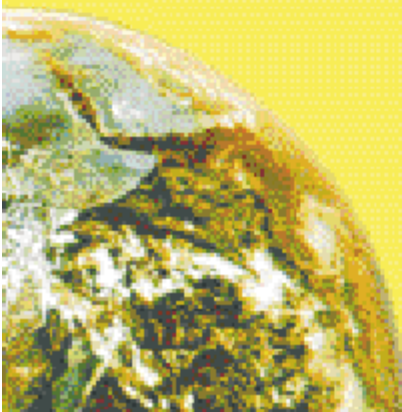


# Sustainability 21 Conference

## Helsinki, 5 and 6 November 1999



European Consultative Forum on the  
Environment and Sustainable Development



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A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

Cataloguing data can be found at the end of this publication.

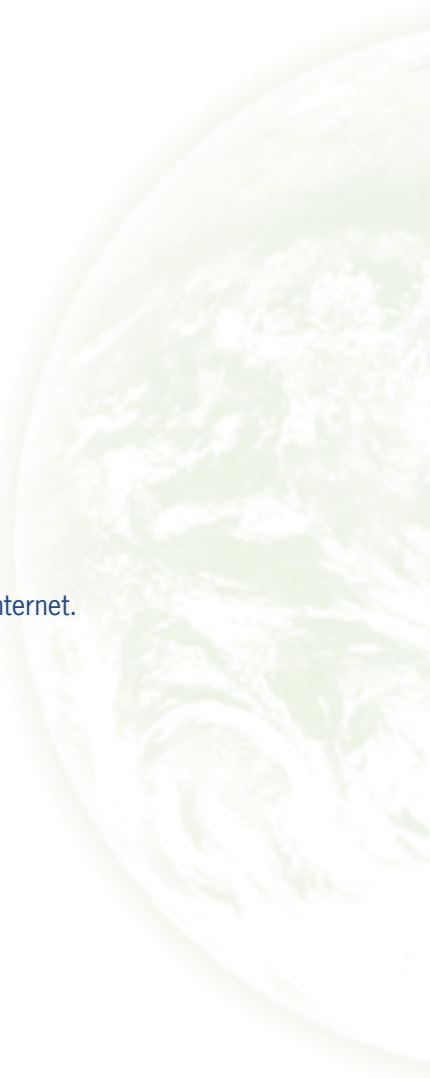
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# Foreword

## **Sustainability Conference demands action from EU leaders**

On 5 and 6 November 1999 the European Consultative Forum on the Environment and Sustainable Development and the Finnish National Commission on Sustainable Development in cooperation with the European Environmental Advisory Councils organised an international conference entitled 'Sustainability 21' in Helsinki.

This first major forum conference attracted 160 European policy-makers, business leaders, and NGO representatives. Environment Commissioner Margot Wallström took an active part in the conference along with Satu Hassi, Finnish Minister for the Environment and Erkki Tuomioja, Finnish Minister for Trade and Industry.

After two days of intense dialogue, the conference adopted recommendations addressed at the European Council that took place about a month later in Helsinki. The Council conclusions indeed reflected a good deal of the ideas expressed in the conference recommendations, such as — for example — the call for a comprehensive sustainable development strategy by 2001.

This success proves the need for a European Sustainable Development Council, a body that represents not only all EU Member States but also the various groups of society, and watches over the progress towards sustainable development in the whole of Europe.



**Teresa Presas**  
Vice-Chairwoman



**Armando Montanari**  
Vice-Chairman

# Proceedings from the Sustainability 21 Conference in Helsinki 5 and 6 November

The future of the European Union and central and east European countries with regard to sustainable development was on the agenda for two days at the Sustainability 21 Conference in Helsinki on 5 and 6 November 1999. The conference adopted a set of recommendations that has been submitted to Finnish Prime Minister Lipponen in his capacity as President of the European Council.

