

A stylized graphic in the background shows a hand with fingers spread, holding a globe. The hand and globe are rendered in shades of gray, with the hand appearing to be in the foreground, reaching towards the globe. The globe is partially obscured by the hand's fingers.

A step towards Sustainable Development?

Federal Report on
Sustainable Development 2002:
Executive Summary

Task Force Sustainable Development



The Federal Planning Bureau

The Federal Planning Bureau (FPB) is a public interest body.

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The Act of 5 May 1997 *regarding the co-ordination of federal sustainable development policy*, entitles the FPB to draw up the Federal Report on Sustainable Development and to prepare the Federal Sustainable Development Plan. The Task Force Sustainable Development consists of staff members of the FPB. Since January 1998, they have carried out this assignment under the control and responsibility of the FPB.

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Executive summary

1 Making sustainable development concrete

Questions 1998-2001

The second *Federal Report on Sustainable Development* asks the same question as the first report of 1999: "Is Belgium following a path of sustainable development?". The report provides an answer to that question for the period 1998-2001¹. The answer is presented in a very concrete way, which is the main merit of this report. It is based on ten development issues or problems:

- Production strategies of enterprises;
- Ethical financing of enterprises;
- Social economy;
- The use of information and communication technologies;
- Fishing and biological diversity at sea;
- The use of genetically modified plants;
- Energy production and consumption;
- Mobility and transport of persons;
- Health at work;
- Tobacco consumption.

Those ten issues do not only entail problems, they also offer opportunities to realize sustainable development.

- For example, can preservation of biological diversity be combined with fishing?
- Can access to information and communication technologies help people to escape poverty?
- Can product strategies of enterprises simultaneously generate economic, social and ecological improvements?

Concrete answers

The report shows that sustainable development is important to provide an answer to these questions, as various scientific disciplines (natural science, sociology, economics, etc) are comprised in this approach. This enables decision-makers - both from civil society and from politics - to work out solutions.

1. In accordance with the programme law of 30/12/2001, the report was written before 31/12/2002.

2 What is the purpose of the present report on sustainable development?

The Federal Reports on Sustainable Development are intended to be both scientifically sound and practically useful for the design of federal policy on sustainable development. They provide information on the current and past situation and on the different visions of society's future.

Three functions

The reader can use the report in at least three different ways:

- First of all, to get more acquainted with the current situation, the policies pursued and the prospective analysis regarding sustainable development (such as prescribed by *the Act of 5 May 1997 concerning the coordination of the federal policy on sustainable development*)¹ (see point 3).
- Secondly, to link one of the tackled problems to sustainable development (see points 4 and 5).
- Thirdly, to interrelate, on the basis of the methodological framework in this report, other issues with sustainable development (see points 5 and 6).

The reports and their summaries are reference documents for the debate to be conducted on sustainable development between the government and civil society. They are intended for the political world (government, parliament, political parties, etc), civil society (major social groups, advisory councils, etc), public services and the media. The content of the reports is, however, also aimed at a wider audience. Indeed, sustainable development is to everybody's concern.

Three missions

The present summary outlines the results of the report, as set out in the legislation:

- It analyses the current Belgian situation within the framework of international developments on the basis of a table of indicators related to sustainable development.
- It examines the policy on sustainable development that has been pursued since mid 1998, from three points of view: the principles or values, the objectives and the policy process.
- It looks ahead to future developments if the current policy remains unchanged and if policy changes in accordance with relevant hypotheses about sustainable development.

The summary may contribute to better decisions (point 8) and to the sensitisation of civil society as for the challenges of sustainable development (point 9).

1. Original act: "de wet van 5 mei 1997 betreffende de coördinatie van het federale beleid inzake duurzame ontwikkeling".

3 Survey the present situation

66 indicators...

The current Belgian situation has been examined in relation to international developments. A list of 66 indicators deals with the pressure on resources, their state and the response of society to these issues. These indicators relate to the ten issues chosen and are presented in 19 identically structured information sheets. They clarify certain situations and trends that are important both for Belgium and for the rest of the world.

