



Getting it straight and keeping up the pressure. A Dialogue Paper

**by the EEAC Working Group on Sustainable Development referring to the
European Commission's Communication on the EU SD Strategy (COM(2005) 658)**

Members of the Sustainable Development Working Group of EEAC¹, in a regular working meeting in Barcelona, discussed key issues of the Commission's Communication on the review of the EU Strategy for Sustainable Development and agreed a joint statement.

Building on previous recommendations on sustainable development in Europe as set out in the 2004 "Kinsale Challenge" and in the 2005 "Windsor Momentum" and reflecting the outlook for a renewed EU Sustainable Development Strategy the working group members wish to draw the following points to the attention of all concerned with the promotion of sustainable development in Europe.

The report of the Working Group has subsequently been reviewed and endorsed by the Steering Committee of the EEAC network.

1. The Sustainability Challenge. An opportunity not to be missed

The publication of the European Commission's Communication on the EU Sustainable Development Strategy (COM (2005) 658) in December 2005 provides an important opportunity for member states and all the European Institutions to give new impetus to European policies for sustainable development (SD). The communication indicates some of the important areas for attention and draws together in one place some of the programmes and initiatives at Community level that are already tending towards sustainability. But it does not yet measure up to the severity and urgency of the sustainability challenge and the need for much stronger commitments by member states and by the Commission itself, and a much more determined effort to ensure that commitments are fully implemented, and that other processes such as the Lisbon process are specifically undertaken within a sustainable development framework. The final strategy which the Union adopts will need to express a more compelling vision of a more sustainable Europe for the future and contain stronger commitments to enable that goal to be achieved.

Our Working Group therefore sees the debate that has now been launched on the Communication as a crucial opportunity to reach out for a much broader base of political and public support for the goals of sustainable development and to galvanise leadership and commitment for some of the difficult SD policies that are needed to deal with current challenges to sustainability. Demographic change and the ageing of our populations, the social and employment impacts of globalisation and the increasing competition from the emerging economies, climate change and environmental degradation - all need to be taken into account. A new politics of sustainability needs to be created. The Working Group urges member states, the Council, the Parliament and the Commission together with stakeholder groups and wider society to build on the analysis in the Communication to create a stronger and more dynamic strategy for achieving truly sustainable development in Europe in the years ahead.

¹ European Environmental and Sustainable Development Advisory Councils network; www.eeac-net.org; see also: Sustaining Sustainability. A benchmark study on national strategies towards sustainable development and the impact of councils in nine EU member states, by Ingeborg Niestroy, Lemma, Utrecht, 2005.

The final strategy needs to be a single document setting out in a simple and straightforward way a vision of the more sustainable future for Europe that everyone wants to achieve. It should express the firm intention of all the European institutions and the member states to make sustainable development their common overarching goal as already formulated in the Treaty and the specific goals and targets and measures that are planned at European and international level. It should make clear how stakeholders of all kinds and the European public are to be consulted and engaged in making sustainable development a reality and how the Strategy will be implemented and driven forwards, and how monitored and assessed at regular intervals.

Our network appreciates the intention of the Austrian Presidency of the Council to further develop the strategy. Our dialogue paper is offered as part of a broad move to build on the Communication a powerful relaunch of the EU sustainable development strategy. We stand ready to contribute further to the debate and to play our part in strengthening the strategy and contributing to its outward communication amongst stakeholders of all kinds and to its implementation and monitoring.

Getting it straight. The Severity and Urgency of the Sustainability Challenge

The Commission's Communication provides a useful summary of activity on sustainability issues at European level and indicates some areas where further work will be needed. But it does not provide a detailed assessment of how far Europe is meeting the sustainable development challenge and the Johannesburg goals. And it does not in itself provide either the targets or the machinery to enable Europe to drive development forward more vigorously and more sustainably.

