

October 2008

## Report 5

# 2058

# The Common Elements of a National Sustainable Development Strategy

Learning from  
international  
experience

**MCGUINNESS INSTITUTE**


Project 2058: Report 5

October 2008

# **The Common Elements of a National Sustainable Development Strategy**

Learning from international experience

This report forms part of *Project 2058*,  
the Institute's flagship project.

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<b>About the Institute</b>	<p>The McGuinness Institute (formerly the Sustainable Future Institute) is an independently funded non-partisan think tank. The main work programme of the Institute is <i>Project 2058</i>. The strategic aim of this project is to promote integrated long-term thinking, leadership and capacity-building so that New Zealand can effectively seek and create opportunities and explore and manage risks over the next 50 years. It is hoped that <i>Project 2058</i> will help develop dialogue among government ministers, policy analysts and members of the public about alternative strategies for the future of New Zealand.</p>
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Note: This report is one of a number published by the Sustainable Future Institute (now the McGuinness Institute) as part of *Project 2058*. Throughout 2013 these reports are progressively being reissued, substantially unchanged, under the McGuinness Institute imprint.

## Preface

*Planning is required when the future state that we desire involves a set of interdependent decisions; that is, a system of decisions ... the principal complexity in planning derives from the interrelatedness of the decisions rather than the decisions themselves ...*

(Ackoff, 1970)

The *Project 2058* reports to date have demonstrated a number of significant points, the most fundamental of which is that New Zealand has not met its commitments to the United Nations (UN, 1992, 1997; UNCED, 2002) to produce a National Sustainable Development Strategy (NSDS) (see Report 1). In addition:

- In 2007 the central government in New Zealand had 130 published strategies without an overarching national strategy (Report 2);
- Government has funded a number of initiatives to support local government without a national strategy to progress sustainable development (Report 3), and
- Unlike many other countries, New Zealand does not have a suitable institutional framework to progress an NSDS (Report 4).

This report looks at best global practice in regard to the written content of NSDSs. To this end we have selected and reviewed the NSDSs of Finland, Sweden and the United Kingdom. Our intention was to provide clarity as to what ‘best practice’ dictates should be included in a published NSDS document. The findings will form the shape, depth and breadth of Sustainable Future’s strategy for New Zealand, which we hope to publish in mid-2009. As this report will shape future reports, and in particular our final report (Report 16), this is a key stage where we welcome your feedback. We ask you to consider whether the lessons learnt from this research (see Section 5) align with your understanding of what should be contained in a New Zealand NSDS, and if this is not the case, why not? There is no time limit for feedback, although it would be helpful to receive your input before the end of 2008.

Although this report is the shortest to date, it is in many ways the most important. The earlier reports look at where we have been, whereas this report looks at what New Zealand’s NSDS should contain to meet ‘best practice’ and report on a strategy — what Ackoff called the ‘system of decisions’. Using the analogy of the human body, this report identifies the bones to which we will add the muscle, the heart and finally the mind. I like to think of the muscle as New Zealand’s national assets and resources, the heart as New Zealand’s identity, and the mind as our national strategy for the long-term future. This report completes what we have referred to as the ‘Government Reports’. Reports 6 to 15 research the state of our national assets and resources and explore our national identity, while Report 16<sup>1</sup> completes the project by proposing a national strategy for New Zealand’s long-term future.

Finally, this report could not have been written without the leadership of countries like Finland, Sweden and the United Kingdom. We sincerely thank them for showing us the way. As always, good research requires a quality team, and I would also like to acknowledge the patience and hard work of Nick Preval, Ella Lawton, Hayley Vujcich, Sarah Wilson and Willow Henderson.

Wendy McGuinness

Chief Executive

<sup>1</sup> Report 16 is now An overview of Genetic Modification in New Zealand 1973 – 2013 : The first forty years. This report can be found at [http://www.mcguinnessinstitute.org/Site/Publications/Project\\_Reports.aspx](http://www.mcguinnessinstitute.org/Site/Publications/Project_Reports.aspx)

## Executive Summary

The aim of this research report was to review best global practice in regard to the written content of National Sustainable Development Strategies (NSDSs) in order to identify and explore the common and unique elements of each. We selected the NSDSs of Finland, Sweden and the United Kingdom (see Appendices 1–3) as we considered they represented ‘best practice’. The institutional frameworks of all three countries were also studied in Report 4a, *Institutions for Sustainable Development: Learning from international experience*.

We acknowledge that an NSDS is much more than a strategy. By its nature, an NSDS infers stakeholder engagement and therefore the need for a sound institutional landscape. Volkery et al. (2006) suggest that more is required than ‘a strategy document and a multi-stakeholder process’, and that in order to bring about real change it is necessary to establish a ‘sound institutional landscape for sustainable development’. We discuss and propose such an institutional framework in Report 4, *Institutions for Sustainable Development: Developing an optimal framework for New Zealand*. Our conclusion is that New Zealand needs both a lead central agency, such as Treasury or the Department of the Prime Minister and Cabinet (DPMC), and an independent advisory body to Cabinet, which we have called the Sustainable Development Council (SDC). See Report 4 for more information.

This report focuses specifically on the content of NSDSs. We reviewed the literature on ‘strategy development’ and developed seven strategic questions that we believe underlie the best process for building an effective strategy. These questions are listed in Table 1 below and discussed further in Section 2.

**Table 1: The Seven Strategic Questions and Their Respective Seven Elements**

Adapted from Kaplan and Norton, 2001: 73

Seven Strategic Questions	Seven Common Elements
1. Where have we been and where are we now?	1. Background (to the strategy)
2. Where do we want to be in the long term?	2. Vision (including desired outcomes)
3. What do we believe in?	3. Principles (and values)
4. What do we need to focus on?	4. Priorities
5. What do we decide to do and decide not to do?	5. Method of implementation
6. Who is going to do what?	6. Governance
7. How well are we going?	7. Monitoring progress

In response to the strategic questions, we have reviewed each of the three ‘best practice’ NSDSs and found seven common elements. Interestingly, we found no unique elements, as there were no high-level elements that were not able to be identified and discussed in terms of the seven common elements. We therefore concluded that although there were cases where countries applied different approaches — for example, creating a mandate, signing off NSDSs, developing consensus over aspects of the process and reporting content — there were no significant issues that could not legitimately be discussed under the common elements. In other words, all three NSDSs were very similar in regard to the type of content. Section 3 explains our thinking regarding the seven questions, and Section 4 discusses each of the common elements in turn.

Section 5 sets out the lessons we have learnt in regard to writing a New Zealand NSDS. These explore in detail the key recommendation, which is outlined below and clarifies the content of the final report of *Project 2058* (Report 16 in Figure 1 of Section 1 of this report). In contrast, Section 6 provides a general overview of the ‘Government Reports’, being Reports 1 to 5. The key findings of this report can be summarised by emphasising that all three NSDSs provided an excellent basis for our research. Although differences in approach did exist, these were not material. All three countries either answered or set out how they plan to answer each of the seven questions, but to varying degrees.

In general, we had a preference for the ‘context’ set out in Sections 1 to 4 of the Finnish NSDS, the ‘strategic challenges’ set out in the Swedish NSDS, and the ‘linking of the indicators to specific departmental strategies and policy statements’ in Chapter 7 of the UK report. As a result, all three NSDSs will together form the ‘skeleton’ basis for writing Sustainable Future’s NSDS for New Zealand. The resulting recommendation is therefore:

**Recommendation 1:** That an NSDS for New Zealand should include clear statements on the background, vision, principles, priorities, method of implementation, governance and the method of monitoring progress.

This report is the last in the ‘Government Reports’. Over the next 12 months we will continue to focus on developing a deep knowledge of the strengths and weaknesses of our institutions, our scientific research, our infrastructure, our assets and our culture. *Project 2058* will culminate in the writing of Report 16, which will state Sustainable Future’s view of a national strategy for New Zealand in terms of each of the seven elements.

To conclude, we believe the opportunity for New Zealand is to develop a strategy that will stand out in terms of marketing our particular values and unique competitive advantages to the world. Of perhaps greater importance, it will provide a mechanism to encourage discussion, build capacity, gain consensus, align initiatives and foster respect, so that all New Zealanders commit to the strategy, not because they have to, but because they want what it can deliver.



