

The Role of the German Council for Sustainable Development (RNE)

Günther Bachmann

Think piece
for "Friends of Governance on Sustainable Development", edited by Felix Dodds

Berlin, November 2019

Checking in on the unexpected

More and more, human influence is coming to shape our epoch in Earth's history. The evidence is overwhelming, scientifically, and more importantly, also in terms of what people can feel and live – or suffer through. The situation is urgent. Neither will global warming just "go away" nor is sustainable development "just another gimmick". By the hundreds of millions people are suffering from poverty, malnutrition and hunger while biodiversity and natural food systems are under dramatic stress. The time - line adds to the new dimension. In terms of other areas, deliberately delaying political action often is an option. With climate change and biodiversity losses it is different: Postponing exacerbates the issues.

Appropriate action must come in the form of risk management, emergency response and precautionary measures. The UN's Sustainable Development Goals and the 2030 Agenda, consider new ways to deal with the Anthropocene as Paul Crutzen once suggested to call our times. Some of these are on the horizon, others not yet. Some are simply demanding that we finally do what we already know needs to be done while others demand new out-of-the-box thinking and deep research. Still others will prove to be non-linear or cannot be planned ahead of time. And some will come with new technologies and/or unprecedented changes in societal and behavior and attitudes.

Of utmost importance for more sustainable pathways are the rule of law, the division of power and the representative democracy, as we know them. There is also a case for partnerships beyond silos and for collaboration that functions in spite of conflicts of interest. A strong civil society, an innovative research community and a competitive market economy are facing uncharted territory.

That is why enabling our imaginations to rise to the challenges ahead needs, among other things, sound policy advice, and most certainly a new type of advice. No one has a blueprint for navigating the Anthropocene, and we all must come up with ideas and actions that enable a decent way of life within the planetary boundaries for contemporary and future generations.

The uphill struggle

The German government uses the Council for Sustainable Development as a kind of political pathfinder. Almost twenty years of practice have yielded a fair amount of insight into what works and what would probably not deliver, as well as into the shades of grey that lie between those poles.

For the Council members, the starting position was in no way a comfort zone. In the early 2000 years, in Germany, sustainable development was a well-contested concept. Campaigners for human rights and those fighting on behalf of the environment did not even like the wording because to them its comprehensiveness seemed to impinge upon clear-cut mono-topical campaign motifs. It would give entrepreneurs and the economy at large too much say, environmentalists feared. They tend to misapply the concept as just another wording that would cover just the same purely environmental demands. Economists and the business community misused the concept for greenwashing “same-same” attitudes. The Greens (in the sense of the German political system), at that time junior partners in the red–green government coalition, mostly opposed the concept because they perceived it to be in competition with their “green” identity. None too few other parliamentarians denounced the concept as a nanny-state socialistic planning economy. They declared it doomed to fail. The general public heard not a word about sustainable development.

Even today, the process of adapting to the challenges of the SDGs is slow and meandering. In Germany, the youth protest movement has helped immensely to speed up the realisation we need in order to recombine line organisations, networks and grassroots practice with market-relevant corporate governance and make them part of the solution for sustainable development.

This article aims to give an overview of Council’s the mandate and shed light on how this mandate is being leveraged. The composition of Council is key, too, as is the operative capacity embodied by the office and the role of the Secretary-General. Right from the first day, the role of the Council has essentially been twofold: for the government the Council is an adviser and facilitator while for large segments of the public and non-governmental institutions the Council plays the role of a gatekeeper of deep sustainability thinking.

This is the context in which the German Council for Sustainable Development works as a multi-stakeholder body mandated to advise the government on all issues of sustainability policy. The Council was first established in 2001 and is being re-mandated every three years, partly taking on new members. A total of some fifty eminent representatives of stakeholder groups have sat on the Council. [1]

Mandate

In the 1990s, prior to establishing the Council, German politics failed to agree a sustainable development strategy via conventional line (sectoral) department governance. Insufficient governance was at the heart of this failure. The political system had “translated” sustainability as a primarily environmental task and made the ministry for the environment responsible for delivery of a cross-sectoral strategy. This invited vetoes from players in the other line departments, and the draft for the national sustainability strategy never even reached cabinet level.

The Federal Cabinet, newly elected into office in 1998, decided to change the arrangement. The underlying reasoning was that one a) needed a decision-making structure within the administration (what then became the role of the State Secretaries’ Committee, chaired by the Chancellery’s chief of staff and with subsequent working capacities in the central and line departments); that one b) had to continuously facilitate the top level leadership (and would have to deliver tools and results the top level would take an interest in, including public resonance and the policy cycle); and c) for this to happen, the government would need “outside the box” advice that resonated both inside and outside of government. This advice would have to come from a new advisory structure, which then became the Council for Sustainable Development.

