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"Sustainable Development goes Mozart"

Discussion Paper

for the

European Sustainable Development Network
ESDN Conference 2006

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prepared by

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European Sustainable Development Network

Contents

1. Introduction

The European Sustainable Development Network (ESDN) Conference 2006 will be held June 1-2 in the city of Salzburg. It is jointly hosted by the Federal Ministry of Agriculture, Forestry, Environment and Water Management and the Environment Department of the Province of Salzburg.

The Conference is the fifth in a series of similar events. In 2002, public administrators in charge of national sustainable development (SD) strategy processes from several EU Member States (MS) met for the first time for a workshop-like exchange of experiences in the Netherlands. Since then, annual conferences took place in Austria (Vienna, 2003), Ireland (Kinsale, 2004), and the UK (Windsor, 2005). With the Vienna meeting in 2003, the target group of the conferences was broadened considerably. Besides the co-ordinators of national SD strategies and the national coordinators of EU environmental integration and sustainable development policies, experts from the European Commission, representatives from various National Councils for Sustainable Development, and national members of the SD Working Group of the European Environment and Sustainable Development Advisory Councils (EEAC) have joined the meetings.

So far, all annual network conferences have facilitated an exchange of experience and knowledge using numerous formats: major challenges have been discussed in depth in working groups, good practices were exchanged in presentations and poster exhibitions, and the results of the events were documented in summaries.[1] The ESDN Conference 2006 in Salzburg will build on this tradition and the experiences gained at previous networking events, especially the Vienna 2003 Conference which was organised by the same team.

Because the European Council is scheduled to adopt a new EU Strategy for Sustainable Development (EU SDS) in June 2006, the EU SDS and the challenge of vertical integration between the EU SDS and national as well as sub-national SD strategy processes will be a major issue at the Salzburg event. Other important issues will be:

- Current developments regarding evaluating and peer reviewing SD strategy processes
- Good practice experiences regarding a broad variety of issues (some of them also touching on the challenge of vertical integration)
- The further development of the ESDN

This discussion paper attempts to provide a basis for the discussion on the EU SDS and current developments regarding evaluation and peer review processes. The good practice experiences will be documented with posters (made available also at the ESDN website), and the issue of how to develop the ESDN further will be addressed in a brief note that will be circulated by the Steering Group on the first day of the ESDN Conference. The outcomes of the conference will be summarized in the Conference Proceedings.

Table 1 gives an overview of the key aims and issues of the ESDN Conference 2006. It also summarizes how the issues are addressed at the conference and how they will be documented ex-ante and ex-post.

Regarding the methods and formats of interaction chosen for the event, we deliberately tried to forge some new pathways. First, we thought that the discussion on the EU SDS is likely to be more fruitful in many small groups rather than in a few large groups. The groups are clustered

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[1]   A full documentation of all previous networking events is provided at www.sd-network.eu.

around thematic questions and European cross-border regions. The latter should help to focus on "eco-regional" priorities and strengthen regional networking among the participants.

Table 1: The ESDN Conference 2006 – an overview

Key aims	Key issues	Methods	Documentation
Inform about and discuss current developments	The EU SDS and linkages with national and regional SD strategy processes	• Keynote presentations • Nine parallel working groups	• Slides of the keynote presentations under "ESDN Conferences" at www.sd-network.eu • **Discussion paper** • Report to the plenary and summary of the discussion in the Conference Proceedings
	Evaluations and peer reviews of SD strategies	• Keynote presentations • Word-rap with those who have conducted an evaluation or a peer review recently • Four parallel working groups	• Slides of the keynote presentations under "ESDN Conferences" at www.sd-network.eu • **Discussion paper** • Summary of the word-rap and of the working group discussions in the Conference Proceedings
Exchange and discuss good practice experiences	Exchange of good practices (focus on vertical integration)	• Guided poster exhibition, followed by an in-depth discussion of the cases with the case presenters	• The posters will be displayed under "Country Profiles" at www.sd-network.eu
Developing the ESDN further	ESDN	• Plenary discussion and working groups	• Note circulated at the first day of the Conference • Conclusions in the Conference Proceedings

As in Vienna 2003, there will be a guided poster exhibition on good or interesting practices. The guided tour is followed by an open session that provides the chance to either discuss individual practices with the case presenters in depth, or to network with other participants. We included this open session because conference participants often have the impression that conference agendas are too full, leaving little room for informal ways of networking and exchanging information.

