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Horizontal Policy Integration and Sustainable Development: Conceptual remarks and governance examples

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Horizontal policy integration in the context of sustainable development (SD) is commonly understood as balancing economic, social and environmental interests and policies in a way that trade-offs (or negative effects) between them are minimised and synergies (or win-win-win opportunities) maximised. This ESDN Quarterly Report explores the meaning of horizontal policy integration in the context of SD, it highlights in how far the functioning of public administrations stand in the way of meeting this governance challenge adequately, and what governments do to overcome these barriers. It briefly characterises selected strategic instruments (e.g. SD strategies, departmental action plans, impact assessments, etc) and institutional structures (e.g. inter-departmental committees, national SD councils) that aim to foster horizontal policy integration. The report concludes that addressing horizontal policy integration adequately requires not only an update of existing SD strategies or the launch of more inter-ministerial institutions. It would require a more holistic approach of 'Strategic Public Management' that reforms the functioning of the public sector in more fundamental ways. As the New Public Management movement (geared mainly towards efficiency gains) has shown, this is an ambitious but not an impossible task.

Content

What is horizontal policy integration and why is it important in the context of SD? A Conceptual introduction

The emergence of horizontal policy integration

The quest for a better horizontal integration of sectoral policies is not new. As Peters (1998, 295) notes, "From the time at which governing structures began to be differentiated into departments and ministries there have been complaints that one organization does not know what another is doing, and that their programmes were contradictory, redundant, or both". However, numerous scholars (including Peters himself) emphasise that the challenges of co-ordination and integration have increased in the last few decades (Peters, 1998; Ling, 2002) at every level of policy-making, including international organisations such as the UN. On the one hand, this is often attributed to the fact that recent public management approaches (such as New Public Management) have further disaggregated the already specialized ministries and departments into service delivery agencies in which "the incentives to achieve each organization's aims were greater than the incentives to achieve more system-wide objectives" (Ling, 2002, 618; see also Scharpf, 1993, 125; Peters, 1998, 295f; for further details see "Why is horizontal policy integration so difficult? Exploring the functioning of three administrative narratives"). On the other hand, "Issues are becoming increasingly 'cross-cutting', and do not fit the ministerial boxes into which governments, and policy analysts, tend to place policies" (Peters, 1998, 296). This applies in particular to environmental and sustainable development policies. In the 1970s and 1980s, environmental policies followed most often a sectoral end-of-pipe approach. Water pollution was addressed with waste water treatment, industrial air pollution with filters in factory chimneys, forest dieback with catalytic converters in cars, and ozone depletion with new substances in refrigerators and aerosol cans. While these approaches were quite successful in solving the well-defined environmental problems of that time, it became increasingly apparent that they face limits, in particular in solving more complex problems with many polluters involved that gained prominence in the 1990s. For obvious reasons, SD and related global environmental problems such as climate change are not so much sectoral environmental challenges but rather cross-sectoral issues to be addressed in several sectoral policies, including environmental, economic, transport, and energy policies. Consequently, several concepts were developed to address this issue, the most prominent ones being "Ecological Modernisation" (Hajer, 1995; Mol, 1996; Mol & Sonnenfeld, 2000, Mol & Spaargaren, 2000); sustainable development (WCED, 1987), and environmental policy integration (Lenschow, 2002). In the context of horizontal policy integration and SD policy making in the EU, the last two concepts are of major importance.

Horizontal policy integration and the environment: the substantive dimension

Although sustainable development (SD) and environmental policy integration (EPI) are both concerned with horizontal policy integration, the two concepts have developed in parallel rather than conjointly, and as a result their relationship has changed over time so that it still puzzles both academics and practitioners (see, for example, Jordan and Lenschow, 2008; European Environmental Agency, 2005). When we understand EPI as a principle that asks for the integration of environmental policy objectives "in all stages of policy making in non-environmental policy sectors" (Lafferty, 2002, 13), the overlap with the predominant understanding of SD in the 1990s is considerable. At that time, scholars interpreted SD often as guiding model that requires primarily the integration of environmental considerations in other policy fields. Social and economic issues were taken into account only if they were relevant for environmental concerns. In addition, SD has always addressed governance challenges such as a long-term perspective (intergenerational equity) and the involvement of stakeholders in decision-making (participation). However, since the late 1990s, the understanding of SD was redefined as balancing the economic, social and environmental "dimensions" or "pillars" of SD, ruling out the prioritization of environmental issues. Thus, horizontal policy integration in the context of SD and SD strategies is commonly understood as balancing economic, social and environmental interests and policies in a way that trade-offs (or negative effects) between them are minimised and synergies (or win-win-win opportunities) maximised (Steurer 2008). Today, this understanding of SD is shared by a wide variety of actors, including international organisations like the UN, the OECD (2001) and the World Bank (2002), the European Commission (2004, 2005), and national governments (Steurer & Martinuzzi, 2005). The quest for horizontal integration has even spread beyond the public domain. In the private sector, considering social and environmental issues in business routines is well known as Corporate Social Responsibility (CSR), Corporate Sustainability (Dyllick & Hockerts, 2002), and "triple bottom-line" management (Elkington, 1994).

Although the balancing of the three dimensions of SD aims to maximise synergies, it is evident that trade-offs cannot be avoided altogether, and that the balancing acts can not follow a one-size-fits-all approach. Obviously, SD policies often

require difficult political choices. While the general meaning of SD is outlined in SD strategies, its actual political meaning is subject to constant political negotiations (which are unfortunately often beyond the scope of administered SD strategies, for details see Steurer, 2008). How horizontal policy integration plays out in SD depends essentially on governmental and societal preferences that are influenced, inter alia, by the conditions of the economy, the welfare state and the environment. Therefore, the actual political substance of horizontal policy integration and SD differs not only from country to country, but it also changes over time. SD in Western Europe and other developed regions of the world implies, e.g., different priorities than SD in less developed regions; and the interpretation of SD during an economic crisis is perhaps more economically focused than during boom times. This spatial and temporal contextuality of SD requires to constantly question what "balancing the dimensions of SD" and subsequent horizontal policy integration actually means in the light of current socio-economic and environmental circumstances. By doing so, the empty shells of SD are filled with "contextualised substance".

What does this contextuality of horizontal policy integration and SD signify for Central and Western Europe? As a general rule (that is of course subject to changes over time), one can argue that European welfare states have succeeded in integrating economic and social policies to varying but overall comparatively significant degrees. What is largely missing is the integration of environmental concerns in other sectoral policies. Consequently, a key challenge of SD and SD strategies in a European context is to develop the existin welfare states further into eco-welfare or environmental welfare states. This emphasis of EPI in the context of SD was given legal status in Article 6 of the Amsterdam Treaty, stating that "environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities [...] in particular with a view to promoting sustainable development" (European Council, 1997).

