are rich in members, well organised on national, regional and local levels, and some receive government funds (e.g. for organising projects in developing countries). One of the three larger ones also has strong standing rights.

The Trade Union confederation is traditionally involved and plays an active role in policy formulation and commenting. There are difficulties though in making their affiliates aware of SD as an important policy approach, and its overarching character.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The attitude of industry towards CSR seems to be rather reserved: They tend to be predominantly occupied with environmental problems, and more social issues “have to come later”. Nearly all Swedish companies (> 40.000) are organised in the Confederation of Swedish Enterprise, which is regarded as more “conservative” in terms of environment and SD policy than the 300 biggest companies, some of which are engaged in CSR.¹⁴ As yet, no connection tends to be drawn between CSR as a new framework and the SD strategy. The engagement of the Confederation of Swedish Enterprise in environment and SD policy in general seems to have significantly slowed down - as one indicator it is mentioned that only two staff are left working in these fields. As a core problem it is mentioned that the CEO level determines the policy of the Industry Federation, which is determined by rather short-term thinking, and that it is apparently difficult to find agreements among all companies. At the same time there is an interesting network of environmental managers that has officially been established by industry, cooperating on the senior staff level and apparently comprising the most extended knowledge on SD within business. Their objective is to exchange experience and best practice, and they are not meant to comment externally on policy proposals (hence they are not consulted).

There is a new initiative of the government, which established a Swedish Environmental Technology Centre with the task to advise SMEs.

2.2 STAKEHOLDER CONSULTATION

Despite the generally open policy style, sometimes, as in the case of the SDS, consultation is considered as too short in time and/or too passive: it is e.g. criticised that the revision of the SDS was not well announced, consultation took place only via the internet, and no feed-back was given.

Government’s attempts at better involvement by organising around 10 regional conferences and a (national) one in December 2001 for discussion

with the Minister, followed by a questionnaire to which many people answered, were hence not well acknowledged. It is also stated (by environmental NGOs) that the government is not sufficiently aware that any attempt at learning processes and raising awareness takes much longer than usually provided for, as earlier examples have shown.

Also, there was no preparation committee for the SDS (cf. ch. A.1.3.2). These committees are partly considered as a bit “passive” regarding stakeholder involvement, because it is mainly the MPs discussing, and stakeholders are invited as experts to give input to that: sometimes permanently, sometimes for individual meetings only. In the case of the National Committee for Agenda 21 and Habitat e.g. during its second phase of 2000-2002 stakeholders were not invited anymore, because the group of interested parties was too big (and a selection was not considered), but informed as a “reference group”. The attitude towards stakeholders also depends on the respective Ministry having the lead: Outside of the MinE it is e.g. not so natural to invite (environmental) NGOs. The committees are also criticised for their short life span and being not very transparent about their internal procedures. Altogether, in contrast to the general attitude towards stakeholder consultation, the processes for developing and revising the SDS were rather government centred. Also for the new coordination unit within the PM office managing stakeholder consultation is not a task for a pro-active approach. Government though considers ownership and participation as vital for SD. Overall the environmental NGOs find that there was more involvement 10 years ago, including the strong role of local Agenda 21 processes, and it has decreased since.

3 SD/ENVIRONMENT COUNCIL

There has so far been no SD council in Sweden, probably due to the open political culture, including self-evident stakeholder consultation, a relative closeness of government and non-governmental actors, and the tradition of establishing ‘mixed-parliamentary committees’ for certain policy proposals. The National Committee for Agenda 21 and Habitat, as such a *committee* involved in the SDS preparation process, was terminated when its mission was completed with a report to the government with proposals for the future¹⁵. These included that a “Forum for SD” should be set up (cf. ch. A.3.3 below).

The National Committee for Agenda 21 and Habitat, as such a *committee* involved in the SDS preparation process was terminated, when its mission was completed with a report to the Government with proposals for the future¹⁶. In this report it proposed that a “Forum for SD” should be set up (cf. ch. A.3.3 below).

The *Environmental Advisory Council (MVB)* is rather an exception in the landscape of the parliamentary-expert committees, as it

- has had mainly external members (academia, stakeholders and other personalities as experts),

¹⁵ Swedish National Committee on Agenda 21 and Habitat (2002).

¹⁶ Swedish National Committee on Agenda 21 and Habitat (2002).

- has existed for a long time, and is the oldest environment council in Europe, having been established in 1968 already.

During its time of existence several functions and work style have been assigned to it, ranging from

- a platform for intensive discussion with the Minister with no decisions taken as council (1986-94, 2002-03), to
- working similarly like a ‘mixed-parliamentary committee’ (1994-2001), which included preparing background reports, to
- a mixed version of discussion with the Minister and having working groups which give independent advice (since 2003).

In contrast to other models of more independent environmental/SD councils, it has most of its time (besides the phase in the 90s) been chaired by the Minister responsible for environment, which is meant to have the council operating closer to policy-making. Such a constellation seems to be possible in the Swedish context with the above outlined closeness of government and non-governmental actors, and the relatively stable political situation. Hence it is not perceived as a risk that, e.g. with a government change, environment policy would face a drawback, and the council would be confronted with difficulties in its work: It has worked under governments with different political colours, and there has been a broad support for ecological sustainability across all parties. For stakeholders it is an interesting constellation because it provides the opportunity to talk directly to the Minister (on top of possibly existing bilateral talks). In any constellation the council has had a think-tank character, and the recently combination seems to be an interesting approach.

3.1 ROLE, FUNCTIONS AND INTERNAL ASPECTS OF OPERATION OF THE ENVIRONMENTAL ADVISORY COUNCIL (MVB)

Role vis-à-vis the SDS:

The MVB played an important vital role in the earlier phases of ecological sustainability; outcomes of that time are partly still relevant in the context of SD policy and the SDS: e.g. the advice on key indicators for ecological SD, on environmental management systems in government agencies, on sustainable mountain regions and archipelagoes (all 1990 – 2000), on resilience, decoupling, energy efficiency, research policies for sustainable development, eutrophication (after 2000).¹⁷

It also organised, together with the government and the association of local authorities, a series of seminars in different parts of Sweden at an early stage in order to promote Agenda 21 (cf. ch. A.1.4).

It was not officially involved in the development and review of the SDS.

General functions, - views are shared by the council and government:

- (personal) advisor to the Minister for Environment, and indirectly to the government;

- think-tank;
- stakeholder/expert dialogue “among each other”, including that consensus building among the members should take place: this nowadays applies to its working groups, which prepare (independent) recommendations to the government. In Plenary there is open dialogue with the Minister;
- stakeholder members quite naturally take the council’s views into their organisations;
- (in certain phases) promoting environmental/SD policies to interested parties, e.g. by organising seminars.

Council members operate on an equal footing:

- Plenary meetings are open informal discussions on specific themes, often with invited speakers, which do not result in decisions. The new style of elaborating independent recommendations in working groups is undertaken in an overall consensus-oriented approach. So far consensus has been achieved.
- Government – non-government members: Besides the Minister as chair in plenaries there are no government members, but officials from other Ministries are often invited to meetings which cover themes they are responsible for. The council aims at supporting the government work with strategic advice.
- “Double-hat” of Council members: The council has a deliberative style with members appointed in a personal capacity. With its recently started work method of independent advice from working groups this issue has been debated, with the conclusion that having two “hats” lies in the nature of a council and should not be a problem.

Relation to and role of socio-economic partners:

There is no social-economic council: Negotiations on e.g. wages take place bilaterally between the sectoral industry and the respective trade union, with the confederations of trade unions setting the scope and framework.

Relation to government departments:

The MVB directly advises and discusses with the (chairing) Minister for Environment, and also the relationship with the Ministry is very open and transparent, which also applies to other departments.

Also with the new PM office’s coordination unit there are good communication lines, and the MVB is involved in future work on the SDS (review).

3.2 ACHIEVEMENTS OF THE COUNCIL (MVB)

- 1 Government’s view
(not covered)
- 2 MVB’s view
 - Agenda setting and raising strategic issues for inter-ministerial discussion (during its entire existence since 1968);
 - High-lightening strategic issues for inter-ministerial discussion and giving independent advice papers (since 2002);

- Raising public interest;
- Being a linkage to the scientific society before and after the WSSD; publishing scientific synthesis reports which were given attention to at the Summit in Johannesburg; follow up conference for the Swedish scientific audience (2001-2002);
- Dialogues with business on SD, resulting in voluntary agreements between Minister and CEOs of 36 big companies from the construction sector and some 20 companies from retail and transport sector (1999-2002 in MVB, thereafter handled by MinE);
- Proposing the establishment of the Institute for Ecological Sustainability (IEH), a coordinating center between practitioners and researchers for ecologically sustainable development (1998-2000), and supporting its setting up (cf. ch. A.3.3 below);
- Advice on Green Headline indicators: achievement that some of them were included in the annual Swedish Finance Plan (1998-99);
- Advice on sustainable archipelagoes and mountain regions (2000).

