

**The German Sustainability Policy. State-of-the-art**

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## 1 Developing sustainability policies

### 1.1 Agenda of transition: The German National Sustainability Strategy

The German sustainable development approach is guided by the understanding of “sustainability” first made a political buzzword by the *World Commission on Environment and Development* (“*Brundtland Commission*“) in 1987, and reinforced by the *UN Conference for Environment and Development* in 1992 in Rio de Janeiro and by the *UN Conference on Sustainable Development* in Johannesburg 2002: „Sustainable Development is a form of development which meets the needs of the generation of today without jeopardising the chance for future generations to meet their own needs.“

In this sense, exploring ways towards a more sustainable development is all about shaping the future with visions, and creativity, as well as trying out new approaches.

The agenda of how to respond to the challenges of the globalised world in the economy and in society sets priorities for the coming years, sets out concrete aims and specifies the measures necessary to put the idea into practice and to make a difference for the way businesses and consumers behave.

Taking Germany’s interlinkages to the world market and to the political integration into account, the idea of any local or national islands of prosperity is clearly an illusion. Carbon dioxide, the most significant greenhouse gas produced in combustion processes, is spread throughout the atmosphere worldwide. The globalisation of markets leads to worldwide competition and hence to pressure on national environmental and social standards.

#### key issues



- **Energy: Renewables, Efficiency, Net structure**
- **Mobility: biofuels and motor technologies, infrastructure, public transport**
- **Agriculture and health**
- **Impacts of demographic change**
- **Reducing land consumption, biodiversity**



As a starting point, the sustainability agenda acknowledges the fact that our patterns of production and consumption and the extent of resource depletion are by no means sustainable, have direct consequences on the global availability of and access to natural resources and cannot be seen as model for the way the world will feed eight billion people. It is precisely the responsibility of Germany as one of the leading industrial countries to prove that it is possible to decouple growth from resource depletion.

Despite some successes since 1992, and in particular with reference to the Millennium Development Goals in some parts of the world, the trends which served to trigger the Rio conference and the Millennium Declaration continue to be a cause for concern. Poverty is still widespread. AIDS/HIV and other pandemic diseases are threatening the life of people and economies. Global environmental trends, such as the emission of greenhouse gases or the erosion of soil represent a long term threat to the conditions necessary to sustain human life.

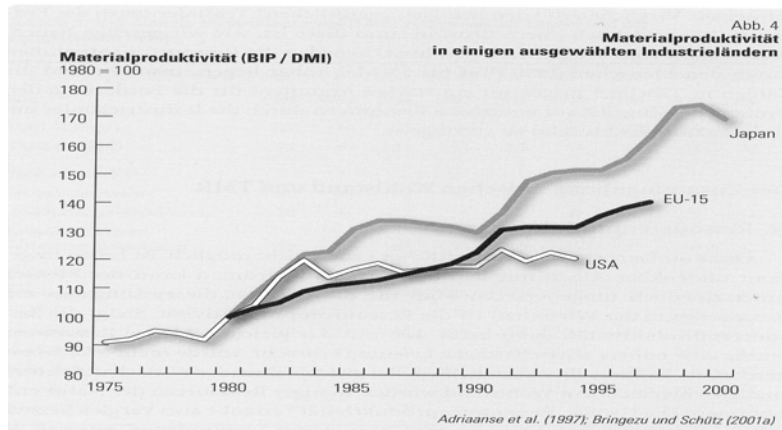
The targets and timetables set out in the national strategy make clear what is on the agenda. One of the top priorities is energy. By 2020 Germany wants to double energy and resource productivity.. Addressing the issue of a greying society in demographic transition, for instance, full-time child care facilities are to be available for 30 percent of children by 2010 (at the moment, in many age groups it is only just 3 percent), and, for elderly people, new ways of exposure and access to economy, education and social services shall be developed.

A reduction of those portions of land devoted to urban uses (housing, industrial and commercial uses, traffic) from its present level of around 100 hectares per day to a maximum of 30 hectares per day by 2020, is another commitment of the strategy.

The increasing mobility in modern society translates into new possibilities and an increase of freedom and individuality. However, it also threatens the environment and the social coherence of society. As with sustainable energy policy, the strategic approach for a sustainable transport system lies in increases in efficiency. Economic growth and transport intensity should be decoupled. The aim is to achieve a high level of mobility with the greatest possible efficiency in transport, and to reduce the environmental pollution caused by traffic. In concrete terms, the national strategy wishes to attain a position in which, by 2020, the intensity of goods transport is reduced by 5 per cent from the level it stood at in 1999. This is an extremely challenging target.

Encouraging results have been achieved in decoupling energy consumption from economic growth. Those results provide strong indication that decoupling strategies do actually work and that high-level political commitment is an effectful means to progress in small but important steps.

## Material productivity (GDP/material intensity), (according to Bringezu, S., 2004)



Other issues of the national sustainability agenda extensively cover the realm of other the field in relation to the way society is interacting with nature. The agenda addresses the sustainability of agriculture, renewable resources for the use in industry and agriculture, the German contribution to the UN Decade on education and sustainability, a new approach to forestry, a biodiversity strategy, research in sustainability. For all of these issues, a national strategy for sustainability must not only take account of homebased and worldwide trends, but must also have regard to the effects of national action on the situation in other regions of the world, and on the global ecosystems.