The government’s mandate asks the Council to a) give advice on request, b) come up with projects, advice and/or recommendations on its own motivation as well, c) address the public by underlining the importance of sustainable pathways and emerging urgencies.

Consequently, it was the Council who first drafted a full framework of 20 national goals and indicators, which the government subsequently transformed into the first-ever national Sustainability Strategy in 2002 [2]. The Council’s accompanying message was threefold: a) a strategy has to be ambitious, long term and meaningful as well as underpinned with the metrics of targets and timetables. (In 2001, for quite a number of politicians that sounded a lot like socialism, but that argument was won.) b) Regulation is needed, but would have to go far beyond the common understanding of just passing a couple of laws; the Council encouraged the federal government to link up with all levels of public (federal) responsibility and – most importantly – to engage multiple stakeholders in a constructive action-oriented dialogue. (Although this sounds fairly self-evident, it is not an easy task as the claims of stakeholders and local or regional actors are often overlapping and intertwined.) c) Systemic and global interdependencies require any German strategy to consider footprints and material issues that go far beyond German borders. (Only with the 2030 Agenda, was the Council able to anchor this principle of universality by introducing the triad of implementing SDGs *within* Germany (housekeeping), *with* German help abroad (development cooperation and foreign policies), and *by considering* Germany’s global impact, both in terms of problematic footprints and solution oriented handprints.)

The Council can only live up to the expectations if properly institutionalised and equipped with substantial office capacities. The working modality of an office to the Council is the most important governance tool. In the German case, the office works on a politically independent basis and is led by a Secretary-General, who is accountable for all proceedings associated with the Council. Such an institutionalised, responsible and independent structure of a Council’s office is needed to perform several high-performance tasks, inter alia: to function as an interface for the

central government and line departments, to translate productive Council deliberations into concrete recommendations, to manage the multi-stakeholder governance, to secure science-based inputs, to address the public and interested parties, to facilitate peer reviews and other international advisory features, and to perform all this in a way that substantiates the creative and think-outside-the-box approach the quest for a sustainable development so urgently needs. From the very first day, the RNE office displayed a significant work commitment and high-level calling power, and it has only increased its performance ever since. The way in which the Council facilitates dialogue and reaches out to society – and how this is communicated – is just as important as the substance of recommendations to the government themselves.

Since 2001, the Council has advised six governments, with four different political “colours” and formed by three different types of coalition. No government changed the mandate substantially. However, the Council’s array of projects and operational excellence has evolved quite significantly. In that sense, the Council’s role has changed.

This learning curve is empowered by practice. Over the years, the Council has added value to its advisory role by acting as gatekeeper. The role of a trusted gatekeeper requires, inter alia, the building up of a significant calling power and networking capacity. It also requires expertise and insights into how the administration works and what is material for private sector businesses.

Composition

It is important to note that the Chancellor appoints high-ranking eminent Council members. Some of them had held minister positions in the federal and Länder governments before, or were still in leading roles at corporations, hidden-champion family businesses, or joined the Council in their capacity as elected presidents of powerful lobby groups such as Friends of the Earth Germany, Nature and Biodiversity Conservation Union, or consumer rights groups, and last but not least trade unions and churches. Researchers representing the academic community continuously played an important role on the Council.

The RNE’s role, status and self-image and its political effectiveness were the subject of early discussions, as they continue to be now. The members and the Council office are permanently checking relevance and impact and self-adjust their work modalities accordingly. This is perhaps the single most important reason why, after nearly twenty years, more and more eminent personalities are eager to serve on the Council. With no substantial impact, that would hardly be the case.

The modality of an SD council would need, so goes the thinking, to go beyond the logic of both purely academic advice or public campaigning. Instead of delegates (bound to simply repeating preexisting decisions of the institutions they represent), the Chancellor appoints Council members in an *ad personam* function. Even without a formal gender quota the composition of the Council is quite gender-balanced.

The membership term is three years and members can be re-appointed. Members come from civil society, environmental and development NGOs, the private sector, churches, local communities, the academia, research and education, and all kind of other public interest communities.