The EU SDS needs to be strengthened, and it needs to explicitly address the key problems of non-sustainable trends. Such a strategy, at European level, is not a matter of choice. Rather, the strategy is required by the Treaties of the Community and the Guiding Principles endorsed by the European Council in June 2005. It is also necessary because people are in deep need of credible European politics that are facing the challenges of non-sustainable trends in a reliable, concrete and transparent way. Otherwise, a business-as-usual approach would miss the historical challenge of reshaping our economics and of creating a knowledge-based society.

Current State of Sustainable Development in the European Union

The Communication refers to a number of important sustainability issues and refers to ongoing activity in relation to some of them. But it does not rigorously assess how far the current situation and trends are already sustainable or fall short of sustainability. A more rigorous analysis of the recently published Eurostat sustainable development indicators and of successive EEA reports would identify more clearly where trends are currently least sustainable and therefore point up priorities for more vigorous action. The final strategy should draw sharper attention to the need for more radical transformation of mainstream thinking about economic goals and the management of development to avoid exacerbating sustainability problems in the years ahead.

Given the well-designed work on quantified assessments, the European SD strategy should make more use of quantified goals and indicators – not only as a reference but also as a political means to manage and communicate SD policies. The EU Strategy should explicitly develop a reference mechanism in the key action fields.

In developing the strategy further the EEAC Working Group urges that it identify more clearly where Europe is most falling short on sustainability goals so as to prioritise action in these areas and to emphasize them as areas for the most regular and intensive monitoring and review.

Current State of action at EU and Member State level.

Similarly COM(2005) 658 refers to some significant areas of activity for sustainability. But it does not assess the adequacy of existing commitments against the guiding principles for SD agreed by the Council and against the factual trends. Nor does it assess how far current implementation policies and actions are achieving existing targets or falling short. It does not set any new objectives, targets or deadlines or any strengthened measures for delivering existing targets – it merely gathers together a description of some of the action already under way in various contexts that has relevance to sustainable development.

Our Working Group agrees with the widespread view that the most important task at present is to achieve better implementation of the wide range of existent targets and commitments, and that ways to achieve this and to keep political attention on areas where there are continuing shortfalls should be the top priority for the new strategy. At the same time in the course of discussing the strategy the Union should seek to adopt more demanding targets and timetables in the areas where SD is most problematic.

There is also the need to clarify where action is most urgently needed at European level, and where it can appropriately be left to member state initiatives or/and to corporate responsibility. In many European member states, a national sustainable development strategy has been adopted and, in part, reviewed several times over. But there are a number of areas in the environmental, social and economic fields that will require action or a framework for action at Community as well as at national level. In their National SD Strategies EU Member States are addressing problematical trends in energy supply and consumption or in mobility, for example, but action options often necessitate measures at both national and EU level. Sustainable development should also be a core theme of European Research and Development programmes and other key spending programmes.

In the light of these comments we urge that

- *the final strategy should include more specific policy proposals or measures for dealing with those areas where trends are most unsustainable, and current policies are not proving adequate to decouple economic growth and environmental pressure,*
- *the strategy should clarify what actions need to be taken at EU level and what at national level.*

2. Making sustainable development happen through key actions on competitiveness

Ecological problems as well as social and economic ones are the drivers for the efforts to come up with sustainability solutions. Among the economic non-sustainable trends unemployment, global poverty, and the inadequacy of conventional economic policies to open new markets and to create future-proof technologies are the most important.

The EU SD strategy adopted in 2001 (Gothenburg Summit) made a brave attempt to integrate these concerns but in practice proved ineffective and, consisting of fragments of a variety of documents, was virtually impossible to communicate. The unclear relationship between Lisbon and the SD strategy produced contradictory and unproductive controversies that were more blockading than innovative.

In our view the annual Lisbon process should be sharpened in scope and direction so that it becomes the occasion for a true annual assessment and stock-taking of the progress of the Union towards the long term goals defined by the sustainable development strategy. It is not sufficient for the Lisbon process to focus on the narrow traditional economic goals of growth and competitiveness. The sustainability challenge makes it imperative to focus on a broader and longer term concept of the well-being and social health of society and its relationship to the natural environment as the true goal. Conversely the SD strategy needs to take full account of the economic dimension and to help identify the technological and economic opportunities that will arise in the transition to a more sustainable society in the future.

