



UNCSD ► Rio 20plus

Challenging, encouraging, innovative: Addressing the
"Green Economy" Agenda in the context of SD

Learning from long-standing and diverse experience:
Institutional Framework for SD at national level

Statement by the EEAC Working Group on Sustainable Development

April 2011 ¹

This EEAC WG Statement is supported by the following EEAC Councils ²:

Belgium	Federal Council for Sustainable Development (FRDO-CFDD)
Croatia	Council for Sustainable Development and Environmental Protection (SORZO)
Germany	Council for Sustainable Development (RNE) Advisory Council on the Environment (SRU)
Hungary	Working Group * of the Hungarian Council for Sustainable Development (NFFT) ³
Ireland	Comhar, Sustainable Development Council (COMHAR)
Poland	State Environmental Council of Poland (PROS)
Spain	Advisory Council for the Sustainable Development of Catalonia (CADS)
United Kingdom	Countryside Council for Wales (CCW) ⁴

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¹ Published in July 2011 after the consultation process with a few amendments; the Commission's communication on Rio+20 (COM (2011) 363 final) is not commented with this statement.

² Endorsements within the WG SD, by 1.7.11, with amendments.

³ In consultation process.

⁴ Endorsing only the governance part of this statement. Comments on the GE part will be published prior to the EEAC annual conference (16 September 2011), together with all contributions in this debate.

EEAC statement

Context

The international community decided to take advantage of the forthcoming twentieth anniversary of the Earth Summit in 2012. The UN General Assembly decided to hold again a UN Conference on sustainable development in Brazil in 2012. The aim of this conference is to arrive at a renewed political commitment to sustainable development, to assess the progress made since 1992, to check whether there are any implementation gaps in the Rio and Johannesburg agreements, and to examine the challenges of today.

The UNCSO 2012 will discuss two topics:

"a green economy in the context of poverty eradication and sustainable development," and an "institutional framework for sustainable development."

Important players in this process, alongside the member states, are the UN intergovernmental organisations and the Major Groups.

The network of European Environment and Sustainable Development Advisory Councils, EEAC, attaches great importance to the Rio2012 conference, as a unique opportunity to give a new, necessary impetus to a more sustainable development for our planet. EEAC is participating in the process by providing an input based on the know-how and experience of its members across Europe.

EEAC is providing input on the two UNCSO topics with this statement, which is accompanied by two more detailed Background documents *included herewith. The analysis and recommendations are based on a) a collection of national good practice examples and challenges for GE and b) the analysis of a survey on governance for sustainable development, both of which are issued as separate papers.

The statement and background papers are presented at the EEAC Annual Conference 2011 in September, as further step in the process towards the 2012 UNCSO. The EEAC network intends using this statement as the basis for continuing dialogue with the European institutions and other actors about making the economy work for SD.⁵ It is also aimed to endorse comments on the Communication from the European Commission on Rio+20.⁶

Challenging, encouraging, innovative:

Addressing the "Green Economy" Agenda in the context of SD

With this recommendation, EEAC Member Councils collectively address the European Commission, the entrepreneurial community and other stakeholders, while, individually, the national Sustainable Development Councils use the EEAC network to share ideas and compare approaches in respect of the national work profile they are meant to execute. EEAC Member Councils deliver effective programmes and initiatives as referred to in this statement to advance specific low carbon strategies and to make green economy a tool that works for the environment and the social prosperity. We base these recommendations on selected examples from our respective national work profiles, projects and partnerships, published as a collection of national good practice examples. This overview is result of self-evaluating processes as element of EEAC network processes to advance EEAC Member Councils. The

⁵ Since 2001, the EEAC network has been a strong advocate to greening the European Sustainable Development Strategy by defining natural environment and the resources and ecoservices as core element of any sustainable pathway, see: EEAC (2001): Greening Sustainable Development Strategies. Proposals by the European Environmental Advisory Councils for the EU Sustainable Development Strategy). See also: EEAC supporting a major Rio-plus-20 event in 2012 on a sustainable global society and economy Recommendations taken by the EEAC 2009 Annual Plenary Session, Dubrovnik, 24th October 2009; http://www.eeac-net.org/workgroups/pdf/EEAC_supporting_a_major_Rio-plus-20.pdf

⁶ COM (2011) 363 final: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Rio+20: towards the green economy and better governance. (Brussels, 20.6.2011)

conclusions will therefore reflect on lessons learned, strength and weaknesses of EEAC Member Councils as well as on their main fields of activities.