The Council's design is founded on a couple of rules of thumb: a) the larger the number of members, the weaker the will of policymakers to actually use the Council's results. Fifteen is a fair indicator for political relevance. b) Limiting the seats on the Council incentivises community work and helps maintain political momentum in the constituencies and in politics because the number of some fifteen seats is not representative in terms of "all" important stakeholders. c) In order to be attractive to a larger number of relevant and interested groups and sectors, the Council must try to work "outside the box" and "beyond the usual echo chambers". The limit of fifteen members and their *ad personam* assignments provides a fair chance of reducing otherwise obstructive turf wars or showboating, though it naturally cannot exclude them entirely.

Within the German governance system, the three-year appointment term means that every government will be involved at least once with deciding on the Council's composition. The German Sustainable Development Strategy follows a four-year policy cycle that corresponds to that of the legislative period. It features reporting on the statistics of the 64 German indicators every two years, the process of reviewing and dialoguing, and it allows for new work items and the required commissioning of research. It is also aligned with the rhythm of the United Nations' ECOSOC High-Level Political Forum. Aside from this, the Strategy is open for intermediary sectoral sub-strategies, such as for organic farming and regarding the future of the food sector, education for sustainable development, research campaigns into certain topics related to sustainable development, and others.

The three-year appointment helps members to reconcile jobs, positions and other obligations. The chair and vice-chair of the Council are voted into their position by the members on the occasion of the constitutional meeting, convened by the Chief-of-Staff of the German Chancellery. At this meeting, the Chancellery and members also agree on the rules of procedure drafted by the Council's Secretary-General.

The operative arm

Council members are not being paid an honorary for their advisory function. The federal government, however, provides an office, and its staff is fully paid. For Council members, and for the RNE as an institution, the operative capacity provided by the office is of utmost importance.

At the end of every term of office, both maintaining the high level of commitment and retaining the top-ranking eminence of members is a political challenge. The transition between two terms may result in a gap between the previous term ending and new members being appointed for the next term

This happened frequently in the past. In this case, the RNE office secures the continuity and impact of the RNE externally as well as the transition of projects and work lines.

Services for the office's legal and contracting matters are provided by a third party, which, since 2008, has been the German development aid company, Gesellschaft für Internationale Zusammenarbeit, GIZ. Recruitment of office staff is the sole responsibility of the Secretary-General, a position which is filled in close consultation with the Chancellery.

The Secretary-General has a political role. The Secretary-General does not have voting power on the Council, though does have the right to make suggestions for the agenda of Council meetings and is responsible for communicating and following up on the RNE policies, for drafting and fact-checking the recommendations, think papers or any other output of the Council, including communication in social media. He/she facilitates the debate between Council members and the government or other stakeholders. In particular, he/she is the main liaison between the federal government and the Council, in particular on emerging topical issues. Governance issues, line department topics such as the energy transition, mobility, sustainable finance, (big) data sovereignty and its relevance for advanced solutions, corporate reporting, agriculture and food systems are currently ranking very high on the topics list, as well as cross-sectoral challenges in terms of public procurement, innovative environmental precautionary principle, education and science-policy interfaces.

The Secretary-General represents the Council as a permanent guest on the State Secretaries' Committee for Sustainable Development, alternating attendance with the Council Chairperson. He/she and the staff also engage the line departments and the Council's European and global networks with regard to the multilateral 2030 Agenda. He/she is further tasked with functioning in the community as an information broker and network hub. For this task RNE runs and facilitates a number of networks and platforms.

As the Council is committed to functioning as an "honest broker" between the new and the old, pioneers and those catching up, grassroots and corporate leaders, also between different parts of the line departments, and between top down and bottom up ideas, this is mainly carried over into the task of the office. Classic dichotomies such as regulation versus voluntary action, go-to-chances versus no-go-risks, gloom and doom dystopia versus visionary thinking ahead, knowledge versus action may sometimes be valid, but more often prove to be not overly helpful. Leadership, as expressed by navigating the deep waters of sustainability is a crucial element of any state governance for national sustainable development strategies or plans. The Council thus augments that which the federal government can potentially achieve in implementing SDGs.

There is a case for governance via non-governmental action and institutions in the form of networks, cooperations, partnerships, data economy, reporting and non-legal responsibility (licence to operate). This type of governance has long been neglected and needs to be looked at much more exhaustively.