4

The conference was characterised by intensive debates on how to assure that sustainable development will be an important — if not the most important — part of future policy-making at local, regional, national and international levels. A large number of stakeholders were present at the conference: civil servants from public administrations from the local to the international level, NGO representatives, business representatives and politicians. Here you can read résumés giving you the most important information from the conference. On the forum homepage (<http://europa.eu.int/comm/environment/forum/sust21rec.htm>) you can find the recommendations adopted by the conference.

The complete title of the conference was ‘Sustainability 21: looking at how markets can be transformed to incorporate sustainable principles and practices’ and it was divided into four plenary sessions.

‘The challenge of integration’ was the first session. After an introduction by the conference chairman, Jens Kampmann, both European Commissioner for the Environment Margot Wallström and Finnish Minister for the Environment Satu Hassi outlined their views on the future of sustainable development. In addition, Jonathan Lash, President of the World Resources Institute in Washington, presented some of the most up-to-date information on sustainable development.

The second session, ‘Linking up local, national and European policies’, concentrated on which gaps exist today, on what actions are needed and discussions on the most important actors in the process. The speakers were James Currie, the Environment DG, Charles Nicholson, Senior Adviser at BP Amoco, Viriato

Soromenho Marques, member of the Portuguese National Council on the Environment and Sustainable Development, and Lone Johnsen, President of the European Environmental Bureau.

'Vision, strategy and benchmarks' was the third session and it included speeches by OECD Deputy Secretary-General Thorvald Moe, Director of Nature Associates in Sweden Per Kageson and Heinrich Wohlmeyer, President of the Austrian Association for Agricultural Research.

After session 3 the conference participants were divided into four different groups so that parallel sessions with discussions could be hold. Each of the parallel sessions was introduced by a speaker and then the theme of the parallel session was opened for discussion. The results from all four parallel sessions were presented in the following plenary.

Parallel session A 'The business agenda' was introduced by Karl G. Doulík, Head of Unit of the Enterprise DG. Parallel session B 'Accelerators and brakes' was introduced by Konrad Otto-Zimmermann, Director of the European Secretariat of the International Council of Local Environmental Initiatives. Forum member Ingolf Pernice, Professor for Public, International and European Law at Humboldt University in Berlin, introduced the third parallel session 'Emerging trends in governance' by presenting his paper 'European governance scheme for sustainability'. The full text of this paper can be found on the forum homepage under 'Documents and reports' (<http://europa.eu.int/comm/environment/forum/documentation.htm>). Wolfgang Sachs, Senior Fellow at the Wuppertal Institute, introduced the final parallel session 'Consumption patterns and lifestyles'. Résumés of the parallel sessions are not available.

'Sustainability roadmaps' was the title of the last session, which took place on Saturday morning and was followed by the adoption of the conference recommendations. This session was devoted to the difficult task of trying to outline the development towards sustainability in the next decade by pointing out milestones of sustainable development. Ulrich Golüke, manager of the Scenario Unit at the World Business Council for Sustainable Development was the only speaker in this session. Hans-Jörg Pawlik, Director of the Klagenfurt Trade Fair, forum member Joaquin Nieto Sainz, and Bedrich Moldan — who is also a member of the Consultative Forum — all commented on the speech given by Ulrich Golüke.

The organisers of the conference were the European Consultative Forum on the Environment and Sustainable Development, the Finnish National Commission on Sustainable Development and the European Environmental Advisory Councils.



## Session 1: The challenge of integration

6

Commissioner Margot Wallström's presentation began with a note of pessimism, when highlighting her feelings about the trends in climate change. Kyoto targets would not be achieved under a business-as-usual scenario. The following messages were given: act now, not tomorrow; the number of directives is not directly a measure for sustainable development (SD) nor the quality of our environment; integration of business to the implementation of SD is crucial as well as the need for implementing existing EU legislation in Member States and for integrating the SD approach into all other EU policies.

