ESDN Workshop on
Sustainable Development Indicators at the EU level

Workshop Report

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Introduction

The 1st ESDN Workshop was hosted by the ESDN in cooperation with the Portuguese EU Presidency. It took place in Cascais, a seaport in close proximity to Lisbon. In total, 42 ESDN members from 17 European countries participated in the workshop.

The key purpose of the workshop was to facilitate an informal exchange of standpoints and experiences on sustainable development indicators (SDIs) at the EU level among different groups of public administrators who approach and work with SDIs in different ways. The main objective was to discuss governance related aspects of SDIs. Methodological challenges in developing and applying SDIs were explicitly excluded from the workshop.

The workshop was focussed on three topics:

- The political value-added of a European set of SDIs

- Visibility of the Eurostat SDI set and the EU SDS at the EU level and in the Member States

- SDIs as a tool to communicate SD trends and policies

Each of the topics was introduced by a keynote presentation and then discussed in-depth in three parallel working groups. The members of the working groups were preselected in order to guarantee a fair distribution of expertise, country and institutional background. Each working group was moderated by the ESDN and had the objective to formulate statements on two questions per topic. For a detailed description of the topics please refer to the Workshop Outline on the ESDN homepage.

The statements gathered by the individual working groups were summarised by the moderators and presented in the final discussion. In this report, only the summarised working group results for each topic are presented. The results of the individual working groups can be found on the ESDN homepage.

Welcome

The workshop participants were welcomed by **António Gonçalves Henriques** on behalf of the Portuguese EU Presidency and **Elisabeth Freytag**, ESDN Co-Chair, on behalf of the ESDN. The workshop was chaired by Elisabeth Freytag.

Topic I: The political value-added of a European set of SDIs

Martin Ahbe (Secreatriat General of the European Commission) introduced this topic with a keynote presentation. He pointed out that the workshops takes place at the right time: The progress report on the EU SDS by the European Commission was issued in October 2007. Two questions are important in this context: How to proceed further with sustainable development strategies (SDSs)? What is the role of SDIs as support tool for SDSs?

SD in the current political context: Generally, Mr Ahbe pointed out that SD is currently on top of the European agenda. The progress report on the EU SDS showed that the EU must take more decisive measures to successfully implement SD. Although there is progress both at the EU and Member States level, current figures show that the results are slowly coming and more efforts have to be devoted to implementation. Therefore, the European Commission will from early 2008 adopt new and far-reaching proposals on emissions trading, alternative energy and climate change. In a recent speech, the Commission's President, José Barroso, underlined that the EU must lead in terms of SD. Therefore, SD will remain on the political agenda for the rest of this Commission's mandate.

Mr Ahbe next addressed experiences with indicator systems on the EU level: Frequently, complex indicator systems are used on the European level (e.g. internal market scoreboard, structural indicators, etc). However, experiences made so far are mixed. The following practical experiences have been made with structural indicators:

- Problems of internal establishment of indicator list (e.g. conflicting interests between Commission services, tendency to expand lists, risk of including unrelated areas)

- External confirmation by Council (political interests are strong)

- Use of indicator information in Spring Council (short-term policy agenda dominates over long-term considerations)

- Practical problems regarding credibility (e.g. coverage, number of indicators, availability, consistency, etc)

He then identified several conditions for a successful use of indicator systems at the European level:

- Good policy-driving indicators are linked to political problems, are understandable for the level concerned, and are available in sufficient quality and timeliness

- Possibility of simultaneous discussion of related issues to SDSs is crucial (e.g. Spring European Summit for Lisbon Strategy)

- Use of indicator information on political level (within policy cycle)

- Basis for soft coordination, together with peer pressure, benchmarking, best practice exchange, etc.

- Indicators as means to support evidence-based political decision-making (now also example of Common Internal Market)

Finally, Mr Ahbe referred to some issues that could enhance the value-added of SDIs on the political level. He argued that the link of SDIs to institutionalised implementation is important and has been achieved through the renewed EU SDS. Nevertheless, several issues need to be discussed, like the visibility of indictors on the political level, the advantage of headline indicators or a short list of indicators as well as country specific guidelines.

The three **working groups** discussed the topic on the basis of two questions. Below are the results as summarised by the moderators:

Question 1: "Under what conditions can SDIs play their role as a supporting tool to implement SD policies? Do you know examples of how SDIs have influenced political decisions?

- Ensure high-level political commitment (adoption of SDIs in the Council)
- Benchmarking is an important tool to foster competition and to provoke/motivate policy-makers to act in a certain direction
- Indicators need to mobilise public awareness and to be taken up by the media to foster public pressure
- SDIs are more meaningful when related to political targets and policy planning processes
- Stakeholder involvement in indicator development increases commitment in implementation

Question 2: "What can we learn from the use of indicators in the Lisbon Strategy for increasing the political added-value of SDIs at both the EU level and in your country?