# 1. Purpose

The aim of this research report is to:

review three ‘best practice’ National Sustainable Development Strategies (NSDSs), in order to identify and explore the common elements; and identify and explore any unique elements.

*Project 2058* is a two-year research project of Sustainable Future, with the ultimate objective being to produce an NSDS for New Zealand. In order to progress *Project 2058*, it was essential to obtain clarity as to what makes an NSDS a useful document. This is a question of content (i.e. what should a good NSDS contain) rather than process (i.e. an assessment of the way an NSDS is produced or the way it is implemented, or indeed the resulting outcome). Report 4, *Institutions for Sustainable Development: Developing an optimal framework for New Zealand* (Sustainable Future, in press, 2008a) looks at the processes around the publication of the NSDS document, whereas this paper looks solely at the content within ‘best practice’ NSDSs.

To this end, a further literature review of academic and government publications was undertaken; however, we were not able to find a great deal of research that attempts to prescribe the content of NSDSs. This was supported by our discussions with Niestroy (personal communication, 2008).

## 1.1 Sustainable Future

Sustainable Future<sup>2</sup> is a non-partisan, not-for-profit research organisation specialising in issues affecting New Zealand. The strategic purpose of *Project 2058* is to:

promote integrated long-term thinking, leadership and capacity-building so that New Zealand can effectively explore and manage risks and opportunities over the next 50 years. (Sustainable Future, 2007a)

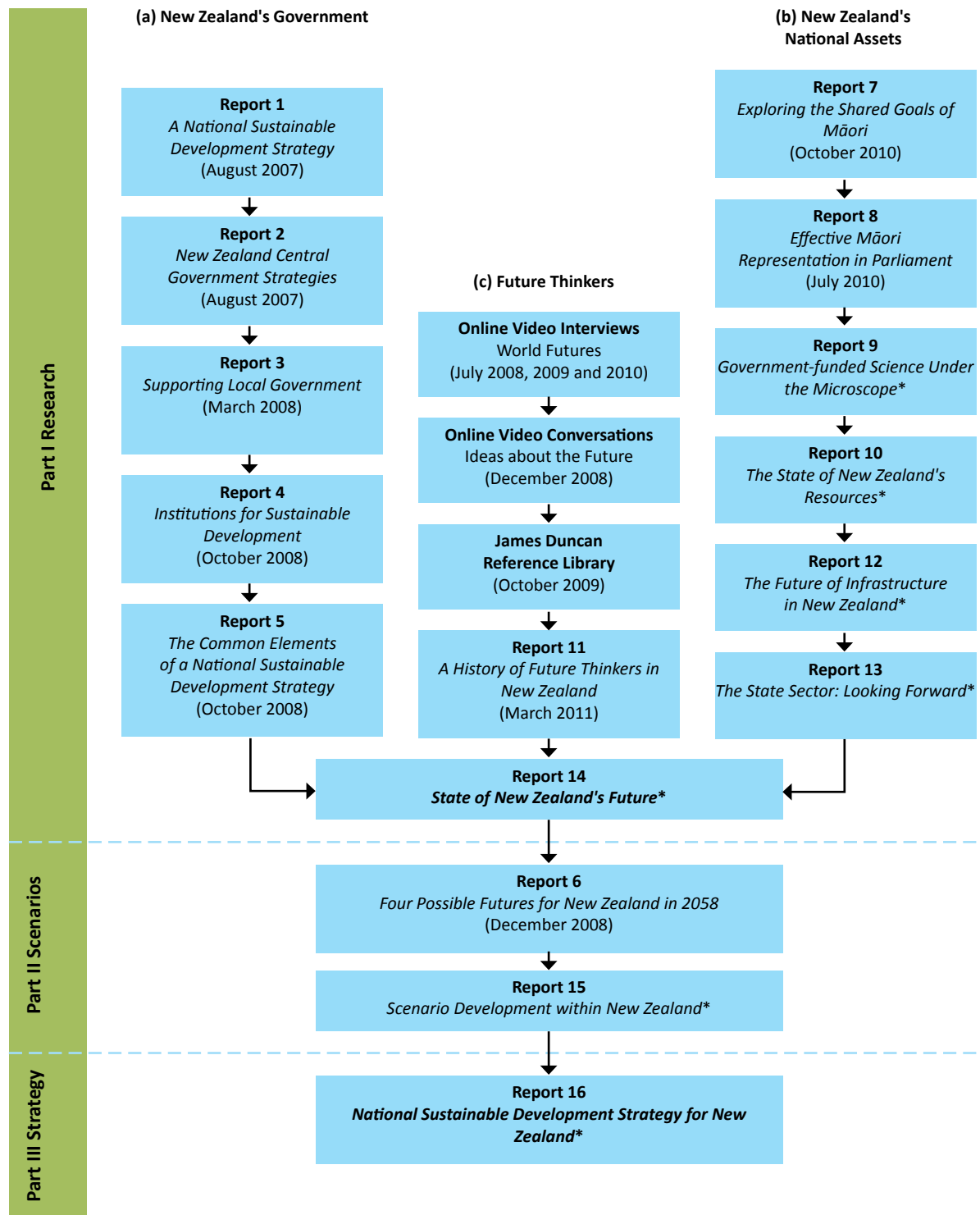
To achieve our strategic aim we believe that New Zealand needs to take a ‘strong sustainability’ approach. For a definition of strong sustainability, see Report 2: *New Zealand Central Government Strategies: Reviewing the landscape 1990–2007* (Sustainable Future, 2007b). For a more in-depth understanding of the historical context, see Report 1: *A National Sustainable Development Strategy: How New Zealand measures up against international commitments* (Sustainable Future, 2007c).

In order to reach our ultimate objective, to propose an NSDS for New Zealand, we have broken up our research into three parts. This paper is Report 5 of Part 1, but it is ultimately designed to shape the content of Report 16, contained in Part 3 of *Project 2058*, the ultimate goal of which is to write an NSDS for New Zealand. Section 6 contains a further discussion on the findings of Reports 1 to 5.

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<sup>2</sup> Since February 2012 the Institute has been known as the McGuinness Institute. See: [www.mcguinnessinstitute.org](http://www.mcguinnessinstitute.org)

Figure 1: Project 2058 Reports (updated May, 2011)

**Key to Figure 1**

\* Publication date yet to be confirmed

## 2. Methodology

This report continues on from Report 4a, *Institutions for Sustainable Development: Learning from international experience* (Sustainable Future, in press, 2008b), which looked at the institutional frameworks for sustainable development of nine countries. We chose three of these countries, Finland, Sweden and the United Kingdom, and reviewed the content of each of their NSDSs.

In this section we outline how the three countries were selected, how the information was collected, what method of analysis was used, our understanding of significant terms, and the limitations and boundaries to this report.

### 2.1 Terminology

To provide clarity over what is meant by an NSDS, we provide two internationally recognised definitions.

An NSDS is defined by the Organisation for Economic Cooperation and Development (OECD) as:

a strategic and participatory process of analysis, debate, capacity strengthening, planning and action towards sustainable development. (OECD/DAC, 1999: 2)

Similarly, the United Nations Department of Economic and Social Affairs (UNDESA) describes an NSDS as:

a coordinated, participatory and iterative process of thoughts and actions to achieve economic, environmental and social objectives in a balanced and integrated manner. (UNDESA, 2002: 1)

These definitions capture the cyclical, iterative nature of NSDSs, in which a strategy document is not the end product, but rather a stage in an ongoing process (UNDESA, 2002).

While Sustainable Future recognises the critical importance of understanding NSDSs as a process, the current report focuses on their content, and not on the processes by which such documents are created, implemented or reviewed. As such, in this paper the acronym NSDS refers to the document itself and not the broader process. We address this broader process in our Report 4.

### 2.2 Information Collection

The primary source material was the three NSDSs, which are summarised in Appendices 1–3. Secondary information was gained through discussions with staff at the United Nations<sup>3</sup> and literature research via the internet and our library.