The issue of scientifically evaluating and/or peer reviewing SD strategies is addressed in conventional ways with two keynote presentations and four working groups dealing with four different foci (for more details see section 3), and supplemented with a word-rap style interview session with representatives from Austria, Belgium, France and Switzerland, countries that have evaluated or peer reviewed their SD strategy process very recently.

The following two sections give some guidance for the group discussions on the EU SDS (section 2) and the issue of evaluation (section 3).

2. The EU Sustainable Development Strategy

The EU Sustainable Development Strategy (EU SDS) is a main topic for the ESDN Conference 2006 because the European Council is expected to adopt a renewed strategy in June 2006. Thus, the discussion will be based on a draft EU SDS, which is still under negotiation. This section provides a brief chronology of key events and key documents leading the way to the revised EU SDS, and it poses three questions to be discussed in the first working group session. The ESDN website at www.sd-network.eu provides a more detailed documentation of the EU SDS in its first quarterly report. The quarterly reports are an element of the website that covers

a selected topic in depth on a quarterly basis. The first quarterly report on the EU SDS will be updated after the decision of the European Council in late June 2006.

2.1. Thematic outline

At the 2001 Gothenburg European Council, the European Commission presented its communication "A sustainable Europe for a better world" as the proposal for "a European Union Strategy for Sustainable Development".[2] It was a delayed response to the request of the Helsinki European Council in December 1999. Since some member states objected to parts of the proposal, the Council members "welcomed" the draft but did not approve it as official strategy. Instead, they included 14 modestly ambitious paragraphs on SD in Europe in the Presidency Conclusions, which can be regarded as temporary EU SDS.[3] The strategy was later complemented by a communication on the external dimension of sustainable development at the Barcelona Summit.

In February 2005, the European Commission started its review of the EU SDS and its preparation of a revised draft by presenting a critical review of the EU SDS and its future.[4] In May 2005, the Commission published a "Draft Declaration on Guiding Principles for Sustainable Development".[5] The Guiding Principles were adopted by the Brussels European Council in June 2005,[6] and they will be re-affirmed in the Annex of the new EU SDS.

In December 2005, the Commission finally presented a communication entitled "On the review of the Sustainable Development Strategy: A platform for action".[7] This communication builds on a broad stakeholder consultation process and it serves as the basis for the negotiations among Member States leading to a revised EU SDS. In early 2006, the Austrian Presidency set up a "Friends-of-the-Presidency" group and involved all major EU Council formations in debating the new EU SDS. In February 2006, the European Council submitted a "Note from the Presidency to the delegations on Review of the EU Sustainable Development Strategy (EU SDS)".[8] The note includes a draft "governance cycle" to be applied in the context of the new EU SDS, and it outlines the basic structure of the new EU SDS. The governance cycle emphasises, among other points, the importance of horizontal and vertical integration, and it foresees procedures for reviewing the EU SDS as well as SD strategies of Member States.

In order to collect a broad range of opinions, a variety of actors have organised several public events and hearings on the new EU SDS throughout Europe over the last few months. One

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[2]   European Commission (2001): A sustainable Europe for a better world: A European Union Strategy for Sustainable Development; http://europa.eu.int/eur-lex/en/com/cnc/2001/com2001_0264en01.pdf

[3]   European Council (2001): Presidency Conclusions - Gothenburg European Council; http://ue.eu.int/en/Info/eurocouncil/index.htm

[4]   European Commission (2005): The 2005 Review of the EU Sustainable Development Strategy: Initial Stocktaking and Future Orientations", COM(2005) 37 final; www.eu.int/comm/sustainable/docs/COMM_PDF_COM_2005_0037_F_EN_ACTE.pdf

[5]   European Commission (2005): Draft Declaration on Guiding Principles for Sustainable Development". Com (2005) 218 final.