The list of sustainable development indicators is consistent with international activities and activities in some other countries. However, as this list applies to specific and concrete problems, it differs somewhat from international lists of indicators. It can also contribute to the social debate on the selection of indicators needed to check whether Belgium is following a path of sustainable development. The list is summarised below.

...of pressures, state

Human activity continues to generate a heavy pressure on human and environmental capital: energy and tobacco consumption, passenger transport and fishing keep growing. New activities, such as the use of communication and information technologies and of genetically modified plants (GMP), gain more popularity across the world. Yet in Belgium the cultivation of genetically modified plants remains almost non-existent.

Because of these pressures, the state of environmental, human and economic capital stocks will be changing gradually. Indicators show that growing emissions of greenhouse gases, the continuous phenomenon of peaks in ozone concentrations (in spite of an average decrease in the concentration of ozone precursors) and the large number of threatened life forms, will make environmental capital more precarious. As regards human capital, developing countries have not succeeded in closing the gap with the industrialized countries as far as life expectancy is concerned, and poverty remains very widespread. In Belgium, medical and social progress improved life expectancy and, in the nineties, poverty – measured on the basis of income – was under control. However, health and poverty face other challenges, such as excessive debt burdens and high mortality due to respiratory illnesses. At the same time, the physical capital stock in Belgium has been increasing steadily over the last 30 years, reflecting the economic dynamics of that period.

...and of responses

Society provides responses in order to reverse the worrying trends, which have emerged in the field of pressure and state. Ethical financing and social economy have shown a strong development during the last five years. Their contribution to sustainable development must be recognised and emphasized. Although environmental considerations are yet poorly integrated into the production strategies of manufacturing industries, they are increasingly incorporated in their production processes.

Moreover, the “*pressures-state-responses*” model points to certain links between the economic, social and ecological components of development and accounts clearly for the possible interaction between the issues treated in this report. For example: because of the increasing use of transport, emissions of CO₂ and other polluting substances to the atmosphere are on the rise. Those pressures, in turn, are in part to blame for global warming and morbidity/mortality due to respiratory illnesses. By altering their transport needs through changes in their production strategy, firms can contribute to solving these problems.

However, for some issues no indicators and/or recent, qualitative data are available; hence the exact extent of the problem is unknown and a appropriate follow-up cannot be realized. This applies in particular to tobacco consumption worldwide, health at work in Belgium, the production strategies of enterprises and the social economy. These lacunae in data hamper the evaluation of the sustainable development policy.

Indicators and quantified objectives

Each information sheet with indicators contains a field stating the relevant policy objectives connected to the indicators. Hence, a link is established between the indicators and the government's policy objectives. It appears that quantified intermediary objectives have been set for only a few issues: energy, health at work, poverty, the production strategy of enterprises and social economy. As for other issues, no intermediary objectives have yet been provided or quantified.

4 Evaluate policy responses

The federal policy on sustainable development being extensive, three types of evaluation with a different but complementary focus have been applied. The first one is a broad policy evaluation of the federal government's annual policy statements accompanying the budget. The second type of evaluation is more specific. It only applies to objectives for ten sustainable development issues. The third one is very specific and is composed of case studies about policy decisions within these issues.

The main theme in the third part was the use of a set of five sustainable development principles, which serve as evaluation criteria¹ i.e. responsibility, double equity, integration, precaution and participation.

Evaluation of the policy statements

Evaluation of the annual policy statements, allowed federal policy to be screened against the five principles of sustainable development. This suggests that two principles are insufficiently considered, that is the double equity principle and the precautionary principle. As far as the other principles are concerned, the policy statements contain some positive evolutions between 1998 and 2000: the environment is better integrated into policy and the international context is mentioned more often. This progress may indicate that the chosen sustainable development principles are increasingly prevalent in federal policy. References to the Federal Plan for Sustainable Development 2000-2004 confirm this supposition. On the other hand, it appears that within certain contexts, the environment and social well-being are prominent in their absence. Moreover, the impact of policy on North-South relations is not systematically taken into account. Participation is the only principle that is frequently mentioned in policy statements.