### 2.3 Limitations and Boundaries

This paper is primarily based on an assessment of three NSDSs. Importantly:

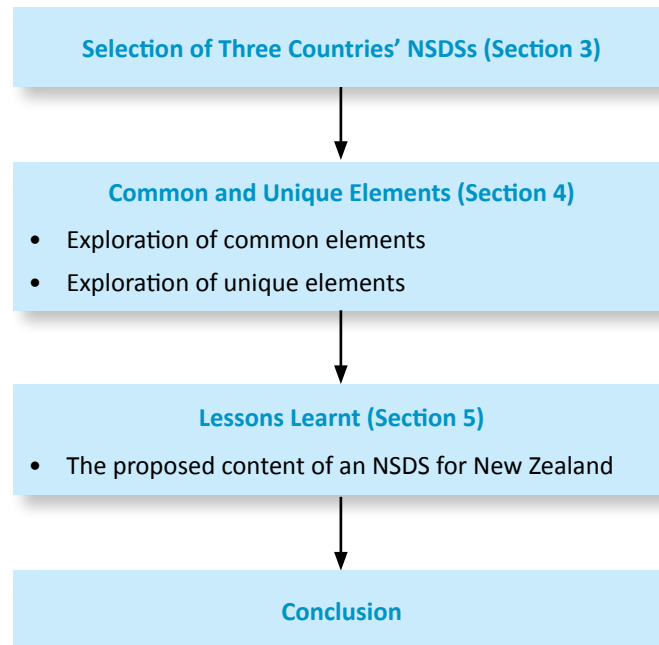
1. The paper assumes that the three NSDSs selected represent ‘best practice’.
2. We do not assess the effectiveness of the NSDS document in the broader context of sustainable development in each country. To make such an assessment it would be necessary to understand the unique characteristics of each country, the extent to which the strategy is appropriate to the needs and desires of its citizens, and the quality of its implementation. The cultural and linguistic barriers inherent in this process would also make such an assessment challenging. Consequently, this report takes a narrow approach in order to concentrate on what Sustainable Future (and New Zealand) must include in the contents of an NSDS in order to meet best practice.

<sup>3</sup> These discussions took place during a meeting at the United Nations on August 6, 2008, with the team at the Office in Charge of the National Information, Monitoring and Outreach Branch of the Division for Sustainable Development for the Department for Economic and Social Affairs, and the Librarian of the Economic and Social Affairs Branch.

## 2.4 Method of Analysis

The method of analysis is outlined in Figure 2 below.

**Figure 2: Method of Analysis**



### 2.4.1 The three countries

The three countries, Finland, Sweden and the United Kingdom, were selected because of their relatively long histories of environmental policy coordination and because all three have produced multiple NSDSs (or similar strategies), which suggests that the content and structure of these strategies is likely to be robust. In addition, all three countries have an integrated, comprehensive and top-down approach, which was considered to be best practice, as discussed in Report 4.

### 3. Selection of the Elements

In order to identify the common elements, we revisited the theory of strategy development. In particular, we reviewed the work of Henry Mintzberg, Michael E. Porter, Robert Kaplan and David Norton. From this analysis, we considered Kaplan and Norton's view of strategy the most useful as it was a proven method (they had found it to be effective in practice), was comprehensive and was in line with the work of other experts in the field.

We adapted their framework, which was organisation focused, to incorporate a country focus. This resulted in the seven strategic questions listed in Table 2 below. The numbering of these questions reflects our understanding of best practice, but we note that a strategy requires a lot of thought and revision; consequently the steps are not necessarily always followed in sequence. In particular we note that the steps relating to vision and principles are often developed in unison.

**Table 2: The Seven Strategic Questions and Their Respective Seven Elements**

Adapted from Kaplan and Norton, 2001: 73

Seven Strategic Questions	Seven Common Elements
1. Where have we been and where are we now?	1. Background (to the strategy)
2. Where do we want to be in the long term?	2. Vision (including desired outcomes)
3. What do we believe in?	3. Principles (and values)
4. What do we need to focus on?	4. Priorities
5. What do we decide to do and decide not to do?	5. Method of implementation
6. Who is going to do what?	6. Governance
7. How well are we going?	7. Monitoring progress

This is also the case with steps four and five, as they require considerable iterative research, thought and dialogue. Porter (1996: 64) argues that the essence of a strategy is choosing to 'perform activities differently or perform different activities' so as to provide a unique value proposition. Consequently, a strategy that fails to clarify what a country decides not to focus on (as distinct from what it decides to focus on) will fail to define its unique value proposition. Such an approach invites New Zealand to be able to answer such questions as: What unique value do we bring to the global marketplace? What do we do differently and better than everyone else? What are the primary sources of our competitive advantage? Why do/should customers buy from us rather than from our competitors? How do we expect to compete and win; how are we going to consistently outperform our competitors, and how are we going to be successful in the long term?

Furthermore, experts emphasise that an obsession with implementing a plan at all costs is not in the public good (Mintzberg, 1994: 200–219), therefore we need to continually be scanning the landscape for changes and their effects. Consequently, governance and monitoring progress (steps six and seven) require timely management, wisdom and discipline.

To conclude, it is clear that planning and politics, when combined, have their own specific challenges and that the creation of a sustainable strategic position comes from a system of activities, each of which reinforces the others (Kaplan & Norton, 2001: 75, 133).

## 4. Analysis of the Seven Common Elements

In this section, each of the seven common elements is discussed in terms of the NSDSs of Finland, Sweden and the United Kingdom. For more detailed information regarding each NSDS, see Appendices 1–3. Contained in each appendix is the official title, the date of publication, the page length, the chronology, the timeframe the authors considered, the author(s), the process of development and the table of contents.

### 4.1 Background to the Strategy

All three NSDSs provide background information. The background typically has four components:

1. Clarity over the mandate for the NSDS.
2. A general discussion of sustainable development.
3. Analysis of the global and national situation.
4. The process for the development of the NSDS.

#### 4.1.1 Mandate

Both the Finnish and UK NSDSs begin with a statement by the Prime Minister endorsing the strategy and describing key challenges. Although not signed off by the Prime Minister, the Swedish NSDS states in the first lines of both the preface and the introduction that the overall objective of government policy is sustainable development, implying that even though it is not endorsed by the government in text, it is considered a central plank of government policy.

#### 4.1.2 Discussion of sustainable development

Each of the three NSDSs includes a general discussion of sustainable development. This general discussion is located at the start of each NSDS, and typically defines key terms, including sustainable development.

#### 4.1.3 Analysis of the global and national situation

All three of the NSDSs incorporate ‘future thinking’ in describing the current global and national situation. Each begins with a general description of current and future global sustainable development challenges, then provides a general discussion of the progress, strengths and weaknesses of sustainable development at a national level. Future thinking is also incorporated later in the three NSDSs, when they describe priority areas (see Section 4.4).

#### 4.1.4 Development of the NSDS

All three NSDSs discuss previous sustainable development strategies, and the development of the current strategy.

##### (i) Previous NSDSs

Each of the three NSDSs includes a brief description of the history of sustainable development policy in that country and, in particular, previous NSDSs. This typically includes a discussion of the nation’s response to historical developments such as the Rio Earth Summit in 1992, which established the need for NSDSs (UN, 1992).

##### (ii) Current NSDS

Each of the three NSDSs includes at least a brief discussion of the process by which the current NSDS was developed, often listing key contributors. The UK NSDS development process included a comprehensive consultation titled *Taking It On*<sup>4</sup>. The outcomes of this consultation are incorporated throughout the UK NSDS, with a summary of relevant key points addressing specific sustainable development priorities included at the start of each chapter.

4 A Department for Environment, Food and Rural Affairs (Defra) summary of this report is available at [www.sustainable-development.gov.uk/taking-it-on/finalsummary.htm](http://www.sustainable-development.gov.uk/taking-it-on/finalsummary.htm)

## 4.2 Vision

Each of the three NSDSs includes a vision. The UN states that:

a national sustainable development strategy should be based on a shared strategic and pragmatic vision.  
(UNDESA, 2002: 17)

The three visions (see Table 3 below) were created through a process of consultation and deliberation, as it is important that the vision is shared by stakeholders across the political spectrum (OECD, 2001). As indicated by UNDESA (2002), the visions appear to reflect each country's unique history, and the goals and core beliefs of its people.

The three visions listed in Table 3 below reveal similarities, with environmental protection and inter- and intra-generational equity being common themes.

Unlike the Swedish and Finnish NSDSs, which are country-specific and are stand-alone documents, the UK government's NSDS includes the devolved administrations of Wales, Northern Ireland and Scotland, and its NSDS fits within a package of reports, such as *One Future, Different Paths* (Defra, 2005).

