The EU SDS Process in the Member States:
SDS Coordinators, National Progress Reports and the Open Method of Coordination

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The report follows up on the EU Sustainable Development Strategy (EU SDS) which was adopted by the European Council in June 2006 (see ESDN Quarterly Report May 2006). It focuses on recently established governance arrangements that help to implement the renewed EU SDS at the Member State level.

By focussing on the European Commission and the practices in five EU Member States (Belgium, Czech Republic, Finland, Sweden and the UK) the report describes in particular the appointment and the roles of the SDS Coordinators and the biannual progress reporting from Member States as well as the European Commission. The report also provides a reflection of the support the ESDN could offer to the SDS Coordinators in terms of exchanging experiences and sharing information, and it highlights that the EU SDS process increasingly resembles the so-called Open Method of Coordination/OMC.

Finally, the issues covered in this report are addressed in an interview with Alexander Italianer, Deputy Secretary General and chair of the SDS Coordinators Group.

The information presented here is based on EU policy documents, literature as well as telephone interviews with representatives of the European Commission (Secretariat General, DG Environment) and the SDS Coordinators of the five Member States mentioned above.

This report will be updated in autumn 2007 after the publication of the first bi-annual progress report by the European Commission.

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The ‘governance cycle’ in the EU SDS: Involvement of the Member States

As described in detail in an earlier ESDN Quarterly Report, the European Council adopted the renewed EU SDS in June 2006. The document sets out “a single, coherent strategy on how the EU will more effectively live up to its long-standing commitment to meet the challenges of sustainable development” (European Council, 2006 , para. 4). The implementation of the objectives and targets formulated in the EU SDS requires efforts from the European level as well as from the EU Member States. Therefore, one of the guiding principles of the EU SDS is to establish coherence between policy-making on the various political levels for the implementation of the strategy.

Member States are requested to include the objectives of the EU SDS into their national efforts for SD in order to “ensure consistency, coherence and supportiveness” (European Council, 2006 , para. 40). This concerns all Member States and their NSDS, but is particularly important in countries that develop their first or renew their NSDS.

A recent example of including the EU SDS objectives into the development of a national strategy was Finland that renewed its NSDS in mid-2006 (Finnish Prime Minister’s Office, 2006). The Finnish interview partner pointed out that “for developing the new NSDS, synergies and coherence with the EU SDS were important”. The Finnish NSDS points out that the EU SDS and the Lisbon process were...
The two-year reporting cycle of the EU SDS (European Council, 2006, para. 33-41) works as follows: Member States are requested to submit progress reports every two years about “the necessary input on progress at the national level in accordance with the NSDS” (European Council, 2006, para. 37). Voluntary peer reviews of NSDSs in the Member States could be included in the progress reports. The first progress reports by the Member States about the implementation of the EU SDS are due in June 2007.

Based on SD indicators, the national progress reports and latest developments in key EU activities (i.e. strategies, action plans, legislation), the European Commission will issue bi-annual progress reports on how the strategy is implemented on the European level and in the Member States. The progress reports will also include future priorities, orientations and actions. The Deputy Secretary General of the Commission argued that, different to the progress report about the implementation of the Lisbon Strategy, no country specific recommendations about the NSDS and the EU SDS implementation process are foreseen, unless this is requested by the Member States. The first Commission progress report on the EU SDS implementation is scheduled for September 2007.

On the basis of the EU SDS progress report by the European Commission, the European Council will review the progress made and provide further orientation on policies, strategies and instruments in its December meetings every two years. Until 2011, the European Council will decide whether a comprehensive review of the current EU SDS is needed. This will finalise the five-year governance cycle of the EU SDS process.

The roles of the SDS Coordinators

As outlined in the EU SDS, each Member State appointed an SDS Coordinator (formerly referred to as ‘National Focal Point’) who is “enabled to provide (...) the necessary input on progress at the national level in accordance with the NSDS” (European Council, 2006, para. 37).

As the interview partners pointed out, the SDS Coordinators are mainly responsible for the coordination of reporting on the implementation of the EU SDS in their country (“internal role”) as well as the exchange between the European Commission and the Member States (“external role”).

The list of appointed SDS Coordinators reveals the following:

Nineteen Member States have appointed one and eight Member States two SDS Coordinators, summing up to 35 SDS Coordinators in the 27 Member States. The institutional affiliation of the SDS Coordinators can be summarised as follows:

The figure shows that more than 50% of the SDS Coordinators are from Environmental Ministries.