With the so called Agenda 2010 the Federal Government details what is regarded as a long reaching, intergenerational policy to justice and responsibility. It translates into a variety of measures addressing the demographic change in Germany and what this change means in respect of the social security scheme, a better balancing of family and working conditions, the job market, the hiring opportunities for elderly work force.

### 1.2 Setting up a policy network

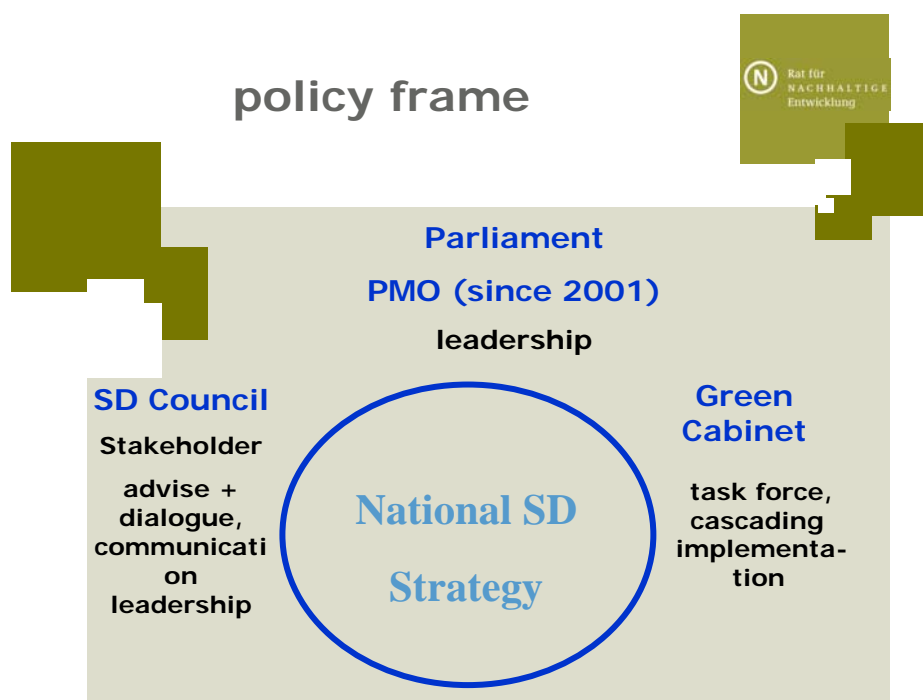
Initiated by a parliamentary conclusion jointly approved in 1998 by all political parties in the Bundestag, the Government's Sustainability Strategy is coordinated and driven by the Federal Chancellery. Implementation is done by the Green Cabinet (secretary of states for finance, environment, agriculture and consumer, building and housing, mobility, economy, social affairs, health, family, economic cooperation and development, foreign affairs, science and education, defense) chaired by the Prime Ministers Office (Chancellery).

The 2002 Strategy introduced a follow up policy frame.. As a scheme for a continued monitoring of progress, a fine-tuning of priorities and issues and a review of implementation a biannual reporting was agreed upon. The first monitoring report was issued 2004, the second was originally announced for 2006. Due to the upcoming federal elections the Government

launched the communication paper on “landmarking sustainable development” in August 2005.

The national Sustainability Strategy was submitted in April 2002. The government’s work on the Sustainability Strategy is coordinated and driven by the Federal Chancellery. This underlines the significance of the issue which has become a matter of top priority for the Chancellor. The Chancellery is steering the process and giving input and impulse to the relevant Ministries. Through this, it is ensured that the goals and measures of ecological, economic and social importance are handled at cross-departmental level. The administrative setup of the NSSD is expected to provide leadership and to ensure process quality.

At its core are new perspectives for generation equality, quality of life, social cohesion and global responsibility. The Sustainability Strategy is geared to concrete problems and identifies solutions to each of these problems. Long-term goals enable the state to produce new market effects. An example is the development of biofuel innovations connecting mobility issues with energy supply. The strategy also addresses issues of social dimensions raised by the impacts the demographic change has on lifestyle, economy and social cohesion. A first review was conducted in 2004, following by the most recently issued Government communication called “landmarking sustainable development (“Wegweiser Nachhaltigkeit”, August 2005). The Wegweiser highlights the positive impacts of green electricity, the government spending ratio, dismantling financial aid or the fiscal reform. It also states that investments into education and research amounted to a sum which has not been seen before. Germany’s approaches towards a more sustainable energy supply and use has sent out worldwide signals. However, there is also basic criticism by the political opposition party in the German Parliament raising what they think is a missing thematic concern of a balanced budget as the basis for any other political commitment.



The Sustainability Strategy goes beyond the issues of mere environmental protection. Some environmental organisations had originally feared that the Sustainability Strategy would have nothing new to offer and that there was a danger of it slowing down the ecological impetus. This view has since changed. Nevertheless, alongside their positive estimation, the environmental organisations have also expressed serious criticism and reservations in stakeholder contributions to public consultations as did the business community and other stakeholders. The extent and urgency of the current national and global problems necessitate new and enforced policy approaches.