**Table 3: Vision**

Country	Vision
<b>Finland</b>	Assuring well-being within the limits of the carrying capacity of nature nationally and globally. The objective is to create sustainable well-being in a safe and pluralistic society that promotes participation, and in which all people take responsibility for the environment. (Finnish Prime Minister's Office, 2006: 47)
<b>Sweden</b>	To be a leading country in terms of sustainable society. The country can in that way contribute to greater solidarity and a more equitable allocation of the world's resources. A sustainable development policy can thus serve as a key catalyst of renewal, growth and employment in Sweden as well.... The policy objectives of the vision of a sustainable society are solidarity and justice in every country, among countries and among generations. The basic assumption is that members of one generation should not conduct their lives in a way that prevents their children or future generations from enjoying a decent standard of living. Sustainable development is an approach that must actively inform and shape all policy areas. (Government of Sweden, 2006: 9)
<b>United Kingdom</b>	<p>The goal of sustainable development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life, without compromising the quality of life of future generations.</p> <p>For the UK Government and the Devolved Administrations, that goal will be pursued in an integrated way through a sustainable, innovative and productive economy that delivers high levels of employment; and a just society that promotes social inclusion, sustainable communities and personal wellbeing. This will be done in ways that protect and enhance the physical and natural environment, and use resources and energy as efficiently as possible.</p> <p>Government must promote a clear understanding of, and commitment to, sustainable development so that all people can contribute to the overall goal through their individual decisions.</p> <p>Similar objectives will inform all our international endeavours, with the UK actively promoting multilateral and sustainable solutions to today's most pressing environmental, economic and social problems. There is a clear obligation on more prosperous nations both to put their own house in order, and to support other countries in the transition towards a more equitable and sustainable world. (HM Government, 2005: 16)</p>

### 4.3 Principles

Each of the three NSDSs that we examined included a statement of principles (although they were not always described as such). In the case of the Swedish NSDS it was difficult to draw a clear distinction between principles and vision, with principles being stated as a further articulation of the vision. The principles in the three NSDSs examined are reasonably general and consistent (see Table 4 below). Finland also prepared some boundaries for the strategy, which is a useful way of clarifying choices (see Appendix 4).

**Table 4: Principles**

Country	Principles
<b>Finland</b>	<ul style="list-style-type: none"> <li>• The mutual dependence of the economic, ecological, social and cultural dimension of sustainable development. Extending beyond the current generation and the long-term nature of policies. Global, national and local consistency between various policy sectors.</li> <li>• A strong scientific foundation and an approach based on the assessment of risks and probabilities.</li> <li>• Strengthening of human resources by offering better prerequisites for sustainable choices and equal opportunities for individuals to attain self-fulfilment and influence society. (Finnish Prime Minister's Office, 2006: 16)</li> </ul>
<b>Sweden</b>	<ul style="list-style-type: none"> <li>• Long-term, not short-term. {Sustainable development requires policy decisions that strike the correct balance between long-term social, economic and environmental consequences.}</li> <li>• Use, don't abuse. {Sustainable development is dependent on the ability to use, create and invest in the resources on which the economy relies. These include buildings, infrastructure and human beings.}</li> <li>• Support, don't undermine. {Sustainable development begins with a holistic approach to societal issues. Mutually reinforcing economic, social and environmental activities must be designed. This approach is based on the insight that a well functioning economy is the basis of social justice and environmental protection.}</li> <li>• Interact, don't counteract. {Sustainable development proceeds from joint responsibility and calls for a society characterised by democratic values, respect for human rights and gender equality. All people and social strata must have the possibilities to become involved and participate. This will require cooperation from private and public institutions, and at regional, national and international levels. Sweden can contribute by being a leader in sustainable development, and this will also benefit Sweden's economy as adaptation to environmental demands creates new employment opportunities.} (Government of Sweden, 2006: 9–10)<sup>4</sup></li> </ul>
<b>United Kingdom</b>	<ul style="list-style-type: none"> <li>• Living within environmental limits.</li> <li>• Ensuring a strong, healthy and just society.</li> <li>• Achieving a sustainable economy.</li> <li>• Promoting good governance.</li> <li>• Using sound science responsibly. (HM Government, 2005: 16)</li> </ul>

<sup>5</sup> Text in {brackets} paraphrases the text in the original document.



## 4.4 Priorities

Priorities are when the key issues facing a country are agreed through some form of stakeholder participation and consensus-building (UNDESA, 2002). Each of the three NSDSs reviewed includes clearly defined priority areas. Table 5 lists the high-level priorities identified by each country. Generally each priority area is described in terms of trends and challenges, then in more detail, in terms of agreed activities and goals (for a more detailed discussion see Sections 4.6 and 4.7 below).

**Table 5: Priorities**

Country	Priorities
<b>Finland</b>	<ul style="list-style-type: none"> <li>• A good life in a sustainable society.             <ul style="list-style-type: none"> <li>• Balance between the use and protection of natural resources</li> <li>• Sustainable communities in a sustainable regional structure</li> <li>• Citizens — well-being throughout the lifecycle</li> </ul> </li> <li>• The economy as a safeguard for sustainable development.</li> <li>• Finland as a global actor and bearer of responsibility.</li> <li>• Supporting sustainable choices. (Finnish Prime Minister's Office, 2006: 16–28, 61–131)</li> </ul>
<b>Sweden</b>	<ul style="list-style-type: none"> <li>• Building sustainable communities: This challenge involves promoting good living conditions by means of physical planning, regional development, infrastructure projects, urban development and housing.</li> <li>• Encouraging good health on equal terms: This challenge involves creating conditions for good health regardless of gender, ethnicity, social background, cultural background, sexual orientation, age or disability.</li> <li>• Meeting the demographic challenge: This challenge involves taking measures across a range of policy areas to meet the demographic challenge in its economic and social dimensions.</li> <li>• Encouraging sustainable growth: This challenge involves recognition that growth is driven by dynamic markets, a forward-looking welfare policy and a progressive environmental policy. (Government of Sweden, 2006: 3–4)</li> </ul>
<b>United Kingdom</b>	<ul style="list-style-type: none"> <li>• Sustainable consumption and production.</li> <li>• Climate change and energy.</li> <li>• Natural resource protection and environmental enhancement.</li> <li>• Sustainable communities. (HM Government, 2005: 17)</li> </ul>

## 4.5 Method of Implementation

There are a number of methods that can be used by governments in order to achieve progress towards sustainable development. These tools enable governments to influence the behaviour of other nations, government departments, local bodies, businesses, organisations, and individuals. Each NSDS has a chapter that is largely devoted to a discussion of how at least some of these methods will be used to progress sustainable development. The methods can be categorised as:

- Economic (e.g. taxes, financial incentives);
- Leadership (e.g. sustainable procurement by government departments);
- Education (e.g. awareness-raising campaigns, changes in school curricula);
- Involvement (e.g. consultation, participation in workshops).

The approach of each NSDS to methods of implementation is set out below.

### 4.5.1 Finland

Finland's NSDS includes a chapter which discusses the implementation and monitoring strategy and its goals. These objectives include:

- Guarantee the continuity of sustainable development policy;
- Coordinate intersectoral programmes and strategies cooperation;
- Ensuring the consistency of policy between global, national, regional and local programme work;
- Participation and ensuring innovativeness of sustainable development policy;
- National sustainable development indicators.

In addition, promoting education for sustainable development, increased technological innovation, and its intended use of economic policy instruments are also considered. This discussion is reasonably general, but does discuss responsibilities and next steps.

### 4.5.2 Sweden

Sweden's NSDS includes a chapter which discusses tools and prerequisites for successfully achieving sustainable development. These include:

- Participation;
- Leadership and responsibility;
- Coordination and intersectoral cooperation;
- Sustainability impact assessments;
- Economic instruments;
- Sustainable public procurement;
- Indicators;
- Educating and influencing.

Each of the tools is discussed, the current policy context described, and the general objectives and specific short-term actions (often with timeframes) listed.

### 4.5.3 United Kingdom

The UK NSDS has a chapter devoted to implementation methods, which are discussed in terms of community engagement, incentives (e.g. taxes, voluntary initiatives or subsidies) and education (at both a school and life-long level). Each method is described, current actions are discussed and specific short-term goals are identified (often including timeframes and responsible parties). This chapter also presents the UK NSDS's model for catalysing change. This model is used throughout the NSDS to summarise the government's goals and actions with respect to each priority area. This model is set out in Appendix 5.