The Council has so far worked on a trial-and-error basis and experimented with new formats of action, each of them targeting communities of practitioners in different areas:

- **Private sector**

For addressing the private sector, the Council developed a transparency tool that allows companies to report back on their non-financial aspects, such as ecology, human rights and social dimensions, including in the value chain. This was well before the relevant European legislation. The Sustainability Code has created a community of practitioners. Off-shoots of this tool are now available in several languages and are attracting the attention of companies and stakeholders in other countries. Its application is voluntary, and a database is made available by the Council. The Sustainability Code can be applied by all companies that are required by European legislation to disclose their non-financial performance data. It is worth noting that the majority of reports have so far come from companies that are not legally required to do so. They are perhaps intrinsically motivated, or they see a good reputation as a market driver and a bonus when it comes to attracting young staff. Established in 2010, the Code has gained momentum, both nationally and internationally. A number of other nations access adapted forms of the Code. The Council continuously improves the Code and e.g. enables it to explicitly cover SDG commitments. [3]

In a recent move, the Council has begun bringing together politicians, financial capital agents and civil society organisers to engage in dialogue on the upcoming issues of sustainable finance. As a multi-stakeholder engagement structure, the Council's Hub for Sustainable Finance successfully triggered governmental action as well as raising awareness among market actors.

- **Local communities**

In order to contribute to localising the SDG implementation the Council facilitates mainly two processes: a) the dialogue of city mayors, with all German pioneer cities and a total of more than 30 mayors participating, is advancing the local top-level political leadership, advocating participatory processes and demanding more support from the federal government, and b) the Council runs a network of four hubs that network sustainability issues on a regional scale (covering northern, western, southern and central Germany). These hubs are civil society- and action-based, rather than being part of the regular federalist decision-making institutions. For a federalist country, this is an important aspect to mention. In addition, the Council hosts an annual grassroots action week.

- **Culture**

Having in mind the important role of culture and the arts and facilitated by monies provided directly by the Parliament, the Council runs a programme of seed money grants directed at projects and initiatives that embed sustainability in everyday cultural practice related to eating, housing, being mobile and fashion.

Gatekeeper role and facilitating Peer Reviews

The Council has grown into a gatekeeper role. The Council and its office are a sought-after partner for design thinking, brainstorming new ideas and for deliberating new policy choices. The number of meetings, public hearings or contributions to conferences is ever increasing.

The Council has adapted the concept of peer reviews to the needs of sustainability policies. In 2017 the federal government has invited senior international experts to subject the German

Sustainable Development Strategy to a peer review. Peers are asked for a close scrutiny and to provide impulses to the government for sharpening focus and governance of the strategy. It is the task of the Secretary-General to design the work process and to suggest an assembly of eminent peers. The Chancellor appoints the Chair of the peer group whereas the members of the group are selected in close consultation between the Chair, the Council and the government. The RNE office checks facts and findings, provides documentation and in-depth analyses where requested, and organises stakeholder debates as well as providing managerial process competences.

Out of some 60 national indicators, 29 evidence gaps and non-delivery. The statistics say that we are off target. The recent international peer review, chaired by Helen Clark, encourages Germany to be more ambitious. The Peers also pointed out that even more is needed in order to deal with emerging new challenges, e.g. those associated with digitalisation, geopolitics and climate neutrality. [2]

The Council further provides strong support for the German Sustainability Award, GSA. This dates back to the initial debate on what an award of this kind would be about. Today, the GSA is a cutting-edge event. It features pioneering businesses and cities, outstanding examples of sustainable architecture, research and global partnerships. With a total of around 2,000 attendees, the GSA is a two-day congress followed by the award ceremony and an aftershow event. Among others, it cooperates with the federal government, the German Council for Sustainable Development, local organisations, business associations, research institutions and civil society organisations. The RNE's Secretary-General chairs the grand juries and is one of the anchor presenters.

Impact

Two decades of practice have been amassed which now function as a trove of practitioners' insights that enrich the role of the Council. Progress has most certainly been made, including progress that would not have come about without the Council. The Council has successfully kept the issue of sustainable development on the political agenda, and even raised political awareness both cross-sectorally and vertically/horizontally.

There are no recipes for a silver-bullet cure, and even sub-nationally or in smaller line sectors, approaches vary. Differences in the political culture, materiality of issues and budget constraints – even the habits of leaders and leadership styles – are likely to need differentiated answers. At a minimum, the Council's advisory and gatekeeper role complements the conventional campaigning and watchdog activities of organised civil society. Members of the Council may change "hats", moving between the civil society role of their home institutions and their council member role. This, too, can create a very constructive momentum.