The Helsinki Summit will give the direction to the policy integration process for the next three other presidencies. To succeed you have to give clear priorities and agree upon right indicators. Ms Wallström mentioned her concern that the Cardiff integration process might turn into a bureaucratic exercise, if the European leaders do not agree upon concrete measures in Helsinki.

The main players (governments, business and citizens) have a shared responsibility in putting SD into reality. Transparency, public availability and use of environmental and sustainability information were highlighted as well as the Finnish example of having a national, high-level, multi-stakeholder commission for monitoring SD and giving advice to the government.

Minister Satu Hassi gave a short presentation about the Finnish SD commission. The national list of indicators reaches the number of 85. A proposal from the European Environmental Bureau (EEB) to begin to produce core headline SD indicators for the EU was appreciated. Simple, practical, and informative indicators have to be developed and applied. According to Ms Hassi's view no progress will happen if it is not measured and published.

Some good examples were given to show that there might be possibilities to decouple the connection between economic growth and pollution. The integration of SD into all policies needs the cooperation of politicians, civil servants, businesses and NGOs.

The World Business Council on Sustainable Development (WBCSD) initiative for improving eco-efficiency was appreciated. Most apparently it might be the only practical way to succeed in SD. The Member States as well as the EU have to improve their knowledge of eco-efficiency potentials on the levels of national economies, business sectors and certain production processes before setting any challenging targets like factor four or factor ten. A short presentation on the Finnish national environmental cluster research programme for searching for such potentials was given. The Baltic Agenda 21 programme was highlighted as an example of a multi-stakeholder approach to put SD into policy. The EU might learn something from that case.

Jonathan Lash, President of the World Resources Institute in Washington, made a very interesting presentation with examples showing the road that mankind and the world will take if radical changes in consumption and lifestyle patterns are not made. The connection between GNP and spoiling our environment has to be broken. OECD and IBM examples were given.

The first ('WTO') wave of globalisation was economical, and was led by large, recognisable, powerful and wealthy institutions. The second wave is currently taking place; the Internet and more creative media are everywhere and are used by brash nobodies with great ideas and brain energy, young people who do not like rules. Those two waves coming together completely disrupt the traditional arrangements of power and decision-making. The coming culture and its rules are and will not be defined. Openness, flexibility, informality and speed are values of today. This has to be taken into account in the national and multinational sustainability councils. The core questions might be: how can the multi-sectoral sustainability be reached in this fast-connected world of ours? How is the change initiated? How do we reach agreement on values and actions to be taken? Do we have to focus away from governments? Jonathan Lash expressed great admiration for the Finnish multi-stakeholder SD process.

During the discussion some questions were raised. After the Kyoto targets, the importance of the climate change issue and the importance of creating and agreeing on 'right' indicators were highlighted.

Core messages:

- It is crucial to have a committed multi-stakeholder participation in the planning and decision-making of the implementing of SD.
- It is important to encourage national bodies to create such bodies (like the Finnish SD commission).
- Practical indicators have to be created and used, and transparent and open information given to the various actors.
- Prioritised targets have to be agreed and implemented.

## Session 2: Linking up local, national and European policies



8

### Gaps

- Lack of a clear sustainable development concept with corresponding focus of the EU agenda.
- Lack of communication in explaining widely the sustainability concept.
- Lack of conviction concerning sustainability (in the Council and in the Member States, particularly in southern Europe, due to local political specificities).
- Missing involvement at all levels of society (from Prime Minister down to individual citizen).
- Uneven commitment of industry.
- Social and cultural constraints.
- Partial implementation of the Amsterdam Treaty.
- Decline of the state of the environment in Europe according to the EEA.

