



Rat für
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Entwicklung

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Sustainable Development

Recommendations for the Reform of Government Work: Better Governance for Sustainable Development

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Recommendations for the Reform of Government Work: Better Governance for Sustainable Development

1. The Challenge

Whether in politics, business or society, the principle of sustainability and the goal of climate neutrality are never far from the conversation. Furthermore, the spring 2021 decision from the German Federal Constitutional Court on the Climate Change Act has brought an additional constitutional dimension into play.

A fundamental change of course is needed to avert the consequences of current action, or rather often inaction, in Germany, Europe and at global level. At the current rate – and without this change of course – we are set to fall well short of both the global sustainability targets and the goals set out in the German Sustainable Development Strategy. However, the governance structures currently in place in Germany are obstructing the necessary changes from being made. As such, if we wish to achieve the goal of climate neutrality by 2045, as well as other key goals in the German Sustainable Development Strategy, we must act now. This holds true at national level, but also at the level of the German Länder and locally. In the coming legislative session, we must combine efforts to rebuild the economy in the wake of the COVID-19 pandemic with a socio-ecological transformation of the state, economy and society. Similarly, the right course must be set from the outset in the upcoming German coalition talks.

In March 2021, the German Council for Sustainable Development (RNE) set out its first recommendations for better governance in its statement in the run-up to the Bundestag elections (“[Aufbruch in ein Jahrzehnt der Nachhaltigkeit \[Moving into a Decade of Sustainability\]](#), only available in German”). Following in-depth dialogue with representatives from the political parties and Federal Government, members of the Bundestag, the President of the Bundesrechnungshof (Federal Audit Office), and representatives from academia and civil society, the RNE is now setting out specific and more far-reaching proposals for better sustainable development governance. The focus here falls on new proposals for reforming government activity.

2. Including Sustainability in the Basic Law for the Federal Republic of Germany

If the principle of sustainability is to succeed as a guide for political, social and economic development, it must be incorporated into the **Basic Law for the Federal Republic of Germany** as a “Staatsziel”, or **national objective**. This should build on the existing Article 20a of the Basic Law as well as on the Federal Constitutional Court’s decision on the Climate Change Act.



3. Establishing Contemporary Governance Mechanisms in the Federal Government

a. Strengthening the Managerial Capacity of the Federal Chancellery

The new Chancellor should systematically focus **policy guidelines, as per Article 65 p. 1 of the Basic Law**, on sustainability. This should anchor the sustainable development goals as a cornerstone of the respective departmental activities. In this respect, sustainable development should increasingly fall into the category of a **“matter for the boss”**.

The **State Secretaries’ Committee for Sustainable Development** should continue to be **chaired** by the Head of the Federal Chancellery. Where measures taken by individual departments contradict one another and conflicts of objectives become apparent, it is up to the latter to approach the departments.

A core element of improved sustainability governance is the strengthening of managerial capacity and resources for sustainability in the Federal Chancellery under the leadership of the Head of the Chancellery. The Head should be supported in their work towards this socio-ecological transformation by a **Minister of State** for Sustainable Development in conjunction with an efficient **management and coordination unit**. This unit must be given sufficient resources as well as a clear coordination mandate from the German Cabinet.

b. Focusing Government Work on Transformation Areas

For the effective management of sustainability policy, it is vital to set out objectives based on the SMART criteria as well as appropriate indicators and clearly designated responsibilities for implementation. Accordingly, the German Sustainable Development Strategy’s implementation and monitoring mechanism must be developed further with a new, clear system of core objectives and key indicators. The **focus** here should be on the **six areas of transformation** set out in the German Sustainable Development Strategy, as this will automatically address cross-ministerial concerns and interactions.

On the basis of Germany’s experience with the **“Climate Cabinet”**, consideration should be given to the establishment of **similar cabinet or state secretary committees for the other major areas of the transformation** (for instance, the transformation of transport or resources) as well as for coordinating the German position on international sustainability issues. The departmental heads of the ministries most affected should work together closely in these cabinet or state secretary committees to further the implementation of the common goals set out in the Coalition Agreement, the Sustainable Development Strategy and the laws and strategies relating to the transformation (such as the Climate Change Act and, if necessary, a new mobility law or food strategy). This process must involve all ministries affected coming to a binding agreement on their respective specific contributions, including the monitoring of these. The external impact of government policy on the international achievement of sustainability targets must also be systematically taken into account.



The proposed Minister of State for Sustainable Development and the Federal Chancellery's management and coordination unit should assume responsibility for the coordination of these cabinet and state secretary committees, in doing so ensuring the dynamism, transparency and coherence of the Transformation Agenda. Each cabinet or state secretary committee should be allocated sufficient **interdepartmental budgetary funds**, with allocation based on project quality and not some predetermined proportional system.