1. What dominates our economy is an economic model that is based on a downward trend towards non sustainable development: depleting resources, changing the climate to dangerous levels, alienating economic growth from people's prosperity, running ever riskier businesses with huge damage potential, accompanied by policies that result in the separation and fragmentation of policies instead of strengthening the case for systemic answers and strategies. In short, this development must not be continued.
2. The EEAC wish to propose an economic model that is grounded in sustainable development principles. This is not to be interpreted as a replacement of the current economic model but rather a model of business organisation that can run parallel with and eventually replace those business models that are based on ever increasing natural resource consumption. It is our view, following investigations amongst our Member Councils, that the green economy can provide meaningful employment opportunities whilst at the same time addressing the big challenges of climate change and natural resource depletion. A process of greening the economy needs to be fail-proofed against attempts to green-washing and protectionism. With specific metrics for roadmaps and accountability of all responsible actors, this process has to allow for bottom up action. In our view, there is a case for a green economy, but it is only viable, tangible and credible when it forms part of the wider context of sustainable development.
3. Greening the economy, first of all, only works when it puts the society first. Good practice experiences show that greening strategies can create new and decent jobs to a large extent. Green jobs can be found, for example, in renewable energy, manufacturing green products, developing environmentally efficient working practices, reducing waste and pollution, recycling and recovery, managing environmental assets and delivering ecosystem goods and services e.g. food and timber, maintaining and enhancing biodiversity. Green jobs would be called decent if they offer a rewarding atmosphere, fair pay and a high quality in terms of skills and working environment. Putting jobs and growth against the environment is an old and outdated concept. European examples show that green economies serve the people.
4. We recommend that sustainable development should become the central organising principle of government. This would involve framing and qualifying national fiscal policies, reform programs and the Europe 2020 in order to integrate long-term sustainable thinking and global cooperation. Policies in different fields need a sustainability umbrella (i.e. to be 'SD proof') to ensure that there is both horizontal and vertical integration across the whole range of governance.
5. For tooling up the European green economy we recommend, as a starting point, revising the EU SD strategy and ask the European Council to decide, as required in 2011, when a comprehensive review will take place. We recommend this to start immediately after the Rio conference in order to transpose the results into the European policy framework. In the global debate about green economy the EU needs to demonstrate its commitment to SD and walk the talk by increasing effectiveness and active delivery. The EEAC therefore advises that the strategy adopts an operational approach that would allow for the framing of roadmap actions.
6. Scientific concepts for taking nature's services into account and respecting them in the economic logic of business are well known. Pricing and licensing operations by issuing certificates, taxing concepts and other market based instrument are being used, But still, we do lack a comprehensive approach that would deliver a turn-around of mainstream economies. The notion of a green economy is not new in substance, but what is new and what we support is a change in perspective of those who are taking decisions on the market. Increasingly, market players invest in green business, and the business community is actively connecting the long term sustainability thinking with their vision 2050 business case. In order to have a strong green economy the deeper it has to connect to the policies towards a sustainable development. This is in some way incremental, but has also some angles that

change the framework conditions. For this purpose, both soft and hard instruments and approaches might be used.

7. The EEAC recommends that we move towards a green economy by demonstrating that the green economy can deliver meaningful jobs that can contribute to both material well-being and meet the global challenges of climate change and resource depletion. The EU Member States can learn from each other about how such a new business model can be constructed and developed. It is about gaining confidence about a new economic trajectory and about gradually replacing the old model, which was based on largely unconstrained natural resource use – there is an element of complementarity in what we suggest. Taking responsibility in global transformation processes urges us to reframe the notion of 'Green Race', as coined by the WBCSD, that is often called upon. The impact of green economy strategies must not generate new forces for international inequality but rather foster and encourage cooperation, particularly in the use of natural resources. The EEAC recommends actions to design and enhance active learning processes in developing countries, disseminate technologies, allow for the access to knowledge and freely available technologies as well as the development of public/private/academic research, and international cooperation and collaboration in that respect. It further advises to redesign trade arrangements and to reflect on the current global regime of intellectual property rights.