Internal role: Coordination between ministries

As the interviewed SDS Coordinators pointed out, the main functions within their government are to coordinate the inputs of the various ministries and then to compile a coherent progress report. By doing so, most SDS Coordinators can draw upon existing mechanisms or structures of horizontal SD coordination across ministries. Sweden, for example, has established a governmental reference group which consists of representatives of each ministry in order to discuss responsibilities for SD issues. For the coordination of the EU SDS reporting requirement, two meetings of the reference group were already held. Generally, horizontal SD coordination is located at the Ministry of Environment or at the Prime Minister’s Office.

Before the progress report will be submitted to the European Commission, it will be approved by a political body, such as a cabinet committee (like in the UK) or the National Commission for SD (like in Finland).
used the template to create a reporting form for its national reporting cycle that follows the EU SDS reporting scheme. All SDS Coordinators interviewed for this report pointed out that they will use the template for reporting. Finland, for example, has also used voluntarily by the Member States and serves the following purposes:

- Facilitate the input of Member States on the progress made at the national (and sub-national) level in implementing the EU SDS;
- Increase the quality of information available to the Commission for the drafting of their EU SDS progress report, due in September 2007; and
- Allow that the inputs of the Member States and the forthcoming EU SDS progress report by the Commission are structured along similar lines inherent in the European Council conclusions on SDS.

Largely based on the structure of the EU SDS, the progress reports should provide information on the following topics:

- General information about the coordinating body of the progress report and contact information;
- Progress made towards the five cross-cutting issues outlined in the EU SDS;
- Elaboration on specific NSDS issues:
  - process and organisation (status of adoption, responsible ministry and coordination, involvement of other ministries and stakeholders);
  - Strategic priorities and instruments (key themes and challenges, main policy instruments, progress in terms of objectives and targets, main strengths and weaknesses); and
  - Monitoring and evaluation (reporting cycle, use of impact assessment, evaluations and peer reviews).

The template proposes a double structure for the chapters on ‘key challenges’ and ‘cross-cutting issues’. This means that those chapters should include one section on ‘EU SDS implementation’ and one on ‘specific national/NSDS actions in this field’. For each section, the template also provides some questions that may guide the Member States in compiling the information presented. It emphasises that reporting should be factual and, if possible, supported by quantitative data based on indicators. It also states that the progress reports should not exceed 25 pages.

### Organisation of the reporting process in selected EU Member States

All SDS Coordinators interviewed for this report pointed out that they will use the template for reporting. Finland, for example, has also used the template to create a reporting form for its national reporting cycle that follows the EU SDS reporting scheme.
The way how the progress reporting is organized is very similar in four of the five countries (Belgium, Finland, Sweden, UK), and it can be described as follows:

- **Step 1:** The responsible SDS Coordinator informs the other ministries about the forthcoming progress report and issues draft reporting guidelines.
- **Step 2:** The responsible SD unit in each ministry then provides a report about how SD has been implemented in their respective policy field(s) (late April, early May 2007 for the first report). As Belgium is a federal state, the regions will also provide input about their SD implementation activities.
- **Step 3:** The SDS Coordinators then compile the individual reports of the ministries (and regional administrations) to a coherent progress report (in May 2007 for the first report) which will be approved by a political body and submitted to the European Commission (in June 2007 for the first report).

The Czech Republic, for example, follows a slightly different process. Its SDS Coordinator first prepares a draft progress report which is then distributed to the other ministries and stakeholders for comments and clarifications about the processes and data presented. As in the other Member States, political approval of the progress report will follow before it is sent to the Commission.

All interviewed SDS Coordinators emphasised that they can build their work on already existing cooperation across ministries. In the UK, for example, coordinators in each ministry were appointed after the renewed EU SDS was adopted in order to implement the strategy. Furthermore, the UK built up a network across the UK government for the implementation of the EU SDS. This network is mainly operated through regular email contacts. In Finland, horizontal integration between ministries is fostered by the Finnish National Commission on SD (for a detailed portrait of the FNCSD, see the ESDN Quarterly Report December 2006). In the context of reporting, a network has been established by the FNCSD which comprises representatives from each ministry. In Sweden, a new National Commission for SD has recently been established and has the mandate to contribute to the EU SDS.

Asked about how they will present the implementation efforts in their national reports, the SDS Coordinators answered that they will mostly describe the implementation processes. Additionally, they will use quantitative data based on SD indicator sets. If available, previous NSDS progress reports as well as evaluation and/or indicators reports will also be used (for an overview of NSDS evaluation and monitoring schemes in the Member States, please consult the country profiles on the ESDN homepage).