Horizontal policy integration as the ultimate principle of SD: the governance dimension

Obviously, the idea of horizontal policy integration is concerned with both policy substance and adequate governance tools and processes that are required to achieve integrated outcomes, i.e. it is concerned with the 'what' and the 'how' of policy making (OECD, 2001; OECD, 2002; World Bank, 2002; European Commission, 2004; European Commission, 2005; Sneddon et al, 2006). As this section shows, horizontal policy integration as well as respective institutional and procedural reforms are emphasised in several key policy documents on sustainable development, including the Brundtland Report, the Agenda 21, the UN and OECD guidelines for SD strategies, and the renewed EU SD strategy from 2006.

In 1987, the Brundtland Report highlighted prominently the interdependence of developmental (i.e. economic and social) and environmental issues. It emphasised the need for economic development and poverty eradication without jeopardizing the environment. Thus, one of the key conclusions of the Brundtland Report was that solving environmental problems is not a matter of sectoral environmental policies, but that this requires addressing environmental concerns together with economic and/or developmental issues (WCED, 1987, 310). Against this backdrop it complained that the cross-cutting policy challenges of SD are handled by institutions that tend to be "independent, fragmented and working to relatively narrow mandates with closed decision-making processes" (WCED, 1987, 310). In a similar vein, Agenda 21 pointed out that "Prevailing systems of decision-making in many countries tend to separate economic, social and environmental factors at the policy, planning and management levels" (UN, 1992, paragraph 8.2.). Consequently, it urged, "Governments [...] should strengthen national institutional capability and capacity to integrate social, economic, developmental and environmental issues" (UN, 1992, paragraph 8.12.; see also WCED, 1987, 310, 313f). Overall, the Agenda 21 (UN, 1992a) frames the concept of SD as a normative reform agenda, not only for economic, social and environmental policies (or the integration thereof), but in particular for public governance and administration routines per se. Consequently, these and other governance aspects of SD are fully reflected in guidelines prescribing how governments should go about SD. According to the UN and OECD guidelines, two key purposes of SD strategies is, first, to review existing economic, sectoral and environmental policies, strategies and plans with a long-term policy integration perspective, and, second, to modifiy and strengthen national institutional structures, capabilities, capacities and political procedures so that they support the integration of social, economic and environmental issues in decision-making (Steurer & Martinuzzi, 2005). Likewise, "policy integration" is acknowledged as a policy guiding principle in the renewed EU SDS (European Council, 2006), and it links this governance challenge with others as follows: "Promote integration of economic, social and environmental considerations so that they are coherent and mutually reinforce each other by making full use of instruments for better regulation, such as balanced impact assessment and stakeholder consultations".

If we further explore how other guiding principles of SD relate to the idea of policy integration, most of them share not only an integrative character (Steurer, 2008), but apparently they are also tuned towards horizontal policy integration:

- Inter-generational thinking aims to integrate a long-term perspective into short-term policy rationalities, and one of its key purpose is to divert attention from (economic) short-termism towards more long-term social and environmental issues such as climate change;
- Reflexivity, or the systematic use of assessment and monitoring procedures aims to integrate knowledge into policy making, and by doing so it should lead also to informed choices of horizontal policy integration;
- Participation integrates different actors in the policy making process, inter alia with the purpose to balance various interests in well integrated policies.

In other words, integration is the key rationale of the SD concept, and horizontal policy integration is its ultimate governance challenge that is underpinned by most other guiding principles of SD. As the next section shows, this applies

also to what is known as vertical policy integration.

Horizontal + vertical = "diagonal policy integration"

Complex global policy problems such as climate change or biodiversity degradation transcend not only the competencies of ministries within a particular government, but also the vertical tiers of different jurisdictions, from supranational institutions like the European Commission via national and provincial governments, to city halls. Crucially, "the sphere of competence of authorities in charge of environmental protection or environmentally relevant matters does not always match with the boundaries of the affected environment" (Liberatore, 1997, 116). Consequently, the concept of SD and respective guidelines for SD strategies emphasise the need for integrating policies not only horizontally across sectoral ministries but also vertically across the different tiers of government (UN, 1992, paragraph 8.12.; OECD, 2002; European Commission, 2004). Accordingly, EU SD strategy's policy guiding principles (European Council, 2006, 2-6) also emphasise the need to "promote coherence between all European Union policies and coherence between local, regional, national and global actions in order to enhance their contribution to sustainable development." Since the integration of policies between different governments should proceed in a cross-sectoral manner, the concepts of horizontal and vertical integration are obviously closely related. When horizontal policy integration occurs not at a single level of government but is carried further across the vertical tiers of government, one can speak of 'diagonal policy integration' (for an illustration, see figure 1).
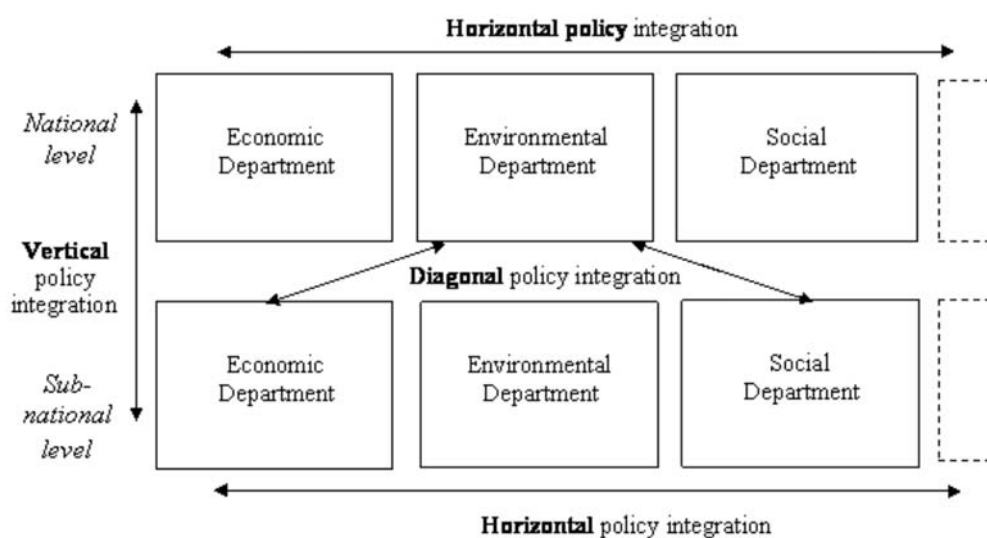

Figure 1: Horizontal, vertical and diagonal policy integration (© Steurer)

Why is horizontal policy integration so difficult? Exploring the functioning of three administrative narratives[1]

The challenge of horizontal policy integration is pressing, and the difficulties in actually delivering integrated policies are daunting. This applies in particular to SD policy making, a policy field that is dominated by administrative practices rather than high-profile political decisions (see Steurer & Martinuzzi, 2007; Steurer, 2008). Against this background, this section explores the functioning of three major administrative narratives that largely define how the public sector works[2] (for an overview, see Jann, 2002; Salamon, 2002; Jann, 2003), namely

- Bureaucracy (the hierarchy-based model of public administration described by the sociologist Max Weber already in the 1920s),
- New Public Management (the market-oriented model that emerged in the 1980s) and
- New Governance (the network-centred response to the market-hype in public administration).