To achieve real progress, however, a new form of political collaboration is not enough. Instead, cooperation is needed at all levels in the respective ministry substructures. It follows that there is a need to establish **project groups for the different areas of the transformation** between the ministries concerned. In the spirit of modernising administration, these project groups should both feed ideas to the cabinet and state secretary committees while also ensuring the swift implementation of any transformational decisions made. Here, it is important to ensure adequate support for the project groups themselves as well as the corresponding planning and participation capacities in the Länder and at local level.

c. Anchoring the Imperative of Collaboration

Administrative processes and structures within government must be reformed as a whole. Instead of this “culture of objections”, we need a “**culture of collaboration**”, a “culture of empowerment” that dynamically pushes for the implementation of agreed-upon goals.

In reforming governance, a crucial step is to involve all relevant opinion leaders, both inside and outside the departments, in the process as early as possible.

- At horizontal level, better connected, earlier collaboration is needed between the different departments.
- At vertical level, this cannot succeed without clear mandates, better communication and permeability when it comes to the different administrative decision-making levels.
- Earlier involvement and participation of both civil society and academia is indispensable and a prerequisite for effective, knowledge-based solutions.
- This new “culture of empowerment” should focus on the rapid trialling of new approaches and their subsequent systematic implementation.
- The companies and economic sectors affected should also be involved at the earliest possible stage to lay the foundations for swift and successful transformation processes.

A diverse and interdisciplinary ministry staff, including from European and international organisations, have an important role to play in a new administrative culture.



4. Making Parliament a Sustainability Actor

The RNE welcomes the fact that the **Bundestag** held a plenary week on sustainability and the climate for the first time in 2020. We call on the Bundestag to follow up this action by systematically incorporating the guiding principle of sustainable development into its work – across plenary, committee and parliamentary group work.

This would include among other things regular **plenary debates on both the national and international challenges facing the transformation**. In the next legislative session, the Bundestag should also consider developing the Parliamentary Advisory Council on Sustainable Development (PBnE) into a strong **committee for sustainable development** with a cross-sectional function similar to the Europe Committee. Sustainability should also be better anchored in the **work of the parliamentary groups**, for instance with overarching parliamentary working groups and vice parliamentary group chairs serving as sustainability officers for their respective groups.

In terms of the **legislative process, the sustainability goals** should be taken into account at all stages, from the draft of the speaker in the ministries to the final reading in the Bundestag.

5. Securing a Federal Budget that works for our Grandchildren

For the budget to succeed in providing strong support for sustainability policy, the **principle of sustainability must be applied throughout the budget cycle**, starting with the Federal Government's draft budget, continuing on through parliamentary decisions and budget implementation and ending with budgetary control through both the Parliament and the Federal Audit Office.

It follows that, moving forward, the government and Parliament should systematically link the federal budget, as a central lever of sustainability policy, with sustainability goals. This could be achieved, for instance, by introducing a "**climate check**" test for the budget (for example, through the implementation of the do-no-harm principle) or by introducing a **climate target for the federal budget** (as has already been the case for the EU budget since 2014). In particular, subsidies that harm the climate and the environment should be phased out swiftly but in a socially responsible manner, with binding steps agreed to this end.

The future should see **cross-ministerial budget chapters implemented for inter-departmental measures and programmes** relating to core topics in the areas of the transformation (for example, for the specific transformation areas and to promote local sustainability efforts). Funding programmes should be reviewed according to their sustainability impact.

In addition, amendments to the **Budgetary Principles Act (HGrG) and the Federal Budget Code (BHO)** should be included to clarify that sustainability must necessarily be taken into account. Indeed, the principles of economy and efficiency



must be combined with that of sustainability in both preparing and implementing the budget.

Additional results-focused budgeting could also strengthen interdepartmental cooperation across the areas of the transformation.

About the German Council for Sustainable Development

The German Council for Sustainable Development (RNE) advises the Federal Government on issues of sustainability policy. It acts in this capacity as an independent entity, and since 2001 its members have been appointed every three years by the Federal Government. The Council consists of 15 public figures, comprising individuals from civil society, the business sector, the scientific community and the political arena. It has been chaired since 2020 by Dr Werner Schnappauf and his deputy, Prof. Dr Imme Scholz. The Council also carries out its own projects aimed at advancing the topic of sustainability in practical terms. In addition, it helps shape topically focused momentum within policy and societal dialogue. The Council is supported in its activities by an administrative office based in Berlin.

Imprint

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