Sustaining Sustainability

a benchmark study on national strategies towards

sustainable development and the impact of councils

in nine EU member states

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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.

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 experts[1] to produce a new draft SDS by July; it is planned to perform proper consultation on that document.

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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.

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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 Institute[3]. 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.

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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 implemented[6]. However,

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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 system[9], 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

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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 Industry[11], and two for Trade and Services[12]. 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.

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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 publics 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).

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15 NB: One of its council members was appointed to the expert committee that prepared this new draft.

- 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 Ministry[16]. 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 Optiones 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 members[17], 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]

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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 inks 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 view[19]
   • 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.
   ° nfluence and divulging role.

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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.

Sustaining Sustainability

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 adaption 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 UNCSD 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

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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.

Sustaining Sustainability

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 CO_2 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.

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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 follows[25]:

✚   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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Sustaining Sustainability

Colophon

Sustaining Sustainability is the second background study of EEAC and the first of this EEAC series.
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