## 4.6 Governance

There is a reasonable degree of variation in the way the three NSDSs treat governance. We divide governance into three parts and discuss each separately. The three parts are:

1. Who is ultimately responsible?
2. Who has delegated responsibility?
3. How will government use the NSDS to lead change?

### 4.6.1 Who is ultimately responsible?

The three NSDSs vary in terms of how they address responsibility and accountability for sustainable development. Quotations demonstrating the differing approaches are presented in Table 6 (emphasis added).

**Table 6: Statements of Responsibility and Accountability**

Country	Responsibility and Accountability
<b>Finland</b>	The main responsibility for the guidelines and implementation of sustainable development <b>lies with the Finnish Government</b> , which will direct the work by means of government and policy programmes as well as the decisions-in-principle of the Finnish Government. (Finnish Prime Minister's Office, 2006: 134)
<b>Sweden</b>	<b>Governmental authorities</b> have an important role to play in translating national policy decisions into action plans, guidelines and regulation. <b>The County Administrative Boards</b> have a particular responsibility as government authorities at the regional level. The central agencies must increasingly participate in local and regional development efforts. <b>The central agencies</b> also have a major responsibility to incorporate sustainable development into their own sphere of activities. Instructions and official appropriations documents are key tools with which the Government can guide agencies in the effort to attain policy objectives. (Government of Sweden, 2006: 57–58)
<b>United Kingdom</b>	<p>This is a UK Government-wide strategy covering all issues in England and those UK issues which are not the responsibility of devolved administrations. Accountability for its delivery ultimately <b>rests with the Cabinet</b>, and the Secretary of State for Environment, Food and Rural Affairs has a lead role. Responsibility, however, rests with everyone.</p> <p>The success of this strategy depends on the commitment and capacity of all Government departments, their agencies and other public bodies, including local authorities and those providing public services at regional and local level, communities, businesses and individuals. (HM Government, 2005: 152)</p>

### 4.6.2 Who has delegated responsibility?

All three NSDSs clearly function as a means of communicating government plans for implementing sustainable development policies, as indicated by Table 7, which provides a summary that is further discussed below.

**Table 7: Diagram of Delegated Responsibility**

Type of Delegated Responsibility	General objectives are listed	Specific measures are listed	Responsible government departments are listed	Goals at national & international level are listed	Relevant legislation is listed	Time frames are identified
<b>Finland</b>	✓	✗	Sometimes	Not specified	✗	✗
<b>Sweden</b>	✓	✓	Sometimes	Sometimes	✓	✓
<b>UK</b>	✓	✓	Sometimes	✓	✓	✓

Unlike the Finnish NSDS, in addition to setting out high-level and general goals, the NSDSs of Sweden and the United Kingdom provide a useful summary of specific current and short-term future government actions and goals. It is not clear who the target audience for such information may be (citizen, policy actor, or external party).

It is also sometimes unclear to what extent the actions and goals described are the result of the NSDS or whether actions would have taken place in the absence of the NSDS. This concern has been raised in previous research (Volkery et al., 2006). The three approaches are summarised below.

#### Finland

Finland's NSDS has a reasonably general approach to describing implementation. Goals are stated with respect to each priority area and specific issue, but these goals are typically non-specific and generally do not include a timeframe or name the specific government bodies that will carry them out.

#### Sweden

Sweden's NSDS has a systematic approach to describing implementation. Each priority area is broken into specific issues. For each specific issue addressed a generalised objective is stated. Following this a list of 'measures' is presented — this is a list of current or short-term future government actions and goals (including proposed legislation) with respect to that objective. These measures usually include a timeframe, although they do not generally specify which department will undertake them.

The Swedish NSDS does not draw a distinction between national and international levels in the way its discussion of specific issues is organised. Each issue is described, a general objective set out, then a list of national-level and international-level actions or goals set out. In contrast, the Finnish and UK NSDSs generally discuss international- and national-level issues separately.

#### United Kingdom

The UK NSDS takes a detailed systematic approach. There are several chapters describing priority areas, and each chapter is broken down into specific issues. The discussion of each issue includes descriptions of current and short-term future government actions or goals. These descriptions generally include a timeframe and sometimes include details such as the responsible government department. Each chapter concludes with a standard diagram which summarises implementation with respect to that priority area (see Appendix 5).

The UK NSDS also has a separate section in which the implementation responsibilities of relevant government departments are listed. These include both specific actions and more general goals (HM Government, 2005: 146–50). Many of the goals set out in the UK NSDS are linked with specific indicators and targets. This is discussed further in Section 4.7 below.

The current process whereby all government departments and their agencies are required, via Regulatory Impact Assessments, to include all economic, social and environmental costs and benefits for new proposals is also described. It is stated that the government intends to reinforce this process. In turn, the progress of the government will be monitored by the Sustainable Development Council (SDC) in a new watchdog role.

### 4.6.3 How will government use the NSDS to lead change?

Each of the three NSDSs includes a description of how the strategy is to be used by government. The Finnish and Swedish NSDSs are reasonably general in their discussion of this area. In contrast, the UK NSDS is more prescriptive, setting out clear goals for responsible departments and explaining how these goals will be monitored by the government (this is discussed further in Section 4.7 below). Quotations exemplifying the differing approaches are presented in Table 8 (emphasis added).

**Table 8: How the NSDS Is to Be Used by Government**

Country	How the NSDS is to be used by government
Finland	<p>It is appropriate that the National Strategy for Sustainable Development be handled in all <b>Parliamentary Committees</b> in which the strategic guidelines apply to the sector. (Finnish Prime Minister's Office, 2006: 27)</p> <p>The starting point is that the key guidelines of the Strategy form [the] foundation for <b>drafting Government and policy programmes</b>. (Finnish Prime Minister's Office, 2006: 48)</p>
Sweden	<p>Sustainable development is an overall objective of Government policy. This means that all <b>political decisions</b> must take into consideration long-term economic, social and environmental consequences....</p> <p>The Government plans to identify the governmental agencies whose activities are relevant to the sustainable development effort. The Government will then review ways of clarifying special sustainable development responsibilities in its <b>steering documents</b> for the various agencies....</p> <p>The Swedish strategy for sustainable development must be <b>shared and communicated with the private sector, municipalities, county councils and organisations</b> so that they can use it as a basis for their own development of sustainable development strategies adapted to their own capacity, needs and requirements. (Government of Sweden, 2006: 59)</p>
United Kingdom	<p>Government departments and their executive agencies will produce <b>Action Plans</b> setting out how they intend to implement the commitments in this strategy and will report progress against these, for example in their <b>annual departmental reports</b>. (HM Government, 2005: 165)</p>

## 4.7 Monitoring Progress

According to the OECD the use of indicators is an important part of the NSDS process, as the development and incorporation of quantitative indicators can help remove discrepancies between the priorities set out in an NSDS document and what can be realised in practice. The use of indicators may also assist in the assessment of trade-offs between the three dimensions of sustainable development — economic, environmental and social. Indicators can be used to track progress towards sustainable development and can form the basis of specific policy targets. Indicators can also contribute to the transparency of NSDSs (OECD, 2006).

There is a reasonable amount of variation in the way indicators are incorporated into the three NSDSs. As with implementation, these differences suggest that the three NSDSs are intended to serve different functions. The three approaches to indicators and monitoring are set out in Table 9 and discussed below.

**Table 9: Indicators**

Country	
<b>Finland</b>	<p><b>Number of indicators:</b> Contains at least 34 (see Figures 1–34 in the NSDS).</p> <p>Sustainable development policy will be monitored by methods that include national indicator work. The sustainable development indicators will be developed and updated in the national indicator network between the different administrative sectors.... As a continuation of the Strategy, a systematic model will be developed to enable assessment of the Strategy's impacts at the national, regional and local level. This will allow comparison in the assessment of the impacts of different programmes. (Finnish Prime Minister's Office, 2006: 135)</p>
<b>Sweden</b>	<p><b>Number of indicators:</b> Contains 12 headliner indicators, and 87 indicators in total. (The 12 headliner indicators are categorised under six key headings: Health; Sustainable Consumption and Production Patterns; Economic Development; Social Cohesion; Environment, and Climate and Global Development. Annex 1 to the NSDS lists the full set of 87 indicators.)</p> <p>The indicators are to serve as a basis for monitoring, information and discussion. They will be made available on the Internet. The set of indicators will be subject to ongoing methods development efforts. (Government of Sweden, 2006: 70)</p>
<b>United Kingdom</b>	<p><b>Number of indicators:</b> Contains 20 UK Framework Indicators and a further 48 indicators related to the priority areas. (See Chapter 7 of the NSDS for a list of all 68 indicators.)</p> <p>... will assess and report annually on progress against the indicators and use this assessment, together with other evidence from monitoring and evaluation, to determine whether we are succeeding in our goals or whether we need to develop different policies and act accordingly. (HM Government, 2005: 23)</p>

### 4.7.1 Finland

Indicators are reported throughout the Finnish NSDS (see Figures 1–34). Many of these indicators are part of the Finnish indicator set.<sup>6</sup> The Finnish NSDS is intended to be monitored and assessed every two years which includes an update of the sustainable development indicators.