The structure and implementation of the sustainability policy at federal level offers a variety of points of contact for players from trade and industry as well as from civil society. The political setup is mainly found to be correct: the leadership role taken on by the Federal Chancellery; the stakeholder involvement coming with the NCS D (**National Council for Sustainable Development (Rat für Nachhaltige Entwicklung, RNE)**); the nature of the process with monitoring; an array of problem-orientated key issue solutions is more successful than a merely formal three-pillar approach. This frame provides a four-tier approach to involvement with the NCS D as core element, with its projects, some open consultation rounds set up by the Federal Government and with stakeholder initiatives.

Research and development programmes turn out as element of utmost importance in creating and fostering a sustainability community, at the same time enlarging societies knowledge about challenges and solutions of sustainability. In this respect, recent efforts of the Federal Minister for Research and Education, in particular **the fona initiative**, are an unprecedented achievement and a worthwhile effort to close the gap between scientific knowledge, public awareness and responsible action. The goal of the fona initiative is to facilitate a broader use of research for sustainability by combining and providing a comprehensive description of the research activities. Through thematic linking of actors to research items and information flows the fona initiative also expects to set up a network of actors.

### **1.3 Process and monitoring**

Generation equality can only be achieved through continuous work. In this respect, stakeholder involvement and consultations with social groups and regular monitoring of the sustainability policy are important, whereby the monitoring also provides an opportunity for parliamentary debates.

## Stakeholder involvement via NCSD



- „ad personam“: NGOs, business, academia, churches, trade unions, city communities, consumer, media
- independent, proactive
- clear role
- workforce
- leadership

For public involvement, the role played by the NCSD is significant. Its 19 members are appointed “ad personam” which means that they are not expected to formally lobby. However, they represent the general public and civil society competence. They come from trade and industry, environmental organisations, consumer organisations and groups involved in development policy, the local authorities, media, churches, unions and science. Acting as a driving force, admonisher and provider of ideas the autonomy and work competence of the RNE are crucial. The RNE assists the development of qualitative and quantitative goals and indicators. It has added to the agenda such difficult concerns as the issue of lifestyle, education and research, the future of urban quality and spatial infrastructure, energy efficiency and research, and clean coal process. With the programme “Citizens initiate sustainability” (BIN) the Government provides seed money for civil society action.

As for stakeholder involvement and public communication, the RNE so far experimented with different approaches. For the issue of land consumption a dialogue programme was designed and performed with a series of expert fora and, at finalising the process, two highranking political hearings commenting on the the draft version of what the Council finally released as Council recommendation. Communication projects saw other forms of stakeholder involvement, e.g. see [www.facing-sustainability.de](http://www.facing-sustainability.de).

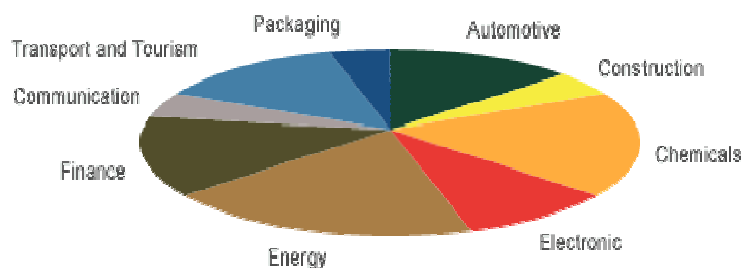
As monitoring NSSD can not only be about numbers the RNE provides new means of monitoring as a social process. The 2004 Snapshot on Sustainability and Society is a independent contribution to the Governments Progress Report 2004. Also the above mentioned “landmarking sustainable development”, 2005, features two independent contribution by the NCSD, dealing with Corporate Social Responsibility and introducing the recently launched project “Generational Accounting on Sustainability”.

The Sustainability Strategy goes beyond mere environmental protection. Consultations with social groups and regular monitoring of the sustainability policy are important, whereby the monitoring also provides an opportunity for parliamentary debates.

Parliament has recently stepped up its active role in the sustainability debate. The **Parliamentary Advisory Council** accompanies the ongoing national Sustainability Strategy and its implementation. The political role of Parliament in SD policies can and should be enhanced in the future. The Parliamentary Advisory Council for Sustainable Development in Germany's Bundestag has been established in 2003. The Parliament has already stepped up its active role in the sustainability debate. The Advisory Council accompanies the ongoing development of the national Sustainability Strategy and the implementation of both its content and the process, and it also sets its own focal points. In a detailed statement, the Advisory Council puts on record that, whilst the current discussions taking place within the German government and the opposition on the issue of reform aim at making society viable for the future, in terms of communicativeness and strategy, they all too seldom are held under the banner of "sustainable development". Opportunities are wasted as a result. More than anything, the aim must be to incorporate parliament's engagement with the sustainability requirements into consummate procedures and processes.

**econsense - Forum for Sustainable Development of German Business** is a joint project of 23 renowned and globally active companies and organisations of German Business. The members share a common vision of Corporate Social Responsibility and Sustainable Development and their implementation into modern business activities and strategy. Promoting the open dialogue with partners from politics, administration, business, the scientific community, and stakeholder groups is one of the central objectives of econsense. Based on the joint competence of business on practical solutions, econsense develops individual points of view on key issues of CSR and sustainability. econsense was founded in July 2000 at the initiative of the Federation of German Industries. Bringing in the business point of view the econsense network emphasizes the balancing of economic, ecological and social goals. As a strategic factor for competition in business sustainability is not just a PR issue for the econsense members. Experience shows that sustainable products can increase a company's competitiveness and is a means to develop new markets. In the understanding of sustainability as a continued process of seeking and learning there exists no blueprint or one-size-fits-all solution. In order to address the challenges of a not yet sustainable production and consumption patterns it is a basic requirement to reconsider long-established systems and patterns of behaviour.