Success-factors of the MVB

- Independence: council members should not represent their organisation but act as individuals with the experience of their organisation as a background;
- Think-tank function: cross-cutting discussions possible as members are both from scientific society from different disciplines (half of the council) and more stakeholder based;
- Gaining acknowledgement of the government and the wider political community by long-term strategic thinking combined with ideas on short-term measures to be taken;
- Engaging in overarching strategic discussions and underpinning those with deeper looks into specific themes through working groups;
- Having both open informal discussions with a flexible agenda with the responsible Minister and persons (political and civil servants) from other Ministries, and giving independent advice in the form of written reports through the working groups, where consensus is aimed at;
- Well-acknowledged personalities as council members; positive to include members who have not been engaged in environment/SD policies before;
- Reliable links into government;
- Providing a budget for communication efforts;
- Linking national to global views; avoid a purely national perspective.

3.3 AN SD COUNCIL AS ADDITION?

As stakeholders so far perceive the SDS as a rather top-down process, and the stakeholder involvement as deficient, a permanent SD council/forum as a platform for stakeholder dialogue is partly a welcomed idea. Interestingly, and possibly an indicator for the political culture, no-one expressed the need for stakeholder dialogue among each other. It could well be that this takes place anyhow, be it in the parliamentary-mixed-expert committees or on any

other occasion, and maybe hence would not need a certain format for such multilateral dialogue. Bilateral discussion between e.g. Trade Unions and environmental NGOs are considered as a possible next step.

The MVB is perceived by some as too close to government, and the desire for a council with members on the same footing, including the election of its own chairperson, is expressed.

Another typical role of a SD council is the watchdog function for the holistic view, and as a driving-force for government policies: the MVB partly has this function for the long-term aspects of environmental policy, providing vision and strategic approaches. For the more holistic view both government and non-governmental actors seem to rather rely on the capabilities of the government itself to move in this direction, which is indeed finally shown by establishing the coordination unit. Recently there have been new developments: Several Sweden-type committees, including the National Committee for Agenda 21 and Habitat in 2002, recommended establishing a "Forum for SD". This proposal has now been taken up: The "Institute for Ecological Sustainability", established in 1999 with a bridging function between practitioners and research, will be converted to a basis for such a Forum, with the task to communicate SD into society and organise dialogue with stakeholders. It remains to be seen how this attempt will evolve.

B Themes and scope

Sweden put an emphasis on ecological sustainability in the years 1994 to around 2000.

The first comprehensive SDS of 2002 selected eight core areas from the relevant policy fields, covering the three dimensions:¹⁸

- the future environment (repeating the previous environmental quality objectives);
- limitation of climate change (emphasising the climate change target; some overlap with the environment chapter);
- population and public health (later on, more concrete objectives were developed in this area);
- social cohesion, welfare and security; employment and learning in a knowledge society;
- economic growth and competitiveness;
- regional development and cohesion;
- community development.

The SDS revision 2004 identified four strategic issues (from within the previous eight core areas, which are kept):¹⁹

- environmentally driven growth and welfare (with energy as a key area);
- good health (as the “most important future resource”);
- coherent policies for sustainable community planning;
- child and youth policies for an ageing society.

Overall it is said that the SDS is still perceived as a “green” policy, though actors are becoming more and more familiar with the overarching concept.

¹⁸ Regeringskansliet, 2002.

¹⁹ Regeringskansliet, 2004.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The commitment of the Gothenburg Summit, that all EU member states would elaborate a SDS for the WSSD, triggered the formulation of the Swedish SDS in 2002, which is seen as a “complement” to the EU SDS. At the same time though it is said that Sweden wants to maintain its high national profile in its efforts towards SD “with its long tradition of thinking in terms of sustainability”.²⁰

The 2002 SDS does not refer explicitly to the EU SDS, but it was supposedly reflected as much as possible when drafting the eight core areas. The Swedish SDS is considered as taking a broader approach and going further than the EU SDS. The 2004 revised SDS lists the four priority fields of the EU SDS without further commenting, whereas the WSSD outcomes are considered as a basis, *inter alia*, for the national strategy.

The WSSD agenda, the Millennium goals, the EU SDS and the Lisbon strategy are typically mentioned together as international initiatives that play a role in Sweden, and the Nordic SDS has a special relevance²¹. For the local level the UN activities are less important than the EU.

The goals of the Lisbon strategy are considered as important. The EU SDS partly receives criticism because it is hard to understand what it is.²²

Overall, the attitude towards Europe seems to be ‘distant-constructive’ with often more ambitious policies than the community, and criticising EU policies that are important for Sweden, but have been weakened at EU level (e.g. chemicals policy, cf. below).

2 SD/ENVIRONMENT COUNCIL (MVB): EUROPEAN AND INTERNATIONAL DIMENSION

The MVB has been involved in European cooperation through EEAC since the mid-90s, and more intensely again since 2001: During the Swedish Presidency it organised the conference “Greening SD Strategies” at which the EEAC input to the EU SDS process, which resulted in the Göteborg summit several months later, was presented and discussed.

It also cooperates through several other mechanisms, and organised e.g. a side-event on decoupling at the WSSD.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The EU unit within the PM office coordinates the input to the Spring Summit, and by that has been involving all Ministries concerned (cf. also: only collective government decisions).

²⁰ Regeringskansliet, 2002, p.8/9.

²¹ *Sustainable Development – Bearings for the Nordic Countries* (2001); *There are two other multi-national SD strategies: the “Agenda for the Baltic Sea Region – Baltic 21” (1998) and “Arctic Sustainable Development Action Program”, approved by the Arctic Council Ministerial meeting on 24.11.2004.*

²² *Others see the role of the Swedish Presidency in preparing the Gothenburg Summit, where this ‘architectural defect’ was decided upon, as a driving force for adopting a EU SDS at all.*

So far there hasn't been a good link to the national SDS, but improvement is expected for the future: there can be a pro-active link between the new SD coordination unit and the colleagues next door, which will be favourable for the link between the national and the EU SDS (and the Lisbon process).

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- environmental taxation (internal discussion: MinE wants Sweden to go ahead, the Ministry for Industry says it should be done internationally only);
- chemicals;
- environmental technology: ETAP is important, - most technologies should be "environmentally adjusted";
- energy: targets for energy efficiency and renewables.

Also, it is desired that the four strategic areas identified in the 2004 SDS should become important for the EU SDS as well.

The Common Agriculture Policy receives credit for going in the right direction, but more needs to be done.

Downstream impact - EU policies hampering national SD processes

EU chemicals policy remains a crucial field, with the national chemicals industry roughly in favour of the Swedish government's position, whereas the "continental" industry is regarded as stumbling block.

CFP is also considered as a problem: Sweden e.g. wanted a moratorium on cod, but this was not agreed.

Overall assessment

Sweden has played a strong role in EU environmental/integration policies that are important for the country, e.g. chemicals policy. The EU SDS plays a role, but other international goals and commitments seem to be more important.

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

Successes of the first phase (without an SDS in place) 1995–2001 are:

- 15 environmental quality objectives in place (progress report: four are difficult, cf. 2.);
- CO₂ objective for 2012 stricter than the burden sharing agreement, and a long-term CO₂ objective (2050);
- Key ecological indicators to be included in the finance plan;
- Significant progress in decoupling.

Shortcomings:

No particular one is mentioned, besides the SDS being so far too “bureaucratic” and government centred, and that the method and length of consultation was not sufficient.

2 MOST DIFFICULT POLICY FIELDS

The progress report 2002 on the 15 environmental quality objectives identifies four areas that are very difficult to be met within the time-frame:

- reduced climate impact,
- a non-toxic environment,
- zero eutrophication,
- sustainable forests.

For the latter two this is mainly due to the long-term duration of recovery of the eco-systems. It is not expected that the long-term objectives will be changed, but some interim targets might. The objective of a non-toxic environment is tackled both nationally and at EU level, with the latter playing the crucial role. A closer look is taken at climate change:

Climate change/energy:

Though something has been achieved in terms of energy efficiency in industry and housing, and the share of renewables has increased, much more can be done in the building sector.²³ Increased subsidies for energy efficiency in public buildings are decided in the budget of autumn 2004.

Rising emissions from **transport** is the main driver for not meeting the CO₂ objective. Parliament in 1998 decided to decrease CO₂-emissions of road transport to the levels of 1990 by 2010; no further information on the impacts of this decision is available.