### 4.7.2 Sweden

Sweden's NSDS reports progress on 12 headline indicators and briefly discusses the reason for each assessment. Progress is labelled positive, negative, or neither. This is the first Swedish NSDS to report headline indicators.

The 12 headline indicators were chosen in cooperation with Statistics Sweden (Government of Sweden, 2006: 69). Each headline indicator is defined in Annex 1A to the NSDS and a graph demonstrating progress with respect to that indicator is also presented and discussed. The 75 indicators that make up the indicator set are briefly defined in Annex 1B.

### 4.7.3 United Kingdom

The UK NSDS lists 20 Framework Indicators, as set out in the *One Future, Different Paths* framework (Defra, 2005), and an additional 48 indicators chosen by the UK government. Indicators are listed in the relevant parts of the NSDS and are summarised at the end of each chapter, where the NSDS reports on how progress will be measured in the future. Although past indicators are reported upon, the new indicators appear to entail a more comprehensive approach than in the past. The UK does not report indicator trends in its NSDS, possibly because it has decided to use specific publications to report progress. See *Sustainable Indicators in Your Pocket* (Defra, 2007).

In Chapter 7 it is stated that the government will monitor progress in terms of Public Service Agreement (PSA) and other policy commitments.<sup>7</sup> Each indicator is linked to a PSA, strategy or policy statement.

6 See the Finnish National Commission on Sustainable Development (FNCSO) website for more information about the Finnish approach to indicators <http://www.ymparisto.fi/default.asp?node=19753&lan=en>

7 Public Service Agreements (PSAs) detail the aims and objectives of UK government departments for a three-year period. Such agreements also include details of how the aims and objectives will be achieved and performance measured.

## 5. Lessons Learnt

The three countries studied provide excellent examples of the way forward for countries like New Zealand which, at best, can now only be an effective ‘fast follower’.

The three NSDSs studied share seven common elements, although the application and responsibilities are often set out in different ways. Summing up, we consider ‘best practice’ would be a cut and paste of the ‘context’ set out in Sections 1 to 4 of the Finnish NSDS, the ‘strategic challenges’ set out in the Swedish NSDS, and the ‘linking’ of the indicators to specific departmental strategies and policy statements in Chapter 7 of the UK NSDS.

### 5.1 The Seven Elements

The implications for an effective NSDS for New Zealand are discussed below.

#### 1. Where have we been and where are we now?

A New Zealand NSDS will need to include a section on New Zealand’s history with regard to sustainable development, effectively ‘setting the scene’. It will also be necessary to carry out an inventory of New Zealand’s current policies, legislation and institutions with respect to sustainable development in order to define priority areas and specific issues.

#### 2. Where do we want to be in the long term?

Developing consensus on the vision is critical. This will be a continuing challenge for the country and one that must continually be at the forefront of political thinking. From our review of the literature (as described in Section 2) it will be important to develop a unique value proposition that fits with the values of New Zealand (see Question 3 below). Answering this question will also inform our priority setting, and our selection of goals and targets relating to specific issues.

#### 3. What do we believe in?

Both this and the above question work together, but must be answered separately. New Zealanders have completed a small amount of research on shared values, which we will work into the vision (above) and the principles and boundaries of this strategy.

#### 4. What do we need to focus on?

This requires scanning the local, national and international landscape to determine what are the key priority areas or hotspots. Within this discussion is the need to consider where we can have an impact and where we cannot. We consider the Swedish NSDS responded best to this question, in the section on ‘strategic challenges’.

#### 5. What do we decide to do and not to do?

This question entails thinking about what types of initiatives are acceptable and how they could be best aligned and implemented. For example, if the focus is to retain our clean, green brand, arguably it would not be in New Zealand’s best interests to implement initiatives that removed our current status as nuclear-free (in disarmament and arms control) or GM-free (in crops).

Furthermore, a package of integrated and aligned initiatives is best considered in terms of the overall objective. This can best be understood by considering the investment in railway infrastructure by the Vogel government in the late 1860s. Through good thinking, the government was able to solve three problems with one solution: increasing exports, promoting centralised government and lowering unemployment.



## 6. Who is going to do what?

All three NSDSs state ‘who is doing what’ in terms of two levels of responsibility: who has ultimate responsibility and who has delegated responsibility (although the latter is less clear in some cases). We consider that the ‘linking of the indicators to specific departmental strategies and policy statements’ in the UK NSDS (see Chapter 7) is an excellent method of clarifying responsibilities.

## 7. How well are we going?

All three NSDSs indicate that the publication of a strategy is only the start of the journey and, as such, it requires continuous monitoring and assessment. In particular, ‘best practice’ indicates that the strategy should include the date the document should be reviewed and when progress should be reported upon (e.g. annually).

## 5.2 Recommendation

The following is a brief summary of our key findings.

- All three NSDSs include the following common elements: background to the strategy; vision; principles; priorities; method of implementation; governance, and monitoring progress.
- Although all common elements were contained in each of the NSDSs, there were differences. In particular:
  - The level of detail with which they describe implementation. The UK NSDS includes a very systematic linking of the sustainable development goals of individual government departments and their specific strategies and policy documents.
  - The depth of detail regarding the governance framework.
  - The way they incorporate indicators. The Finnish and Swedish NSDSs report past progress on previously agreed indicators, while the UK NSDS puts more emphasis on setting out future indicators.
- All three NSDSs contribute to the wealth of knowledge on how to progress sustainable development. When the New Zealand government does decide to prepare an NSDS it is indeed fortunate to have the leadership of countries such as Finland, Sweden and the United Kingdom to show the way forward.

This research indicates, after studying international best practice, that an NSDS should contain the following seven elements.

**Recommendation 1:** That an NSDS for New Zealand should include clear statements on the background, vision, principles, priorities, method of implementation, governance and the method of monitoring progress.

## 6. Implications for New Zealand

This report is the last of the ‘Government Reports’. Appendix 6 lists all recommendations made in Reports 1 to 5. To our knowledge there is no new information that would indicate that the conclusions reached in these earlier reports are no longer relevant. In fact, our research continually reinforces the extent to which New Zealand is falling behind its peers, with many countries now into the development of their third or fourth NSDSs.

Importantly, this research does not assess the quality or usefulness of the NSDSs in terms of their value to the citizens of the respective countries. However, we did note that the underlying meaning within elements three and four, namely ‘principles’ and ‘priorities’ (see Tables 4 and 5) were often interchangeable and broad in nature. There could be a number of reasons for this, such as the three countries’ close proximity to one another, the fact that all three have followed a similar methodology, or that the development of NSDS policy remains focused on external global forces (which are the same for every country) rather than being shaped by internal characteristics such as the unique strengths and weaknesses of each country. Whatever the reason, we consider there is an opportunity to craft a strategy based not just on external challenges, but also on a deep knowledge of the strengths and weaknesses of our particular society — our institutions, our scientific research, our infrastructure, our assets and our culture. Such an approach demands significant amounts of strategic information and strategic thinking.

Over the next eight months we will continue to explore these aspects of New Zealand society, publishing the results of our research in Reports 6–13. Part 1 of *Project 2058* concludes with Report 14, *State of New Zealand’s Future*, which will bring all this strategic information together in one document.

The strategic information gained from Part 1 will be used to explore strategy development using ‘scenarios’. Part 2 of *Project 2058* considers alternative futures in the context of uncertainty and economic, technological, social, political and cultural change, and will conclude with a summary report, being Report 15, *Scenarios: Exploring New Zealand’s long-term future*. Not only will this include a report on our own scenarios (currently known as Background Paper 15a [in press]), but such an approach allows Sustainable Future to incorporate recent work by other organisations working in the same area.