We have elaborated these recommendations further in a background paper, with the key elements:

- Facing the dominant mode of degreening
- Green means greening means enabling
- Society first
- Policies against green-washing
- Make use of diversity
- Creating new decent jobs
- Respecting nature's capital
- Adding to the governance portfolio
- Funds needed to progress instrumentation of green economy
- Revising the EU SDS
- EU SDS to frame the roadmap option
- Taking responsibility in global transformation processes
- Advancing EEAC Member Councils

Learning from long-standing and diverse experience: Institutional Framework for SD at national level

The EEAC has worked over the last 10 years on governance for SD, with a focus on national institutions and processes, stakeholder involvement, policy and delivery coordination issues, and the links between different governmental levels, e.g. sub-national, national and EU. This included a recent survey in around half of the EU member states and some regions, on which these recommendations are based.

EEAC underlines that further progress in sustainable development requires transition processes, i.e. rather fundamental shifts in direction of sectors and the economies as a whole, as reflected under the section "green economy". The notion of transition at the same time includes striving for social justice and decreasing inequalities by ensuring effective multilevel "just transition" processes. For such transition processes, the aim of achieving further convergence and integration of the dimensions of sustainable development, requires improvement and reinforcement of governance at all levels, and that SD governance is placed at the core of all levels, incl. the UN system:

Here EEAC also wishes to express its support for certain proposals on the institutional framework for SD at global level, as addressed in the background paper on this issue.

A number of core elements of governance for SD at national and sub-national levels have

emerged as good practice, - relatively independent from the politico-cultural background of a nation, region or municipality. It is the EEAC's view that the following should be pursued:

1. Sustainable development should become the central organising principle of government. More effective coordination is required amongst the various economic, social, and ecological policy domains in order to achieve a more 'joined up' approach to the big challenges we are confronted with today (inter-related crises concerning the climate, energy, biodiversity, poverty, the scarcity of raw materials, the financial and economic issue, unemployment ...).
2. EEAC considers political leadership at a high level as crucial, i.e. the prime minister should be responsible for sustainable development, which matches with his/her encompassing and leading role in government. At the same time, political and administrative coordination mechanisms need to be firmly put in function, i.e. in government, in the ministries and in parliaments.
3. Civil society should be continuously encouraged, where needed, to get organised in order to be an actor in policy processes, and be triggered to initiate and organise bottom-up actions. This includes wider awareness raising and stimulating informed debate on sustainable development. Governments should be open to and foster involvement and participation. Sustainable Development Councils are a model for multi-stakeholder bodies, which are typically composed of stakeholders from the major groups and beyond, active in all these respects and pushing the SD agenda. Deliverables of SD and environmental councils are integrative and transdisciplinary thinking as well as dialogue style politics, for both of which they are also laboratories. In order to live up to their potential they need to be sufficiently resourced and mandated.
4. On political strategies EEAC recommends a two-track approach: There should be an SD strategy with a medium and long-term vision, and at the same time all actors should work on mainstreaming SD in core policies, in particular socio-economic strategies and budgetary processes. SD strategies need to be 'SMART', which also implies that they are monitored and revised, as well as turned into actions, along the targets, possibly in the form of an action plan (see item 5 in the GE section above).
5. On complementing SD tools EEAC considers sustainability impact assessment (SIA) a useful instrument that is designed to provide ex-ante assessment of impacts of policy proposals. It is crucial, also for credibility, that serious alternatives are considered and impacts on the key dimensions of SD, and weighing up to take place in the political sphere with transparency in the entire procedure. Indicators for SD have evolved as key tool for measuring progress: agreeing such indicators is a critical component of developing an SD strategy. EEAC considers it important that dashboards with headline indicators are agreed and also that work on (an) aggregated indicator(s) continues, both in a coordinated fashion with member states.
6. EEAC members share the concern that communication on SD needs to be stepped up significantly: Communicate SD to a wider audience in more practical terms, demonstrate how it is connected to daily life, such as working, housing and consumption. Show it as project of inherent interest, as it is about improving the quality of life of citizens, and with "best practice" how it offers new opportunities. The local or community level shall have a special and important role in connecting SD to daily life. For example, community based groups through their work on practical outcomes play an important role in communicating and demonstrating the SD message. SD also needs to be treated as priority theme by the government, integrated in the communication systems of the individual authorities, and it needs to be better integrated in the educational system of each country. Using an SD strategy as red thread in communication has proven useful in many member states. There should be an active media policy for getting SD at the core of both traditional and new media, and again by stimulating that an SD angle is taken when 'classic' domains and topics are covered. More efforts are needed to translate the SD philosophy in the business language and a clear message should be sent that following SD principles is a "sound business case" and not bad for profit.