(Similar to Finland) industry criticises the (more) ambitious CO₂ reduction target, because of competition with companies from countries with lower targets.

Sweden’s electricity production depends 50% each on water and nuclear energy: A referendum in 1980 decided both to use existing reactors and to

²³ In a recent advice (December 2004) the Swedish MVB proposes that halving the energy use in building can be achieved by 2050.

phase them out in a certain time span. The interpretation of this decision has been debated. Since then the capacity of nuclear plants has been expanded, resulting in low prices for electricity, which is on the one hand an advantage for industry, but has on the other hand also led to overuse; e.g. the share of electricity consumption for heating has increased²⁴. This situation will cause problems regarding CO₂ emissions if Sweden eventually phases out nuclear energy, which is again mentioned in the 2004 SDS. Steps are being taken to get an agreement with that industry²⁵, and also on increasing other renewables (wind). There will be further efficiency increases, particularly in buildings including the public sector (cf. above), and it is aimed that knowledge about low/zero-energy building construction should increase.

Transport:

Transport is difficult to tackle because of the geographical situation, and the attitude of citizens. Shifting freight transport from road to rail has obstacles not differing from other countries (the knowledge about road and rail is very much separate). More should be done in advancing technology and using this in e.g. public transport (e.g. buses with hydrogen cells). Metropolitan areas have to make more efforts to increase public transport.²⁶

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: improve coordination (measures taken) and consultation (measures not yet taken).

Overall: Improve ownership in the SDS as overarching strategy.

4 ACHIEVEMENTS OF THE NATIONAL SDS: SUCCESS FACTORS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows²⁷:

- + Strong background in “ecological sustainability”, now having successfully widened out;
- + SDS as a “living document” with at the same time strong underpinning objectives, so far in the environment field (also in place also for health);
- + PM office now leading and meant to be the driving force, MinE with overall responsibility;
- +/(◆) Getting all concerned departments committed; as well as overall

²⁴ Swedish Environmental Advisory Council, 1998, p.6.

²⁵ More or less following the German role-model.

²⁶ After the last election government proposed to introduce a congestion charge for Stockholm, which was not accepted because of the top-down character, but is now planned for 2005.

²⁷ + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

- ownership for the SDS;
- +/◆ Further prioritising will be a challenge (for the coordination unit), inter alia as stakeholders tend to regard their own field as the most important;
- +/◆ Not losing the traditionally strong role of the local level in SD (Local Agenda 21); improve the link of national and local activities/strategies;
- +/◆ Getting back to better stakeholder involvement and consultation;
- (◆) Agreeing on (headline) indicators, and streamlining the ones used in different processes, will be a challenge.

E Recommendations for the EU SDS review

Not covered.

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INTERVIEWEES

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9 United Kingdom

COMPREHENSIVE SDS WITH INDICATORS AND SOME OBJECTIVES, AND SYSTEMATIC REVIEW; ENVIRONMENT LEAD; 'DEVOLVED' GOVERNMENTS AS A MAJOR CHALLENGE

- UK as one of the earliest countries to prepare a SDS: encouraged this approach internationally.
- SDS is comprehensive with a clear system of headline indicators against which progress has been measured since 2000 in a transparent and understandable way; quantitative targets depend on commitments of Ministries, and are not systematically and transparently monitored; because of the multitude of sub-strategies, measures and action it is difficult to keep oversight, and also the system of priorities, sub-priorities and guiding principles is a bit opaque.
- Dealing with the situation of devolved governments and competences (Wales, Scotland, Northern Ireland) is a major issue; include SD in local community strategies is a future challenge.
- Lead responsibility with the Ministry of Environment is partly questioned; commitment of other departments remains limited.
- The EU SDS was not considered; might happen in the course of the review 2004.
- Strong tradition for stakeholder consultation, though there seems to be no fresh impetus, and government appears a bit self-centred.
- The SD council receives a lot of credit.

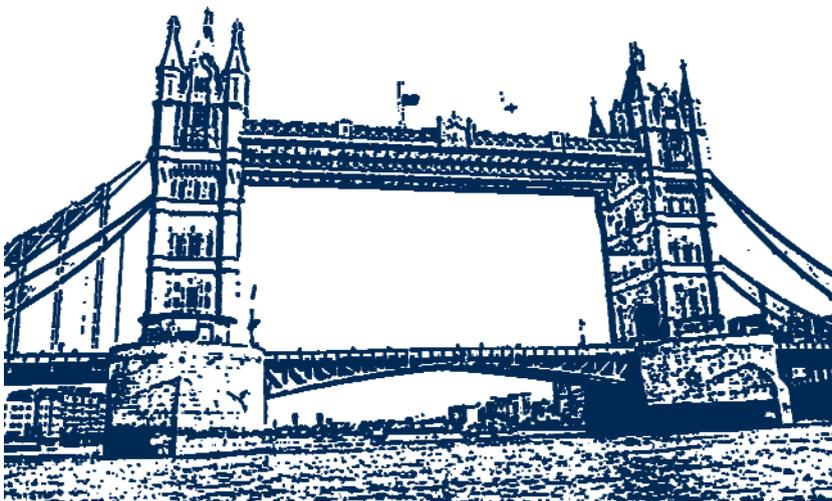


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ABBREVIATIONS AND TERMS

| | |
|-------------------|--|
| <i>PM</i> | <i>The Head of Government is called Prime Minister</i> |
| <i>Ministries</i> | <i>In the UK all Ministries are called "Departments"; in this chapter the more common term "Ministry" is used, unless otherwise specified.</i> |
| | <i>The Ministry of Foreign Affairs is called "Foreign Office".</i> |
| <i>MinE</i> | <i>Ministry (Department) of Environment, Food and Rural Affairs (DEFRA)</i> |
| <i>SDC</i> | <i>The SD council in the UK is called "SD Commission".</i> |

A Actors and Process

1 GOVERNMENT: SDS PROCESS, GOVERNMENT COORDINATION AND REVIEW

1.1 SD STRATEGIES' DEVELOPMENT

| | |
|------------|---|
| 1994 | Adoption of the first SDS UK Roundtable on SD and British Government Panel on SD established ¹ |
| 1995 | Report on commitments given in the SDS |
| 1996 | Further report |
| 1997 | Further report |
| 1997 | Elections |
| Febr.1998 | Consultation document "Opportunities for change" |
| Nov.1998 | Consultation on 13 headline indicators |
| May 1999 | 2nd SDS adopted ("A better quality of life") |
| Dec.1999 | Indicators and headline indicators published ("Quality of life counts") |
| 2000 | SD Commission (council) established (subsuming the Roundtable and the Government Panel) Wales: SD scheme "Learning to live differently" |
| Jan.2001 | Annual progress report 2000 "Achieving a better quality of life" |
| 2002 | Scotland: Statement on SD "Meeting the needs... priorities, actions and targets for SD in Scotland" |
| Jan.2002 | 2nd Annual progress report 2001 "Achieving a better quality of life" |
| Febr.2003 | 3rd Annual progress report 2002 "Achieving a better quality of life" |
| 2004 | Full review of the 2nd SDS: Consultation document of the government (April) "Taking it on, developing a UK sustainable development strategy together"; SDC retrospective assessment of SDS (April); Drafting of the revised SDS in autumn |
| April 2005 | expected adoption of the 3rd SDS |

Assessment:

UK has been a front-runner for SD strategies, mainly triggered by the Rio-conference 1992, with a then Prime Minister committed to catching up in environmental policy, and the wider framework of SD.² UK was hence one of the, if not the, first country to prepare a SDS in 1994.³ It also promoted this approach internationally, e.g. when hosting a G7-meeting shortly after Rio and at the Rio+5 conference in 1997.

¹ Both were composed of stakeholders and experts, with the Roundtable being a larger stakeholder forum, and the Panel a small think-tank. "Government panel" hence does not mean that it was composed of government officials.

² The phases under PM Thatcher caused the country lagging behind. Her successor (election 1992) intended to change this. The Rio conference triggered a spirit of commitment in UK.

³ Finland prepared 'reports' in 1990 and 1995, and a strategy in 1998. Sweden had a government program for 'ecological sustainability' from 1994.

With the 1997 elections the Labour Party came into power and decided to elaborate a new strategy. The 1st strategy was apparently considered to be not sufficiently overarching, and an approach was needed that “emphasises the social dimension of sustainable development alongside economic issues, the environment and resource use”.⁴ Another argument was the forthcoming situation with ‘devolved administrations’ in Scotland, Wales and Northern Ireland, which led to handing over competences relevant for SD to the ‘devolved’ level (cf. ch. A.1.4).