*Project 2058* will culminate in the writing of Report 16, which will be Sustainable Future’s view of a national strategy for New Zealand’s long-term future. Our intention is that a strategy for New Zealand should be transparent and therefore must answer questions such as: What are the strategic options? What strategy best enhances flexibility and allows New Zealand to seize emerging opportunities and avoid threats?

**Table 10: The Seven Strategic Questions and Their Respective Seven Elements**

Seven Strategic Questions	Seven Common Elements
1. Where have we been and where are we now?	1. Background (to the strategy)
2. Where do we want to be in the long term?	2. Vision (including desired outcomes)
3. What do we believe in?	3. Principles (and values)
4. What do we need to focus on?	4. Priorities
5. What do we decide to do and decide not to do?	5. Method of implementation
6. Who is going to do what?	6. Governance
7. How well are we going?	7. Monitoring progress

## 6. IMPLICATIONS FOR NEW ZEALAND

As this report defines the seven common elements for our strategy, Report 5 in a sense provides clarity over the purpose of *Project 2058*'s remaining reports.

Consequently, we welcome feedback on the seven elements outlined in Table 10, and the examples set out in Tables 3–9. Importantly, as a strategy is about choices, we need to ensure that New Zealand's national strategy articulates those choices in a clear and useable format.

To conclude, we believe the opportunity for New Zealand is to develop a strategy that stands out in terms of marketing our values and unique competitive advantages to the world. Perhaps more importantly, it should provide a mechanism to encourage discussion, build capacity, gain consensus, align initiatives and foster respect, so that New Zealanders commit to the strategy, not because they have to, but because they want what it can deliver.

## Abbreviations

Abbreviations	
<b>Defra</b>	Department for Environment, Food and Rural Affairs (UK)
<b>DPMC</b>	Department of the Prime Minister and Cabinet
<b>EEAC</b>	European Environment and Sustainable Development Advisory Councils
<b>FNCSD</b>	Finnish National Commission on Sustainable Development
<b>NSDS</b>	National Sustainable Development Strategy
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>PSA</b>	Public Service Agreement
<b>SDC</b>	Sustainable Development Council
<b>UN</b>	United Nations
<b>UNCED</b>	United Nations Conference on Environment and Development
<b>UNDESA</b>	United Nations Department of Economic and Social Affairs

## Appendix 1 Finnish NSDS

“Towards Sustainable Choices: A Nationally and Globally Sustainable Finland”	
<b>Date Published</b>	July 2006
<b>Number of Pages</b>	136
<b>Chronology</b>	This is the first formal NSDS that Finland has published, however its precursors include Finnish Action for Sustainable Development, a response in 1995 to <i>Agenda 21</i> , and the Government Programme for Sustainable Development, which was approved in June 1998.
<b>Published</b>	Prime Minister’s Office
<b>Signed</b>	Matti Vanhanen, Prime Minister (who, at the time of publishing, was also Chairman of the Finnish National Commission on Sustainable Development)
<b>Author(s):</b>	A Strategy Group established by the Finnish National Commission on Sustainable Development.
<b>Time Taken</b>	Approximately 13 months
<b>Timeframe</b>	Beyond current generations, until approximately 2030
<b>Process of Development</b>	In its meeting held in December 2004, the Finnish National Commission on Sustainable Development decided to initiate a process aimed at a new national strategy for sustainable development. The preparatory work in the Commission’s secretariat began in early 2005. A broad-based multi-stakeholder Strategy Group was established to compile the strategy, and its mandate was approved in the Commission meeting in March 2005. The Strategy Group’s task was to prepare a proposal for the Finnish National Commission on Sustainable Development concerning a National Strategy for Sustainable Development by 31 May 2006. (Finnish Prime Minister’s Office, 2006: 34)

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## Appendix 2 Swedish NSDS

“Strategic Challenges: A Further Elaboration of the Swedish Strategy for Sustainable Development”	
<b>Date Published</b>	2006
<b>Number of Pages</b>	97
<b>Chronology</b>	Presented 2002, revised/elaborated in 2004 and again in 2006
<b>Published</b>	Government Communication 2005/06:126
<b>Signed</b>	Mona Sahlin, Ministry of Sustainable Development
<b>Author(s):</b>	Ministry of Sustainable Development
<b>Time Taken</b>	Approximately 12 months
<b>Timeframe</b>	The vision, rationale and ultimate goal set out in the strategy should remain valid for a generation
<b>Process of Development</b>	The Government Offices helped arrange a national conference in November 2005 titled ‘Envisions — Quality of life through sustainable development’. The Government Offices and the Council for Sustainable Development co-organised an initial consultation in January 2006 with local, regional and other key participants. The purpose of the consultation was to provide information concerning the overall effort to further elaborate the strategy, obtain viewpoints about that effort and initiate a dialogue on cooperative implementation of the strategy. Memoranda from that meeting are available on the website of the Council for Sustainable Development ( <a href="http://www.hallbarhetsradet.se">www.hallbarhetsradet.se</a> ). (Government of Sweden, 2006: 8)



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## Appendix 3 UK NSDS

“Securing the Future: Delivering UK Sustainable Development Strategy”	
<b>Date Published</b>	2005
<b>Number of Pages</b>	186
<b>Chronology</b>	NSDS published 1994, 1999, 2005; reviewed 1997, 2003–2005
<b>Published</b>	HM Government (presented to Parliament March 2005)
<b>Signed</b>	Tony Blair, Prime Minister
<b>Author(s):</b>	Secretary of State for Environment and Food and Rural Affairs
<b>Time Taken</b>	Approximately 24 months
<b>Timeframe</b>	The vision, rationale and ultimate goal set out in the strategy should remain valid for a generation
<b>Process of Development</b>	The strategy was developed across central and local government following an extensive review process. This included the publication of the UK Sustainable Development Commission’s report <i>Shows Promise, But Must Try Harder</i> (UK SDC, 2004), which assessed progress towards sustainable development and suggested areas where more action was needed. It also involved a consultation process titled <i>Taking It On</i> which included workshops, consultations and submissions (HM Government, 2005).

<b>“Securing the Future: Delivering UK Sustainable Development Strategy”</b>	
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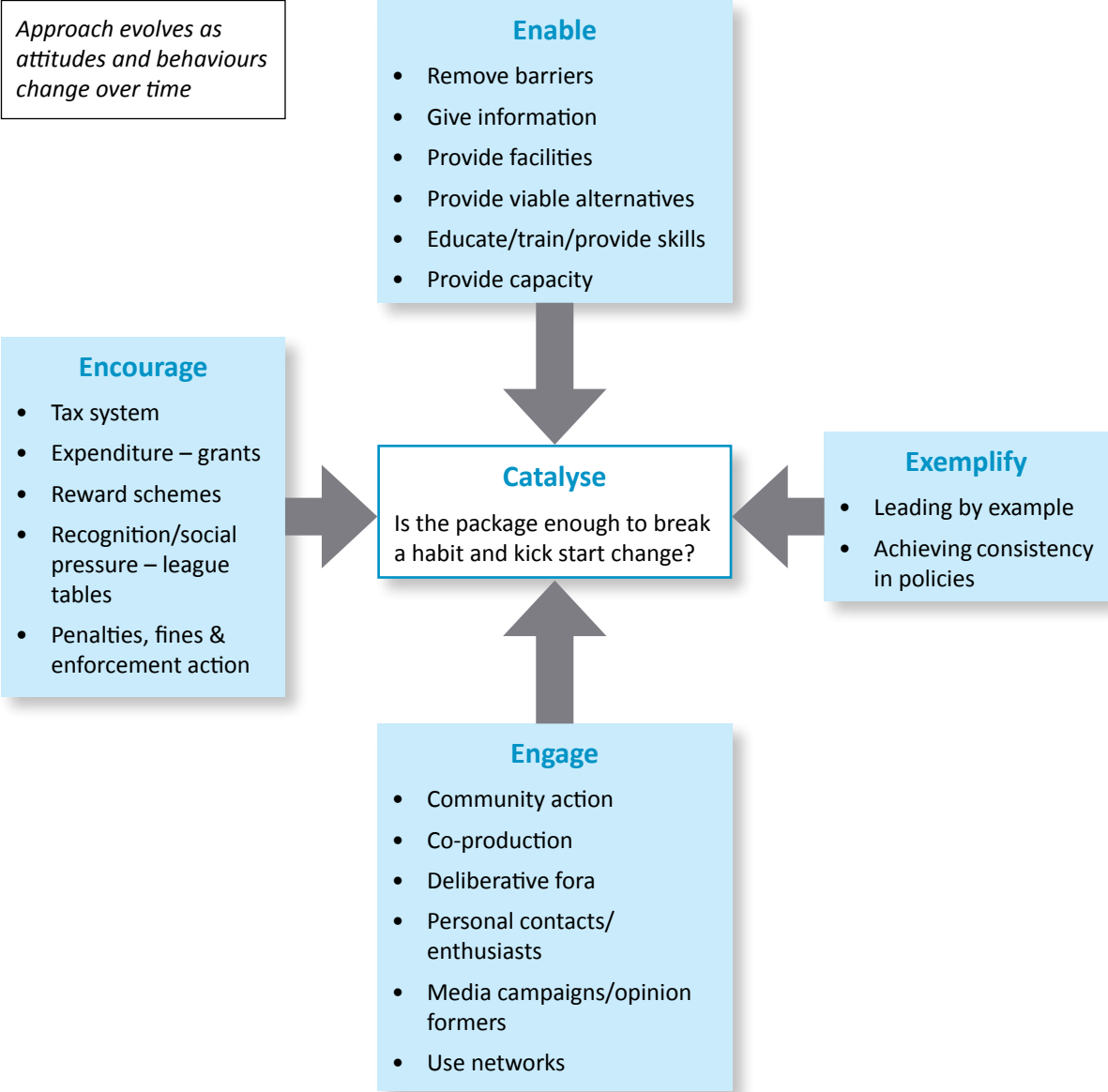
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## Appendix 4 Principles for Preparing the Finnish NSDS