Sectors represented in „econsense“:



Members of econsense are Allianz AG, BASF AG, Bayer AG, BMW Group, DaimlerChrysler AG, Degussa AG, Deutsche Bahn AG, Deutsche Bank AG, Deutsche Lufthansa AG, Deutsche Telekom AG, EnBW Energie Baden-Württemberg AG, E.ON AG, E.ON Ruhrgas AG, HeidelbergCement AG, RAG Aktiengesellschaft, Robert Bosch GmbH, RWE AG, Siemens AG, Tetra Pak GmbH, ThyssenKrupp AG, TUI AG, Verband der Chemischen Industrie e. V. (VCI), Volkswagen AG.

There are other networks and help-desk facilities promoting sustainability activities among **small and medium sized enterprises**. E.g., the BAUM network is currently promoting best practise activities to enhance the motivation of work staff to come up with business solutions to sustainability. A recent best practise rating of sustainability reporting displayed as winners the Henkel KG, KarstadtQuelle AG and Otto GmbH & Co KG among a considerable amount of well developed contributions.

Within the framework of the Local Agenda, German citizens in more than 2,300 municipalities are involving themselves in their community. On the national level, coordination of action, networking of experiences such as factors for success and failure is mainly done by two service agencies. They also provide information and help local initiatives to access state-of-the-art knowledge e.g. about financing, raising funds and best practise projects.

**Service Agency ‘Communities in One World’**: This organisation is a joint venture between national, regional and local government, NGOs, business and trade unions, which has the mission of providing information, advice, guidance and training to local actors over the implementation of effective North-South cooperation projects. This structured partnership has the potential to optimise all sectors’ individual contributions to North-South cooperation, and thus offers an interesting model. The service agency reviews the ‘state of the art’ of local capacity development work by local governments and NGOs within the framework of City-to-City Cooperation and to point future policies and collective action in this field.

The **Bundesweite Servicestelle Lokale Agenda 21** is a project that started in 2000. As an agency networking with local agenda 21 initiatives it promotes the implementation of the Local Agenda 21 in communities, strengthens the exchange of information and experience of all the involved, attracts public attention to best practise projects, delivers information and advice, and provides infrastructures for further networking.

Shortly after the UNCED in Rio, thirty-five organizations founded the **German NGO Forum on Environment & Development** in order to serve as a watchdog for the implementation of the Rio Declaration and the Agenda 21, both at national and international level. The Forum has also a coordinating task and develops strategies to enable and promote the input of German NGOs into international processes.

The marketing of Fair Trade products is a long standing issues bringing together actors from business, the protestant and catholic **churches, environmental NGO, consumer organisation, and NGOs in development aid**. There are lots of activities under way, resulting in an increasing offer and market share. Recent projects involve people to link up fair trade issues to the UN Decade on Education and Sustainability.

## 1.4 Unfinished business

A first peer review evaluation of the German SD Strategy has been part of the BRICS+G project of the German Council for Sustainable Development (RNE) and the Deutsche Gesellschaft für Technische Zusammenarbeit GmbH (GTZ). Focussing key issues of how the German SD Strategy has been set up the review unfolds certain areas of “unfinished business”. Points raised in this respect are no far reaching objectives in terms of e.g. emissions. They rather try to pinpoint those fields of action where next moves should be expected. In this sense “unfinished business” raises practical issues without featuring sheer pragmatism.

The national Sustainability Strategy has not yet fully exploited its scope for action at national level. There has not yet been enough “spin” to the SD agenda and process in order to expand the constituency.

There is a political bottleneck for a broader stakeholder involvement coming with the language concept of the German term “Nachhaltigkeit”. Sustainability policy has yet to be convincingly freed of the misconception that it consists solely of environmental issues. Furthermore, there is a distorting misconception in German language, because the term “Nachhaltigkeit” is frequently used as a political buzzword without content (semantic gold dust), or it is used in the meaning of “persistent” without meeting the original point set by the Brundlandt Commission and the RIO and Johannesburg Conferences.

Some of the major business enterprises use the Sustainability Strategy as a reference for their own activities and their own corporate-related sustainability reporting. However, the potentials for implementing sustainability in companies have not yet been fully exploited, and the corporate performance is somewhat divided. There are frontrunner companies clearly setting the stage for stakeholder involvement, sustainability reporting and corporate social responsibility. Frequently published ranking assessments of sustainability reporting proof progress in this field. Nevertheless, getting the private sector as a whole involved is a much larger task. It is clearly open for additional and better policy approaches than those we have now in place. The existing and functioning networks of civil society (local agenda 21) and the corporate networks could be involved more effectively in strategic sustainability approaches.

The pilot projects in the Sustainability Strategy, as an element for demonstrating how “sustainability” works today in the government’s concrete actions, needs to be expanded upon. More administrative effort will be required than was originally assumed.