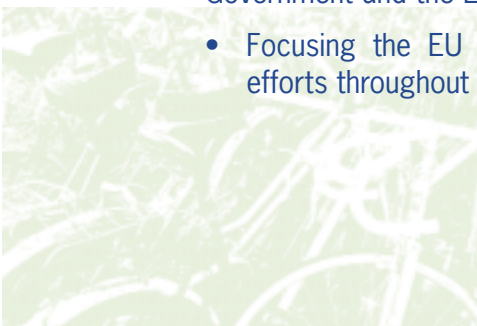
### Actions

General actions:

- Approach should become issue-oriented.
- Decoupling of economic growth from resource use.
- Linking of sustainability to employment and to green procurement.
- Influencing the consumer through a coherent and systematic communication effort at all levels (European, national, local).
- Involvement in sustainable development efforts of all stakeholders.
- Promoting alliances, partnerships and coalitions in favour of sustainability, using modern communication tools such as the Internet.

Government and the European Communities:

- Focusing the EU agenda on sustainability and integrating implementation efforts throughout all Commission initiatives.





- Actively involve political leadership at EU and national levels.
- Strengthening of the Prodi Committee on Competitiveness, Employment and Sustainability, so that it becomes the key actor for promoting sustainable development in Europe.
- Focusing on environmental targets for all sectors.

#### Business:

- Stronger and faster transformation in response to sustainability requirements.
- Developing sustainability guidelines for all productive sectors.
- Particularly for the energy sector, reduction in emission and increased efficiency in use.
- Intensifying technological research and the development of more sustainable alternatives.
- Increasing the sense of corporate responsibility, to cover not only business practices, but also the behaviour of product consumers.
- Systematic efforts to internalise environmental costs so that the price of products and services reflects fairly the real costs.
- Investigating possible contributions of the market to sustainability.

#### Actors

- *European Union*: direct involvement of the EU President through the Prodi Committee, active role of Ecofin and mobilisation of the European Parliament, so that sustainability becomes a focal issue of the EU.
- *Governments*: strong implication in sustainability efforts at the regional/local level. Their particular role should be the translation of sustainability principles and concepts to concrete action on the ground.
- *Political parties*: efforts to inform and mobilise all political parties in favour of sustainability, through citizens' efforts and through the European Parliament.
- *Business*: improving and levelling commitment to sustainability through its own organisations (such as the WBCSD) and, if necessary, through incentives and disincentives.
- *Media*: mobilisation of the media in making sustainability understood and appreciated within the European continent.
- *Civic society*: encouragement of organised initiatives within the civic society and networking so that they mobilise people effectively in promoting implementation and understanding of sustainability.

## Session 3: Vision, strategy and benchmarks

Thorvald Moe, OECD Deputy Secretary-General, was the first speaker in this session. He stressed that sustainable development is one of the five priority areas for the future work of the OECD. In November 1997, the report of the High-Level Advisory Group on the Environment, *Guiding the transition to sustainable development: a critical role for the OECD*, noted that government policies dealing with the economy, with the environment and with equity remain badly disconnected, and recommended that the OECD should become the leading international organisation and analyse how best to harmonise policies in these areas.

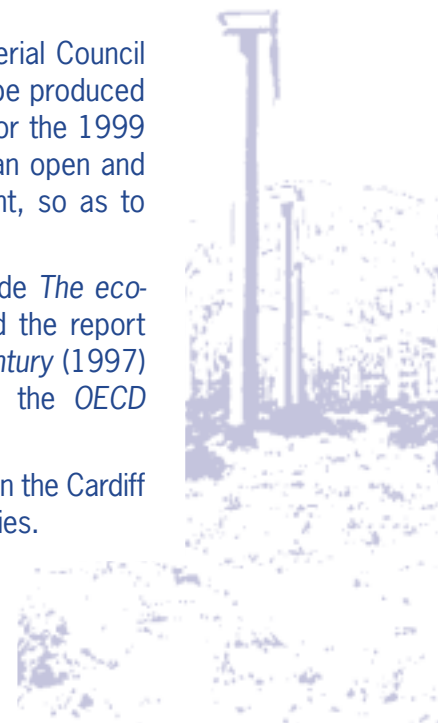
10

In response to this challenge, the OECD has developed a strategy for work to be undertaken over the period 1998–2001, involving many parts of the organisation and its affiliates. In April 1998, the strategy was endorsed by the OECD Ministerial Council Meeting, whose communiqué stated that ‘the achievement of sustainable development is a key priority for OECD countries. (Ministers)... encouraged the elaboration of the organisation’s strategy for wide-ranging efforts over the next three years in the areas of climate change, technological development, sustainability indicators, and the environmental impact of subsidies...’