[6]   European Council (2005): Presidency Conclusions – Brussels European Council, 16 and 17 June 2005; http://ue.eu.int/ueDocs/cms_Data/docs/pressData/en/ec/85349.pdf

[7]   European Commission (2005): On the review of the Sustainable Development Strategy: A platform for action; COM(2005) 658 final; http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0658en01.pdf

[8]   European Council (2005): Note from the Presidency to the delegations on Review of the EU Sustainable Development Strategy (EU SDS), 6615/06, Feb 2006.

such event was, for example, a public hearing organised by the European Economic and Social Committee in March 2006.[9]

2.2. Procedural issues

At the ESDN Conference 2006, the EU SDS will be discussed in nine relatively small parallel working groups with different foci (see below). The discussion of each group will be guided by a pre-selected speaker and documented by a rapporteur. The speaker will moderate the discussion. The rapporteur will assist the speaker in guiding the discussion and he/she will document the discussion for the Conference Proceedings. At the end of the working group session, the speakers will briefly report to the plenary.

2.3. The working groups

Whereas the content of the new EU SDS is being decided on at the political level, the following three questions are particularly important for the subsequent implementation process in which the administrative level will play a key role:

Table 2: Headline questions for the working groups (WG) on the EU SDS

WG 1-5	What do the possible changes of the EU SDS imply for the SD strategy of your country/your region?
WG 6 & 7	How could the relationship between the EU SDS and national SD strategies be developed further?
WG 8 & 9	The link between the previous EU SDS and the Lisbon Process was often criticized as weak. How should we tackle this issue in the implementation of the EU SDS?

While the first question will be discussed in five regionally clustered groups, the other two questions will be discussed in regionally open groups. Participants are free to join one of the nine groups. If one or the other group topic appeals no, or too few, participants, we will change the topic for that group. The following paragraphs provide some background information on the nine working groups.

WG 1-5	What do the possible changes of the EU SDS imply for the SD strategy of your country/your region?

The implementation of national SD strategies is under way in most European countries. As section 3 of this paper shows, some have already started to evaluate or peer review their strategy processes, and more will follow in the upcoming years. However, the new EU SDS will inevitably be relevant for national SD strategies, and vice versa.

Working groups 1-5 discuss the implications of the EU SDS from a country- and region-specific perspective. We propose that the five working groups cover the following European regions/countries:

- *WG 1 – Northern Europe:* Belgium, Denmark, Finland, Luxembourg, Norway, Sweden, The Netherlands
- *WG 2 – Western Europe:* Ireland, UK, France
- *WG 3 – Central-Western Europe:* Germany, Switzerland, Austria

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9   http://www.euractiv.com/en/sustainability/stakeholders-see-need-link-lisbon-agenda-sustainable-development/article-153588

- ***WG 4 – Central-Eastern Europe:*** Czech Republic, Estonia, Hungary, Latvia, Poland, Slovakia
- ***WG 5 – Southern Europe:*** Greece, Italy, Malta, Portugal, Spain

WG 6 & 7	How could the relationship between the EU SDS and national SD strategies be developed further?

A major European challenge is to foster vertical policy integration, i.e. to achieve an adequate degree of coherence between the EU SDS and the SD strategy objectives and processes at the MS level. So far, the structures and mechanisms of vertical policy integration are rather weak in the context of SD strategies. However, with the new EU SDS in place, this challenge will gain new prominence. How could the relationship between the EU SDS and national SD strategies be developed further?

WG 8 & 9	The link between the previous EU SDS and the Lisbon Process was often criticized as weak. How should we tackle this issue in the implementation of the EU SDS?

The Lisbon Strategy was adopted by the European Council in March 2000. It states that the European Union should become "the most competitive and dynamic knowledge-based economy in the world, capable of sustaining growth with more and better jobs and greater social cohesion" by 2010. It has been criticized repeatedly by various actors for its focus on growth and employment and the weak linkage to the EU SDS. At the Gothenburg Summit in 2001, the European Council complemented the Lisbon Strategy with an environmental dimension, and it reaffirmed that the Lisbon Strategy should be seen in the wider context of sustainable development.[10] However, in the 2004 mid-term review of the Lisbon Strategy for economic, social and environmental renewal, the focus on growth and employment was reiterated. With the new EU SDS under way, some actors propose a merger of the EU SDS and the Lisbon Strategy as the most promising way to strengthen SD in Europe. Others believe that the EU SDS will remain stronger if it remains separate for the time being, but with a clear link to the Lisbon Strategy. What are the options for aligning the Lisbon Strategy and the new EU SDS in the upcoming implementation process?