Activities in the UK for implementing the 2nd strategy, both initiated by government and bottom-up, are abundant, - almost difficult to get a good overview. The scope and approach of the 2nd SDS has apparently been quite accepted. Progress made is now under full review, as are priority fields and the headline indicators. It would be desirable if this review made the complex picture a bit clearer again, and fully scrutinised the difficulties and failures.

1.2 LEAD RESPONSIBILITY AND HORIZONTAL COORDINATION MECHANISMS

The lead responsibility for the preparation of the 2nd UK SDS was with the former Department for Environment, Transport and the Regions (DETR). Following a reorganisation this responsibility now belongs to the Department of Environment, Food and Rural Affairs (DEFRA). There is a unit for sustainable development (SDU) within this department that is responsible for promoting the SDS across the government departments by liaising with them.

There are three coordination mechanisms on the Ministerial side:

- the Ministerial Committee on the Environment (‘ENV’) consisting of top Ministers⁵ (since 1997) reviewing the impact of government policies on SD and mainly resolving differences between Ministries, chaired by the Deputy Prime Minister;
- the cabinet sub-committee of green Ministers (‘ENV(G)’) consisting mainly of less senior Ministers (typically not members of the cabinet) and chaired by the Environment Minister (also a “Junior Minister”); it was formed as an informal committee in 1997 and upgraded to a cabinet sub-committee in 2001; it mainly deals with measures within government (e.g. procurement, and also the relationship of departments regarding SD), and develop policies;
- following the World Summit on SD in 2002, the Secretary of State for Environment etc established an SD Task Force, with Ministers from a few departments and key external stakeholders (including the chairman of the SD council), to develop and take forward action on SD, intending to drive progress. Such a body is very unusual in the UK context.

⁴ DETR (1999, p. 10). Apparently the 1994 strategy didn't have a fixed term and a commitment for monitoring and review. It is, besides the introduction in the 2nd SDS 1999, almost not referred to.

⁵ i.e. Cabinet Ministers (there are currently 22 Cabinet Ministers, and in addition 38 other Ministers, who are called “Junior Ministers”).

Departments have been asked to develop their own SD ‘strategies’ or policies/measures, which so far has been followed by only a few ones, and also with varying evaluations:

- The Ministry of Environment (DEFRA) as responsible department took the lead in 2002: its departmental SD strategy mainly covers meta-issues⁶, identifies an own set of indicators, and launches an internal awareness-raising campaign.
- The Ministry of Work and Pensions (DWP) followed also in 2002: the strategy focuses on reducing the department’s impact on the environment (e.g. areas of renewable energy, awareness, travel, and the introduction of an Environmental Management System).
- The Action Plan of the Ministry of Education (DfES) proposes measures for school curricula and for buildings etc., and is assessed as a good plan, though with a strategic dimension missing; the SD commission was involved.
- The Ministry of Trade and Industry (DTI) addresses sustainable production and consumption as well as carbon reduction, which is altogether assessed as positive.
- The Ministry of Foreign Affairs (Foreign Office) has a strategy, which focuses on the environmental impact of its UK offices (but not overseas embassies) and with some regard to policy. Again, the SDC offered advice on it.
- The Ministry of Culture, Media and Sports (DCMS) fails to address tourism in its strategy, which the SDC considers to be a major weakness.

Altogether, these departmental strategies seem to vary in their focus from internal business, including e.g. the introduction of an Environmental Management System, to policy proposals. Perhaps the SDS and the call to government departments for preparing own strategies has (partly) triggered the internal business to better integration environmental concerns, which could have been introduced without a SDS. The SDS is considered as having been mainly influential for the Ministry of Environment, and very limited for the other Departments. It has not succeeded to trigger radically different policy options.

In the UK the individual Ministers have a strong position, which apparently leads to some departmental ‘egoism’ (“silo mentality”, cf. also ch. A.1.3.1), which is only partly outbalanced by the principle of cabinet decisions.⁷ The work of ENV and ENV(G) is assessed ambiguously, i.e. partly as successful (from within government) inter alia because more staff from within the departments got involved, and partly as still rather deficient though some progress made.

The lead responsibility of the MinE is mainly not discussed pro-actively. It was though addressed that a lead of the cabinet office would be desirable because it works across departments rather than side-lining the SDS as an

⁶ *like increased transparency, take a long-term perspective, and ensure that environmental, social and economic costs and benefits of it work are understood and addressed (DETR, 2003, p. 21).*

⁷ *Sturm, 2003, p. 233.*

‘environmental issue’. Difficulties to get other Departments seriously committed were also mentioned, which might be an indicator for some deficiencies of the ENV coordination mechanism; a proper evaluation of their delivery regarding SD was asked for. Also, the PM’s recent commitment for climate change is highly welcomed, which perhaps reflects some desire for leadership.

Assessment:

It remains unclear why there is no discussion about the lead responsibility in the UK, although the current arrangements are only partly assessed as satisfactory. There seems to be no practice of making the PM office responsible for an overarching policy. Partly this could be due to the small size of this body, which hence concentrates on very selective issues.

Given the strong commitment of the UK for SD it is though not so well understandable why e.g. the Cabinet Office was not asked to take SD on board: It is a unit that was increased after the election of 2001, and also includes a “Forward Strategy Unit” for “developing new political visions”.⁸ In contrast to this description it is also said that the Cabinet Office only co-ordinates between Ministries, i.e. it is focused on procedure and not on content. Perhaps the visionary part of a SDS is not found deficient in the UK, but rather the implementing part, which is an inherent task of the Departments. It is still unclear where the overall authority and guidance comes from, and can be reinforced, and who triggers the Departments to developing targets and sticking to them.

The Office of the Deputy PM (which is responsible for land use planning) in the current situation plays a role, e.g. in developing sustainable communities, but it is not considered as favourable to assign overall leadership to it because of its apparently limited commitment to SD.

1.3 MONITORING, REGULAR REVIEWING AND LONG-TERM PERSPECTIVE

The 1st SDS has had a five-year term and is currently (2004) under a full review. The SDS announced that the government will report annually about progress against the headline indicators, which happened for 2000, 2001 and 2002 (reports were always published early in the respective subsequent year). A progress document 2003 was issued in March 2004, which now reported on the whole period from the launch of the strategy in 1999 rather than on one single year alone.⁹

At the same time, the SD Commission (SD council, cf. ch. A.3) has undertaken its own assessment of progress against the present UK SDS. This was published in April 2004, just prior to the government’s consultation document and includes both retrospective measuring of the progress on indicators and addresses some ‘key challenges’ on the level of governance, principles and objectives, and priorities.

The government’s consultation document invites comments on priority fields; indicators are planned to be updated in the course of the year.

⁸ Sturm, 2003, p. 236.

⁹ “2003 Sustainable development annual report – A review of progress since 1999” (SDC, meeting notes of the steering group for UK SDC review, 18.12.2003).

1.3.1 Indicators, targets and timetables

The 1999 SDS listed under its priority themes actions and commitments, and some useful indicators for those. Also, a proposal for headline indicators is mentioned.¹⁰ Later in 1999 the “Quality of life counts” report contains the full system of 147 indicators (existing or to be developed) including 15 headline indicators¹¹, against which progress has been measured regularly since the first annual progress report, and in the full review 2004.

The indicators reflect 15 qualitative objectives. Quantitative targets in contrast are developed on the basis of the SDS in so-called Public Service Agreements (PSAs), i.e. self-commitments of individual Ministries or agreements of two Ministries¹². For each indicator/objective there used to be at least one such a PSA, some of them also with a timetable. The annual progress reports (2000 and 2002) list those PSAs in place, but do not explain the links to the indicators. They also do not monitor progress of the PSAs and do not state if any are changed or dropped. E.g. the progress report 2000 specifies the target “increase rail use in Great Britain ... from levels in 2000 by 50% by 2010”, which was not listed in the 2002 progress report anymore. Progress is measured in reports of the individual Ministries, which at the same time mostly do not refer to the SDS.

The devolved administrations also have developed indicators to monitor progress in their areas: Scotland uses 24 indicators, Wales 12, and Northern Ireland is in the process of developing indicators. It is not clear how much they are based on the regional versions of the UK headline indicators, which the UK government had published earlier (“Regional quality of life counts”). Development of quantitative targets for the SDS itself is considered as rather difficult, particularly in the situation of devolved governments. On the other hand the UK has set some ambitious long-term targets such as the target of 60% CO₂-reduction for 2050¹³.

Overall, the UK system of headline indicators/objectives and regular reporting is outstanding in how transparent, understandable and systematic it is (e.g. the famous traffic light system, invented in the UK). The reporting system however falls short with respect to the quantitative targets, which are set in Public Service Agreements: all Ministries with such a PSA were required to submit separate SD Reports in support of their bids for resources in the 2002 Spending Review¹⁴, but there is no monitoring of whether and how this is done (cf. ch. D.1). The Spending Review 2004 sought to integrate SD criteria more fully into departmental bids, apparently with some success, but the process is still rather opaque.