By showing that none of these narratives is adequately geared towards the challenge of horizontal policy integration, it explains why this governance challenge is so hard to meet under the given circumstances. Since public administration practices differ strongly from country to country (Araújo, 2001; Christensen et al, 2002), this section briefly characterises the three narratives in very general terms. It does not describe their particularities for different countries and times; instead, it raises awareness for their shortcomings with regard to the governance challenge of horizontal policy integration.

Bureaucracy

A bureaucracy is described best as unambiguous structure of departments, each headed by a minister who is responsible for all actions of the departmental sub-units. Bureaus are designated to fulfil very specific and clearly defined tasks in a rule-bound way (Hughes, 2003, p. 17-24). "The idea was to create a system that was at the highest possible level of technical efficiency" (Hughes, 2003, p. 24). Obviously, the bureaucratic narrative was strongly influenced by the efforts of rationalisation and labour division in factories, based on the works of the US engineer Frederick Taylor (therefore "Taylorism"). Weber himself explicitly refers to this private sector influence as follows: "The decisive reason for the advance of bureaucratic organisation has always been its purely technical superiority over any other form of organisation. The fully developed bureaucratic mechanism compares with other organisations exactly as does the machine with non-mechanical modes of production. Precision, speed, unambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and personal costs – these are raised to the optimum point in the strictly bureaucratic organisation" (Weber, quoted in Hughes, 2003, p. 24).

Overall, bureaucracies imply sectoral specialisation (or "departmentalisation") rather than policy integration. Although the introduction of professionalism and specialisation in the public sector was a major achievement compared to the former patronage system (therefore the connotation of the term bureaucracy was very positive for decades), it ultimately turned the public sector into a compilation of "administrative silos" which are constructed around policy domains, ignoring related policies or problems (for a summary, see table 2). The sectoral administrative silos are still a factor that has to be taken into account when dealing with SD strategies and the challenge of policy integration (see, for example, Peters 1998, 2000).

New Public Management

Although bureaucracies were originally regarded as efficient, the Weberian narrative was seriously criticised as inefficient from a managerial point of view that became known as New Public Management (NPM) around the 1980s. Since then, NPM became the synonym for a reform movement that brought "Managerialism" into "Bureaucratism" (Gray & Jenkins, 1995; Bevir et al, 2003b, p. 1). While bureaucracies are mainly concerned with state accountability and public order maintenance through a hierarchical mode of governance, the key concern of NPM is to "focus on management, not policy, and on performance appraisal and efficiency" (Bevir et al, 2003b, p. 1; see also Jann, 2002, 2003). Since NPM assumes that "Competition squeezes slack out of slacky organizations" (1998, p. 283), it favours the governance mode of markets (and the according leitmotiv of "getting prices right") to the one of hierarchies (Jackson, 2001; Hood, 1991; Jann 2002, p. 296). Typical policy instruments of NPM are the "marketisation" (or outsourcing) of services provided by the public sector, the market-testing of public agencies (that is, to let them compete with private enterprises), the privatisation of state-owned firms, and the further disaggregation of departmental structures into service agencies, each responsible for a clearly specified product (Bevir et al, 2003b, p. 13; Hood, 1995, p. 95, 97).

Overall, NPM does not moderate but rather enhance the "silo-character" of public administrations by further disaggregating them into specific agencies ("agencification"). Due to its focus on intra-organisational management, NPM may help to increase the efficiency of the public sector. However, it also tends to disregard (and hinder) inter-organisational collaboration across sectors, which can often be regarded as a prerequisite for effective policy integration (Hood, 1991; Dunleavy & Hood, 1994; Hood, 1995; Gray & Jenkins, 1995; Mathiasen, 1999; Lane, 2001; Jackson, 2001; Jann, 2002 & 2003; Hughes, 2003).

New Governance

This continued trend of disaggregation is frequently stated as one of the driving forces behind another administrative reform wave, away from the hierarchical and market modes of governance towards networks often referred to as New Governance (Rhodes, 1996; Peters, 2000; Salamon, 2002).[3] As Rhodes (2000, p. 54) asserts, "Governance is part of the fight back. It is a description of the unintended consequences of corporate management and marketization. [...] The networks so central to the analysis of governance are a response to this pluralization of policy making." According to Jervis and Richards (1997, p. 13), networks are "patterns of long-term relationships between mutually interdependent actors, formed around policy issues or clusters of resources" (see also Börzel, 1998, p. 254). The guiding principle of New Governance is not efficiency but effectiveness (Jackson, 2001, p. 20; Salamon, 2002, p. 23; Jervis & Richards, 1997, p. 9). In 1997, even the World Bank (1997, chapter 2), one of the key advocates of NPM reforms around the world, suggested to "Refocusing on the Effectiveness of the State". Reference to the governance literature shows that this "refocusing" implies a shift from the leitmotiv of getting prices right to getting institutions right (Jann, 2003), for example by establishing networks.

Regarding the challenge of policy integration, the network mode of governance is often assumed to deal effectively with complex and cross-sectoral issues (such as SD) because of the following reasons:

- Since networks involve a broad variety of societal actors they help not only to identify widely accepted solutions but also to sharing information and better understanding complex problems (Jackson, 2001, p. 17).
- The fact that networks provide strong inter-organisational capacities implies that they serve cross-sectoral issues better than narratives with a strong intra-organisational focus, such as NPM (Williams, 2002, p. 105).
- While competition is good for efficiency, collaboration is assumed to facilitate effectiveness because networks provide or generate valuable resources such as local knowledge and experience, ownership and commitment

(Jackson, 2001, p. 18; World Bank, 2002).

Consequently, networks are often seen as the most appropriate "paradigm for the architecture of complexity" (Börzel, 1998, p. 253, who quotes Kenis & Schneider, 1991); or as Rhodes (1997, p. xv) puts it, "Messy problems demand messy [that is, network-like] solutions".

	Bureaucracy	New Public Management	New Governance
Peak of popularity	1920s - 1970s	1980s - 1990s	Mid 1990s - today
Overall approach	"Bureaucratism"	"Managerialism"	Governance
State narrative	Regulatory state	Lean (neo-liberal) state	Relational/enabling state
Key challenge(s)	Maintain public order, legality and accountability	Overcome inefficiencies with economic incentives	Solve complex problems by reducing segregation of policies and actors
Governance leitmotiv	"Law and order"	"Getting prices right"	"Getting institutions right" and "find common solutions"
Guiding principle	Accountability	Efficiency	(Sectoral) Effectiveness
Governance mode	Hierarchy	Market	Network
Governance mechanism	Command & control (authority)	Competition	Co-operation
Preferred policy instrument	Mandatory legal instruments (i.e. 'hard law', directives, regulations, etc.)	Financial instruments (i.e. taxes, tax breaks, subsidies, etc.) and contracts	Partnering instruments (i.e. partnerships, agreements, etc.)
Enforcement through	Control and sanctions	Monitoring, naming & shaming, self interest	Ownership, involvement and joint decisions
Organisational scope	Intra-departmental focus ("Departmentalisation")	Focus on service delivery Agencies ("Agencification")	Inter-organisational focus within sectors/policy coalitions
Pattern of strategy making	Policy planning	Ad-hoc problem solving, combined with elements of strategic management	Strategic Management, emphasising (policy) learning and adaptation
Skills required	Compliance and control skills	Management skills such as organising, financing, controlling, marketing etc.	"Enablement skills" such as activating, orchestrating and modulating actors and processes