Evaluation of the policy objectives

The evaluation of the policy objectives for the ten issues generated three conclusions. Firstly, the objectives pursued at the different policy levels examined are more or less the same and, within each level, government strives to obtain coherence. Secondly, some tension exists between the objectives; sometimes they even conflict. Thirdly, for various issues, there is no discernable policy hi-

1. These five principles are the most innovative, characteristic and extensive principles mentioned in the Rio Declaration. Hence, they are directly linked to both the international frame of reference and the decisions, which had already been taken within the framework of the Belgian federal Act of May 1997. They are used as an evaluation criterion in the Federal Plan and the Federal Reports on Sustainable Development.

erarchy between the different objectives. For this reason, the policy documents examined give little guidance for policy makers in the event that they are forced to make choices due to limited means.

Evaluation of case studies

The study of some specific cases shows that it is rather problematic to apply the chosen principles of sustainable development. The cases examined show the following problems: lack of continuity, difficult co-operation between different levels of government, conflicts of interests, uncertainties and a profusion of priorities. Some solutions were suggested from the case studies. These depend, to a large extent, on the specific context and the position within the policy process. There are no ready-made solutions, although the answers from the case studies have some common features, e.g. emphasis on learning by trial and error, participation of and putting the responsibility onto the social groups concerned and an institutional framework aimed at integration and, if necessary, adjustment. This framework allows adjustments in the course of the policy process.

5 Examine whether the principles of sustainable development are being applied

The results of these three types of evaluation of the policy pursued can also be summarised on the basis of the five principles, which served as a criterion during the evaluation.

Responsibility

The evaluation of the policy statements showed that little attention has been paid to the North-South dimension. The case studies added that no procedures exist to integrate that dimension into *mainstream* policy making. Perhaps there is a causal relationship between the attention that is given to the North-South dimension and the structures that should bring it into practice. In two case studies, an inadequate institutional integration accounts for incomplete dissemination of information about complying with international commitments. It is essential to solve this situation.

Double equity

At best, long-term objectives are implicitly included in policies. Possible reasons why policy makers do not explicitly state these ultimate goals are the uncertainty about the future, their level of abstraction and their political sensitivity. However, a clear interpretation of measures with a long-term perspective can help the public to better understand politics. It also guides private entities. Moreover, long-term objectives could raise the political debate to a higher level. For example, the conflict of interests about protected marine areas may lead to a debate about a possible strategy to preserve the functions of the North Sea. By linking measures to long-term objectives, policy makers can present their point of view and thus clarify the policy pursued.

Integration

The evaluation of policy statements shows that the environmental component is getting increasingly important. However, the three components of development are not included on equal terms. Institutional integration can be brought into practice through existing structures. For conflicts of interests, there are only ad hoc solutions. In some cases, transient terms and support measures can ease the negative consequences entailed by the policy of one component on the two others. Moreover, clear priorities could help to arbitrate where there are conflicts of interests.

Precaution

Dealing with uncertainties does not get enough attention in policy statements but is nevertheless paramount in certain case studies. Just as policy makers rarely explain their decisions within a long-term context, it does not seem customary to identify and discuss the uncertainties concerning the impact of a decision prior to decision-making.

Participation

Both policy statements and case studies show that participation is well integrated in Belgian decision-making. The circumstances for participation, however, are not clear: who should be listened to, where and what about? There are several possibilities: legally binding or not, ad hoc or structural, legally compulsory or not, through large advisory bodies or not, and so on. The choice of participatory approach seems to be based on pragmatic issues, but the wide range of possibilities can also influence the result. It might be interesting to draw up a code of conduct or directives in order to steer participation processes in the right direction and to serve as a reference for choosing approaches for certain circumstances.

6 Elaborate a framework of futures analysis on sustainable development

Futures analysis constitutes an important step in a federal policy cycle, aimed at sustainable development. It helps federal authorities and civil society to structure their ideas of the societal development at unchanged and changed policy.

The report sets out three worldviews or projections of the future. Together they constitute a prospective framework for analysis of and reflection on policies. They reflect three different views of the measures that are needed to orient society towards sustainable development. It then applies these three views to the ten issues chosen in part 1. Hence, it illustrates the possible development paths for the entire societal system. It, finally, identifies where the case studies from part 3 lie within these views.