### Advantages and challenges of national progress reports on the EU SDS

In the interviews we asked the SDS Coordinators to reflect upon important advantages and potential challenges of this kind of progress reporting.

All SDS Coordinators pointed out that one of the major advantages of the progress reports is the high profile and attention SD receives in the various ministries. One coordinator argued that “progress reporting keeps SD on the political agenda”.

Another important issue is the focus on SD implementation. It was pointed out by a coordinator that the great leap forward with the renewed EU SDS was the introduction of a follow-up process which was largely missing in the Gothenburg process. The renewed EU SDS recognised the importance of “keeping an eye on implementation”.

Additionally, the progress reports may provide a good overview of the most important SD priorities of the Member States. Therefore, urgent problems may be identified and policy processes can be steered respectively.

Finally, it was mentioned that the preparation of the progress reports fosters vertical integration of SD policy-making, i.e. the relationship between the European, national and sub-national levels in their capacities to implement SD. In this respect, policy coherence is an important issue and should be fostered through the reporting process.

Regarding the potential challenges, the SDS Coordinators mentioned that the template for reporting is very general, leaving a considerable scope for Member States to set their own priorities. Therefore, the interviewed SDS Coordinators expect that the individual reports will vary considerably from Member State to Member State. One coordinator argued that Member States will make use of the reporting leeway given to them by concentrating on the issues that show some success in the implementation process.

Different views exist regarding the fact that the progress reports are thematically relatively open to various economic, social and environmental issues of SD. Some SDS coordinators remarked that there seems to be not enough thematic prioritising in the template, which makes the reporting effort a difficult and huge task. However, others emphasised that a focus on specific themes would run counter to the need of policy coherence and integration.

In terms of the reporting cycle, one coordinator remarked that an annual cycle would be better. This was contradicted by another coordinator who argued that, together with the national evaluation and monitoring cycles already in place, the EU SDS progress report further increases the already large amount of reporting efforts.

Finally, one coordinator argued that a comparison between different countries involves the risk of naming-and-shaming, especially when quantitative figures are provided for certain indicators. This, however, would limit the merits of reporting in the long-run. Learning and exchange of experiences would be more important than competition.

The representative of the Secretariat General of the Commission argued that they perceive the reporting process as important overview of results the EU SDS is actually achieving, i.e. if the strategy does make a difference.

### Potential support of the ESDN for the SDS Coordinators

The ESDN is mentioned in the renewed EU SDS (para. 42) as well as in the mandate of the SDS Coordinators as mechanism for exchanging information, experiences and good practices. Therefore, the SDS Coordinators of the selected five Member States and representatives of the European Commission were asked in the interviews what they consider as helpful support the ESDN could offer.

Their responses can be summarised as follows.

The SDS Coordinators pointed out that the ESDN is a more informal group than the SDS Coordinators Group, which consists of selected national representatives and mainly exchanges information with the Commission. Generally, creating synergies between the two networks was considered as important by all interviewed SDS Coordinators.
The ESDN could be particularly helpful in fostering the exchange of information and experiences in the reporting process. This is in line with the role the renewed EU SDS has outlined for the ESDN. The means of fostering this exchange could be thematic workshops, email discussions groups or an online discussion forum. Moreover, an informal meeting of the SDS Coordinators at the annual ESDN Conferences (for example in June 2007 in Berlin) was suggested by some interviewees.

The UK SDS Coordinators suggested additionally that the ESDN could encourage debate among the SDS Coordinators about procedural issues (how reporting is organised) or the link between an NSDS and relevant policy-making issues (such as the horizontal integration of cross-cutting issues) and particular policy topics.

The representative of DG Environment remarked that there is a potential danger of creating parallel structures in different networks, which should be avoided. The Deputy Secretary General of the Commission pointed out that an exchange with other institutions and networks is very interesting: “Some kind of exchange with the ESDN would be interesting in the future. For instance, the ESDN could present best practice examples in certain areas.”

**Concluding remarks on the EU SDS and the Open Method of Coordination/OMC**

Since the launch of the renewed EU SDS in June 2006, the EU SDS process as described above resembles more and more the so-called Open Method of Coordination/OMC. The brief look at the OMC provided here makes this resemblance obvious.