Table 1: Key characteristics of bureaucracy, New Public Management and New Governance as three public administration narratives [4]

Since New Governance narratives favour an inter-organisational over an intra-organisational focus (Jervis & Richards, 1997; Jann, 2002, p. 288; Williams, 2002, p. 105), they do take "public administration out of the narrow tunnel of formally designed structures and mandated organizations" (Toonen, 1998, p. 250). Yet, does the rise of New Governance imply a transition from sectoral silos and task-oriented agencies towards a web of inter-organisational and cross-sectoral networks? Not necessarily. While most networks are inter-organisational in character, network theories (Peters, 2000) as well as ESDN networking experience[5] suggest that the scope of most networks is still limited to specific issues within a policy field or a sector. Even more so, the co-operative yet advocacy nature of networks might even "institutionalize and legitimate the conflicts among policy domains, and reinforce those natural divisions" (Peters, 2000, p. 45).

Overall, the upside of the administrative story line summarised above is that both, public administration theory and practice have adapted to new challenges, such as inefficiency and ineffectiveness. Consequently, public administrations have become more diverse in terms of leitmotivs, principles and modes of governance in recent decades. Starting out from the relatively uniform model of bureaucracy, many administrations have also embodied NPM since the 1980s and New Governance (such as informal networks and inter-ministerial groups) since the 1990s. Although each narrative has certain strengths, and New Governance is assumed to handle complex issues better than bureaucracies or NPM, the downside is that none of the administrative narratives discussed so far is geared towards policy integration in general, and the integrative challenges of SD in particular. Consequently, public administrations try to cope with this shortcoming by employing different policy tools, mechanisms and structures to.

How do governments facilitate horizontal policy integration? Instruments and structures

So far, the present report has shown that horizontal policy integration is a key governance challenge in the context of SD, but that the functioning of public administrations is not geared towards this challenge. Consequently, governments often fall short in delivering horizontally integrated policies, in particular in policy areas that are dominated by administrative

routines. Since governments are aware of their limited capabilities in addressing cross-sectoral issues in integrated ways, they deploy several governance arrangements that are supposed to address this shortcoming. A selection of strategic instruments and institutional structures that promote policy integration are presented in this section.

Although adequate governance arrangements are key to deliver integrated policies, one should not overlook that horizontal policy integration ultimately depends on how traditional policy instruments (such as laws and economic incentives) are designed and implemented. In other words, the governance arrangements presented here are no ends in themselves, but they are supposed to shape actual policies in integrated ways.

Strategic instruments

In order to address horizontal policy integration, several strategic instruments are applied in Europe. They can have a coordinating, communicative and/or assessing character. Below, we describe several of these instruments:

SD strategies

SD strategies at the European, national and sub-national levels generally include topics and objectives which require horizontal or cross-sectoral coordination. The SD strategy documents outline at best how the various topics/objectives should be approached in order to achieve horizontal policy integration. Besides the renewed EU SDS of 2006, a total of 25 EU Member States has developed national SD strategies (NSDSs)[6] and several regional authorities in the Member States have prepared regional SD strategies (e.g. in Germany, Spain, Italy). For basic information on SD strategy documents on the national and sub-national levels in the EU Member States, please go to the country profiles section on the ESDN homepage.

Departmental SD action plans

SD action plans translate the general objectives of SD strategies into concrete measures and actions for implementation. On the national level, SD action plans can either be drawn up for the whole government and its public administration (e.g. the two Work Programmes of the Austrian NSDS which defined about 250 measures to be implemented by the different government departments at the national and sub-national level), or they can be developed by individual government departments to identify their contributions in delivering the NSDS. Examples of departmental SD action plans can be found in the UK and Germany.

In the UK, the NSDS requires each ministry to publish an SD Action Plan (SDAP) which sets out the contribution made by that ministry to meeting the UK's SD objectives and to report annually on progress. The SDAPs are intended to cover all aspects of the ministry's business, outlining the actions that build an SD approach to policies they produce or deliver, people they work with, goods and services which they procure and the operations which they manage. Since 2005, all government departments have prepared at least one SDAP and many are working on their second. By following this link, you can access the SDAPs of the UK government departments. The UK Sustainable Development Commission (SDC) reviews and assesses all SDAPs, and provides advice to ministries on how to improve them. The SCD has produced guidance documents on how to prepare SDAPs and how to develop progress reports on the SDAPs. Assessments of individual departments' contribution to the SD objectives can be found on the SDC website. When taking stock of the first round of SDAP progress reports in January 2008, the SDC in its summary report remarked that there were several 'helps' and 'hinders' in implementing the SDAPs. The 'helps' are strong leadership and integrating SD into core functions of the respective departments; the 'hinders' are lack of resources and lack of an SD culture in the departments as well as SD being buried under other priorities and not seen as directly relevant to the departments' specific policy areas.

Since the adoption of the German NSDS progress report 2008, the individual government ministries have voluntarily agreed to publish 'departmental reports' on their contribution to SD objectives in general, and to the objectives of the German NSDS in particular. As of June 2009, 7 ministries have published departmental reports which can be accessed from the website of the German Chancellery. So far, however, there is neither agreement about the focus of these reports nor about the SD aspects which should be covered. Therefore, the concept and direction of the individual reports as well as their relation to the NSDS differ. Moreover, the ministries can decide independently whether they want to make the reports publicly available.

Other policy strategies

Other policy strategies exist that include SD issues and that contribute to horizontal policy integration in the context of SD. On the European level, the renewed Lisbon Strategy of 2005 includes several SD topics and therefore complements the EU SDS (for more information, please go to the ESDN Quarterly Report of December 2008). The National Reform Programmes (NRPs) are developed in the Member States and aim to implement the Lisbon Strategy objectives at the national level. After the first NRPs that covered the period 2005-08, all Member States have now developed their second NRPs for 2008-10.

The EU and many EU Member States have developed sectoral policy strategies that also touch on SD issues, like climate

change strategies or action plans which outline strategic measure to tackle climate change challenges. An overview of climate change strategies can be found in the ESDN Quarterly Report of September 2007. Moreover, there are other sectoral policy strategies that include SD relevant issues or measures, e.g. transport policy strategies, sustainable production and consumptions strategies, regional development strategies, etc.