- Consensus on structural indicators between EU level and Member States
- Strong institutions as drivers

Topic II: Visibility of the Eurostat SDI set and the EU SDS at the EU level and in the Member States

This topic was introduced by two keynote presentation. First, **Pascal Wolff** (Eurostat) provided an overview of how the EU SDIs set is used to monitor the progress of the EU SDS. What follows is a short summary of the presentation, the full version can be downloaded from on the ESDN homepage.

Mr Wolff pointed out that SDIs are mentioned in several paragraphs of the renewed EU SDS in order to measure progress of strategy implementation. Generally, the 2007 EU SDS progress report by the Commission was based on the Eurostat monitoring report, contribution by the Member States as well as an internal analysis and consultancy report. The Eurostat monitoring report is issued every second year, based on the set of EU SDIs. A first monitoring report was published in 2005. Following the mandate in the EU SDS, the Commission reviewed the 2005 SDIs set in cooperation with the working group on SDIs which is composed of both statistical and policy representatives at national and EU level. The 2007 monitoring report updated and adapted the 2005 edition in the context of the renewed EU SDS. It retains the pyramid structure of indictors of the 2005 set with 11 headline indicators, 33 general policy performance indicators, 78 detailed indicators to measure efficiency of policy measures. The SDIs themes and the headline indictors cover largely the same topics.

The 2005 and 2007 monitoring reports measure progress in order to monitor the implementation of the EU SDS and to inform the general public. In total, around 100 indicators have been analysed. The monitoring reports are understood as neutral statistical assessments which are linked to the policy process.

Mr Wolff also outlined some future developments: In early December 2007, a new website on SDIs will be launched. Moreover, inter-linkages amongst SD priorities will be looked into in cooperation with research framework projects (FP6: INDILINK and DECOIN, FP7: SMILE). It is also planned to provide grants to support SDI development in the Member States.

The second keynote presentation was held by **Markus Hametner** (ESDN Office). He presented empirical findings on the links between EU SDS objectives and objectives in the NSDSs as well as links between EU SDIs and national sets of SDIs. The empirical data presented was gathered for a study commissioned by Eurostat. Again, a short summary of the presentation is presented below. The full presentation can be downloaded from the ESDN homepage.

Mr Hametner pointed to some limitations of the data presented: On the one hand, most NSDSs and national SDI sets were developed before the EU SDS and EU SDIs. On the other hand, the 2005 EU SDI set was used as reference document, not the new 2007 set. Moreover, in some countries is was difficult to determine the "official" SDI set. This is the case because indictors included in NSDSs are linked to objectives but their status is often unclear (draft indicators) and indicator reports actually measure indicators but are sometimes not linked to NSDS objectives. What is more, NSDSs and indicator reports are often published by different institutions.

Regarding EU SDS objectives, results show that most countries address "natural resource management" and "climate change and energy" from the key challenges formulated in the renewed EU SDS. In terms of

cross-cutting policies, "education and training" and "communication (…)" are addressed most often. The presentation also provides an overview of how the various individual NSDSs address EU SDS objectives.

Regarding themes of the 2005 SDI set, the results of the study show that national SDI sets mostly address "economic development" and "climate change and energy". "Good governance" and "global partnership" are least addressed by the national SDI sets. The presentation also gives an overview of how the various country SDI sets refer to the EU SDI themes.

The three **working groups** discussed the topic on the basis of two questions. Below are the results as summarised by the moderators:

Question 1: "How visible are the Eurostat SDI set and the EU SDS objectives in EU policies? How could their visibility be increased?"

- High-level structures for SD are needed (institutionalisation, SDS discussed at Council meetings, etc)

- New European Commission policy proposals need to show how they include SD objectives (sustainability impact assessment)

Question 2: "How visible are the Eurostat SDIs and the EU SDS in your country? How could their visibility be increased?"

- EU SDS will influence the Member States when they review their NSDSs

- Consistency between SDI sets requires consistency between political documents (EU SDS – NSDSs)

- Data availability at both the EU and the Member States level is crucial

- Do national SDIs have to be recognised as EU SDIs?

Topic III: SDIs as a tool to communicate SD trends and policies

Robin Miège (DG Environment, European Commission) introduced the third topic with a keynote presentation. He structured his presentation along the questions that were to be discussed by the working groups.