3. Evaluating and peer reviewing SD strategies

Monitoring, evaluation and peer review mechanisms are the basis for coherent and self-reflective strategy and policy making processes in a knowledge-based society. All three approaches represent feedback loops that are vital for improving SD strategy processes in terms of both governance arrangements and policies. They can facilitate learning (which is often recognized as the key way to handle complexity) as long as the relevant actors are interested in learning something from failures as well as from good practices.

3.1. Thematic outline

Virtually all European SD strategy processes feature at least some sort of monitoring or reporting mechanism. Many SD strategies, for example, ask for annual or bi-annual indicator or progress reports, which are conducted by ministerial bodies or by National Councils for SD (NCSDs). Unlike the monitoring which occurred in the past, these reports often build on sets of indicators that are already specified in the SD strategies themselves. Although the sets of indicators are country-specific in quantitative as well as qualitative terms (for example, whereas

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[10] European Commission (2005): Common Actions for Growth and Employment: The Community Lisbon Programme; COM(2005) 330 final;
http://www.europa.eu.int/growthandjobs/pdf/COM2005_330_en.pdf

Germany monitors its progress towards SD with 21 "headline indicators", Italy uses about 150 indicators), most of them are comprised of economic, social and environmental indicators like GDP per capita, R&D expenditures or CO_2 emissions. Only a few countries (such as Ireland and Italy) also consider aggregated indicators like Green GDP or Ecological Footprint in their official reports.

While these monitoring and reporting mechanisms are often restricted to performance and output description, evaluations and peer reviews go further by providing analytical conclusions and recommendations that facilitate governance change and policy learning. So far, Austria, Belgium, Switzerland and France are among the first European countries that have gone beyond regular monitoring and reporting mechanisms. However, the four countries did not follow one but three different approaches:

- Austria and Switzerland have commissioned external evaluations of their SD strategy process in 2005. These evaluations have been carried out by independent teams of researchers and/or consultants in line with the guidelines stated in the calls for tender that have been issued by the responsible Environment Ministries.[11]
- In Belgium, monitoring and evaluating the Federal SD strategy is done by the Federal Planning Bureau, an independent public interest research body. So far, the Federal Planning Bureau has issued three "Federal Sustainable Development Reports" which evaluate the Federal SD strategy process in line with selected principles of SD (such as integration, equity and participation).[12]
- In 2005, France has reviewed its SD strategy process together with peers from Belgium, Ghana, Mauritius and the United Kingdom, and with support from IIED. Since France is the first country that has peer reviewed its SD strategy process so far, the methodological and practical experiences made are certainly valuable for future peer reviews.[13]

So far, internally- and externally-conducted scientific evaluations are obviously the predominant approach. However, with the peer-reviewing initiative launched by the European Commission in April 2005,[14] the proportion of scientific evaluations and peer reviews is likely to change in favour of peer reviews in the near future. Against this background, two of the four working groups of this second working group session address scientific evaluations and peer reviews as two co-existing appraisal approaches in the context of SD strategies. The two other working groups deal with the more general challenges of making effective use of evaluations/reviews in a political environment and of communicating SD policies effectively.

Table 2 summarizes the topics of the four working groups with headline questions, and section 3.3 provides further background information and three more specific discussion questions for each group. While the headline questions in Table 2 give an overview of the four topics, the discussion questions raised in section 3.3 are proposed to guide the working group discussions.

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[11] The German full text version of the Austrian SD strategy evaluation is available at http://www.nachhaltigkeit.at/strategie.php3?p=strat_aktuelles.php3&year=2006#2006. The evaluation of the Swiss SD strategy will be published later this year.

[12] English summaries and French full text versions of the Belgian SD Reports are available at http://www.plan.be/en/instit/detail_themes.php?theme=SUS

[13] English documents of the peer review process (a Background Report, a Methodology Paper and a Final Report) are available at http://www.ecologie.gouv.fr/rubrique.php3?id_rubrique=1102&debut_article=0

[14] For details, see the "Call for Proposals in the Field of Environmental Protection (2006/C 80/07)" in the Official Journal of the European Union, 4.4.2006, C80/12.