This work is intended to lead to a major report to the OECD Ministerial Council Meeting in 2001. A number of intermediate studies and reports will be produced in the interim including a first progress report which was prepared for the 1999 OECD Council Meeting at Ministerial level. The OECD aims to have an open and transparent process underlying its work on sustainable development, so as to encourage a broad engagement of civil society.

Highlights of previous OECD work on sustainable development include *The economics of sustainable development. A progress report* (1990), and the report *Sustainable development: OECD policy approaches for the 21st Century* (1997) both available from OECD publications and the special issue of the *OECD Observer on Sustainable Development*.

Forum member Per Kågeson, Director of Nature Associates, focused on the Cardiff Process, i.e. the integration of environmental concerns into other policies.



The first step towards implementation of the new integration principle in the Amsterdam Treaty came with the 1998 decision in Cardiff by the European Council to 'invite all relevant formations of the Council to establish their own strategies for giving effect to environmental integration and sustainable development within their respective policy areas'. The Transport, Energy and Agriculture Councils were invited to start the process. The reports from the three Councils to the Summit in Vienna were rather disappointing. All of them considered the continuation of existing policies to be sufficient, at best with minor modifications. There was an apparent lack of vision and targets.

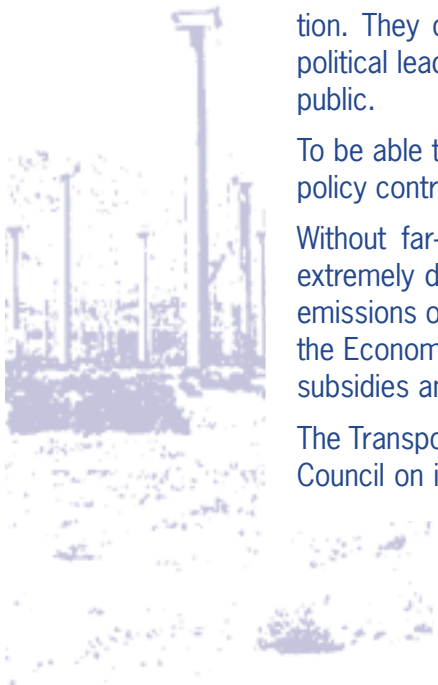
In December 1998, the European Council in Vienna invited the Transport Council to develop a more comprehensive strategy including a timetable for further measures and a set of progress indicators to be presented to the European Council in Helsinki. In October of this year, the Transport Council finalised its report to the Helsinki Summit. This presents, for the first time, a comprehensive strategy with indicators, timetables and a clause on regular reviews on the basis of Commission reports. The report is clearly an important step forward compared with the Council's report to the Vienna Summit. However, there is no clear indication on what measures the Council intends to support and most of the items referred to are already in the pipeline. In this sense the new report is non-committal.

The European Union's concentration on general objectives such as the National Emission Caps (NEC), the air quality directive and the limit values of the daughter directives on sulphur dioxide, nitrogen oxides, particles, ground-level ozone, benzene and carbon monoxide is a visionary way of setting medium- to long-term targets. Targets and indicators and the Transport and Environment Reporting Mechanism (TERM), developed jointly by the Commission, the European Environment Agency (EEA) and Eurostat, will help facilitate the process of integration. They constitute important mechanisms which allow European and national political leaders to get the message across to all stakeholders and to the general public.

To be able to fulfil its part of the task, the transport sector is highly dependent on policy contributions from other sectors.

Without far-reaching decisions on different forms of energy taxation it will be extremely difficult for the transport sector to do its part of the work on reducing emissions of carbon dioxide. The Transport Council will need the active support of the Economy/Finance Council and the Energy Council to remove open and hidden subsidies and to make optimal use of tax incentives.