Regarding the first question ("How can SD trends and policies be communicated best?"), Mr Miège argued that over the last two years, four issues were most important: First, influential public persons, like Al Gore, who use their position and deliver a message in a missionary way. Second, the Stern Report which provided a review of already available studies on climate change. The report integrated climate change issues with economic thinking and was well received by policy-makers. Third, the media coverage and images of disastrous events like, e.g. Hurricane Katrina. Fourth, the method of ecological footprint which allows to tell a simple story and fosters international comparison. He argued that it is generally very important to create the ability to communicate certain messages. In the above examples, statistics were not used in a rigorous way, but they told stories people could relate to in their daily lives, they allowed international comparison and were somehow related to scientific expertise. Another question is: What to communicate to whom and what for? Mr Miège argued that there should be different tools for different audiences, purposes and phases, e.g. evaluating policy options is not the same as evaluating actions or monitoring progress.

Regarding the second question ("Should SDIs be used for benchmarking SD trends in the EU-27?"), Mr Miège argued that SDIs are the best available source for benchmarking. Generally, SDI sets represent a large body of work. He mentioned five areas for further reflection:

- Number of indicators: 134 indicators are not the best way to communicate. A smaller number of SDIs would be more useful, e.g. 10 indicators would suffice to deliver a clear message.

- Adequacy of headline indicators must be recognised: It is necessary to have meaningful indicators that show developments in important areas.

- Inter-linkages and integration must be addressed.

- Relationship between EU SDIs and national SDIs must be clarified.

- An increasing number of indicators is based on data which is available but outdates; there is a lack of indicators which measure policy trends.

Mr. Miège proposed some issues for a forward-looking approach: The consolidation of SDIs and their relation to pressing political issues, international comparison and benchmarking (e.g. SD scoreboard), and use of different matrixes to complement SDIs.

The three **working groups** discussed the topic on the basis of two questions. Below are the results as summarised by the moderators:

Question 1: "How can SD trends and policies be communicated best?"

- Develop and select indicators with respect to target groups (general public, politicians, etc)

- Composite indicators are good for awareness raising

- Storing lines behind indicators are important

- Sender of the information is crucial (Al Gore, Nicholas Stern)

- Communication product (e.g. "SD indicators in your pocket" are most read SD document in the UK)

Question 2: "Should SDIs be used for benchmarking SD trends in the EU-27 and what are the reasons for your view? If so, how could benchmarking work (done how, by whom)?"

- Benchmarking is needed to raise SD profile

- Benchmarking requires comparable data from all countries (data availability, data quality are important), but perfectionism in data collection should be avoided

- Inclusion of context and framework conditions in benchmarking is important

- Benchmarking is a tool to foster policy learning (qualitative learning rather than naming-and-shaming exercise)

- Combination of top-down and bottom-up approaches: ESDN could establish a discussion forum for benchmarking

Final discussion of working group findings

After the presentation of the summarised working group findings by the moderators (as outlined above), the final discussion was structured along the three topics.

Topic 1: The political value-added of a European set of SDIs

The participants first discussed the importance of political commitment for SDIs. Some argued that political commitment is important in order to raise awareness. However, others argued that high-level commitment is not realistic, e.g. an adoption of SDIs by the Council. It was also argued that formal adoption would not be as important as increasing the political visibility and profile of SDIs. Therefore, the agreement on a limited set of indicators could help to better communicate SDIs. Moreover, it was mentioned that indicators become increasingly meaningful when they are related to political objectives and debates. Therefore, indicators should be related to objectives which are formulated in strategies and other policy documents.

This was followed by a discussion on the importance of strong institutions as drivers for SD and SDIs. Some participants argued that strong institutions, like key ministries, need to take up SDIs. For instance, climate change became an increasingly important topic because it moved from an exclusively environmental to an economic and social issue. Therefore, SDIs could improve their visibility when closely related to a political issue. Another argument was made that SD should be stronger reflected in the existing institutions which could foster a change in the policy approach.

Topic 2: Visibility of the Eurostat SDI set and the EU SDS at the EU level and in the Member States

Some participants argued that the EU SDI set is neither very visible in EU policies nor in the public. However, making the link between the SDI set and EU policies more visible would increase public awareness. Furthermore, the participants discussed the relation between the EU SDI set and the SDI sets on the Member States level. Some argued that both levels influence each other in the development of SDI

sets, thus, convergence takes place already. Other participants pointed out that for the public is would make no difference if indicators have been established at the EU or Member States level as long as they measure the implementation of policy and strategy objectives in a transparent way.

Topic 3: SDIs as a tool to communicate SD trends and policies

Overall, participants agreed that indicators are an important tool to raise awareness about SD in general and the implementation of NSDS objectives in particular. It was mentioned that the story line of indicators and the issues they refer to would be crucial for communicating SD trends and policies.

Finally, the workshop participants discussed the role of benchmarking in relation to SD policies and strategies. The argument was made that benchmarking could add further importance to SDIs. The proposal was made that the ESDN could take on the role as a forum for benchmarking SD trends. In this context, it would be important to foster a strong collaboration between those public administrators responsible for policy integration and those responsible for developing indicators.