Uncertainties

Scientific uncertainty about the functioning of the societal system and the effects of human intervention in this, make it impossible to intervene only on the basis of scientifically and objectively measurable risks. That is why individuals and social groups hold different views on what the most appropriate societal evolution should be. The same goes for sustainable development.

Three world views

There are many worldviews on this matter. They differ in the necessity and the way of intervening in economic, social, and environmental system to achieve a sustainable development. In this report, three have been developed and subsequently applied to ten concrete issues:

- *Utilizing*: this view values the risks of negatively affecting the economic capital stock higher than the risks of negatively affecting the human and environmental capital stocks. Societal benefits of social and environmental protection measures do not counterbalance the economic costs involved. Therefore, this view suggests free access to social and environmental capital stocks for the benefit of the further development of the economic capital stock;
- *Managing*: this view values the risks of affecting the three forms of capital stocks equally. Social and environmental protection measures are

acceptable, provided that economic costs are minimal and that benefits appear in a near future;

- *Transforming*: this view values the risks of negatively affecting the human and environmental capital stocks, higher than the risk of negatively affecting the economic capital stocks. According to this view, it is essential to take stringent social and environmental protection measures and to pay the high economic costs that result, even if benefits do not appear for a long period of time.

7 Propose three policy views for the ten issues

The three worldviews lead to different perceptions of the measures the federal government should take to change the current non-sustainable trends within ten issues. The policy, which the federal government will eventually pursue, will reflect the different worldviews aired and the existing balance of power within the government. The result will be that, for one issue or for all of them, it will not be possible to reduce government policy to one single worldview, but that it will probably consist of a combination of measures from the various policy views.

Utilizing

- In the “utilizing” worldview, economic growth is paramount. Production strategies of enterprises should contribute maximally to this. That is why government stimulates industrial production through economic, technological and institutional measures. This requires a well functioning, free and competitive market. Dissemination of information on social and environmental problems encourages the good practice and renders a strict regulation, which may reduce economic growth and entrepreneurship, unnecessary. Consumers are free to choose the quantity and quality of the goods and services they wish to consume. This also applies to tobacco, genetically modified plants (GMP), energy, transport, fishing and new technologies (ICT). Substituting it with economic capital can offset possible environmental shortage and degradation of human capital. The role of public authorities in stimulating ethical investment funds and social economy is confined to the diffusion of information on their existence. In a competitive labour market, finally, workers can be financially compensated for labour that holds certain health risks.

Managing

- In the “managing” worldview, the contribution of economic growth to sustainable development remains very important, but the existence of social and environmental risks is more recognized. In the long run, prices on the free market do not automatically ensure sustainable management of economic, human and ecological capital stocks anymore. In order to change the production and consumption patterns, public authorities take measures, which improve the ecological efficiency of products and production processes, and influence the preferences of consumers and producers. These should control the demand for energy, transports, fish, GMP, and tobacco and stimulate the development of social economy, ethical investment funds and proper labour conditions. They also take fiscal measures easing the diffusion of ICT across all social groups. Finally, they stimulate enterprises to develop strategies leading, in the short and the medium term, to a higher ecological efficiency and to more social justice.

Transforming

- In the “transforming” worldview, public authorities link the continuation of economic growth to a number of social and ecological, short-term, medium-term, and long-term objectives. They act in a regulating manner so that all actors entirely internalize the social and ecological costs of their actions. That goes for all enterprises, even those belonging to the social sector. Employees’ health always prevails over economic interests and justifies the banning of certain products and production processes. Public authorities incite investors to invest in ethical investments and encourage enterprises to invest in innovating strategies, which lead to a shift from the material production of goods to the supply of services fulfilling the same needs. In fishing, they abolish all subsidies; the protection of biological diversity and sustainably meet demand for fish are paramount. Eliminating the digital divide is a substantial part of the policy that fights poverty and social exclusion. Energy production and consumption are managed through an active product policy, by stimulating renewable energy resources and a gradual run-down of nuclear energy. In managing passenger transport, teleworking and teleconferencing are paramount, as well as the development of a large public transport network. Finally, in this view, the use of GMP is approached very cautiously.