Table 3: Headline questions for the working groups (WG) on evaluations/peer reviews

WG 1	How to make effective use of evaluations/reviews in improving SD policies?
WG 2	How to make effective use of headline indicators and aggregated measures (such as the Ecological Footprint) in communicating SD policies?
WG 3	What are the advantages and limitations of scientific evaluations in the context of SD strategy processes?
WG 4	What are the advantages and limitations of peer reviewing national SD strategy processes?

3.2. Procedural issues

As in the first working group session, the discussion of each group will be guided by a pre-selected moderator and documented by a rapporteur. The moderator will open the session with a brief thematic input and moderates the discussion. The rapporteur will assist the speaker in guiding the discussion and he/she will document the discussion for the Conference Proceedings. Each participant is invited to discuss the questions outlined below and to raise additional questions.

3.3. The working groups

WG 1	How to make effective use of evaluations/reviews in improving SD policies?

This question explores the challenge of how the results of scientific evaluations and peer reviews can effectively feed back into the policy process and make a real difference. Although everyone agrees that learning through feedback and reflectivity are very important for improving governance arrangements and policies, some serious obstacles to learning are hard to overlook. While some of these obstacles are of a rather general ("lack of time") and/or psychological character ("knowing best"), others may be unique for political environments (failure-averse culture and tradition of secrecy because political opponents try to make use of government failures, etc.).

Thus, interesting questions to be discussed in group 1 are:

- How can we deal with potential obstacles of learning in a political environment?
- Under what circumstances can evaluations/reviews make a political difference?
- How can we influence these circumstances in a favourable way?

WG 2	How to make effective use of headline indicators and aggregated measures (such as the Ecological Footprint) in communicating SD policies?

This question focuses on the challenge of communicating SD and SD strategy processes to both politicians and the public. Because SD is an abstract and complex concept that is at times hard to explain to non-experts, communicating it effectively is a much-discussed issue. Two ways of communicating the SD performance of a country are (i) to make use of selected headline indicators (such as CO_2 emissions or percentage of people living below the poverty line) and (ii) to popularize aggregated measures such as the Ecological Footprint.[15] While headline indicators inform about particular trends in certain policy fields, the Ecological Footprint illustrates and benchmarks the overall environmental pressure of countries, regions, cities etc.

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[15] For general information about the Ecological Footprint, see http://www.footprintnetwork.org/; for a "Footprints of Nations" report, see, e.g., http://www.ecouncil.ac.cr/rio/focus/report/english/footprint/

Thus, interesting sub-questions to be discussed in group 2 are:

- Who has used headline indicators for communicating SD and what were the experiences in this respect?
- Who has used aggregated indicators (such as the Ecological Footprint) for communicating SD and what were the experiences in this respect?
- Are there other promising ways of communicating SD or an SD strategy process to politicians and the public?

WG 3	What are the advantages and limitations of scientific evaluations in the context of SD strategy processes?

This question aims to explore the value of scientific evaluations in the context of SD strategies. It recognizes the fact that three countries have applied this approach so far and it raises the issue of whether scientific evaluations and peer reviews are two complementary appraisal approaches that can co-exist because they both have advantages and limitations. The challenge for the discussion in this group is not only to work out the advantages and limitations for internally and externally conducted scientific evaluations, but also to address how one can benefit the most from this approach.

Thus, interesting sub-questions to be discussed in group 3 are:

- What are the advantages of scientific evaluations and how can we best realize them?
- What are the potential drawbacks of scientific evaluations and how can we avoid them?
- What role could internally and externally conducted scientific evaluations of national SD strategies play within or along side of the peer-reviewing initiative launched by the European Commission?

WG 4	What are the advantages and limitations of peer reviewing national SD strategy processes?

This question aims to explore the value of peer reviewing national SD strategy processes. Again, the challenge is not only to work out the advantages and limitations of peer reviews, but also to address how one can benefit the most from this approach. Relevant guidance is provided by a methodology paper drafted for the French peer review in 2005[16] and a peer review guidebook published by the European Commission in April 2006.

Thus, interesting sub-questions to be discussed in group 4 are:

- How can we maximise the effectiveness of peer reviews and how can we minimise potential drawbacks?
- What are the major challenges in organising and conducting a peer review and how can they be overcome?
- How could the ESDN be supportive in this respect?

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[16] See http://www.ecologie.gouv.fr/rubrique.php3?id_rubrique=1102&debut_article=0