1.3.2 Review terms, long-term perspective and role of the Parliament

The UK is the prototype of a majority/competition style of democracy, also referred to as “Westminster model of democracy”, with a – in principle – two-

¹⁰ DETR, 1999, p. 21.

¹¹ DETR, 2001, p. 33.

¹² The latter is rather the exception than the rule, as government departments tend to prefer targets that they can achieve “alone”; this is also a reflection of the situation with rather strong individual Ministries.

¹³ The baseline year is unclear.

¹⁴ DETR, 2003, p. 23.

party system and one-party only ruling.¹⁵ This situation might have advantages for implementing policies during a government term, and could have disadvantages for the long-term perspective. The UK has seen quite some policy changes after the labour government came in 1997, but already under the previous conservative PM there were changes regarding SD policies.¹⁶ Long-term objectives are set, but whether they will be long-lasting even in case of a change of government remains to be seen.

The role of Parliament is also determined by this 'Westminster model', which leads to the cabinet playing a strong role, and Parliament a lesser controlling one, as there is typically one ruling party with majority also in Parliament. The strong role of the executive is also *inter alia* reflected in a tradition of secrecy of the civil service, also *vis-à-vis* the Parliament (some reform took place in 1989 and 2000).¹⁷ Parliamentary 'standing committees' do not work on policy compromises during a law making process, but mainly deal with technical details of a bill.¹⁸ The UK system, which also includes a very strong role of the PM, is with its facets also called "elective dictatorship"¹⁹. The SDS 1999 was not debated in Parliament.

Parliament in 1997 established an Environmental Audit Committee (EAC) to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development and to audit their performance against such targets as may be set for them by Ministers. The EAC has had some impact, e.g. the government has taken account of its comments on how the indicators are interpreted.

The 1st SDS did not have a fixed term; the new Labour government 1997 decided to prepare a new/revised SDS, which was published two years later. This 2nd, and current, SDS has a five-year term, and is not directly linked to a government term. The new/revised/3rd SDS will most likely look ahead to 2010, and will hence face an election, perhaps only a few months after being published in 2005, and perhaps even the next election if this should take place in 2009.

1.3.3 Approach for a SD strategy

The UK approach for SD seems a good balance between planning and flexibility, with an emphasis on systematic follow-up of progress via the 15 headline indicators. The flexibility portion is reflected in a high number of different approaches from many actors throughout all levels of government and society, and through different government departments. The attempt to break down the complex picture in the annual progress reports falls a bit short, which is already reflected in the not fully clear set of priority fields (cf. ch. B), and particularly the progress of the individual government departments are not monitored in the SDS progress report. There is a separate "SD in Government" report instead (First annual report 2002, launched 27.11.2002),

¹⁵ Lijphart, 1999, p. 9 – 21.

¹⁶ All in all, no further assessment can be given (as the question was not explicitly addressed).

¹⁷ Sturm, 2003, p. 237.

¹⁸ NB: This is less relevant in case of a SDS which mainly is a programmatic document of the government, and mostly only debated in Parliament.

¹⁹ Citation of the cabinet Minister from 1978 (Sturm, 2003, p. 234; Lijphart, 1999, p. 12).

which seems to focus on Ministries' activities regarding own operation (e.g. procurement), and not on their policies (cf. monitoring progress towards the PSAs, giving arguments when a PSA is given up, cf. example above). Long-term SD targets such as the CO₂-reduction target for 2050 (Energy White Paper from 2002) are most likely a rather courageous approach.

1.4 VERTICAL COORDINATION: LINK TO THE REGIONAL AND LOCAL LEVEL

Regions and local communities used to be comparably weak in the UK: local communities do not have constitutional legitimacy and a rather low independent income. Regional policy in the UK has been dismantled during the era of PM Thatcher.²⁰

A pro-'devolution' policy of the current Labour government, and referenda in Scotland and Wales 1997, led to the installation of elected assemblies in these "countries" in 1999, and in Northern Ireland in 1998²¹. UK is hence moving away from the position of being one of the most centralised countries in the Western world.²² Decentralisation though is asymmetric, because England remains governed by the central government (only), which cannot really be imagined differently, because it is the country with 85% of the UK inhabitants and GDP, and there is also no desire of the population of England to become 'devolved', too.²³

Major competences relevant for SD policies are now given to the devolved administrations, with the central government mainly remaining competent for economic policy, defence and foreign policy.

It is stated that the central government still has quite some difficulties in dealing with the devolved governments with regard to SD. In the current SDS review it has for example proven to be difficult to agree with devolved governments on the approach and priority fields.

The Labour government in 1999 also established so-called "Regional Development Agencies (RDAs)" in eight English regions and re-established the Greater London Authority, both with the aim to co-ordinate regional economic development and regeneration.

In line with the 1999 SDS, which states that government should consider SD when establishing new public bodies, the RDAs have to take SD into account. They have been following this task and developed "SD frameworks", which combine regional and national priorities (i.e. the UK SDS serves as a framework). But their overall performance in integrating a SD approach into their economic growth objectives is assessed as insufficient, and environmental issues as being marginalised. An evaluation of the RDAs regarding their SD approach is therefore demanded.

LA 21 initiatives were abundant in the post-Rio phase, but it is stated that most has "died away". It is now assumed that the so-called "Community

²⁰ Sturm, 2003, p. 255; Lijphart, 1999, p. 17.

²¹ NB: The fact that there is even no term for the political-geographical dimension of the 'devolved governments' might reveal that these recent developments are still considered as a bit awkward.

²² Lijphart, 1999, p. 17/18.

²³ This asymmetric situation has led to quite some discussions regarding the rule of England, because the national Parliament includes – naturally – members from the devolved regions, who hence co-decide about policies for England, which are for the other regions devolved (an example was a tuition fee for Universities).

Strategies”, which the central government has called for²⁴, will be a reflection of SD on the local level, but achieving this is challenging.

2 NON-GOVERNMENTAL ACTORS

The UK has a strong tradition in the ‘self-regulating’ potential of society for organising processes of consensus building. It is also stated that the development of a state apparatus only followed the industrial revolution, economic development, and hence also a societal perception of the common good.²⁵ Single-issue movements have always intended to influence decision-making rather than become political parties themselves. At the same time political parties, particularly the Liberals and Labour, have been quite open to such movements, which in some cases reach back to the 19th century (e.g. the peace movement, National Trust) and have gained importance during the 1970s and 1980s. The phase of PM Thatcher apparently increased a cost-benefit-, and more individualistic attitude, though the traditional common good orientation has also gained ground again.

Overall, NGOs in the UK have a long tradition, are numerous²⁶, also in members, and quite influential (e.g. the Royal Society for the Protection of Birds, RSPB, has more members than the three political parties altogether). In light of a ‘self-regulating’ society and an economical liberalism the role of trade unions has varied over time, and is nowadays characterised as being less hostile to the interests of business. As opposed to the continent, social policies in the UK are mainly not framed as employee protection, but covering themes like education/skills, health and crime reduction.

There is no institutionalised socio-economic partnership, but singular negotiations on wages between employers and trade unions, in which government does not play a role.

Business/employers associations (called “Trade associations”) represent the interests of the member companies. Several have developed SD strategies for their sectors, with help from the Industry Department and advice from the SD council. But they tend to reflect the caution of the majority of their members, rather than the more imaginative approach of some leading companies.

2.1 CORPORATE SOCIAL RESPONSIBILITY (CSR)

There is a rather long history of engaging business, including advice to small firms, on environmental issues, which has more recently broadened in remit: Initiatives of the government to encourage SD action in the business community included a special section of the ‘Queen’s Award for Enterprise’ in 2000 with the purpose to recognise the achievement of commercially successful products, services and approaches to management with benefits for the three SD dimensions. This program is still ongoing, though is apparently not well known and has no significant impact.

²⁴ Government guidance on the Local Government Act of 2000.

²⁵ Sturm, 2003, p. 248/249.

²⁶ Numbers from 1994 include about 100 Environmental NGOs, 70 animal protection NGOs, 40 anti-poverty NGOs, and hundreds of others (The Economist, 13.8.1994, cited in Sturm, 2003, p. 248).

There are front-running multi-national companies in the UK, which are engaged in CSR: e.g. the approach of the “triple-bottom line” (“people, profit, planet”) was invented in the UK.