Sustainability impact assessments

Since the late 1990s, the call for an integrated impact assessment became prevalent, especially in the context of increasing efforts for horizontal policy integration. Within the EU, the Cardiff Process in 1998 established the requirement for a better integration of environmental considerations in all policy sectors. Moreover, the renewed EU SDS suggests that all EU institutions (and EU Member States) "should ensure that major policy decisions are based on proposals that have undergone high quality impact assessment" (European Council, 2006, para 11). Generally, horizontal policy integration is one of the major objectives of sustainability impact assessments (Ecologic et al, 2007; Pope et al, 2004; Arbter, 2003).

In the EU, the European Commission's impact assessment system was launched in 2002 (European Commission, 2002). Since the update of the impact assessment in 2005 (European Commission, 2005), a formal impact assessment is required for items in the Commission's Work Programme. This means that all regulatory proposals, Whiter Papers, expenditure programmes and negotiating guidelines for international agreements are subject to an impact assessment. The guiding principle of impact assessments is to consider the economic, social and environmental dimensions of Commission policy proposals. More information on sustainability impact assessment can be found in the ESDN Quarterly Report of June 2007.

Also several European countries have applied or are in the process of applying sustainability impact assessment (SIA). According to the Swiss 'Sustainable Development Strategy: Guidelines and Action Plan 2008-2011', the measures of the action plan must be subjected to a sustainability assessment to find out how they comply with the principles of SD. The assessment is also recommended for other major government initiatives. In order to foster the uptake of sustainability assessments, guidelines for federal agencies and other interested parties have been developed. In Belgium, a manual for SIA was developed in 2006 on the basis of the results of a study about the methodology and feasibility of SIAs (Paredis et al, 2006) and of the experiences of the Flemish region's Regulation Impact Assessment. In January 2007, the Belgium Federal Government added SIA to the rules for the Federal Council of Ministers. Since its adoption in March 2007, SIAs must be included in each major policy proposal of the Federal Council of Ministers. Recently, the Finnish National Commission on SD started to conceptualise an impact assessment of its NSDS of 2006. This process was launched with an international working in Helsinki in February 2009.

Green budgeting

Beginning in the mid-1990s, green budgeting has become increasingly important at the EU and Member States level (Wilkinson et al, 2008). Reference to green budgeting was not only made in the Brundtland Report which argued that "the major central economic and sectoral agencies of governments should now be made directly responsible and fully accountable for ensuring that their policies, programmes and budget support development that is ecologically as well as economically sustainable" (WCED, 1987, 314), but also in Agenda 21 (UN, 1992). Generally, the aim of green budgeting is to include sustainable development aspects when developing and implementing public budgets. Several EU Member States have made experiences with green budgeting, like the UK (e.g. departmental spending reviews, Public Service Agreements), the Netherlands (e.g. departmental financial statements) or Germany (e.g. tax incentives for sustainable technologies). Moreover, the EU undertakes efforts to address green budgeting in the multi-annual financial perspectives.

Institutional structures

This section portrays institutional structures that have been developed to better coordinate the work of sectoral government ministries. It distinguishes

- Inter-ministerial bodies at the political level;
- Inter-ministerial bodies at the administrative level;
- Hybrid structures that involve politicians, administrators and societal stakeholders.

Each institution is characterised by (i) its objectives and tasks, (ii) its members, (iii) the way it works in practice, (iv) horizontal policy integration impacts, and (v) future challenges. The portraits below are based on an email survey among ESDN members from the respective countries[7] that was conducted during May and June 2009.

Inter-ministerial bodies at the political level

Germany: State Secretaries' Committee for Sustainable Development

Objectives & tasks

The State Secretaries' Committee for SD (StA) is, besides the Cabinet of Ministers, the second most important decision-

making body on SD policy in Germany. The StA is mainly responsible for further developing the German NSDS which includes conceptualising and developing the focus of the NSDS progress reports. The StA decides on the structure and on the final draft of the progress reports which are subsequently adopted by the German Cabinet. Moreover, the StA decides on all documents that are published to foster public debate on further NSDS development.

Along with the NSDS progress report 2008, the StA has for the first time decided on a working programme that specifies topics for discussion and lists the national ministries which write the drafts for preparing the StA meetings. The preparation is finally agreed by the whole government in the framework of the so-called UAL-AG (a permanent inter-ministerial working-group on SD on director level) under the overall guidance of the chancellery. Part of the preparation is the drafting of the proposed resolutions, suggesting guests for the meetings and proposing press releases. Another issue included in the work programme is that sectoral ministries issue 'departmental reports' on how they contribute to implementing SD policy objectives in general and the NSDS objectives in particular (see "Departmental SD action plans" above).

Members of the StA

Since the new legislative period starting in 2005, all government ministries are represented in the State Secretaries' Committee. Each ministry is represented by a state secretary. In the German political system, state secretaries are the highest level civil servants in each ministry and can be compared to vice ministers in other countries. The importance of the StA in SD policy-making is guaranteed by (a) its institutional position right below the Cabinet of Ministers, (b) the participation of the second highest person of the sectoral ministries, and (c) the restricted possibilities for delegation – state secretaries cannot be substituted by directors of departments or other members of the ministries but only by state secretaries of other ministries.

How does the StA work?

The chair of the StA is the Head of the Federal Chancellery which coordinates the NSDS process in Germany. The Head of the Federal Chancellery has the status of a minister and is a member of the Cabinet of Ministers.

Since December 2008, the StA holds monthly meetings. The summary of the meetings is reflected in the press releases that are also available online. The StA does not discuss day-to-day policy issues, but rather concentrates on various general aspects of SD which are discussed in-depth. External experts are invited to participate in these meetings on a case to case basis. The topics discussed in the last StA meetings were the future of the EU SDS, sustainable consumption and sustainable construction, impacts of demographic change on sustainable finance policy, and perspectives of research for SD as innovation policy issue.

Impacts on horizontal policy integration

- The work programme includes topics for a comprehensive reflection on SD;
- Discussions of the state secretaries about general SD issues and issues that are not directly related to their ministries;
- In preparation to the StA meetings, the sectoral ministries are asked to coordinate topics and documents; therefore, more people are concerned with SD issues than has previously been the case;
- Experts and stakeholders of various policy sectors are invited to the StA meetings which raises awareness for cross-sectoral problems.

Future challenges

- Further strengthen the implementation of the NSDS by taken into account horizontal policy integration;
- The coordination between the federal and regional/local level is important to achieve horizontal policy integration.

Belgium: Interdepartmental Commission on Sustainable Development

Objectives & tasks

According to the Act of 5 May 1997 that defines the SD strategy approach, the main objective of the Interdepartmental Commission on SD (ICSD) lies in the preparation and follow-up of the four-year Federal Plan for SD (current period 2004-08, new Plan for 2009-12 has not yet been adopted). The ICSD has the responsibility to draw up a preliminary draft Plan, which is then submitted for public consultation. On the basis of opinions and comments received from the stakeholders, the ICSD develops a new draft Plan which is submitted to the Council of Ministers for adoption.

Besides this main objective, the ICDS has several other tasks, e.g. it organises the reporting of its members, it provides a report on its activities, it gives advice to the Federal Planning Bureau for the preparation of their reports on SD, etc.