The OMC was introduced as implementation mechanism for the various objectives identified in the Lisbon Strategy. Although similar coordination procedures in the EU date back to the Maastricht Treaty (economic policies) from 1992 and the Amsterdam Treaty (employment chapter) from 1997, it is the Lisbon Strategy from 2000 that provides an overarching outline of this method (Laffan & Shaw, 2005; Borrás & Jacobsson, 2004; Radaelli, 2003). According to the Lisbon Council Conclusions (European Council, 2000, para. 37), the OMC involves the following four key elements:

- Fixing guidelines for the EU combined with specific timetables for achieving the goals in the short, medium and long terms;
- Translating these European guidelines into national and regional policies by setting specific targets and adopting measures;
- Establishing, where appropriate, quantitative and qualitative indicators and benchmarks against the best of the world and tailored to the needs of different Member States and sectors as a means of comparing best practice; and
- Periodic monitoring, evaluation and peer review organised as mutual learning processes.

Without going into details of the ever growing academic literature on OMC, its key purposes can be summarised as follows: First, a general objective of OMC is to exchange best practices and stimulate mutual learning. Second, OMC aims to coordinate policy-making in areas where the EU does not have principal policy-making competencies as defined by the Community Method. This is particularly the case in economic policies, social and employment policies (Schäfer, 2006). Therefore, the OMC is part of the ‘soft law’ tradition in the EU where common goals are formulated and approached, but (apart from peer pressure) no sanctions are applied if they are not achieved (Chí & Rhodes, 2007).

The most typical OMC features applied in the context of the EU SDS are the following:

- The renewed EU SDS provides guidelines and goals for SD policy-making in all 27 Member States;
- Members States are requested to consider the goals of the renewed EU SDS in their (new or revised) NSDSs;
- SD indicator sets are used in most EU Member States to monitor the implementation of NSDSs (benchmarking is not applied yet);
- With the renewed EU SDS, the European Commission launched an NSDS peer review initiative in order to foster mutual learning; and
- The SDS Coordinators Group facilitates mutual learning through periodic reporting.

Obviously, the OMC manifests itself not only in the Lisbon process, but also in the EU SDS process as described in this report. Both processes aim to implement EU-wide strategic goals at the national level with increasingly similar mechanisms of coordination and reporting. This impression was confirmed in most of the interviews conducted for this report, in particular in the interview with Alexander Italianer, Deputy Secretary General of the European Commission: “The [Lisbon Strategy] National Reform Programmes and the NSDS have a similar function. They create commitment and ownership at the national level. So both processes have a lot in common”.

**Interview with Alexander Italianer**

The ESDN Office has conducted an interview with Alexander Italianer, Deputy Secretary General of the European Commission and chair of the SDS Coordinators Group on 27 March 2007. In the interview, Mr. Italianer speaks about the role of the Secretariat General in the EU SDS process, the SDS Coordinators Group, the upcoming national and EU progress reports and linkages to the Lisbon Process.

**ESDN Office: How does the coordination between the European Commission and the SDS Coordinators look like?**

**Alexander Italianer:** In order to bring all SDS Coordinators together, the European Commission initiated the SDS Coordinators Group. Generally, it is important to acknowledge that the EU SDS does not only apply to the European level. SD issues need to be taken care of at each political level. Therefore, the SDS Coordinators Groups is a very important forum to make sure that the EU SDS is implemented at all levels.

**What was discussed and decided at the first two meetings of the SDS Coordinators Group in November 2006 and February 2007?**

The mandate of the SDS Coordinators Group was discussed at the very first meeting of the group. Furthermore, we discussed and agreed upon the timing of the reporting process to make sure that all national progress reports are available on time for the EU SDS progress report.

At the request of the Member States, the Commission has developed a template for the national progress reports. It can be used voluntarily and should provide some guidance for the Member States when they compile their progress reports. Some Member States...
We also discussed the work of Eurostat on SD indicators. In this context, it is very important for the SDS Coordinators to be in contact with their national representatives in the statistics working group. Generally, bringing together at the national level the people who work on the political-administrative side with the ones who work on statistics was a good result.

**How many meetings of the SDS Coordinators Group are planned?**

There is no fixed schedule for the meetings. We plan about 2-3 meetings per year. The next meeting will be held in June 2007 to discuss the national progress reports. Another meeting will take place in autumn 2007, around the time of preparing the EU SDS progress report by the Commission.

**What is the main role in this context of the Secretariat General?**

The Secretariat General is a central service within the European Commission which does not only have administrative responsibilities. When cross-cutting policy issues are concerned, like in the Lisbon or EU SDS process, the Secretariat General takes the leading role of coordination within the Commission. Therefore, it has the horizontal responsibility for SD in the Commission. The Secretarial General will also prepare the EU SDS progress report.