2.2 STAKEHOLDER CONSULTATION

The government considers improved awareness of SD as an important tool for change, and stakeholder consultation is very common in UK. Broad consultation was conducted for the preparation of the 2nd SDS and the headline indicators (over 1000 replies), and is currently (2004) undertaken for the full review of the 2nd SDS. It includes a two-stage consultation, mainly conducted via the SD website of the government, with the results of the first stage analysed and published to stimulate further comments in the second stage. This website was launched together with the first progress report 2000²⁷. In addition there is a series of regional events, and facilitated workshops and a consultation pack for community groups. The whole exercise is being conducted, and the results analysed, by a consultancy specialising in innovative techniques of consultation. This amended approach had been suggested by the SD Commission.

The SDC was asked to consider its role in this particular consultation process 2004, including to fully running it, but it decided to rather organise events on certain key topics. It started off with a stakeholder seminar with around 30 key interested parties on its proposed ‘key challenges’ and the measurement of indicators it had performed itself.

There is no information yet about the amount and kind of feed-back on the government’s progress report. At a stakeholder seminar conducted by the SDC in March 2004 progress made was assessed critically, including some alarming results (e.g. resource use, particularly road and air transport, waste) and also the selection of indicators was criticised. Overall it was also questioned whether using indicators makes a difference to policy-making at all. In the 1999 SDS the government also announced to consider the potential of other methods for consulting on SD policies, such as consensus conferences and citizens juries²⁸, but apparently there has been no significant attempt. In 1998 the SD Education Panel was set up, which has given recommendations for SD education in the national curriculum that were included in 2000. The Panel was wound up in 2003. The Education Department has since published an Action Plan for SD in education.

Also in 1998 already the government also launched a campaign for raising public awareness for environmental actions, called “are you doing your bit?”, which included TV advertisement and other publicity means for the fields of transport, climate change/energy efficiency, waste and water. The evaluation of this campaign was very positive.²⁹ The government is considering how best to follow it up.

²⁷ www.sustainable-development.gov.uk

²⁸ DETR, 1999, p. 28, based on an advice of the Royal Commission on Environmental Pollution (Report 1998: Setting Environmental Standards).

²⁹ 90% of the people recognise the campaign, around 70% stated that it made them think and almost as many planned to start or increase environmental actions (DETR, 2001, p. 32).

3 SD COUNCIL (SDC)

The 1994 SDS created the British Government Panel on SD and the UK Roundtable on SD, the latter being a broader stakeholder advisory body, the former a think-tank of independent experts. As announced in the 1999 SD strategy the SD Commission (SDC) was established in 2000 subsuming these two bodies.

It is composed of 22 personalities from business, NGOs, local and regional administration and academia, nominated and appointed on a personal basis. It acts as an advisory body from a civil society and expert point of view.

The SDC reports to the Prime Minister, the First Ministers in Scotland and Wales and the First and Deputy First Minister in Northern Ireland. It is though in administrative terms linked to the MinE, and also sometimes seen as the council of this department (which also has the lead for SD policies, cf. ch. A.1.2). The expectation of regular discussion with the PM has not entirely been fulfilled, though the relationship overall is assessed positively. It is partly demanded that the SDC should be linked to an overarching government body (in the same way the SDS should).

The council acts predominantly on its own initiative, occasionally on request of the government.

The SDC's work is highly appreciated by all interview partners.

Somewhat similar bodies have evolved in the devolved countries: "The Scottish SD Forum", the "Welsh SD Forum", and "Sustainable Northern Ireland". Of these, the Welsh Forum is the most similar to SDC, being an advisory body of independent people with its own secretariat, supported by the Welsh Assembly Government. SDC has established close links with all three bodies, its members playing leading roles in them.

The Sustainable Development Task Force is a mixed government/stakeholder body, established after the WSSD 2002 to take forward action for SD (cf. ch. A.1.2).

3.1 ROLE AND FUNCTIONS OF THE SD COUNCIL

Role vis-à-vis the SDS:

The role of the SDC in general is to advocate SD across all sectors in the UK, review progress towards it, and build consensus on the actions needed to further progress. It is meant to inspire government, business and society. Within this wider remit it has a clear function in advising on the SDS. Key advice were:

- On energy policy, influencing the White Paper on Energy in 2002, which then did put SD at the centre;
- On economic growth in 2003, urging the pursuit of true well-being rather than growth as an end in itself; this is leading to advice on the objectives of the next SDS;
- "Shows Promise But Must Try Harder" (April 2004), assessing progress made since publication of the 1999 SDS and setting challenges for the next one.

The SDC will also scrutinise the choice of indicators.

In the context of increased importance of the vertical linkages it has undertaken some efforts for better communication with the devolved governments and administrations (besides the council members representing these regions), and continues with prioritising this aspects in their “key challenges” for the SDS review.

General functions, - views are shared by the council and government:

- Advisory board to the government: challenging from an independent civil society point of view;
- reminder/watchdog for the holistic/integrated and long-term view: review how far SD is being achieved in the UK in all relevant policy fields, identify processes and policies which maybe undermining this;
- think-tank;
- stakeholder/expert dialogue “among each other”, including that consensus building among the members should take place;
- stakeholder members to take the views into their organisations;
- agenda setting and tackling difficult policy issues (‘identify unsustainable trends and recommend actions to reverse them’); opinion former;
- encourage and stimulate good practice;
- raise awareness on SD policies and fostering stakeholder dialogue.

3.2 INTERNAL ASPECTS OF OPERATION

Council members operate on equal footing:

- The council has a cooperative approach with consensus aimed at, - there is no majority voting. The atmosphere is characterised by open, informal brainstorming on themes and strategic issues.
- It has an independent status with no government members.
- “Double-hat” of council members: The council members do not ‘represent’ in a narrow sense the organisation that nominated them (i.e. “their” organisation). They operate and discuss as individual personalities on the basis of pluralism of ideas. No conflicts have occurred.
- All council members have a background in organisations that have a long history for standing for their positions; hence there is an equal self-confidence (incl. environmental NGOs, which is elsewhere not necessarily the case).

Relation to and role of socio-economic partners:

As introduced above there is no institutionalised socio-economic partnership in the UK.

There are no members of business associations in the SDC, but representatives of individual companies, which again reflects the more fore-running position of some regarding SD, as opposed to the trade associations (cf. ch. A.2).

Relation to government departments:

The relation to government departments varies: The SDC has no government

members, but conducts regular dialogue with the Ministries concerned. It has good relations with several departments, including Environment, Food & Rural Affairs, Health, Trade & Industry and Education.

3.3 ACHIEVEMENTS OF THE COUNCIL

1 Government's view

- Valued as stakeholder advisory body with high quality work; independent input is appreciated;
- it is beneficial that the SDC may address issues that are difficult for the government;
- challenges and encourages government.

2 SDC's view

- Significant contributions to the implementation of the 2nd SDS, and input to the full review 2004;
- the council triggered the government to take an innovative approach to consultation on the new SDS;
- it offered detailed advice on farming policy, when this was under review, contributing to a new strategy based on SD principles;
- its policy advice on energy was the most integrative one, and contributed significantly to the 2002 Energy White Paper;
- initiatives on sustainable production and consumption³⁰, including the recommendation to government that a Sustainable Consumption and Production Roundtable should be established. This was done in May 2004, co-chaired by a member of SDC and the Chief Executive of the National Consumer Council;
- SDC helped the Department for Education to frame its Action Plan for SD in Education and is now beginning to help them implement it;
- the two most successful activities so far have been the advice on farming and energy policy. Both involved a combination of published documents and advice delivered in person across the table, and both resulted in new policies reflecting the principles of SD. SDC is taking a similar approach to the review of SDS;
- initiatives for communicating SD such as the succession of annual publications in a novel and highly imaginative format, and creation of a network for those seeking to communicate SD.

Overall the council received a lot of credit for its work from all interviewees, its establishment was partly considered as a “sign of good faith”.

Success-factors of a SD council

- Independence: members should not represent their organisation but act as individual personality with the experience of their organisation as background;
- Try to develop an attitude of experimentation with open dialogue and

³⁰ E.g. a chairman's paper “Redefining Prosperity” (SDC, 2003a), a policy paper on sustainable consumption (SDC, 2003b).

enthusiasm;

- Gaining acknowledgement of the government through quality of work, and getting to agreements between the stakeholders on the council;
- Strong chair and well-acknowledged experts as council members;
- Good links into government, with a combination of internal (bi-lateral, ‘private’) and external (‘official’) advice, and a combination of both;
- An imaginative approach to communication, to reach people who need to take action.

B Themes and scope

The second SDS (1999-2004) has four main aims, reflecting the three dimensions of SD:

- social progress which recognises the needs of everyone;
- effective protection of the environment;
- prudent use of natural resources;
- maintenance of high and stable levels of economic growth and employment.