The political setup of the national sustainability policy is perceived as a fairly good working structure. Nevertheless, improvements are possible and should be sketched out in the future. For instance, the monitoring the impact, success and failures of the national strategy raises some questions as to how can a independent and responsible monitoring be guaranteed. As of today the Government itself is in charge of monitoring its own efforts. That, sometimes, is not likely to provide a reliable way to pick out shortcomings and to sort out how to improve the performance. Adding to this, the monitoring of a NSSD can not only be about numbers and the figures pointing on the distance to targets. As sustainability is basically a transition policy involving the state sector and (!) a large number of actors from civil society and the private

sector any monitoring scheme should take also involve the public. Thus, monitoring should be conceived as both, a reporting back on targets and timetables and a societal dialogue on priorities and key issues.

As for the agenda setting, a major shortcoming frequently raised by the RNE in public statements, comes with a mainstream feature in German political culture. Although SD is often called an overall approach, in practical politics we often see measures and means not being placed into the general picture of sustainability. Instead, those measures are negotiated, approved and performed “stand alone” or as part of a general “reform agenda” that is bundeling together measures of all sorts. To a certain extend, the SD strategy is sidelined. As a consequence, in society the overarching reasoning of “where to go?”, “what to change?” is missing, or at least the idea of sustainability is not seen to produce serious influence and calling power. In public perception, policies are often perceived as following particular rather than general needs, as doubtful and as not providing sense and proof in the long run. Adding to this, some of the longterm challenges Germany is facing (and the world as a whole) are not raising sufficient awareness in society, politics and the private sector. Consistency is still a major challenge.

## **2 How is the National Strategy for Sustainable Development linked to Sector Policies?**

The lead responsibility has been given to the Chancellery. The Chancellery chairs the “green cabinet” and is overall responsible for the SDS, by coordinating and steering the process and by this giving input and impulses to the relevant Ministries. Germany’s governmental/administrative structure gives the Ministers relatively strong positions with leading their Ministries independently and in own responsibility. This independence is balanced by the “guidance competence” of the chancellor and the practice of collective cabinet decisions.

The “Green Cabinet” comprises State Secretaries from the Ministries of Economic Affairs and Labour, Social Affairs and Health, Environment, Consumer Protection and Agriculture, Transport, Development Aid, Foreign Affairs, Education and Research, Finance. Political leadership falls under the “guidance competence” of the chancellery, and its administrative implementations takes place in a link between the chancellery and the respective Ministries responsible for the specific issue.

Vertical integration is another feature of unfinished business.

Emerging from Germany’s federal constitution the transfer of the Sustainable Development Strategy to the regional or communal level is clearly perceived as insufficient. The administrative differences and the differences in both implementation and the types of consultation and participation are underscored by the national SD strategy, which basically is a strategy of the Federal Government rather than a SD strategy covering each and every level of mandatory politics in Germany. Legally there is no room for a legitimate and enforcable top down strategy for all administrative levels from national to local. The national Sustainability Strategy primarily comprises obligations on the part of the German government to contribute to sustainability by virtue of its measures. However, it also raises issues on

problems which also ultimately require action on the part of the economy, civil society and, last but not least, the Laender and local authorities. In this respect, the Sustainability Strategy has no binding character, however, but attempts to convince and stimulate others into further action by highlighting the common difficulties and obligations. Therefore, Laender are not yet sufficiently encouraged to develop specific Sustainable Development Strategies. Those strategies fitting into the SD scheme would be an value added to German SD efforts.

## **2.1 Energy at the core of SD strategies**

In terms of economic, infrastructural and environmental issues the challenge of energy supply is of outmost importance. Despite all encouraging efforts in Germany, changing the primary energy structure will remain to be an extremely difficult task.

Until 2003 greenhouse gas emissions have been reduced by 18.5 % in comparison to 1990 – the Kyoto target requires a reduction by 21 % in the time period of 2008–2012. On the other hand Germany will not meet the national goal set out by the Federal Government before 1998, of reducing carbon dioxide emissions by 25 % by 2005.

The expansion of renewable energies, the introduction of an emission trading scheme, the agreement on climate protection with the German Industry and the reduction in energy consumption of buildings are seen as key measures. The share of renewables in the total primary energy supply increased from 3.3 % in the year 2003 to 3.6 % in 2004, with the proportion in total electric power consumption rising to 9.3 %. Production and marketing of renewables created 130.000 new jobs directly and indirectly linked to these activities. A recent scientific study and a sound stakeholder involvement, both driven by the dena (German Energy Agency) has proved that the integration of wind energy (along with the repowering of existing land based facilities, but in particular off-shore facilities) into the electric supply net is both technically and economic feasible. The international conference *renewables 2004* was a landmark and provided important impetus worldwide.

The increase of renewables in the electric power market can be traced back to the impact of the Erneuerbare-Energien-Gesetz (EEG). The heat market saw an increase of solar collectors, heat pumping devices, and biomass energy facilities, mainly implemented by market incentives encouraging investments of up to 3.3 billion €(overall until end of 2004).