7. Overall, it still remains an ongoing task to building capacity for SD at all levels and in all respects: awareness raising, knowledge, thinking "in the very long lines" and out of the box, in all societal groups, and concrete approaches and action, including in and by the government. EEAC, therefore, calls for a more systematic approach and current efforts to be re-examined and invigorated.

The background paper for this section on the institutional framework for SD further elaborates on:

- Challenge: transition needed
- SD strategies
- SD tools
- Communication

Conclusions

This Statement wants to encourage advanced thinking on the issues of *green economy* and the reform of institutional processes towards sustainable development. It connects to the preparation for the UN CSD Conference in Rio de Janeiro 2012.

In our view the strategic high-level policies on all levels should adopt sustainable development as a broad orientation combining a number of different policy areas. It is normative to the extent that it offers a 'vision' of a future based upon principles regarding the long term, planetary boundaries, the circular flow economy (recycling economy) and intergenerational justice. We recognise that governments may find it difficult to pursue sustainable development policies, particularly when faced with major challenges such as deficit reduction, or energy and food security, and the need to respond to the demands from society for jobs and prosperity. However, the principles of sustainable development and its long-term objectives towards e.g. climate mitigation and resource use offer an opportunity to set shorter term policies and programmes that translate transformation into prosperity and job opportunities.

Acknowledging the complexities and difficulties that governments, policy actors, academics and individuals have encountered over the years since 1992 (Rio Earth Summit) the concept of sustainable development is still relevant and alive. It may not be confined to the 'too difficult to handle basket'. Much has been achieved at both governmental and societal levels and a whole range of government policies and programmes and initiatives by businesses and individuals can be cited to support this conclusion.

The EEAC suggest that there is a need to make the institutional framework more sensitive to policies, such as sustainable development, that are cross-cutting in nature. These are often mistaken as over complex and referred to as the 'wicked issues'. Such issues are also characterised by a high degree of involvement of governmental structures and by civil society. This should be addressed as part of the solution, not the problem.

Key policy tools in this process are the EU SDS and national SD strategies. These strategies need to be better linked and provide the strategic direction for long-term EU and national policies. The policy architectures (institutions, legislative and administrative routines, political culture) must allow for the European as well as national SD strategies to underpin other strategies and 'road maps', such as Europe 2020, that set out in more detail how the direction of travel can be monitored in terms of timelines, deliverables, rules for measurement and reporting. As mentioned above, the institutional framework is another vital component in the delivery of a society based on sustainable development principles.

This Statement has drawn on the information and experience of Member Environment and Sustainability Councils. In taking a long-term perspective we suggest that it is possible to shift the curve of economic development to a more sustainable trajectory by developing and strengthening the green economic sector alongside more traditional business models.. At a time when there is great international economic uncertainty we are seeking to encourage governments to begin exploring alternative sectors that have the prospect to deliver worthwhile and satisfying employment opportunities but, at the same time, recognizing that

the earth's sources have to be used more efficiently and sparingly, and sustainable modes for production and consumption have to be developed that can be shared globally.

With this recommendation, EEAC Member Councils collectively urge the European Commission to revise the EU SDS. The SDS needs to become the 'central organising principle' across the whole range of EU policies and programmes. It should give pointers to other EU policies and programmes to the extent that they should conform to SD principles in determining their outcomes e.g. CAP, CFP, convergence, transport and infrastructure and deliver what is needed for Member states green economy agendas.

Reflecting on the work profile of EEAC Member Councils only some national councils actively engage with private sector or trade unions in their projects or programmes. Rio+20 opens the window of opportunity to fill this gap as it merges the dialogue on development and environment with the dialogue on economy and industrial policies.