The strategy also establishes 10 guiding principles, which are partly overarching principles, partly objectives in itself: ‘taking a long-term perspective’ and ‘using scientific knowledge’ are example of the former, whereas ‘creating an open and supportive economic system’ and ‘combating poverty and social exclusions’ are rather to be seen as objectives.

A bit confusingly the SDS states five priority areas (paragraph 3.31) and seven “future” priority areas (paragraph 10.3), which in the progress report 2000 are referred to as “specific priorities”³¹ (similarities of the two sets are indicated with [#]):

- “Priority area 1 We need more growth not less. Although compared with many countries the UK’s economy is highly productive and our average incomes are high, we have steadily been overtaken by other nations in both respects. [#]
- Priority area 2 That growth must be of a higher quality than in the past. It needs to be achieved while reducing pollution and use of resources.
- Priority area 3 Prosperity must be shared more widely and fairly: some parts of the country and some groups are falling too far behind. [#]
- Priority area 4 Our towns and countryside contribute significantly to our quality of life. We need to make our towns and cities better places to live and work, and to retain the special characteristics of our landscape which we most value. [#]
- Priority area 5 We must contribute to global sustainable development in particular for those in extreme poverty.” [#]

³¹ DETR, 2001, p. 59.

The future or “specific” priorities are:

- more investment in people and equipment for a competitive economy; [#]
- reducing the level of social exclusion; [#]
- promoting a transport system which provides choice, and also minimises environmental harm and reduces congestion;
- improving the larger towns and cities to make them better places to live and work; [#]
- directing development and promoting agricultural practices to protect and enhance the countryside and wildlife;
- improving energy efficiency and tackling waste;
- working with others to achieve sustainable development internationally. [#]

In addition, the SD website states as the UK priorities for SD³², under which other objectives, and then also measures and key areas of action are grouped:

- a sustainable economy,
- building sustainable communities,
- managing the environment & resources,
- international co-operation and development.

Altogether the priority areas, when and which, and what link between which sets, are not fully clear. Neither is their link to the headline indicators: The “Quality of life counts” report in 1999 established 15 headline indicators from the three SD dimensions, which are linked to qualitative objectives (these were formulated in the annual progress report 2002, cf. Table 1).

Table 1: Headline Indicators in the UK

| HEADLINE INDICATOR | OBJECTIVE |
|---|--|
| Economic | |
| H1 Economic output (GDP) | Our economy must continue to grow |
| H2 Investment (as % of GDP) | Investment (in modern plant and machinery as well as research and development) is vital to our future prosperity |
| H3 Employment | Maintain high and stable levels of employment so everyone can share greater job opportunities |
| Social | |
| H4 Poverty and social exclusion | Tackle poverty and social exclusion |
| H5 Education (qualifications at age 19) | Equip people with the skills to fulfil their potential |
| H6 Health (expected years of healthy life) | Improve health of the population overall |
| H7 Housing | Improve the condition of housing stock |
| H8 Crime | Reduce both crime and fear of crime |
| Environment | |
| H9 Climate change (greenhouse gases) | Continue to reduce our emissions of greenhouse gases now, and plan for greater reductions in the longer term |
| H10 Air quality (days of air pollution) | Reduce air pollution and ensure air quality continues to improve through the longer term |
| H11 Road traffic Improve choice in transport; | Improve access to education, jobs, leisure and services; and reduce the need to travel |
| H12 River water quality | Improve river quality |
| H13 Wildlife (farmland birds) | Reverse the long-term decline in populations of farmland and woodland birds |
| H14 Land use (% new homes on previously developed land) | Re-using previously developed land, in order to protect the countryside and encourage urban regeneration |
| H15 Waste (arising and management) | Move away from the disposal of waste towards waste reduction, reuse, recycling and recovery |

The revised/new SDS will likely prioritise climate change, production and consumption and environmental justice. The system of indicators and the 15 headline indicators will be reviewed in the course of 2004.

C Relation to the EU (SDS) and other international strategies

1 CONSIDERATION AND IMPACT OF THE EU SDS

The Rio conference, and the overall spirit created there, was the key trigger for the UK to preparing a national SDS. It was one of the first countries having endorsed a SDS in 1994. In this position the country was a driving force for other countries to doing alike, e.g. at the Rio+5 conference in 1997. Momentum hence can be created both ways, and national and international agendas always interact.

There was no EU SDS yet when the 2nd UK SDS was endorsed in 1999, but the importance of international action and the shaping role of EU policies for the UK were emphasised. Reference is made to the 5th Environmental Action Program and other efforts of the EU for environmental integration (Treaty of Amsterdam, Cardiff process).³³ The progress report 2000 stated that the UK had strongly supported the conclusions of the Helsinki summit to prepare a SDS for the EU, and also expressed its priorities: to work towards an innovative, highly competitive, resource efficient, low carbon economy. In the progress report 2002 the key development of the EU regarding SD are listed and briefly explained: the UK supporting the work on the follow-up of the WSSD, CAP-reform and pro-actively on Sustainability Impact Assessment. Regarding the EU SDS no link is made. The UK SDS and the EU SDS show some overlap in priority fields (in fact all EU priorities are covered), but the EU SDS has not been explicitly considered in the past. It might be taken into account a bit more for the current review 2004. The Lisbon process is taken seriously (on the government side), with the Ministry of Foreign Affairs in a leading role and the cabinet overall involved. It is stated that mechanisms for input had been well in place since 2000, and that the EU SDS (Gothenburg conclusions) was welcomed to be taken on board. The UK also was the initiator of the “green diplomacy network”, - a cooperation between environment staff in the Ministries of Foreign Affairs. Overall, non-governmental actors perceive the EU as bureaucratic, turgid, remote and no environment for informal debate as required for SD policies.³⁴ The SD Commission has considered the EU SDS only briefly, mainly because of their national remit including the focus on devolution, and limited capacity, and the personal interests of most members. The overall national focus of the UK might at least partly be driven by the relatively new situation of having ‘devolved governments’, which just gets more attention than the EU.

2 SD COUNCIL (SDC): EUROPEAN AND INTERNATIONAL DIMENSION

The SDC has been formally involved in European cooperation through EEAC only relatively late, considerably since 2003. Since October 2002 a council member co-chairs the EEAC Working Group Sustainable Development together

³³ DETR, 1999, p. 12.

³⁴ It is also partly stated that the language problem stands in the way of informal debate (although English seems to have become the major working language at EU level, individuals with English mother tongue sometimes feels uncomfortable when having to deal with ‘continental’ English).

with the German SDC.³⁵ The council's reservation vis-à-vis commitment or interest in European cooperation reflects its focus on national policy.³⁶ The SDC has taken limited interest in other international forums, for the same reason. But several members attended the World Summit in 2002 and SDC used the event as a vehicle for raising awareness of SD in the UK.

3 LISBON PROCESS: PREPARATION OF SPRING SUMMITS

The Lisbon process is coordinated by the Ministry of Foreign Affairs ("Foreign Office"), which consults with Departments concerned including the MinE where there is a unit for EU/international affairs. There is also an informal group composed of several Ministries that are more strongly involved. The link to the national SDS though is rather deficient: Staff involved in the national SDS lack knowledge about the EU SDS, and there are no organised links within the MinE between the two units. This deficient link is seen as rather natural in bigger countries, where there are more civil servants involved in details, whereas in smaller countries staff tends to have a better overview. It is though not perceived as urgent to improve the situation. Furthermore, there is a lack of EU integration within each department, which is typically done by one or even more separate units. The SD council has not dealt with Spring Summits so far.

4 POLICY FIELDS UPSTREAM AND DOWNSTREAM

Upstream action - EU activity is desired/required

- climate change: inter alia promoting renewable energy with European funds;
- trade (poverty reduction);
- aviation (emissions) and transport in general;
- agriculture and fisheries: inter alia labelling of eco-food;
- research;
- product standards: setting minimum efficiency standards (e.g. for white goods and vehicles).

Downstream impact - EU policies hampering national SD processes

The underlying approach of the EU for transport policy, encouraging as much movement as possible in light of the overarching aim of free trade and free movement of goods, is in the same way problematic as are national transport policies.

Conditional targets and implementation

Do not exist in the UK.

³⁵ The Working Group comprises SD and other councils engaged in the SD agenda. . It has so far prepared two key statements: "Strengthening sustainable development in the EU", December 2002, as input for the Spring Summit 2003 for the revision of the EU SDS post Johannesburg, and November 2003 as input for the Spring Summit 2004. It was also key author of the "Kinsale Challenge" (April 2004), which addresses key recommendations for the EU SDS review.