Perception of risks

This report does not pronounce itself in favour of a specific worldview or policy matters. It offers information, which should enable readers to make up their own minds. Readers can associate their personal perception of risks with the three worldviews. This pluralistic approach is central to the process of sustainable development. There will always be a normative component when choosing a sustainable development strategy. The report bears that in mind through its pluralistic view on the risks of the impact of human intervention on the societal system.

This futures analysis may feed the debate on the measures that should be included in the second *Federal Plan for Sustainable Development*. In drawing up the plan, the actors involved can be inspired by the three worldviews and policy views. Taking social preferences into account and integrating them when outlining the policy will contribute positively to social welfare.

8 Contribute to better decisions

Report and plan

The *Federal Plan for Sustainable Development* (July 2000) has only partially achieved its desired effects in the period covered by the report. So far, the federal government has not considered it as an important source for its overall policy. The aim of this report is to be a part of the learning process for the elaboration of the federal strategy for sustainable development, the plan and the report being complementary.

That learning process should primarily be about the use and quality of sustainable development indicators. There are a number of positive initiatives concerning both the development of indicators and the debate about them. For a number of issues, however, there are no relevant indicators or quality data available. On a more general note, the learning process should help to introduce the consideration of scientific uncertainties and risks into the policy-making process.

Science and policy

In a policy-making process it remains difficult to take scientific uncertainties and risks into account because there are no methodological means for doing so and it is difficult to apply the precautionary principle. It seems too little methodological effort has been made to improve the linkage between scientific and political approaches, for instance through more policy oriented transdisciplinary research. In order to obtain a sound participatory transdisciplinary research, proper conceptual means and futures analysis are indispensable.

Although there has been an apparent improvement in this field, the presence of the concept of sustainable development and its five basic principles remains limited in the annual policy statements and in regulatory texts. It would be useful to determine a common format for those policy statements and to formulate recommendations concerning the drafting of those regulatory texts. This could help members of the government explain how their choices fit in the context of sustainable development.

Decisions and means

The analysis of the federal decision-making processes indicates that an improvement of those processes is required in order to systematically consider the challenges of sustainable development. The federal departments should adjust their policy preparing procedures to that. Without a proper match (for instance, by the government and the parliament) between decisions and means, federal administration will fall short with respect to sustainable development.

The first report concluded that Belgium has no history of long-term thinking. Four years later, that conclusion still stands in spite of the fact that there is know-how on medium-term and long-term forecasts. Moreover, little effort has been noted in creating an integrated framework of futures analysis and in adjusting the lack of means scientific institutions and administrations dispose of.

The shortcomings, drawn up in the conclusion of the first federal report, mostly still stand. Yet, since 1992, some important progress has been observed in the evolution of the mentality and the institutions. Two more years remain to implement the measures provided in the *Federal Plan for Sustainable Development*. The implementation of its directives for policy makers may accelerate this process and increase the plan's range.

Decision-making cycle

The present report will only reach its objective if it smoothly fits into the decision-making cycle, established by the Act of 5 May 1997. Its conclusions have to be action-oriented because they have to be useful for the actors concerned with, for instance, the preparation of the second *Federal Plan for Sustainable Development*. The Government, the Interdepartmental Commission for Sustainable Development (ICSD), the Programmatic Public Service for Sustainable Development (PPS-SD) and other federal administrations, and the Federal Council for Sustainable Development (FCSD) constitute the core of those federal political actors.

9 Help to sensitizing civil society

Apart from that core of actors, the challenge is to involve other Belgian authorities and the civil society in all their diversity. It may also contribute to other countries' effort with respect to sustainable development.

Sensitization

That is why a special effort was made to give the second report a sensitizing role with the public. A leaflet is available to publicise the report more widely. The electronic version of the report and the leaflet are available at:
<http://www.plan.be>.

Comments and suggestions are always welcome. The authors hope that the report will be used widely and that it will help Belgium to take a step forward towards sustainable development.