Members of the ICSD

The ICSD is currently composed of representatives of each federal government ministry (politicians or public administrators) and a representative of the Federal Planning Bureau. The regional and community governments also appoint a representative. In October 2003, the government decided to also invite one representative of each federal

public service and each federal public planning service to join the ICDS.

Recently, however, there has been political agreement to change the composition of the ICSD. In the future, the ICSD will only comprise of representatives of the federal administrations as members, politicians will be no longer included (as has been the case over the last years). Therefore, by changing its composition, the ICDS will become a purely administrative body and final decisions will be taken later by politicians.

How does the ICSD work?

The chair and secretariat of the ICSD are provided by the Ministry of Sustainable Development. Together with two vice-chairmen (one Dutch-speaking and one French-speaking), they prepare the meetings. Neither the current nor the newly proposed regulation provides a fixed meeting schedule. Normally, the ICDO holds a plenary session every two months. Working groups have their own meeting schedule based on their actual work in progress.

The most important objective of the ICSD is the preparation and coordinated implementation of the Federal Plan for SD. In the last few years, the ICSD has organised working groups on the following topics: corporate social responsibility and socially responsible investments, sustainable public procurement, sustainable impact assessment, international SD obligations, and the development of a national SD strategy. Only the working groups on the first two topics are currently active.

Impacts on horizontal policy integration

- Generally, the ICSD fosters coordination between the different federal public services and also involves the regions. The latter issue is important as in the Belgian political system, there is no clear hierarchy between the federal level and the regions. Therefore, the cooperation with the regions within the ICSD can also be seen as a different form of horizontal integration.
- The ICSD guarantees the involvement of all federal public services and policy sectors in the planning and implementation of the federal SD strategy and plans.
- The working groups of the ICSD make it possible to engage government experts of different federal and regional public services to cooperate on specific topics on a more informal way. The Belgian Framework on Corporate Social Responsibility is a good example of this horizontal cooperation.

Future challenges

- The revision of the Act of 5 May 1997 will bring several changes: it will amend the period of the Federal SD Plan (from a 4-year period to a 5-year period); it will be made possible for the government to revise the plan during the new 5-year period; and it will change the composition of the ICSD to a purely administrative body.
- With the proposed change of the composition of the ICSD and without the direct involvement of the political level, public services are expected to have more opportunity to discuss and prepare SD policies.
- The proposed composition of the ICSD will make this commission more adapt to prepare the federal plans on SD. The political deliberations and decisions will be made in a later phase in the process, and thus will interfere less in the preparation phase.

Inter-ministerial bodies at the administrative level

UK: Sustainable Development Programme Board

Objectives & tasks

The Sustainable Development Programme Board (SDPB) has the main aim to oversee the delivery of the UK's NSDS of 2005, 'Securing The Future', and its commitments. The key roles for the SDPB are:

- To ensure consistency of NSDS implementation;
- To provide assurance on NSDS delivery;
- To provide a network of SD champions within and between departments;
- To identify priority areas;
- To prevent unnecessary duplication between departments;
- To horizon scan in order to identify, at an early stage, key areas of upcoming or developing policy with a significant impact on the SD agenda;
- To discuss key cross-cutting themes, such as the proposed Comprehensive Spending Review, the better regulation/efficiency agenda and policy appraisal;
- To provide oversight of progress towards delivery of departmental public service agreements (PSAs) and departmental strategic objectives (DSOs) which represent key areas of opportunity and risk for SD.

Members of the SDPB

The SDPB is made up of high-ranking government officials (senior civil servants) from the departments most closely involved in the development of SD policy and its delivery.

A lower-level Sustainable Development Policy Working Group (SDPWG) is made up of policy officials from each department and supports the SDPB. The working group meets before the SDPB to discuss the same issues in order to brief the senior officials who sit on the SDPB.

How does the SDPB work?

The SDPB meets on a quarterly basis and is chaired by the Department for Environment, Food and Rural Affairs (Defra).

Recent agenda items have included the impacts of the economic downturn, refocusing priorities for the cross-government Sustainable Development Programme ('re-energise' project), the work programme of the Sustainable Development Commission, and Sustainable Operations on the Government Estate.

Impacts on horizontal policy integration

- Enabling cross-department working on SD;
- Measuring SD progress on issues across government;
- Initiating discussions on a 'vision' for SD.

Future challenges

- The likely impacts of a political shift (change in government) in support for SD or related issues:
- Setting priorities for action within the current economic context;
- Setting agreed objectives going forward following the 're-energise' project to re-focus priorities for the SD Programme.

Switzerland: Interdepartmental Sustainable Development Committee

Objectives & tasks

The Swiss Council of Ministers in 2008 assigned the Interdepartmental Sustainable Development Committee (ISDC) with the implementation of the renewed Swiss NSDS. The tasks of ISDC are:

- Coordination of Swiss policy as it relates to SD;
- Interdepartmental and interagency coordination of Swiss activities which are of significance to SD;
- Joint development of strategies and action plans for Switzerland's implementation of Agenda 21;
- Coordination of the commitments made by Switzerland in international processes, and reporting to international bodies such as the United Nations;
- Fostering relationships within the federal administration as well as with the private sector and civil society.

Members of the ISDC

The members of the ISDC are public administrators from about 30 federal ministries and federal agencies; politicians and societal stakeholders are not involved in the ISDC. Previously, ISDC members came from the highest level in the public administration (i.e. directors of departments). However, due to the fact that those high-level administrators were mostly substituted in the meetings by lower level public administrators, the membership to the ISDC was officially adapted to this reality in 2005. Today, the ISDC is composed of leading staff members of the departments in the various ministries.

How does the ISDC work?

The ISDC is chaired by the Federal Office for Spatial Development. The 'ISDC Office', the executive committee which consists of public administrators of five federal ministries, meets every second month or more often if necessary. The 'ISDC Plenum', which consists of all ISDC members, holds its meetings twice a year.

The 'ISDC Office' is mainly concerned with the preparation of the meetings of the Plenum and the handling of various projects which are either commissioned by the political level or developed by the Office itself. The 'ISDC Plenum' mainly deals with issues related to the NSDS (which is now adjusted to the four-year legislative period). Topics depend on the respective phase of the NSDS process, i.e. strategy development, implementation or evaluation. However, the Plenum also discusses broader topics which are related to SD in general, e.g. the current financial and economic crisis and its impact on SD.

Impacts on horizontal policy integration

- The ISDC has no decision-making power and is first and foremost a discussion platform;
- Nevertheless, the ISDC has an important role in shaping the NSDS and its related processes;
- The ISDC constitutes an actors network in which agreements are often reached in a small circle; for instance, the coordination between the NSDS and the Growth Strategy of the government is mainly undertaken bilaterally between the Federal Office for Spatial Development and the State Secretariat for Economic Affairs which is fostered by the legitimising role of the ISDC.