The Transport Council is also dependent on active support from the Internal Market Council on issues such as standardisation, environmental considerations in public





procurement, and environmental labelling. A disturbing tendency in European environmental policy is the divergence between different Councils, which sometimes reflects deep breaches within national governments.

If Heads of States gathered for European Summits make progressive statements on environmental integration without making sure that their own finance and energy ministers will commit themselves to the same effort, little will change. It will be interesting to see whether the Helsinki Summit will put an end to such inconsistencies.

President of the Austrian Association for Agricultural Research, Heinrich Wohlmeyer centred his speech on the overruling goal of achieving 'physical and psychological well-being', i.e. the definition of health of the World Health Organisation (WHO).

In order to meet this goal it asks the question, what are the main preconditions, which can already be identified with sufficient certainty, in order to serve as benchmarks. The most essential precondition, the sustaining of the base of life is addressed by portraying the biological system earth as a materially closed system, whose material streams are driven by solar energy. Five basic orientations for sustainable human supply systems can be derived: solar orientation of the energy supply system, circular design of material streams, cascadic use of energy and material, biological information (biodiversity) in order to contribute to ecological stability, and decentralising and networking.

Then the usually overlooked question is raised: what does human biology demand from a societal design?

For a life worth living in the 21st century, the following essential institutional benchmarks are identified:

- Reform of the international trading order so as to make positive systems competition possible. That is to say that the international trading systems should facilitate cultural evolution by fair competition of differing social systems instead of steamrolling towards a uniformity at a low level of ecological and social performance.
- Taming the material stream crisis by raising taxation of resource consumption to recycling costs or replacement value.

Putting the budgets on a sound base especially by taxation of capital and information transfers. This is the precondition for saving the European Welfare Model for the 21st century and escaping from the nightmare of a 'century of anxiety', where a helpless State has to retreat from most of the public services necessary to the well-being of the citizens. A basic income for all citizens could ensure a fearless life in a rapidly changing society.



## Session 4: Sustainability roadmaps

The final plenary session of the conference looked at the future of society and the well-being of the planet in which we live. In a period of transformation, though not yet at the point of a paradigm shift, the ability to have a vision of the task ahead, to create the necessary maps to reach the goals and the tools to know whether or not we are succeeding depends on whether we ask ourselves very fundamental questions.

It can be said the man lives, eats, works, travels and organises his activities to provide for himself and to generate a sense of well-being satisfying both material and social needs. The ways these needs are met are governed by ethics and morals which shape our attitude and behaviour within the framework of available resources. The way needs are satisfied have varied over time and differ between cultures and communities.

The knowledge of man, his lifestyles, the role of actors and outside forces in the community, methods of organising his life and his relationship with nature are now continually questioned in the context of limits to growth, the carrying capacity of the ecosystem and the need to predict and secure a sustainable future. In an era of geo-policy and global markets the questions being asked and scenarios presented point to volatile changes and a new interaction between ecological, economic, social and cultural values.

### **Sustainability — a cornerstone of the future?**

Ulrich Golüke from the World Business Council on Sustainable Development recognised Sustainability as a robust organising framework to approach the future. He identified the task ahead as being:

How many people is the world able to sustain?  
At what level of technology?  
At what level of dignity?

Sustainability allows discussion about values such as honesty, dignity, and respect. Can we move from a material constrained world to a 'meaning' constrained one?

Can we shift from the competitive arena to organise ourselves to live with each other fulfilling our needs with dignity? He questioned the maxim that growth was synonymous with well-being. He questioned the context of people's lives.

We need to ask the fundamental questions: who are we? What do we really need? We have become habituated to material goods. Can we move from being part of the system to becoming the system? Can we take the responsibility? For both Ulrich Golüke and forum member John Elkington, Chairman of Sustainability, creativity will be the dynamic for the future with Golüke identifying three main drivers — the many (citizens) the connected and the newness (social innovation).