The energy field provides a promising field for this approach. We see scope for a major initiative in the energy field to explore and develop more sustainable options for the future including tightening products standards to drive greater energy efficiency, promoting greener fuels, applying systems approaches to improve transport and planning systems and to develop more sustainable cities, exploring the potential for biomass, etc. Specifically we have noted the following areas for attention:

- The future of clean coal incineration technologies (an initiative in this area might enhance the global position of Europe and make a useful contribution to global climate change policies), in parallel to other major efforts to leapfrog in renewable and solar energies that are also urgently needed;
- Clean car technologies (companies that move fastest to pioneer and introduce low CO2 technology are already profiting in the market place, and will increasingly be the winners as the climate change threat becomes more pressing);
- Tightening of product standards eg in relation to energy efficiency and using the massive purchasing and procurement powers of the Union and its member states to reinforce progress in this area.

We therefore urge

- *that the annual Lisbon review process should continue to be undertaken within a sustainable development framework as agreed at the Gothenburg and Cardiff summits;*
- *that a relaunched SD Strategy should incorporate innovation for sustainable development and the long-term competitiveness of the European economy as a seventh key action area. This linking of the two strategies needs to be highly visible in order to streamline political thinking. In the course of a broad discussion on the SD Strategy possible areas for wide-ranging European initiatives should be explored;*
- *that an adequate demand-side management should be set up to stimulate eco-innovative supply; framing issues like environmental taxation and reorientation of subsidies need to be tackled with much more vigour;*
- *to develop criteria for an reassessment of the financial perspective and future budgetary plans at both European and national level from a sustainability point of view.*
- *to create a scope for a major technology programme addressing the future energy market on a global scale taking account of climate change which could achieve European leadership in the most competitive fields.*

3. Cross-cutting issues: delivering coherence

Many of the biggest sustainability challenges span several different DGs in the Commission and several different Council formations. It is not easy to achieve integrated and coherent action across these different formations either at EU or at national level. But the Commission's communication (COM(2005)658) offers no new suggestions as to how such integrated analysis and action might be promoted at either level. Indeed it weakens the existing status of SD reporting by removing sustainable development from the annual Spring Council review, and thereby destroying the essential linkage between the Lisbon agenda and the SD goals that had been made at the Gothenburg Council.

We see a need for strengthening the central capacity for leading and co-ordinating sustainable development work at the heart of the Commission and in the Secretary General's office with stronger coordinating mechanisms to integrate the approach of all the relevant formations in the Commission. We also believe it to be essential to maintain the discipline of reviewing progress on sustainable development at the Spring Council annually and using this annual review to frame and guide the shorter term objectives of the Lisbon process.

The external dimension should be a crucial and integral part of the EU Sustainable Development Strategy. Both Europe's impact on the rest of the world (its footprint) and its programmes to assist and support more sustainable development in other parts of the world should be central elements of the strategy. The present communication does not deal with this external dimension adequately; this omission needs to be addressed in further work on elaborating the strategy.

We urge that

- *the sustainability agenda and action should be coordinated within the Commission by high level structures similar to those that have been adopted for the competitiveness agenda;*
- *progress on sustainability should continue to be reviewed regularly at the highest level at the annual Spring Council;*
- *the external dimension should be properly integrated into the final version of the strategy.*

4. Keeping up the pressure. Governance, monitoring and review

EEAC has made important contributions over the years to analysis of governance structures for sustainable development. Impact assessment is one key tool. In principle impact assessments of policies, programmes or projects before they are undertaken or in the light of experience are a good means of ensuring that decisions take full account of sustainability needs. But in practice impact assessments have not always achieved satisfactory outcomes. Their scope has been limited or they have been undertaken too late, or they have been directed more towards simplifying processes and reducing controls rather than to moving towards a more sustainable development. Any reform and reanimation of impact assessment needs to critically build on these experiences. EEAC is about to deliver a more detailed statement on this.