Future challenges

- The ISDC can only marginally influence well established processes in policy sectors (e.g. climate policy)
- The financial and personal resources available for the work of the ISDC are limited and thus need to be efficiently applied in order to not weaken cross-sectoral coordination
- The political level usually establishes new or ad-hoc committees for emerging problems rather than using existing committees like the ISDC
- The ISDC, as standing committee for the complex SD topic, must constantly legitimate itself and compete with other topics and actors about its place in the policy system

Hybrid structures that involve politicians, administrators and societal stakeholders

Finland: Finnish National Commission on Sustainable Development[8]

Objectives & tasks

In February 2008, the Finnish Government unanimously decided to reappoint the Finnish National Commission on Sustainable Development (FNCSD). The Commission's term of office was extended until the end of 2012. The FNCSD was first appointed in 1993 and it has operated continuously since then.

According to the mandate given in February 2008, the objectives of the Commission's work are to

- promote the inclusion of the strategic goals of SD in national policies and administrative practices;
- support and enhance SD work, dialogue and networking between different societal actors;
- actively operate within the framework of international SD cooperation; and
- foster a generate discussion on matters of major significance from the perspective of national and global SD.

The Commission's key tasks during its 2008–2012 mandate consist of

- promoting, evaluating and monitoring the implementation of the NSDS;
- obtaining commitments from various societal actors to promote SD policies in their own activities and strengthening the dialogue particularly with the Finnish Parliament;
- serving as a high-level SD partnership network in relation to the government;
- linking national SD policies closer with the SD work of the United Nations, European Union and the regions.

Members of the FNCSD

The FNCSD is based on an open dialogue between the national government, public administration, business and industry, and civil society. The Prime Minister chaired the FNCSD for 14 years; since 2007 it is chaired by the Minister of Labour. As in the previous FNCSD periods, the Minister of the Environment acts as the vice-chairperson.

In addition to the chairperson and vice-chairperson, there are four other government ministers represented in the FNCSD (ministers of Foreign Trade, Communications, Internal Affairs, Culture and Sport). From the National Parliament, three parliamentary committees are involved (Environment Committee, Committee for the Future, and Foreign Affairs Committee). In addition to these state actors, all spheres of the society are represented in the FNCSD: public administration, business and industry, municipalities and regions, trade unions, the educational sector, non-governmental organisations, the scientific community, the arts and the churches. All together, there are 43 members in the current Commission composition. For more detailed information on the FNCSD as a distinct model for involving stakeholders in SD policy-making, please go to the ESDN Quarterly Report of December 2006.

How does the FNCSD work?

The Commission convenes approximately four times per year for theme meetings (each one lasting approx. two hours). It also arranges seminars, tailored workshops and joint meetings with ministries, projects and other councils during each year.

The Secretariat General of the FNCSD works within the Ministry of the Environment. It constitutes the core engine of the national coordination and preparatory work. In addition to the Secretariat General, the work of the FNCSD is prepared by a Network Secretariat, appointed by the Ministry of the Environment, which is made up of the SD contact persons of various ministries. This inter-ministerial Network Secretariat convenes normally once a month under the chairmanship of the Secretary General of the FNCSD.

The FNCSD has adopted for itself a working programme and a communication plan. The objective of the Commission's working programme is to promote and concretise the implementation of the NSDS key policies. The programme thus works as an action framework for the strategy's implementation, and the Commission's role is to facilitate that process.

The FNCSD has the following issues on its agenda for 2008–2012: SD in Finnish development policy, sustainable natural resource policy, SD in climate and energy policy, effective measures to the protection and use of the Baltic Sea,

sustainable economy, and evaluation of SD in Finland.

Impacts on horizontal policy integration

- The FNCSD fosters coherence between sectoral policies in the state administration;
- In so doing, the FNCSD points to controversies and loopholes when conflicting sectoral policy objectives emerge;
- In fostering horizontal integration, the FNCSD also contributes to more consensus in society: consensus can be a powerful asset in formulating joint statements and positions on difficult and complex issues, e.g. measures to mitigate climate change;
- Moreover, by fostering horizontal policy integration the FNCSD aims to increase ownership and commitment of various parties and actors to SD policy decisions and their implementation.

Future challenges

- Even though SD is quite well received and perceived in sectoral ministries in Finland, the process cannot continue without resourced process managers keeping up the momentum and engaging new parties.
- Even though the leadership is still on a ministerial level (Minister of Labour), stronger political engagement of the Prime Minister's Office's to SD would open up completely new prospects for mainstreaming SD in government policies.
- The Secretariat General of the FNCSD has been located since 1993 in the Ministry of the Environment due to many historical and administrative reasons. In order to boost horizontal policy integration and to upgrade the status and impacts of SD policies, the Secretariat General (having the project manager task) could be moved from the Ministry of the Environment to the Prime Minister's Office.

Czech Republic: Government Council for Sustainable Development

Objectives & tasks

The Czech Government Council for Sustainable Development (CGCSD) is a government body that aims to coordinate sectoral ministries and to foster stakeholder involvement in the NSDS process. It is based on the principle of formal representation (in practice, 50 per cent government representatives and 50 per cent stakeholder representatives). The Council was established by a government resolution in July 2003. The present mandate was approved by the government in September 2006.

According to its statue, the main objectives and tasks of the Council are as follows:

- Drafting and revising the NSDS and monitoring and evaluating its implementation through progress reports on an annual basis;
- Coordinating departmental concepts and strategies (recommendations, opinions);
- Promoting public discussions on SD and raising public awareness;
- Coordinating SD activities of the Czech Republic in relation to EU, UN or OECD activities.

Since its establishment, the CGCSD has strived to establish itself as an advisory and SD research body. In this endeavour, it combines the capacities of senior government officials, academia members and stakeholders. Through its activities, the Council has already progressed in creating an institutional and expert base for SD in the Czech Republic.

Members of the CGCSD

Currently, the CGSCD has 27 members. Formally, the Council is led by the Prime Minister (Statutory Chairman) and by Deputy Prime Minister and Minister of Environment (Executive Vice-Chairman), which should bring political attention for SD issues. In fact, individual ministers often send their Deputy Ministers to represent them in Council sessions. Council members are appointed by the government (by the Executive Vice-Chairman) on the basis of individual ministers, heads of institutions and leaders of civil society organisation. Individual members of the Council can nominate their own candidates (i.e. outstanding personalities).

How does the CGCSD work?

The Council holds plenary sessions 4 times per year and debates on SD topics. Generally, close attention is given to the SD processes and negotiations on the international level. The decisions are made public in form of resolutions.

There are standing bodies called committees (e.g. Committee for Strategy, Committee for Communication) and seven temporary working groups (e.g. working groups for SD indicators, sustainable consumption and production, spatial development of municipalities, towns and regions, education on SD) that prepare topics for the plenary sessions of the CGCSD and hold more in-depth discussions.

Usually, the Council stimulates the discussion on SD priorities. It was in the centre of developing the NSDS and formulated its priority fields, and it assists in NSDS implementation and regularly monitors the NSDS through progress reports. In 2007, the Council initiated the process of updating the NSDS.