In the frame of the NSSD the Government together with stakeholders developed a strategic approach to alternative car fuels, biofuels and motor technologies. Security of energy supply (reducing of Germanys dependance on oil), climate protection and the reduction of pollutants are the major targets. The use of renewables car fuels increased in the last year from 1.2 to 1.6 % of the total car fuel supply. Since 1999 the transport sector reduced CO<sub>2</sub>-emissions by 15 mio. t. This is perceived as success of the ecotax and the voluntary self-commitment of the German industry.

The Government also confirms the phasing out of nuclear energy against growing political moves to extend the outphasing periode allowing nuclear power plants to stay in the net longer than originally agreed. This debate clearly stirs up major question of nuclear security control, and of energy market investment strategies. Seen against the need to modernise and

replace one third of the German power plant capacity (120.000 MW) until 2020 investments into highefficient technologies and new structures (net, demand side management, clean coal, increase of efficiency of products) are requested. It is a goal described in the NSSD to increase the proportion of renewables in the total electric power consumption to at least 20% by 2020. The construction of off-shore wind energy facility is expected to provide a major contribution to this objective. Solutions for the integration renewables into the electric power net have been elaborated recently in a joint effort by business, stakeholders and state agencies.

### Unfinished business

There is the need for an innovative and balanced energy mix to counteract the ever-increasing dependence on oil and gas and to counter climate change as well as to raise Germany's competitiveness. In this respect, more focus is needed on sustainability as both an environmental issues and an issue of competitiveness and economic susceptibility. Seen from this point of view climate change should not be addressed as an environmental issue alone, but rather as a challenge for economic survival and social cohesion. All three aspects essentially focus on equal measures relating to renewable energies, clean fossil energy, innovative energy sources as well as to adapting the electricity net infrastructure. Both the raising of energy efficiency and innovative energy services should be regarded explicitly as being a part of the energy mix.

The Sustainability Strategy still has too little influence on economic growth and resource productivity. For a country like Germany reducing its dependence on oil and gas imports is contingent, setting innovations in motion and counteracting the threats to the climate. All three issues lead to simultaneous win-win measures.

The transition towards a sustainable energy supply and consumption will stay a top priority issue on the sustainability agenda, as will the integration of renewables into the electric power net and, in particular, the increase of energy efficiency in industry, household uses and the building of houses.

A more efficient recycling of used products and management of waste is another issue on the future agenda of energy efficiency that comes together with the long-term objective to reduce the amount of household waste that is deposited on landfill dump sides to zero by the year 2020.

In a longer perspective on resource economy German government's objectives on the market share for renewable energies are attainable though not efficient. Operative increases in energy efficiency would de facto no longer contribute to full CO<sub>2</sub>-reduction because, for companies, they free up quotas in the recently implemented emission trading scheme which can be used by other companies. Criticism has been expressed at government aid for the launching of innovative energy solutions, stating that it is uncertain how long such a launch would take. Whilst in favour of renewable energies, the question is already raised as to how the objectives can be attained through efficient means and a more vigorous move towards research and, in particular, a faster market distribution of research results.

The RNE recently raised the question of how to address energy transition by means of technology, in particular in terms of coal and fossil energies. The idea of creating a clean coal

mechanism has been raised and discussed with government and industry. Driven by the concern that coal resources will definitely continue to play a major role for the global energy system, the Council promotes r+d efforts to check out possibilities to clean up coal based energy supply by means of sequestration. Not perceived as a stand-alone-solution these effort should be part of an new approach to enlarge the overall research agenda and to viciously promote efficiency strategies.

## **2.2 Natural resources**

For air, water, and soil resources, degradation by intensive use and contamination still play an important role. In the last thirty years environmental policies have succeeded in a significant cleanup of natural resources in Germany, be it acid rain or surface water quality. Nevertheless, there are still enormous tasks ahead; to name only a few of those: a clean closure of household waste dumpsites, the cleanup of contaminated sites, the introduction and implementation of the idea of recycling brownfields, a substantial cut down of extensive land consumption for settlements, the implementation of the European surface- and groundwater protection scheme, a reduction of carcinogenic air contaminants.

At the core of sectoral strategies for safeguarding natural resources is the challenge to protect biodiversity.

Construction of roads and settlements, intensive farming and forestry, and tourism place increasing utilization pressures upon landscapes. The loss and declining of valuable habitats is still an ongoing process that counteracts efforts to safeguard natural resources. Although there is no decline in overall quantitative figures for areas under nature protection, habitats are being fragmented into isolated patches suffering, due to their small size and increasing exposure, from disturbances from the surrounding areas. In Germany, biodiversity is still facing extinction of species and genetic impoverishment of populations.

The European Council Directive on the conservation of natural habitats and of wild fauna and flora (the 'Habitats Directive' 92/43/EEC of 21 May 1992) establishes a comprehensive statutory basis for conserving habitats and species. In addition, the European Natura 2000 protected area system is legally binding through German national law. The objective of the Habitats Directive is to protect and sustain biological diversity in the territory of the European Union through a system of protected areas designated according to uniform criteria.

In Germany, practical action to protect nature leaves wide room for NGO activities. At the same time it is strongly relies upon those activities. For this, the integration of a network of habitats along the "green belt" (area under nature protection following the former borderline between East and Westgermany) and the creating of National Parks in almost every suitable ecologic region in Germany are examples.