COM (2005) 658 makes proposals for a monitoring and reviewing scheme for sustainable development in Europe. In order to step up reviewing procedures the Commission proposes to Member states that they should establish or strengthen independent advisory councils for sustainable development at national level. They also suggest a light peer review process for reviewing progress in the implementation of national sustainable development strategies in which EEAC might play some part.

These proposals are welcome. They are the first of their kind and they seriously address some of the shortcomings of European SD Strategies and the difficulty of keeping them alive and dynamic. However, the proposals will need firming up if they are to deliver significant results. And they should not be made a substitute for insisting on the fundamental obligation of each member state and the Commission to keep their own strategy regularly up to date and under active review in the light of progress on key indicators and other evidence. National Sustainable Development Advisory Councils or other councils with expertise and capacity in the field of SD can play a useful part in helping to open up the review process to an element of independent external analysis; but such measures should complement rather than replace the primary responsibilities of member states and the Commission.

As for the establishment of national advisory councils for SD in every country of the Union, our Working Group naturally welcomes the proposal. We believe that in the countries where they exist, national advisory councils have been able to play a valuable part in helping to shape effective national strategies and in the public communication of SD to stakeholders and wider audiences. EEAC research has shown that such councils are best able to make a significant contribution to the advancement of sustainable development when they are established on an independent and stakeholder-based basis and given wide terms of reference and the scope and resources to determine at least part of their own agendas.

EEAC and its members would be well placed to play an advisory role in helping to demonstrate the benefits of such councils and to advise on the modalities of their establishment.

As to Peer reviews, these can certainly be useful but it will be important not to have a process that is so "light" that it does not achieve anything much or encourage any real progress on sustainability. Any SD Strategy is only as good as the monitoring process is credible and output-oriented. Credibility and the creation of ownership may be improved by external quality assurance and/or peer audit routines. A conceptual frame for the monitoring task needs to put all players in the picture and to balance the interdependence and coherence between economic, social and environmental aspects. Involving all players on an equal footing beyond the restrictions of their respective institutional frames may require high-level coordination and leadership.

Whilst the example of the French peer review has delivered interesting insights and results, it is probably not suitable as a detailed blueprint for all member states. In other countries such as the United Kingdom, Germany, Belgium, Finland and Austria, other and slightly different review mechanisms have been successfully performed. In our view the fundamental requirement for a successful review process is to include an independent element that enables stakeholders of all kinds to present their own views of progress and shortcomings in some form of challenge that governments can respond to. Other countries experience can play a useful part of such a review and challenge process but they are no substitute for independent stakeholder review.

In the light of these comments we suggest that in developing the strategy proposals further the following elements should be incorporated:

- *Member States should commit themselves to set up or strengthen independent advisory councils for SD, to assist in the preparation and monitoring of national SD strategies, and to report back regularly on progress on their national SD Strategies (same as Lisbon reporting). The Commission should also report back regularly on its own progress on the tasks falling to it under the strategy.*
- *Arrangements should be made for networking and exchanging experiences learned in reviewing SD strategies on national level and in involving civil society in SD matters. EEAC could be invited to assist the Commission and others in organising such work, and to help in arranging for workshops, capacity building, communication, and outreach to stakeholders.*
- *A structure for any peer review process should be established to ensure that it delivers worthwhile results. Our Working Group suggests that the process might commence in each country with a review by the independent advisory council, which could then form the basis for discussion with selected peers from other countries, organised and performed by EEAC.*
- *A review and reform of impact assessments with a view to making them a more effective means of advancing sustainability.*
- *In order to assist follow up action at EU level we suggest the establishment of an independent European advisory body or mechanism for sustainable development, which could liaise with national councils and help to focus attention on issues that need to be addressed at European level. The role of European Institutions that might be given a specific role in the upcoming review and monitoring process of the EU SDS such as the EESC and their relationship to National Sustainable Development Advisory Councils should also be clarified.*

Conclusion

Article 2 of the Treaty makes sustainable development a central and fundamental goal of the Union.

Building on the Commission's Communication the final strategy should elaborate what is involved in meeting that ambitious goal, and give a clear lead to all parts of Europe as to how that vision is to be achieved.