**What is the relationship between the SDS Coordinators and the national coordinators of the Lisbon process?**

Inside the Secretarial General, the colleagues who deal with the Lisbon Strategy and the ones who are responsible for the EU SDS are located in the same directorate, so they work very closely together. The EU SDS is the overarching strategy and the Lisbon Strategy fits within the EU SDS.

No plans are foreseen in the Commission, though, to foster collaboration between the two groups of coordinators at the national level. This is left to the individual Member States. Of course, it is desirable that these coordinators collaborate with each other. Some Member States are very advanced in that type of collaboration.

Generally, it is important to mention that the SDS Coordinators are representatives of the administrative level whereas the national coordinators for the Lisbon process are more and more people from the political level, e.g. ministers, deputy ministers. Therefore, the level that the two groups of coordinators represent is not the same.

**What is the main purpose of the national progress reports?**

The main purpose is similar to what is foreseen for the Lisbon process. There, we introduced a major change in so far as the Member States themselves agreed to propose their own National Reform Programs (NRP) as a result of the mid-term review of the Lisbon Strategy. This was a major innovation because it meant that the Member States were ready to make commitments internally and to make sure that these were sufficiently supported by the various stakeholders. The NSDS have a similar function. They create commitment and ownership at the national level. So both processes have a lot in common.

Our expectations of the NSDS and the national progress reports are that they should create ownership and enhance consistency of the various policies in the overarching SD framework at the national level.

**How will the EU SDS progress report by the European Commission look like?**

The report will be similar to the implementation report for the Lisbon Strategy. It will be a report about the actions undertaken at the EU and national level.

Generally, there will be a mix between the presentation of quantitative indicators and qualitative processes. The SD indicators will show the output of the implementation process. So we will, of course, use those indicators that are available, bearing in mind that most indicators will only give us information up to 2004/2005. But inputs, like decisions and measures that are undertaken, are equally important and will also be covered in the progress report.

**Will the European Commission publish individual country recommendations for improvements of the NSDS and/or implementation processes?**

This is a very sensitive topic. In the Lisbon process, we have now moved to country specific recommendations. But that was only after two years.

This year, we will certainly not make country specific recommendations for the EU SDS process, unless Member States ask us to do so and there is general agreement. We will only present the information provided in the national progress reports. By looking at the implementation processes we hope that Member States can learn from best practices.

**What do you consider as important advantages of this process of reporting?**

Generally, we would like to have an overall perception about the results the EU SDS is actually delivering. It is very important that Member States demonstrate ownership of the EU SDS and their national strategies in their progress reports.

**What do you consider as potential challenges of this process of reporting?**

For some Member States, having an overarching SD strategy may be a challenge because they are not used to it. So they will have to adapt to this. But there are also very practical challenges: There was a different approach among the SDS Coordinators on the length of the progress reports. Some Member States will want to deliver a very short report, while others will want to publish a more extensive report of what they have done.

**What could the ESDN offer for the SD Coordinators/the Commission in this process in the future?**

As a group of coordinators, we are very interested in what other institutions and networks are doing. For instance, in the last SDS Coordinators Group meeting, we had a presentation of the European Economic and Social Committee (EESC) about the SD observatory they have set up in September 2006. Therefore, some kind of exchange with the ESDN would be interesting in the future. For instance, the ESDN could present best practice examples in certain areas.
References and Links


Notes:

i Telephone interviews for this QR were undertaken with the following persons:
Representatives of the European Commission:
- Alexander Italianer, Deputy Secretary General of the European Commission, 27 March 2007
- Pedro Barbosa, DG Environment, European Commission, 6 March 2007

SDS Coordinators:
- Maggie Charnley, Department for Environment, Food and Rural Affairs (DEFRA), UK, 12 March 2007
- Jaroslava Hlavackova, Ministry of Environment, Czech Republic, 22 March 2007
- Kirsten Mortensen, Ministry of Environment, Sweden, 22 March 2007
- Sauli Rouhinen, Ministry of Environment, Finland, 13 March 2007
- Sven Vaneycken, Federal Public Planning Service Sustainable Development, Belgium, 9 March 2007

ii The list of SDS Coordinators was made available to the ESDN Office but cannot be made public.

iii The template for the national progress reports was made available to the ESDN Office by the European Commission but cannot be made public.

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