John Elkington judged that our vision of the future had been getting shorter. Psychologically the year 2000 had perhaps been a cut-off point. Therefore we should open up and lengthen our visions. Golüke pointed to the unevenness of our ability to trick up signals — however weak — along the way. In using 'road maps' to steer the task, Elkington introduced the concept used by major businesses to guide their vision of future development.

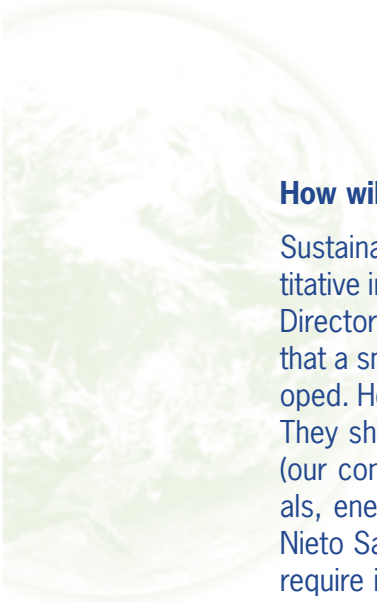
14

### **Task ahead for governments, for the market, for citizens**

Are we still in the realm of good intentions? Forum member Joaquin Nieto Sainz urged the EU to set the line towards sustainability 'if we don't now no one else will'. However, he looked at the relationship between policy change and the market suggesting there was a considerable timelag in market reaction quoting climate change policies as an example.

Nieto Sainz also said that even educated citizens as consumers or travellers don't have choices to purchase goods or transport facilities that compete on price and quality. The production of sustainable materialised goods and services in Austria linked to trade fairs and the establishment of a training college was an example of consumer choice given by Hans-Jörg Pawlik, Director of Klagenfurt Trade Fair.

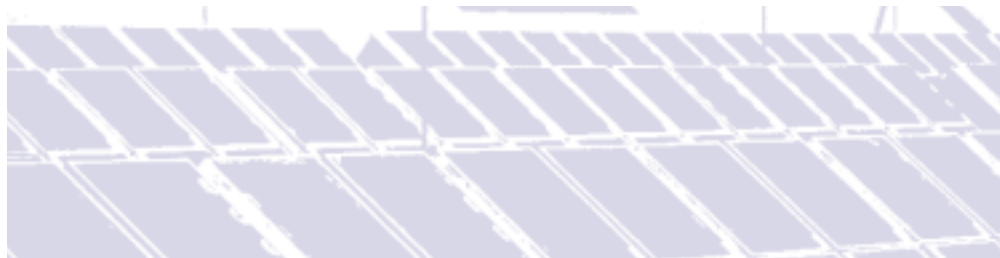
However, they still had to find sufficient demand and turned to public procurement policy (30 % of buying power) and the creation of virtual markets as a necessary impetus. The stimulation of innovation at national level requires that the pilot market has an optimum scale — many businesses involved would be SMEs.



### **How will we know what progress we are making?**

Sustainability is a basic organising principle and as such deserves precise quantitative information in indicators that are credible. Forum member Bedrich Moldan, Director of the Environment Centre at Charles University in Prague, emphasised that a small number of understandable indicators of sustainability should be developed. He emphasised the imperative of the environmental dimension in indicators. They should show the goods and services that are provided by natural systems (our conditions of life) and the total environmental load of our activity — materials, energy, space and time (irreversibility, precautionary principle for example). Nieto Sainz indicated that sustainable jobs and sustainable social relations would require indicators.

For over 30 years the European Union has been engaged with environmental issues, most recently with the Prodi Commission, and the Cardiff process engaged in a new coordinated policy approach. Drafting the 'road map' ahead for environment and sustainable development is already a task for the forum. What signals can we already recognise that will accelerate the paradigm shift? Will it happen sooner than we think as Elkington suggested? Will we all be able to shape up?



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