³⁶ In contrast, the UK environmental advisory council (Royal Commission for Environmental Pollution, RCEP) was a founding member of the network in 1993 and strongly committed, e.g. with nominating a council member who was elected chair of EEAC (2000 – 2002). Also, the UK Nature Conservation Agencies (English Nature, Scottish Natural Heritage SNH, Countryside Council of Wales CCW, Joint Nature Conservation Committee JNCC) have been members of EEAC for several years, which reflects their interest in influencing EU policy making (in institutional terms these agencies are no independent advisory councils, but they do have advisory functions for the government and therefore differ from agencies in other countries).

D Achievements and shortcomings in the national SD agenda

1 SUCCESSES AND SHORTCOMINGS

- The SDS has stimulated debate and increased understanding and consciousness of decision-makers. Though it is also criticised for having become a bureaucratic process itself, with deficient implementation of general aspirations, and too many platitudes and window-dressing.
- The comprehensive approach of the SDS is considered as self-evident, and the attempt to link different policy fields has led to some more policy coherence, as well as to some elements of green taxation, and procedural instruments like Environmental Impact Assessment/Integrated Policy Appraisal.
- Getting other departments committed to develop their own strategies for SD: partly commitment and cooperation has increased, and SD is not a narrow “specialist” issue anymore, partly this had led to dilution, and the delivery is not satisfactory. Some government departments realised win-win situation and have moved into this direction. More difficult policy fields have not been tackled.
- Those establishing new public bodies have to consider including SD in their remits.
- Increased resources for the SD unit in the Ministry of Environment.
- The system of monitoring progress against headline indicators is appreciated; more visible targets are missing. Cases with a quantitative target in place have had significant effects on policy development (e.g. the wild birds headline indicator has helped to emphasise the need for an enhanced agri-environment programme).
- The “Greening Government” initiative would benefit from stronger ministerial leadership.
- Project and policy appraisals do not give sufficient attention to SD (e.g. Regulatory Impact Assessment) and/or only rarely influence policy choices (e.g. Integrated Policy Appraisal, which includes “environmental guidance”).
- Momentum has been lost, and there is a constant need to “re-galvanise”, which is aimed at during the full SDS review in 2004.

Achievements and failures in policy fields include:

- The Energy White Paper with its long-term CO₂-reduction target is considered as success.
- The government’s strategy for sustainable consumption and production is a genuine attempt to reconcile economic, environmental and social perspectives.
- The Spending Review 2002 was a good attempt for ‘greening the budget’, and it is often mentioned as a “success story”, because of the commitment of the powerful Treasury (Ministry of Finance). At the same time the process is criticised for its lack of transparency and monitoring: neither

the criteria were made available nor the way they were applied to which Ministries (even not to the Parliamentary Environmental Audit Committee); in fact the entire implementation phase and outcome of this attempt is fully unknown. The 2002 attempt was partly triggered by the personal commitment of the Junior Minister in the Treasury, who used to be a “green Minister” (cf. ch. A.1.2) in another department. SD criteria were used again in Spending Review 2004, but again not in a transparent way.

- The Treasury is asked to reconsider the priority of GDP growth in light of the quality of life concept of the SDS, and should also give more emphasis on the economic benefits of a high quality environment.
- Taxation for more sustainable transport (“fuel escalator”) was a good cooperation of the Treasury and the Department of Transport, but was given up again after several years, and the department is not committed anymore. It is also criticised for a disappointing aviation white paper. The department is expected to aiming at giving up the ambitious objective of the SDS ‘reduce the need to travel’.
- It is questioned whether the Office of the Deputy Prime Minister’s (responsible for land use planning) agenda for sustainable communities will be environmentally sustainable in its implementation.
- Agriculture policy: UK had delivered modulation of the previous CAP, and demanded compulsory modulation for the CAP-reform, which was not achieved. The Sustainable Food and Farming Strategy (MinE/DEFRA) reflects priorities of the national SDS, though progress made is considered as very slow.
- The SDS has provided for important environmental legislation such as the Countryside & Rights of Way Act.

2 MOST DIFFICULT POLICY FIELDS

Mobility / Transport

This policy field is considered as difficult because of short political horizons and the unpopularity of measures like increased pricing for roads as a steering mechanism³⁷. Land use planning of the past and the general demand of citizens for an own house have not sufficiently limited spreading of settlement, which causes much commuting by cars.

Particularly aviation is a problem, partly because policy is based too much on a traditional model of ‘predict and provide’ and because of opposition by other countries to the introduction of a kerosine tax.³⁸ The government claims that the aviation policy has to be tackled internationally, but other actors heavily questioned the likely success of this approach and emphasise the need for a public debate. As opposed to other policy fields (e.g. increase energy efficiency) it is difficult to agree on different aims of transport policy.

³⁷ *E.g. the London congestion charge was a very courageous measure and a rare event of political change, but highly criticised at the same time, partly for social reasons.*

³⁸ *The RCEP’s report on aviation is highly appreciated, whereas the government’s aviation white paper is considered as a failure.*

The rail system is improving, but still lags many European countries. Further large investments in public transport would be required to improve the systems.

Regarding a change of modal split the focus does not lie on shifting freight transport to rail: Freight transport is very much road based, and even a substantial increase in rail freight would make little difference to this.

Energy / Climate change

The CO2 reduction target for 2050 cannot be achieved with efficiency increase only. Transport, industry and households are difficult main contributors. Increase energy efficiency in housing (a new building regulation is planned) and increase share in renewable energy both remain challenges. The policy field seems to be perceived as going in the right direction nationally.

Consumption / growth / life style

Sustainable consumption and production is seen as a major challenge by several actors and the SDC, because it touches fundamentally on the question of growth, and is also conflicting because of consumer habits. The council has started some initiatives in this field (cf. ch. A.3.3), and it also criticised the strategy on sustainable production and consumption (a joint document by the MinE, and the Ministry of Trade and Industry) for lacking a strategic approach.

In the context of consumption and life-style, also waste is mentioned as a difficult policy fields, with a very high growing rate of household waste.

3 IMPROVEMENT POTENTIALS FOR THE NATIONAL SDS

Procedural: more clear commitments of government departments and evaluation of their delivery; and/or move the lead responsibility for the SDS to an overarching government body; set more quantitative targets; improve vertical coordination;

Content: changing the objective of economic growth, to reflect a focus on quality of life and the need to live within environmental limits; making carbon reduction a key driver of policy across government.

4 NATIONAL SDS: ACHIEVEMENTS AND CHALLENGES

Achievements and challenges are assessed in a summarised way as follows³⁹:

- +(◆) Comprehensive SDS with priority fields, but little evidence that they derive from SD considerations as such; they seem to have developed their 'own lives' over time and the relation to the SD(S) has become less clear;

39 + achievement
 (+) partial achievement
 +/◆ mixed: achievement and challenge
 (◆) partial challenge
 ◆ challenge

- +/(◆) Mainly transparent system of headline indicators, regular and systematic monitoring against them, clear and comprehensible progress reports; quantitative targets depend on “Public Service Agreements”, which are more opaque and not reported on comprehensively;
- +/(◆) Stakeholder consultation is taken seriously, and the SD council plays an important part in getting stakeholders as well as the local and regional levels involved;
- +/(◆) Vertical coordination has become a major issue in light of the devolved countries since 1999: the overall irritation/confusion about this situation causes significant challenges;
- (+)/(◆) Leadership deficiencies, though not heavily discussed;
- (+)/(◆) So far poor link to the EU SDS; there are also coordination deficits in this respect; regarding EU policies in contrast the UK has a more pro-active approach.

E Recommendations for the EU SDS review

- Get the architecture and the link of EU SDS and Lisbon process right; include in the Lisbon strategy the goal “most eco-efficient economy”;
- The Lisbon strategy is in tendency too broad and has to become more digestible;
- “Go public”: SD needs leadership, - bottom-up alone doesn’t work; participation of business, the social sector and civil society is needed at the same time; establishing a stakeholder advisory mechanism would support this;
- Indicators and progress reports are important for the process, which initiates a public debate: include quantitative targets, indicators and timetables in the SDS;
- The EU needs an institutional and procedural framework for SD policies, because the coordination needs are enormous, and a central and/or advisory institution is needed to keep the issue on the agenda.

Creating a SD council on the EU level is partly favoured; but also partly declined, because an atmosphere like in the case of the national SDC cannot easily be reproduced on the EU level and there is not the same constituency of civic society at EU level from which to draw members.⁴⁰

⁴⁰ NB: It is well possible that ‘soft factors’, and particularly the language, causes reservations in the UK, like e.g. in France, Spain and Italy. People from bigger countries tend to feel more uncomfortable to deal with foreign languages, even if they do not have to talk in a foreign language themselves.

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