- The Strategy shall observe the overall view of the European Union and the Lisbon Strategy concerning sustainable development;
- The Strategy shall take worldwide and European Union strategy processes concerning sustainable development into consideration and lay out Finland's participation in these processes;
- The Strategy shall take the sector-specific and horizontal strategies and action plans compiled in different connections into account and create common policy guidelines to provide the basis for creating and updating them, as well as take into account the National Programme to Promote Sustainable Consumption and Production;
- The Strategy shall also support sustainable development work at the local level;
- The design of the Strategy content shall take into account the proposals and conclusions presented in the Commission's theme meetings;
- The Strategy shall form the foundation for sustainable development implementation plans when laying out future Government programmes. (Finnish Prime Minister's Office, 2006: 34–35)

# Appendix 5 The United Kingdom’s Approach to Catalysing Change

Source: HM Government, 2005: 26



# Appendix 6 The Recommendations from Reports 1–5

## Report 1

*A National Sustainable Development Strategy: How New Zealand measures up against international commitments* (Sustainable Future, 2007c)

### **Recommendations to International Standard-Setters on Reporting**

**Recommendation 1:** Provide a detailed, clear and internationally agreed definition to enable stakeholders to have clarity over what is and what is not an NSDS.

**Recommendation 2:** Create one accurate and complete internationally recognised NSDS register.

**Recommendation 3:** Improve the quality of international reporting and governance of NSDSs.

### **Recommendations to Government on International Relationships**

**Recommendation 4:** Advise the UN Department of Economic and Social Affairs (UNDESA) that New Zealand currently has no NSDS.

**Recommendation 5:** Apply for membership and consistent representation on the United Nations Commission for Sustainable Development.

**Recommendation 6:** Develop international relationships to increase New Zealand's capacity and expertise to prepare and implement an NSDS.

### **Recommendations to Government on Future Programmes**

**Recommendation 7:** Develop new initiatives and reinforce current initiatives to ensure the 'sustainable development principles' outlined in the 2003 SDPOA are better integrated into government policy and strategy.

**Recommendation 8:** Review the SDPOA reporting programme (DPMC, 2003: 28) and update methods of 'measuring' and 'reporting' progress towards sustainability.

**Recommendation 9:** Establish an agreed process for creating an NSDS.

**Recommendation 10:** Improve the quality of internal and external communication, transparency and consultation, with an emphasis on comprehensive plans, financial budgets, accountability structures and reviews by independent parties.

### **Recommendations to Government on Partnerships**

**Recommendation 11:** Develop open and clear communication pathways with all stakeholders to enable all parties to work together to develop an effective and innovative NSDS for New Zealand.

### **Recommendation to Government on Progressing an NSDS for New Zealand**

**Recommendation 12:** Create an NSDS that meets the critical success factors outlined in Table 2 for implementation by 1 January 2010.



## Report 2

*New Zealand Central Government Strategies: Reviewing the landscape 1990–2007* (Sustainable Future, 2007b)

**Recommendation 1:** Develop a ‘process’ for selecting, developing, approving, implementing, updating, monitoring and reviewing an overarching strategy. We refer to this overarching strategy as the New Zealand National Sustainable Development Strategy (NSDS).

**Recommendation 2:** Develop a central government strategy ‘framework’ to create a structure that allows government organisations to develop their strategies and key objectives in harmony with the government’s overarching vision. A database of strategies accessible to all stakeholders would aid in avoiding duplication and misalignment of effort.

**Recommendation 3:** Develop a ‘process’ of ‘best practice’ for selecting, developing, approving, updating, monitoring and reviewing each individual strategy. This process can be disseminated to guide individual government organisations as appropriate.

**Recommendation 4:** Improve the linkages between national strategies, Statements of Intent and the budgets of departments and ministries. To do this, the State Services Commission, the Department of Prime Minister and Cabinet and/or Treasury should produce guidelines for circulation to the central public service, detailing processes for enhanced cohesion, alignment and integration between policy instruments, especially between strategies, Statements of Intent and the Budget.

**Recommendation 5:** Improve the scope of the Treasury’s Long-Term Fiscal Position to include environmental and social impacts, particularly the long-term impacts of climate change, energy and water management; and provide a direction and connection for the development of national strategies, so that there is a good fit between the strategies of departments and ministries and the long-term thinking and objectives of government.

## Report 3

*Supporting Local Government: Existing initiatives for sustainable development* (Sustainable Future, 2008)

**Recommendation 1:** That the following questions need to be addressed, in order to optimise sustainable development initiatives between central and local government:

1. What sustainable development goals are being identified at a central government level, and how do they relate to the goals being identified at a local level?
2. To what extent are local councils and communities able to address sustainable development? That is, (a) what information is available; (b) do councils and communities have the capacity to assess relevant information; (c) to what extent does, and should, central government offset the costs of accessing and processing information; (d) how does information influence local-level decision-making; and (e) can aspirations be realised?
3. Is there better integration at a central government level, and if so, is this helping with integrated decision-making at a local level?

## Report 4

*Institutions for Sustainable Development: Developing an optimal framework for New Zealand* (Sustainable Future, 2008a)

**Recommendation 1:** Government should establish an independent advisory body, named a Sustainable Development Council. We suggest terms of reference similar to international best practice, as listed in Appendix 3 of Report 4. Based on these we recommend:

- Produce evidence-based public reports on key strategic issues related to achieving a sustainable development pathway.
- Draw on expert opinion to advise key Ministers, policy-makers and stakeholders across government.
- Respond openly to government policy initiatives.
- Invite debates on controversial subjects.
- Undertake watchdog appraisals of government's progress.
- Contribute to the formation of a national consensus regarding sustainable development.
- Contribute to regular reviews of New Zealand's NSDS and progress towards sustainable development.

**Recommendation 2:** Government should designate an existing central government body as the lead decision-making body to progress sustainable development.

**Recommendation 3:** Ensure that the institutional framework is sufficiently supported and managed to deliver meaningful and measurable outputs and outcomes.

## Report 5

*The Common Elements of a National Sustainable Development Strategy: Learning from international experience*

**Recommendation 1:** That an NSDS for New Zealand should include clear statements on the background, vision, principles, priorities, method of implementation, governance and the method of monitoring progress.

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<sup>8</sup> Sustainable Future reports can now be found at [http://www.mcguinnessinstitute.org/Site/Publications/Project\\_Reports.aspx](http://www.mcguinnessinstitute.org/Site/Publications/Project_Reports.aspx)

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