The multi-stakeholder composition does not work of its own volition, however; rather, it must be orchestrated adequately and within clear and deliberate spaces that are known to all involved. It can motivate members and governmental addressees to discuss complex issues from various angles in order to identify pathways that are far richer than the lowest common denominator. As with advice on the German Sustainable Development Strategy itself or on energy, finance,

agriculture, public procurement, innovation or regional networking, recommendations are not necessarily always to the immediate liking of the current government, nor to organized civil society much less to vested interests.

With progressive and nuanced statements and its array of projects and initiatives, the Council has significantly influenced societal and political debates and awareness for key issues. Although it has left deep imprints on political and societal debates, it comes as no surprise that a fair number of the RNE's ambitions have failed to deliver. These are the most significant failures: a) in the early 2000 years, the Council failed to deliver a recommendation on taxation issues. After exhaustive deliberations between Council members representing the three key stakeholder groups (environment, economy, academia) and after having jointly found a fair solution, the final approval debate in the Council completely lost its way and ceded to outsider arguments; b) on the topic of mobility, the Council missed the mark as a result of deep insider knowledge from Council members that could not be disclosed; c) the German decision to phase out nuclear energy would have been unthinkable without the input and commitment of key RNE players. However, the RNE itself never communicated this as a major issue. As a result, the German public is experiencing the energy transition as primarily a technical issue. The current lack of consistent storytelling (narrative) impedes the energy transition as a whole and works against public acceptance, for instance when choosing sites for new wind energy or transmission lines.

The Council has brought and still brings stakeholders, grassroots activists, political leaders, scientists and business leaders into contact with the idea, strategy, ways and means of sustainable development. Some of these may not previously have had the opportunity to come into contact with sustainability thinking. In German politics, sustainability is on a positive trajectory. It is increasingly accepted as a fundamental and guiding principle for all fields of expertise and areas of life. Acceptance, however, does not mean that everyone is already observing the principle, much less pursuing creative implementation. It still is an uphill battle.

The better is the enemy of the good. Introducing a 360° circular economy, changing the fossil fuel and nuclear energy system, zeroing land degradation, ending self-destructive consumerism, entering into a fair and inclusive economy that helps to end hunger and poverty worldwide – all that goes far beyond what is happening today. But they matter for the people, for jobs and for a sense of life purpose. They increasingly attract the hope and curiosity of many, and this will incubate new competences and catalyse skills that most actors didn't even know they would have.

[1] Members of the Council reviewed the mandate, results and perspective of their engagement in an open review after 15 years of advising the government. See "15 Years of the RNE. A Review of Insights with a Foreword by the Council's Secretary-General, Prof. Dr Günther Bachmann", https://www.nachhaltigkeitsrat.de/wp-content/uploads/2017/11/20170911_15_years_RNE_reflection_exzerpt_for_Peer_Review.pdf

[2] In 2002 the German government presented its first national sustainable development strategy titled "Perspectives for Germany – Our Strategy for Sustainable Development". A programme of measures adopted in 2010 specified the tasks ahead. Since 2016, the German Sustainability Strategy is aligned with the UN's 17 sustainable development goals. In November 2018, the government adopted an update, considering in a first move

the result of the Peer Review 2018. In October 2019, the government started its policy and dialogue cycle that is expected to end in the second half of 2020 with a re-worked strategy. The actual and previous strategy documents can be retrieved from <https://www.bundesregierung.de/breg-en/issues/sustainability/germany-s-national-sustainable-development-strategy-354566>

[3] The Sustainability Code is an internationally applicable reporting standard for topics relating to sustainability. The German Council for Sustainable Development adopted the Code in 2011 following a comprehensive multi-stakeholder process. <https://www.nachhaltigkeitsrat.de/en/projects/the-sustainability-code/>

[4] Helen Clark (New Zealand, former UN DP Administrator), Adolfo Ayuso-Audry (Mexico, government), Karl Falkenberg (Brussels), Julie Gelfand (Canada, Supreme Auditing Body), Virginie Helias (Switzerland, Procter & Gamble), Lailai Li (China, World Resources Institute), Namhla Mniki-Mangaliso (South Africa, African Monitor), Joost Oorthuizen (The Netherlands, Sustainable Trade Initiative), Teresa Ribera (Spain/France, IDDRI), Jan-Gustav Strandenaes (Norway, UN Major Groups expert, Pure Consultancy), Farooq Ullah (United Kingdom, UK Stakeholders for Sustainable Development), 2018: The 2018 Peer Review on the German Sustainability Strategy, https://www.nachhaltigkeitsrat.de/wp-content/uploads/2018/05/2018_Peer_Review_of_German_Sustainability_Strategy_BITV.pdf