According to national overview figures the present protected area conserve some 30-40% of native species in viable populations. So called Red Lists are registers of animal and plant species, plant communities as well as habitat types and habitat complexes which are either extinct in the wild or threatened. They are scientific expertises which represent the level of threath applicable to a reference region. They evaluate endangerment in relation to the situation around the year 1850. Red Lists are available of threatened animals and plants species, and

habitat types, partly regionalized for the German marine and coastal region of the Baltic Sea, the Wadden Sea, and North Sea region. Although, Red Lists have proved their worth it is necessary to provide additional information and quality assurance. Inter alia, a more objective system of criteria for classifying species into particular categories of threat is needed, as is the development of a strategic approach to biodiversity that should come with the upcoming review of the national sustainability strategy. This approach is expected to facilitate new ways to make the use of nature work for the protection of species and landscapes.

### 2.3 Social dimension

Taking into account the ongoing demographic change in Germany which is expected to increase in the near future, Germany can not be perceived as a monolithic country with a population equally distributed and displaying almost similar living conditions throughout the whole country. Instead, the greying of society and the fact that population figures are declining has challenging impact on urbanisation, migration, work force, infrastructure, mobility and the economy. If addressed accordingly and in time, as the national Sustainability Strategy is proposing, the impacts of demographic change may also reveal new and promising possibilities for a better way of life and a boost in technological and social innovations.

Sustainability provides impulses in education policy, here taken as role model for the social dimension. A programme known as *Transfer 21* now exists as part of the *Bund-Länder Commission for Educational Planning and Research Promotion*. The programme's objective is to develop learning methods and to integrate learning methods and materials on sustainability into the classroom at 10% of all schools throughout Germany.

Experiences from the programme, which has now been running for several years, show the significance of learning methods that tie in with pupils' practical experience as well as the importance of participation and self-organised learning, and the opening of schools to cooperation partners outside the school. Extracurricular education in kindergartens, clubs, companies and at home is extremely important and must be afforded greater consideration.

The UN Decade for Education for Sustainable Development calls for all those accountable at federal, Laender and municipality level as well as all interested institutions of the economy, research and teaching facilities, and civil society to join together to form a 'Learning Sustainability Alliance' with a view to developing a common action plan for the Decade and to setting up programmes and coordination mechanisms for its implementation.

In the recent review process experts criticised that the Sustainability Strategy and the 2004 Progress Report may have added some impulses but barely help to provide any content-related orientation for education policy. The NSSD indicators refer only to (a) the number of pupils who drop out of school without a leaving certificate and (b) to the number of university degrees. Whilst these are the right issues, they nevertheless bypass other important issues such as the quality of school education.

New approaches to address the growing impact of the greying society with its economic, social and political consequences need to be developed.

Pilot projects are expected to play a more visible role and provide more technical and social innovations.

### 3 What were factors for success and failures of the national Sustainable Development Strategy and why?

#### 3.1 Success

After almost a decade of debating concepts, frames and preconditions of a national SD policy the National Sustainable Development Strategy is broadly perceived as a worthwhile and overall successful effort because of its character as a landmark and focus point of action. In fields of prime importance there is also substantial progress, in particular in terms of energy, impacts of demographic change, and inclusive political setup of SD politics on the federal level.

For the national SD strategy giving the overall lead to coordination, decisions on priorities and objectives to the chancellery is considered as a key success factor. The establishment of a *Green Cabinet* has made sustainability a “matter of top priority”. This averts unproductive inter-departmental disputes.



In the peer review conference the significant role played by the German Council for Sustainable Development in developing the Sustainability Strategy was described with full consent. The Council acts as a driving force, admonisher and provider of ideas. The autonomy and work competence of the Council are crucial to the policy. The Council assists the development of qualitative and quantitative goals and of indicators. It has added to the agenda such difficult concerns as the issue of lifestyle, education and research, the future of urban quality and spatial infrastructure, energy efficiency and research, and clean coal process

(introducing CO<sub>2</sub>-sequestration with the next generation of fossil power plants). The Council's proposal to introduce a national campaign entitled "Citizens initiate sustainability" (**B**ürger **I**nitiiieren **N**achhaltigkeit, BIN) providing seed money for civil society engagement for sustainability proves convincing with the government.

Keeping the momentum of the political impact of the SD strategy is another "success factor". As sustainability is an objective and a process rather than a fixed state it is most important to set up a scheme for a continued process allowing active partners to place new items on the agenda, review what is done and how it has been done. An ideal process would provide an independent review, and it would enlarge the political reach of the strategy and attract more people to play an inclusive role in their respective environment, be it the local community, an NGO initiative, the churches, or the private sector. Germany is still far away from establishing a self-enlarging monitoring scheme for the SD strategy. Nevertheless, with a review scheme, a biannual reporting on progress, and the regular engagement of the Chancellor, the Federal Government set out a first attempt that keeps the momentum, as far as recent experiences can tell.

It is stated that a significant number of mayors are assuming a pioneering role in their local authority as a result of the local sustainability policy. These are useful in addressing the major challenges facing German local authorities in the areas of finance budget, the economy, the number of inhabitants and the environment. The consequences of demographic change are increasingly becoming a topic of discussion for the future of any city or town, as are infrastructure costs. This having been said, it has come very late and at a time when local authority funds are in short supply and on the decrease. Active cities and towns perceive the Sustainability Strategy as a motivation factor, others will fail to notice the strategy and make use of it.