Impacts on horizontal policy integration

The secretariat of the CGCSD mentioned that the governing structure for updating the NSDS can be seen as an example of how horizontal policy integration could function:

- Steering Committee – 11 representatives of all stakeholders for horizontal policy integration; the Steering Committee discusses the broader problem of strategic planning, coordination and methodological compatibility of the NSDS with other national policy strategies as well as concepts of individual ministries in its sessions
- Ad-hoc Working Group – representatives of ministries only, forming 5 sub-teams according to 5 priority axes of the NSDS; central level and horizontal integration
- Committee for Strategy – standing body of the CGCSD – horizontal level
- External private consulting firm – central level, responsible also for public discussion evaluation
- Platform – about 40 representatives of parliament, political parties, central institutions involved in the process , special sessions organised for this Platform
- Secretariat of the CGCSD

These bodies are responsible for presenting the complete draft NSDS document to the plenary session of the CGCSD for final discussion. The date for completing the updated NSDS has been set for 30 November 2009.

Future challenges

The CGSDS secretariat argued that the challenges are of long-term character and did not chance since 2003 when the Council was established.

As regards the NSDS:

- Working for compatibility with other policy strategies;
- Preparing NSDS implementation plans;
- Improving horizontal and vertical policy coordination;
- Following-up international guidelines.

As regards the Council´s work in general:

- To gradually proceed in becoming a highly respected body at national level;
- To play and active part in communicating SD issues and especially in NSDS implementation.

Fragmented governance versus Strategic Public Management

This report has highlighted that horizontal policy integration is an outstanding governance challenge in the context of SD. It has also shown that addressing this challenge adequately is difficult because the functioning of the public sector is geared towards other concerns. Thus, most European governments have deployed strategic instruments and institutional structures that foster horizontal policy integration point by point. As a special issue on SD strategies in Europe has shown (Steurer & Martinuzzi, 2007), SD strategies should serve as a key hub in the governance of SD but often fail to fulfil this function: Most SD strategies have become fragmented and "administered strategies", obviously unfolding only a fraction of their (strategic) potential and most often failing to effectively orchestrate different strategy features and governance arrangements. Consequently, they are falling short in achieving their objectives (see also Steurer, 2008).

Metaphorically speaking, one could say that neither the hardware (i.e. the polity structure of ministerial governments) nor the respective "operating system of public administrations" (i.e. the interplay of bureaucratic, NPM and New Governance narratives) are fully compatible with the policy integration software packed into SD strategies. Furthermore, the functioning of the SD software is limited by the still existing "firewalls" between ministries, and, more importantly, by regular "power blackouts" in the SD policy field. Addressing these challenges adequately requires not only an update of existing SD strategies or the launch of more inter-ministerial institutions. It requires a more holistic approach of "Strategic Public Management" (Steurer, 2007) that reforms the functioning of the public sector in more fundamental ways. As the New Public Management movement (geared mainly towards efficiency) has shown, this is an ambitious but not an impossible task.

If we carry on with the metaphor of hardware, operating system and software, three key aspects of Strategic Public Management become evident:

- First, governments should not simply rewrite but rather re-programme the software of SD strategies in order to match it better with the limiting characteristics of both the "polity-hardware" and the operating narrative of public administrations. As Tils (2005) shows, there is a considerable scope to make SD strategies "more strategic", e.g. by explicitly dealing with the context of limiting polity structures, actors' constellations, and by paying adequate attention to the capacity of relevant actors to think and act strategically ("strategizing ability"). Unfortunately, this key aspect of Strategic Public Management has been rarely recognized and discussed so far.

- Second, governments should go further in adapting their "polity-hardware" to the institutional requirements of horizontal policy integration. The institutional structures portrayed above point into this direction, but most of them are limited efforts that are not able to redefine the functioning of public administrations. Furthermore, hardware or polity innovations like inter-ministerial bodies have to be accompanied by respective changes in politics (such as a shift of political power to the newly created institutions), and a supportive public administration narrative. This leads us to the third and probably most advanced aspect of Strategic Public Management.
- Horizontal policy integration often requires a combination of hierarchical steering and network-like collaboration. Thus, Strategic Public Management in the context of SD is essentially about establishing and steering networks that span across economic, social and environmental sectors. It is a systematic attempt to match objectives not only with adequate policy instruments, but also with adequate public administration narratives and governance modes. By doing so, Strategic Public Management is also concerned with the fundamental challenge that "no governing structure works for all services in all conditions" (Rhodes, 2000, p. 81; see also Meuleman, 2003, 2006).

However, even if the right hardware, a reliable and fitting operating system and tailor-made software on SD all concur, the outcome ultimately depends upon political will and commitment on the one hand, and the knowledge and (enablement) skills of public administrators to work strategically and to span boundaries on the other (Williams, 2002). Of course, these qualities do not arise automatically. As one can learn from the New Public Management movement, Strategic Public Management and the quest for policy integration depend on a societal sense of political legitimacy and urgency, tied together in a widely shared reform vision that reflects the predominant *Zeitgeist*. In how far SD fulfils this profile is another story, to be addressed elsewhere.

Notes

[1] This section is largely based on Steurer (2007).

[2] Like in other fields, public administration practices are shaped continuously by ideas, which are often condensed to a dominating narrative. Such narratives provide a coherent picture about fundamental problems, objectives, solutions and actors in a particular policy field. As "cognitive reference points", narratives reduce complexity, define the scope of possible actions and provide normative justifications to defend or to prevent change (Jann, 2003, p. 97).

[3] While the "Anglo-Governance School" (Marinetto, 2003) uses "the term governance to refer to a pattern of rule characterized by networks that connect civil society and the state" (Bevir et al, 2003a, p. 192), an increasing number of scholars refers to the same phenomenon as "New Governance" (see, e.g., Meadowcroft, 1997; Paquet, 2001; Salamon, 2002a, b; Davies, 2002). Here "New Governance" is preferred because it leaves room for the broader notion of governance, comprising not only networks, but also hierarchies and markets as alternative governance modes.

[4] This table is based on the public administration literature quoted in the text, in particular on Jann, 2002, 2003; Hughes, 2003 and Meuleman, 2003, 2006.

[5] The history of the ESDN emphasises that it is relatively easy to establish a network of likeminded people working in the same field or sector, but that it is very difficult to open the network and integrate experts that work on other sectors or strategies, such as the Lisbon strategy.

[6] Bulgaria is currently preparing its first NSDS and the Netherlands have decided not to prepare a separate NSDS document but rather develop a 'strategic approach for SD'.

[7] For taking part in the survey, we would like to thank Annette Volkens (German Ministry of the Environment), Dieter Vander Beke (Belgium Federal Public Planning Service for Sustainable Development), Daniel Wachter (Swiss Federal Office for Spatial Development), Alexia Flowerday, Claire Holgate & Suzie Pinkett (all DEFRA, UK), Annika Lindblom (Finnish Ministry of the Environment) and Jaroslava Hlavackova (Czech Ministry of the Environment).

[8] For a more detailed portrait of the FNCSE, see the ESDN Quarterly Report of December 2006

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