There is no activating mechanism built within the strategy that is reaching out to communities and the private sector encouraging those to come up with commitments and action.

### **3.2 Unfinished business**

Great value is attached to communication in general and to the consultation processes in particular. Involvement can help to provide "ownership" and create or nurture a positive and creative environment. Setting up dialogues on equal footing seems to raise more ownership and to build more awareness than providing mere consultation possibilities. As a precondition here, credibility can only be achieved through open and transparent access to information, and through a habitude that follows the motto of "walk your talk". In this respect, more guidance and more and effectful pilot projects could make a difference, especially in terms of green procurement, energy efficiency and budgeting.

It is critically conceded that this goal has not been attained in a way that seems possible to those who are representing societal stakeholders.

As above already mentioned, it is still an "unfinished business" to make the SD frame really work as an overall approach and a major move of society.

In a broader approach to communicating SD policies, the issues of the role of the media and the media industry are still not being broached as much as they should; to date. The positive practical examples from the Council's communication projects underline that it is indeed possible to have active and innovative communication. These are, however, only small individual contributions, but they do show the feasibility of the approach in principle. In the German peer review conference it was said that a comprehensive communication strategy is lacking bringing together all actors of their respective fields of action.

Vertically linking actors and actions throughout the federal, the Laender and the community level is still not done sufficiently and successfully. In the Laender, the national Sustainability Strategy currently reaches expert groups who are engaged in this for professional reasons or confronted with it due to their honorary capacity. It does not extend to the broad public. The Sustainability Strategy issues are discussed at great length in specialist circles. At Laender level, a connection to the sustainability policy is only then made when greater acceptance of that state's programmes and policies can be attained or when the state's own strategies can be put forward as an alternative. Since German government's expert programmes and projects themselves (except for research and development programmes devoted explicitly to sustainability issues - above mentioned as fona initiative, set up by the Federal Minister for Science and Education) tend to barely make any reference to the strategy, neither name recognition nor acceptance of the strategy is being raised.

The pilot projects in the Sustainability Strategy are an interesting element for demonstrating how "sustainability" works today in the government's concrete actions. This element needs to be expanded upon if it is to fulfil its true function; to do so, however, more administrative effort will be required than was originally assumed by the German government. The government's demonstration projects should also spur on the Laender and local authorities to demonstrate activities of their own.

#### **4 What are the conclusions regarding the relation of the national Sustainable Development Strategy, sustainability and growth?**

The above mentioned first peer review comes to the following conclusions.

To date, it has not been possible to initiate a growth dynamic which is orientated towards the goals of sustainable development, but this must occur in the future. For companies, this also involves their responding in a more effective manner than has been the case thus far to justified questions on the effect and consequences of corporate activities for the community.

Around the German sustainability strategy, the scope for activity is not actually being fully exploited. For example, the significant potential for action vested with the public procurement function on resource productivity and energy efficiency has not yet been recognised as being a field of action.

Criticism should also be levied at the fact that "growth" continues to be interpreted as a mere quantitative indicator of the gross domestic product. There are efforts under way to, so to say, fill the GDP with statistics on environment and growth. So far, a "green GDP" has not been set up as a simple equivalent to what we normally know as GDP. Nevertheless, in a modul

sense green statistics are available for an huge array of linkages between environment and growth. However, as a consequence, in practical politics as well in the public perception, GDP – growth remains without any specific ecological or social direction. The German government's resource productivity objectives lack ambition. All deliberations on Germany as a "business location" apart, one should not lose sight of Germany as a "location for living" if the quality of life is to be secured and enhanced.

The notion has been shared that the Sustainability Strategy should serve to integrate a variety of political fields through objectives, indicators, key issues, monitoring and pilot projects. Criticism is levelled here that the objective conflicts are still being made transparent enough. Another future issue is to find appropriate ways and means to assure a sound monitoring of unsustainable trends, sustainability indicators and the societal momentum.

The existing and functioning networks of civil society (local agenda 21, NGO networks, initiatives of e.g. churches and others) and the corporate networks could be involved more effectively in the elaboration and extrapolation of the Sustainability Strategy and utilised to the benefit of common objectives. Conversely, their commitment and action is expected to be more to the point enabling actors from this field to come up with new approaches, e.g. referring to social responsibility and corporate governance, as well to a reliable reporting about actions.

## **5 Further reading**

Key documents on the German Sustainability Strategy are:

- Perspectives for Germany, our Strategy for Sustainable Development (document and summary), English version available on [www.dialog-nachhaltigkeit.de](http://www.dialog-nachhaltigkeit.de)

The mission statement of econsense is available on [www.econsense.de/eng/ziele.htm](http://www.econsense.de/eng/ziele.htm)

The most important recommendations by the SD Working Group of European Environmental and Sustainable Development Advisory Councils have been compiled by the German NCSD (see printout; documents are separately also available on [www.eeac-network.org](http://www.eeac-network.org)). Recently published study on the European state-of-the-art of National SD Strategies and stakeholder involvement.

## The EU SD strategy under review



Sustaining Sustainability -  
a benchmark study on national strategies  
towards sustainable development and  
the impact of councils  
in nine EU member states.